



Meeting Agenda

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8447

Tuesday, December 15, 2015

7:00 PM

Council Chambers

Last Meeting of the Year

1. ROLL CALL

1.A ANNOUNCEMENTS

1.B APPROVAL OF AGENDA

2. SPECIAL RECOGNITION

3. PUBLIC COMMUNICATION

(Estimated Time: 0-30 Minutes) (Sign-up Sheets are provided in the Foyer.)

During this portion of the meeting, citizens may address the City Council regarding items related to City business, including items on the Agenda. In order for the City Council to maintain impartiality and the appearance of fairness in upcoming matters and to comply with Public Disclosure Law for political campaigns, speakers will not be permitted to make public comments before the Council in these three areas: (1) on agenda items for which the City Council either held a Public Hearing in the last 45 days, or will hold a Public Hearing within 45 days, or (2) where the public testimony may implicate a matter on which the City Council will be required to act in a quasi-judicial capacity, or (3) where the speaker promotes or opposes a candidate for public office or a ballot measure.

Individual comments are limited to three (3) minutes or less. In order to hear as many people as possible during the 30-minutes set aside for Public Communication, the City Council will refrain from commenting on individual remarks until all public comment has been taken. The City Council will allow for additional public comment to be taken at the end of the meeting for those who signed up at the beginning of the meeting and did not get an opportunity to speak during the allotted 30-minutes.

COUNCIL RESPONSE TO PUBLIC COMMUNICATION (Optional)

4. CONSENT CALENDAR

(Items of a Routine Nature)

4.A [15-1235](#) Approval of December 8, 2015 City Council Meeting Minutes

Attachments: [Minutes](#)

4.B [15-1249](#) Approval of Draft City Council Retreat Agenda

4.C [15-1200](#) Approval of Additional Community Planning and Development Permit Specialist Position

Attachments: [CPD Staff and Workload Analysis 2007-2015](#)

- 4.D [15-1203](#) Approval of the International Union of Operating Engineers (IUOE) 2016-2018 Collective Bargaining Agreement
Attachments: [Economic Impact Summary](#)
[Summary of Changes](#)
- 4.E [15-1206](#) Approval of the 2016-2018 Collective Bargaining Agreement with the American Federation of State, County and Municipal Employees (AFSCME)
Attachments: [Summary of Changes](#)
- 4.F [15-1220](#) Approval of a Resolution Authorizing an Interfund Loan from the General Fund to the Housing and Urban Development (HUD) Fund.
Attachments: [Resolution](#)
- 4.G [15-1233](#) Approval of Amendment to the City Manager's Employment Contract
Attachments: [Olympia City Manager Employment Agreement](#)
- 4. SECOND READINGS**
- 4.H [15-1139](#) Approval of Medela Rezone - Ordinance Amending Zoning Map
Attachments: [Medela Rezone Ordinance](#)
- 4.I [15-1172](#) Approval of Interim Ordinance on Proposed Zoning and Buffer Changes for Cannabis Land Uses
Attachments: [Interim Regulations Ordinance RE Retail Marijuana Sales](#)
[Proposed Marijuana Zoning Changes Statistics](#)
[Current MJ zoning - East](#)
[Proposed MJ Parcels - East - with existing shops](#)
[Proposed MJ zoning - East](#)
[Proposed MJ Parcels - East](#)
[Proposed MJ Parcels - West - with existing shops](#)
[Current MJ zoning - West](#)
[Proposed MJ zoning - West](#)
[Proposed MJ Parcels - West](#)
- 4.J [15-1164](#) Approval of 2015 Quarterly Special Funds Adjustment
Attachments: [Ordinance](#)
- 4.K [15-1165](#) Approval of 2015 Quarterly Capital Budget Adjustment
Attachments: [Ordinance](#)
- 4.L [15-1168](#) Approval of 2015 Quarterly Operating Budget Adjustment

Attachments: [Ordinance](#)

4.M [15-1158](#) Approval of Ordinance Adopting 2016 Park Impact Fee Rate Adjustment

Attachments: [Ordinance](#)

4.N [15-1179](#) Approval of Ordinance Adopting the 2016 Utility Rates and General Facilities Charges

Attachments: [Ordinance](#)

[UAC Letter of Support for 2016 Utility Rates and GFCs 10-12-15](#)

4.O [15-1157](#) Approval of Ordinance Amending School Impact Fees

Attachments: [Ordinance](#)

4.P [15-1189](#) Approval of Ordinance Amending Transportation Impact Fees

Attachments: [Ordinance](#)

[Summary](#)

[Cost Distribution](#)

4.Q [15-1163](#) Approval of Ordinance Appropriating 2016 Special Funds

Attachments: [Ordinance](#)

4.R [15-1159](#) Approval of Ordinance Adopting the 2016 - 2021 Capital Facilities Plan (CFP) and Appropriating Funds for 2016

Attachments: [Ordinance](#)

[Changes to CFP - Preliminary to Final](#)

[2016 Final CFP Project Summary Report](#)

4.S [15-1156](#) Approval of Ordinance Adopting the 2016 Operating Budget

Attachments: [Ordinance](#)

[Finance Committee Budget Proposal](#)

4. FIRST READINGS - None

5. PUBLIC HEARING

5.A [15-1226](#) Public Hearing -- Development Agreement with Intercity Transit

Attachments: [Recitals](#)

[Resolution](#)

6. OTHER BUSINESS

6.A [15-1240](#) Approval of Proposed 2016 Legislative Agenda

6.B [15-1239](#) 2015 Year End Highlights

7. CONTINUED PUBLIC COMMUNICATION

(If needed for those who signed up earlier and did not get an opportunity to speak during the allotted 30 minutes)

8. REPORTS AND REFERRALS**8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS****8.B CITY MANAGER'S REPORT AND REFERRALS****9. ADJOURNMENT**

The City of Olympia is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Council meeting, please contact the Council's Secretary at 360.753-8244 at least 48 hours in advance of the meeting. For hearing impaired, please contact us by dialing the Washington State Relay Service at 7-1-1 or 1.800.833.6384.



City Hall
601 4th Avenue E.
Olympia, WA 98501
360-753-8447

City Council

Approval of December 8, 2015 City Council Meeting Minutes

Agenda Date: 12/15/2015
Agenda Item Number: 4.A
File Number: 15-1235

Type: minutes **Version:** 1 **Status:** Consent Calendar

Title

Approval of December 8, 2015 City Council Meeting Minutes



Meeting Minutes - Draft

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8447

Tuesday, December 8, 2015

7:00 PM

Council Chambers

1. ROLL CALL

Present: 7 - Mayor Stephen H. Buxbaum, Mayor Pro Tem Nathaniel Jones, Councilmember Jim Cooper, Councilmember Julie Hankins, Councilmember Steve Langer, Councilmember Jeannine Roe and Councilmember Cheryl Selby

1.A ANNOUNCEMENTS

Mayor Buxbaum announced the Council met as scheduled at 5:30 p.m. and recessed to Executive Session to discuss the City Manager's performance evaluation. The City Manager was present and no decisions were made. The meeting adjourned at 6:20 p.m.

1.B APPROVAL OF AGENDA

The agenda was approved.

2. SPECIAL RECOGNITION

2.A [15-1207](#) Special Recognition -- "Where's Melnic?" Scavenger Hunt

The recognition was received.

2.B [15-1057](#) Special Recognition - Olympia's Stormwater Retrofit Program

The recognition was received.

2.C [15-1208](#) Resolution on the Issue of Refugees from Tyranny and Civil Unrest

The recognition was received.

3. PUBLIC COMMUNICATION

The following people spoke: David Vay, Robin Moore, Patrick Seifert, Marcus Reum, Andrew Collins, Randy Madden, Kat Harmon, Jedidiah Hanely, Issac Leff, Dustin Bruce, Sarah Rasor, David Kois, Micki Garrison, Jeff Gilmore, Steve Mohr, Merle Walkup, Edith Nash, David Brown, Amelia Wells, Ryan Williams, Brad Andrews, Austin Lind, Lance Avery, and Ron Nesbitt.

4. CONSENT CALENDAR

- 4.A [15-1205](#) Approval of December 1, 2015 Study Session Meeting Minutes

The minutes were adopted.

- 4.B [15-1204](#) Approval of December 1, 2015 City Council Meeting Minutes

The minutes were adopted.

- 4.C [15-1186](#) Approval of 2017-2022 Transportation Improvement Program

Mayor Pro Tem Jones discussed concerns regarding several projects included in the Transportation Improvement Program. He requested the City Council approve the TIP but have continued communication of concerns with the Thurston Regional Transportation Council to ensure the City is working in concert with them. Public Works Director Rich Hoey followed up with information on plans to address some of the concerns in the coming year.

The resolution was adopted.

4. SECOND READINGS

- 4.D [15-1138](#) Approval of Annual Comprehensive Plan Amendments and Copper Trail Rezone Ordinance

The ordinance was adopted on second reading.

4. FIRST READINGS

- 4.E [15-1139](#) Approval of Medela Rezone - Ordinance Amending Zoning Map

Councilmember Jones abstained from item 4.E.

The ordinance was approved on first reading and moved to second reading.

- 4.F [15-1158](#) Approval of Ordinance Adopting 2016 Park Impact Fee Rate Adjustment

The ordinance was approved on first reading and moved to second reading.

- 4.G [15-1157](#) Approval of Ordinance Amending School Impact Fees

The ordinance was approved on first reading and moved to second reading.

- 4.H [15-1189](#) Approval of Ordinance Amending Transportation Impact Fees

The ordinance was approved on first reading and moved to second reading.

- 4.I [15-1156](#) Approval of Ordinance Adopting the 2016 Operating Budget

The ordinance was approved on first reading and moved to second reading.

- 4.J [15-1159](#) Approval of Ordinance Adopting the 2016 - 2021 Capital Facilities Plan (CFP) and Appropriating Funds for 2016

The ordinance was approved on first reading and moved to second reading.

- 4.K [15-1163](#) Approval of Ordinance Appropriating 2016 Special Funds

The ordinance was approved on first reading and moved to second reading.

- 4.L [15-1179](#) Approval of Ordinance Adopting the 2016 Utility Rates and General Facilities Charges

The ordinance was approved on first reading and moved to second reading.

- 4.M [15-1164](#) Approval of 2015 Quarterly Special Funds Adjustment

The ordinance was approved on first reading and moved to second reading.

- 4.N [15-1165](#) Approval of 2015 Quarterly Capital Budget Adjustment

The ordinance was approved on first reading and moved to second reading.

- 4.O [15-1168](#) Approval of 2015 Quarterly Operating Budget Adjustment

The ordinance was approved on first reading and moved to second reading.

Approval of the Consent Agenda

Councilmember Langer moved, seconded by Councilmember Hankins, to adopt the Consent Calendar. The motion carried by the following vote:

Aye: 7 - Mayor Buxbaum, Mayor Pro Tem Jones, Councilmember Cooper, Councilmember Hankins, Councilmember Langer, Councilmember Roe and Councilmember Selby

5. PUBLIC HEARING - None

6. OTHER BUSINESS

- 6.A [15-1172](#) Approval of Interim Ordinance on Proposed Zoning and Buffer Changes for Cannabis Land Uses

Lead Code Enforcement Officer Chris Grabowski reviewed the proposed changes to existing marijuana zoning regulations. Councilmembers asked clarifying questions and discussed the issue.

Councilmember Langer moved, seconded by Mayor Pro Tem Jones, to

accept the Land Use and Environment Committee recommendation to adopt an interim zoning ordinance to allow cannabis sales in High Density Corridor 3 and Medical Services zones, reduce buffers on restricted land uses (except schools and playgrounds) from 1,000 feet to 500 feet, and forward to the Planning Commission.

Councilmember Cooper moved, seconded by Councilmember Roe, to propose several amendments to the ordinance. The motion failed by the following vote:

Aye: 2 - Councilmember Cooper and Councilmember Roe

Nay: 5 - Mayor Buxbaum, Mayor Pro Tem Jones, Councilmember Hankins, Councilmember Langer and Councilmember Selby

The original motion carried by the following vote:

Aye: 5 - Mayor Buxbaum, Mayor Pro Tem Jones, Councilmember Langer, Councilmember Roe and Councilmember Selby

Nay: 2 - Councilmember Cooper and Councilmember Hankins

6.B [15-1187](#) Approval of the 2016 Parking and Business Improvement Area (PBIA) Budget

Community Planning & Development Downtown Liaison Mark Rentfrow and PBIA Chair Mary Corso reviewed the 2016 budget. Councilmembers asked clarifying questions.

Councilmember Langer moved, seconded by Councilmember Selby, to approve the 2016 PBIA budget. The motion carried by the following vote:

Aye: 7 - Mayor Buxbaum, Mayor Pro Tem Jones, Councilmember Cooper, Councilmember Hankins, Councilmember Langer, Councilmember Roe and Councilmember Selby

6.C [15-1202](#) Update on the Olympia Downtown Strategy

MAKERS Lead Consultant John Owen updated the Council on the work occurring to develop Olympia's Downtown Strategy. Councilmembers asked clarifying questions.

The report was received.

7. CONTINUED PUBLIC COMMUNICATION - None

8. REPORTS AND REFERRALS

8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS

Councilmembers reported on meetings and events attended.

8.B CITY MANAGER'S REPORT AND REFERRALS - None

9. ADJOURNMENT

The meeting adjourned at 10:56 p.m.



City Council

Approval of Draft City Council Retreat Agenda

Agenda Date: 12/15/2015
Agenda Item Number: 4.B
File Number: 15-1249

Type: decision **Version:** 1 **Status:** Consent Calendar

Title

Approval of Draft City Council Retreat Agenda

Recommended Action

City Manager Recommendation:

Move to approve the Draft January 2016 City Council Retreat Agenda

Report

Issue:

The City Council Retreat will occur on January 8 & 9, 2016. Retreat facilitator, Diane Altman Dautoff developed a draft agenda to be reviewed and approved by the Council.

Staff Contact:

Steve Hall, City Manager 360.753.8244

Presenter(s):

Steve Hall, City Manager 360.753.8244

Background and Analysis:

The Council meets annually to discuss its committee assignments, calendars, and upcoming goals.

Neighborhood/Community Interests (if known):

N/A

Options:

Approve the draft agenda as is.
Suggest changes to the draft agenda.

Financial Impact:

N/A

**DRAFT Olympia City Council Annual Retreat Agenda
January 8-9, 2016**

Friday, January 8

Noon Welcome/Introductions and Informal Lunch (30 minutes)

Ground Rules

- Support and honor the role of the facilitator
- Honor all points of view, discover areas of shared agreement
- Anything else to add?

12:30pm Core Values exercise (30 minutes)

1:00pm Framework for working together (105 minutes)

- Gracious Space (60 minutes)
- Review of selected Council guidelines (including travel)
 - Affirmation of Council Expectations
 - Roles of Councilmembers, Mayor Pro Tem, Mayor
 - Meeting management and behavior

3:00pm Break

3:15pm Review of 2015 (45 minutes)

- Accomplishments
 - Surprises?
 - What was missing?
- Challenges
 - Surprises?
 - What was missing?
- Priorities
 - Surprises?
 - What was missing?
- How to use information?

4:00pm Appreciative Inquiry Exercise: Future health and well-being of the Council

4:45pm Wrap up and prep for tomorrow

5:00pm Adjourn

Saturday, January 9

8:30am Gather for coffee and breakfast (30 minutes)

9:00am Welcome back (30 minutes)

- Review of Ground Rules
- Review objectives for the day: Agenda modifications?
- Reflection from yesterday: One thing that stood out to you

9:30am Implicit Bias: Verna Myers TED talk and discussion

10:30am Comprehensive Plan Action Plan/2016 Council Goal Review

Noon Lunch (30 min)

12:30pm Gracious Space: Part 2 (30 minutes)

1:00pm Council Committee & Jurisdictional Assignments (60 minutes)

2:00pm Break

2:15pm Economic Development Strategy

3:45pm Wrap-up and evaluation

4:00pm Adjourn

DRAFT



City Council

Approval of Additional Community Planning and Development Permit Specialist Position

Agenda Date: 12/15/2015
Agenda Item Number: 4.C
File Number: 15-1200

Type: decision **Version:** 1 **Status:** Consent Calendar

Title

Approval of Additional Community Planning and Development Permit Specialist Position

Recommended Action

Land Use and Environment Committee Recommendation:

On November 19, 2015, Land Use and Environment Committee received a status report and briefing on Community Planning and Development department staffing. The committee agreed that an additional permit specialist was needed to support the permit process.

City Manager Recommendation:

Move to approve the addition of a permit specialist position and direct staff to prepare an appropriation ordinance for Council to consider at a future meeting, to fund the position through development fee revenue.

Report

Issue:

Whether or not to approve one additional permit specialist position to meet development demands.

Staff Contact:

Karen Kenneson, Business Manager, Community Planning and Development, 360.753.8277

Presenter:

None. Consent calendar item.

Background and Analysis:

During the economic downturn there was a significant decline in new construction and the corresponding revenue. Since 2008, Community Planning and Development (CP&D) has cut 12.75 positions 10 of which were directly related to permitting and inspection. Development activity has been on the rise for the past three years and the Department is struggling to meet customer demand due to lack of adequate staffing. Commercial permit are already well above those of the previous three years. The Department is also on pace to conduct more than 13,000 inspections.

In 2007, Community Planning and Development issued 1,500 permits, per Permit Specialist FTE. In 2014, CP&D issued 2,459 permits per Permit Specialist (see Attachment 1 for chart). That is a 64

percent increase in permit issuing workloads. There is also a considerable amount of additional workload involved with responding to customer requests and questions that may not result in a permit being issued.

The increase in construction translates to increased revenue to support this work.

It takes full Council approval to add staff, and it takes Council authority to appropriate the revenue. Staff is requesting approval of an additional permit specialist position and will prepare an appropriation ordinance for a future Council meeting to approve the funding for this position through development fee revenue.

Neighborhood/Community Interests (if known):

Adding additional staff will allow staff to respond to neighborhood interests more effectively.

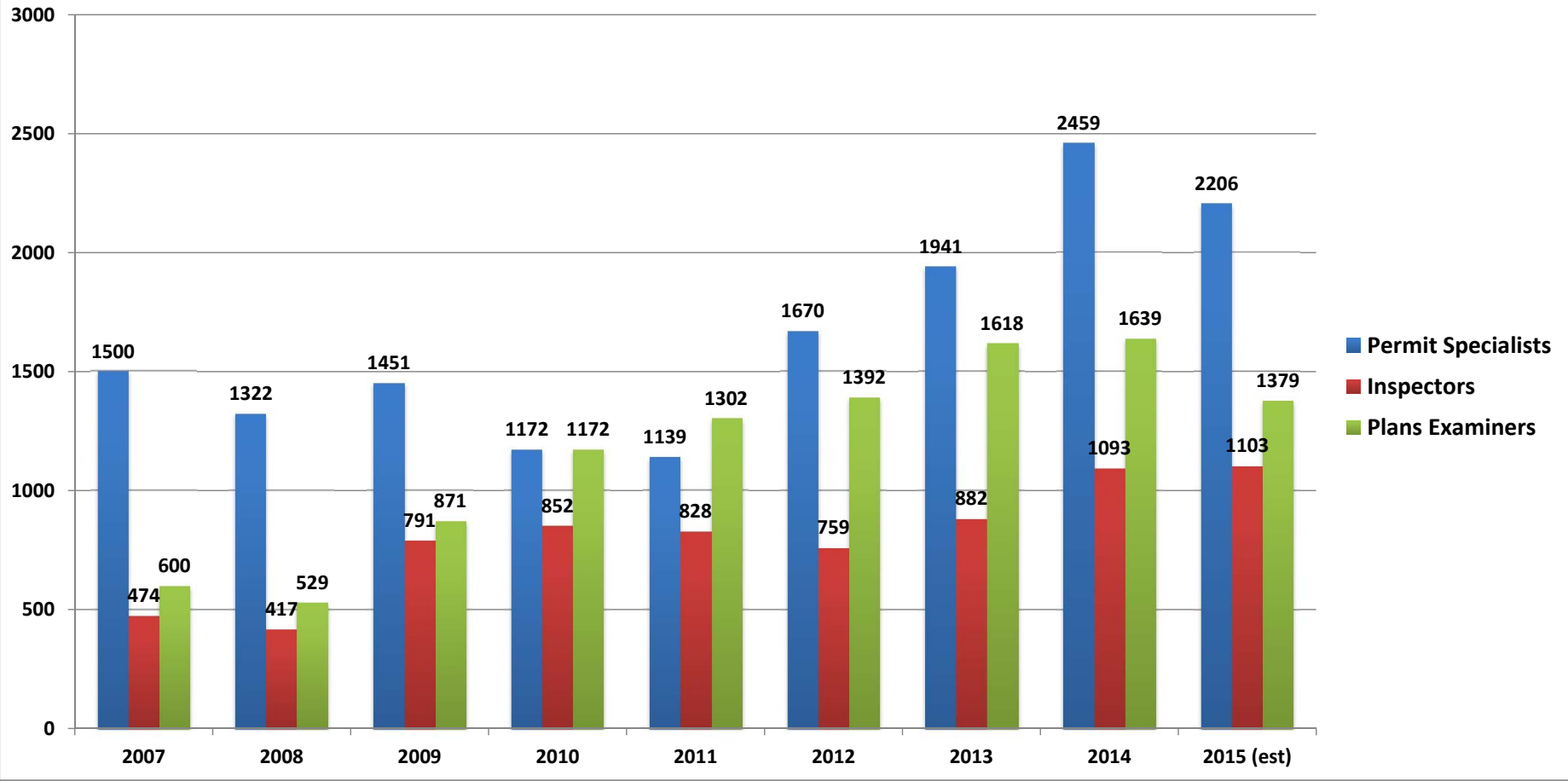
Options:

1. Approve adding one permit specialist position to CP&D.
2. Do not approve adding one permit specialist position to CP&D and accept longer permit wait times and reduced customer service.

Financial Impact:

This position would be funded by development fee revenue. There are sufficient funds for this request.

Number of Permits Issued per FTE





City Council

Approval of the International Union of Operating Engineers (IUOE) 2016-2018 Collective Bargaining Agreement

Agenda Date: 12/15/2015
Agenda Item Number: 4.D
File Number: 15-1203

Type: decision **Version:** 1 **Status:** Consent Calendar

Title

Approval of the International Union of Operating Engineers (IUOE) 2016-2018 Collective Bargaining Agreement

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the 2016-2018 IUOE Collective Bargaining Agreement (CBA) and authorize the City Manager to sign the agreement.

Report

Issue:

Should Council approve and authorize the City Manager to sign the collectively bargained agreement between the City of Olympia and IUOE (representing the Operations Supervisors)?

Staff Contact:

Joe Olson, HR Director, Administrative Services, 360.753.8309

Presenter(s):

None. Consent Calendar item.

Background and Analysis:

City representatives (Joe Olson, Amy Cleveland, Debbie Sullivan and Stacy Hamilton) engaged in collective bargaining with representatives from IUOE (Greg McClure (IUOE rep) and Mike Vessey (City Operations Supervisor). The negotiations resulted in a collectively bargained agreement that was beneficial to both sides and was within the guidelines discussed previously with City Council (see attached synopsis of the agreement and the economic impact summary). IUOE representatives subsequently took the tentative agreement to their membership and the membership ratified the agreement.

a) Analysis: The collectively bargained agreement with IUOE is beneficial to both parties and

meets the financial objectives of the City.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Approve and authorize City Manager to sign the collectively bargained agreement.
2. Direct staff to reenter negotiations with IUOE on specific areas of the CBA.

Financial Impact:

See attached economic impact summary.

Other Information:

None.

Economic Impact Summary of Changes City of Olympia and IUOE 2016-18 Collective Bargaining Agreement

The City and the Union have reached a tentative agreement covering the period from January 1, 2016 through December 31, 2018. The following summarizes the economic impact of the agreement:

ITEM	AGREEMENT	ESTIMATED ANNUAL COST INCREASE / (SAVINGS)
COLA	<u>2016:</u> 1% min. - 4% max. Based on sales tax revenue. <u>2017:</u> 1% min. - 4% max. Based on sales tax revenue. <u>2018:</u> 1% min. - 4% max. Based on sales tax revenue.	\$5,915 - \$23,650 \$6,020 - \$24,070 \$6,130 - \$24,510
Health Benefits	<u>2016:</u> Move to Regence 250 or Group Health \$20 co-pay. Maintain all other healthcare benefits from prior contract. <u>2017:</u> Regence 250 or Group Health \$20 co-pay. <u>2018:</u> No Savings.	(\$9,190) (\$9,720) \$0
Healthcare Bonus	<u>2016:</u> \$775 bonus paid on 12/5/16; eligibility requirements: employed continuously 12/31/15-11/15/16. <u>2017:</u> \$775 bonus paid on 12/5/17; eligibility requirements: employed continuously 12/31/15 - 11/15/17. <u>2018:</u> No bonus.	\$4,175 \$4,175 \$0
Longevity	No Changes	\$0
2016	TOTAL (% of annual payroll)	\$900 - \$18,635 Less than .50% of annual payroll
2017	TOTAL (% of annual payroll)	\$475 - \$18,525 Less than .50% of annual payroll
2018	TOTAL (% of annual payroll)	\$6,130 - \$24,510 Less than .50% of annual payroll

Sales Tax Over Prior Year	Wage Increase
Negative-2%	1%
>2% to 4%	2%
>4% to 6%	3%
>6%	4%

Summary of Changes to Our CBA with the IUOE

1. This is the successor agreement to our collective bargaining agreement (CBA) with the IUOE that expired on December 31, 2015. This is a three year agreement that will end on December 31, 2018.
2. We made a variety of house-keeping changes such as changing all citations to the City's "Administrative Guidelines" to "Policies and we now will use the American Arbitration Association (AAA) as the arbitrators of a grievance (instead of choosing between 3 services) and we will select from a list a 7 arbitrators (instead of 9). However, both sides wanted to concentrate on healthcare benefits and wages, so the only major changes to the existing CBA were in those areas.
3. IUOE accepted the City's offer to move to new insurance plans beginning in 2016 (the current plans will no longer be offered by AWC beginning in 2018). IUOE members (City employees) will be moving to the Regence 250 plan or the Group Health \$20 Co-pay plan in 2016. These plans both have lower premium costs for the City (and the employee) because they involve increased deductibles for the IUOE member. To offset some of the cost of the increased deductibles, the City agreed to provide a bonus to the IUOE member of \$775.00 in 2016 and 2017. Beginning in 2018, there will be no offset from the City.
4. Beginning in 2016, IUOE members who are married to other City employees (there are none currently) will not be entitled to receive the \$250 for their spouse waiving access to the City insurance plan.
5. Also beginning in 2017, IOUE members who have employed spouses that are provided insurance by their employer, yet choose to take City insurance, will have to pay \$50/mo to take the City insurance. The \$50 will increase to \$100/mo in 2018.
6. All other parts of the current insurance agreement remained the same.
7. They accepted our wage proposal: Base wages shall be adjusted as follows:

January 1, 2016-1%

January 1, 2017-1%

January 1, 2018-1%

However, if the annual increase in revenue received by the City of Olympia for the 1% general sales tax (does not include the .02% sales tax for public safety), exceeds the prior year by a certain percentage (see table below) then wages for 2016, 2017 and 2018 will be increased according the following table:

Gross Sales Tax increase over prior year	Pay Range Increase
Negative- 2%	No Increase above the 1%
>2%-4%	1% additional increase added to the 1%
>4%-6.00%	2%-additional increase added to the 1%
>6%	3%-additional increase added to the 1%

This is calculated annually in December for application in the upcoming year and shared with the union at a time. It is effective on 1/1 of the upcoming year and is added to the second pay check in January.

8. We modified the CDL language. It no longer says the City will pay employees to obtain CDLs. It says the City will reimburse employees for required health exams at the vendor rate and license fees related to their CDLs.



City Council

Approval of the 2016-2018 Collective Bargaining Agreement with the American Federation of State, County and Municipal Employees (AFSCME)

Agenda Date: 12/15/2015
Agenda Item Number: 4.E
File Number: 15-1206

Type: decision **Version:** 1 **Status:** Consent Calendar

Title

Approval of the 2016-2018 Collective Bargaining Agreement with the American Federation of State, County and Municipal Employees (AFSCME)

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the 2016-2018 Collective Bargaining Agreement with AFSCME and authorize the City Manager to sign the agreement

Report

Issue:

Should Council approve and authorize the City Manager to sign the collectively bargained agreement between the City of Olympia and AFSCME?

Staff Contact:

Caroline Lacey, Senior Personnel Analyst, Administrative Services, 360.753.8303

Presenter(s):

None. Consent calendar item.

Background and Analysis:

City representatives (Caroline Lacey, Amy Cleveland, Debbie Sullivan, Mark Russell, Karen Kenneson, Scott River, and Stacie Tellers) engaged in collective bargaining with representatives from AFSCME (Aaron Cole (AFSCME staff representative), Paul Clerget, Dustin Sloan, Pete Gregorio, Josh Davis, and Mike Darrah). The negotiations resulted in a collectively bargained agreement that was beneficial to both sides and was within the guidelines discussed previously with City Council (see attached synopsis of the agreement and the economic impact summary). AFSCME representatives subsequently took the tentative agreement to their membership and the membership

ratified the agreement.

Analysis: The collectively bargained agreement with AFSCME is beneficial to both parties and meets the financial objectives of the City.

Neighborhood/Community Interests (if known):

N/A

Options:

- 1) Approve and Authorize the City Manager to sign the collectively bargained agreement.
- 2) Do not authorize the City Manager to sign the collectively bargained agreement and instruct City staff to re-enter negotiations with AFSCME on specific areas of the CBA.

Financial Impact:

See attached economic impact summary.

Summary of Changes to our collective bargaining agreement with the American Federation of State, County and Municipal Employees (AFSCME)

1. This is the successor agreement to our collective bargaining agreement (CBA) with AFSCME, which expires on December 31, 2015. This is a three year contract that will end on December 31, 2018.
2. We made a variety of house-keeping changes such as changing “pagers” to “telephones” and integrating MOUs into the contract itself. However, both sides wanted to concentrate on healthcare benefits and wages, so the only major changes to the existing CBA were in those areas.
3. All employees will move to new insurance plans (Regence 250 or Group Health \$20 Co-pay) beginning in 2016. (Our current plans will no longer be offered by AWC starting in 2018). These plans have lower premium costs for the City and employees, but have a deductible and higher out of pocket maximums. To offset some of the cost to employees, we will provide a \$350 bonus to them in 2016 and a \$450 bonus in 2017. There will be no bonus in 2018.
4. For 2016 and 2017 the City will pay 100% of the premium cost for the employees’ insurance coverage, and will continue to pay 85% for their dependents’ coverage. For Insurance II members (those hired after January 1, 2013), we will pay 100% of the premium cost for the employees’ insurance coverage for the lowest cost plan. For 2018 the employee will again pay 5% of the employee premium cost
5. As of January 1, 2016, married employee couples covered by our insurance will no longer be eligible for the \$250 insurance waiver given to employees whose spouses waive access to the City insurance plan.
6. All other parts of the current insurance agreement remained the same.
7. Wages will be adjusted as follows:

January 1, 2016-2-4% based on sales tax revenue

January 1, 2017-2-4% based on sales tax revenue

January 1, 2018-1-4% based on sales tax revenue

For 2016-17 the following applies:

Gross Sales Tax increase over prior year	Pay Range Increase
<4%	2%
4-6%	3%
>6%	4%

For 2018 the following applies:

Gross Sales Tax increase over prior year	Pay Range Increase
≤2%	1%
>2-4%	2%
>4-6%	3%
>6%	4%

This is calculated annually in December for application in the upcoming year and shared with the union. The information is posted monthly on the City Website. It is effective on 1/1 of the upcoming year and is reflected on the second pay check in January.

8. We modified the CDL language to make clear we no longer will pay employees to obtain CDLs. We will reimburse employees for license fees (except WDLs) and required health exams related to their CDLs at the vendor rate.



City Council

Approval of a Resolution Authorizing an Interfund Loan from the General Fund to the Housing and Urban Development (HUD) Fund

Agenda Date: 12/15/2015
Agenda Item Number: 4.F
File Number: 15-1220

Type: resolution **Version:** 1 **Status:** Consent Calendar

Title

Approval of a Resolution Authorizing an Interfund Loan from the General Fund to the Housing and Urban Development (HUD) Fund

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to adopt a resolution authorizing an interest-free interfund loan not to exceed the amount of \$200,000 from the General Fund to the HUD Fund.

Report

Issue:

Determine whether or not to approve a resolution authorizing an interfund loan not to exceed the amount of \$200,000 from the General Fund to the HUD Fund.

Staff Contact:

Stacie Tellers, Senior Accountant, Administrative Services, 360.753.8599
Dean Walz, Fiscal Services Director, Administrative Services, 360.753.8465

Presenter(s):

None. Consent calendar item.

Background and Analysis:

The HUD Fund uses HUD-related program income, proceeds from the HUD Community Development Block Grant (CDBG), Section 108 loan proceeds, and other funds as appropriate or designated by the City Council for approved projects. These funds may be used for any legal purpose as authorized by the City Council, subject to the authorization from the Federal Department of HUD.

HUD requires the City to use program income on eligible project expenses prior to the receipt of CDBG funding. In addition, HUD requires the City to request Section 108 loan draws after payment of

eligible expenses.

The City spends program income first which can result in a timing issue for available cash in the HUD Fund related to the grant draws of CDBG money. The City has spent approximately \$210,000 on Section 108 loan projects and the available cash of Section 108 loan monies is insufficient to cover the eligible expenses. The proposed loan process allows the general fund to temporarily cover the expenses until the reimbursements occur.

The loan (not to exceed \$200,000) will be made from the General Fund, which by law may make no-interest interfund loans. The interfund loan will provide funding to the Section 108 loan projects until the monies have been reimbursed. The HUD Fund would repay the General Fund from the receipt of the Section 108 Loan proceeds.

Neighborhood/Community Interests (if known):

None. This is an administrative amendment.

Options:

1. Move to approve a resolution authorizing an interfund loan not to exceed \$200,000 from the General Fund to the HUD Fund, therefore addressing the cash flow issue in the Fund.
2. Do not approve the resolution authorizing an interfund loan. This could cause a cash flow deficit and possible audit comment.

Financial Impact:

This recommendation would authorize the Director of Administrative Services to provide a loan from the General Fund to the HUD Fund to avoid a negative cash balance and potential audit issues. The loan will be interest free, as allowed by law, and repaid upon receipt of the Section 108 Loan proceeds.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, AUTHORIZING A LOAN FROM THE GENERAL FUND TO THE HOUSING AND URBAN DEVELOPMENT (HUD) FUND IN AN AMOUNT NOT TO EXCEED \$200,000.

WHEREAS, the HUD Fund has or may have a cash deficiency while awaiting reimbursement from the HUD Section 108 loan program funding; and

WHEREAS, the General Fund has sufficient monies to extend a short term loan;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Director of Administrative Services is hereby authorized to make loan(s) from the General Fund to the HUD Fund in an amount not to exceed \$200,000. Such loan shall be interest free and shall be repaid within two years. The loan shall be made and accounted for in accordance with generally accepted accounting principles and in compliance with all applicable laws.

PASSED BY THE OLYMPIA CITY COUNCIL this 15th day of December 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY



City Council

Approval of Amendment to the City Manager's Employment Contract

Agenda Date: 12/15/2015
Agenda Item Number: 4.G
File Number: 15-1233

Type: contract **Version:** 1 **Status:** Consent Calendar

Title

Approval of Amendment to the City Manager's Employment Contract

Recommended Action

City Manager Recommendation:

Move to approve and authorize the Mayor to sign an amendment to the City Manager's Employment Contract granting a Cost of Living Adjustment Increase in the amount of 3%, effective January 1, 2016.

Report

Issue:

Consider granting a 3% Cost of Living Adjustment to the City Manager.

Staff Contact:

Steven R. Hall, City Manager, 753-8447

Presenter(s):

None. Consent calendar item

Background and Analysis:

The City employs the City Manager pursuant to an employment agreement executed originally in 2003. The agreement provides that the City Manager may request adjustments to his annual compensation and a performance bonus.

For 2016, the City Manager is requesting a Cost of Living Adjustment of 3%. This is the same percentage budgeted for other non-represented employees of the City. On December 15, 2015, the City Council approved, on first reading, a budget ordinance which included funding for a 3% Cost of Living Adjustment for all independent employees. The City Manager is not requesting a performance bonus for 2015.

Options:

1. Approve the Cost of Living Adjustment request of 3%.
2. Modify the amount.
3. Deny the request.

Financial Impact:
\$4,735.74

**2015 AMENDMENT TO
OLYMPIA CITY MANAGER EMPLOYMENT AGREEMENT**

THIS AMENDMENT is made and entered into this _____ day of December 2015, by and between the City of Olympia, a Washington municipal corporation ("City"), and Steven R. Hall ("City Manager").

Recitals

1. On September 23, 2003, the City and the City Manager entered into an employment agreement ("the Agreement").

2. Section V, Performance Evaluation and Compensation Review, of the Agreement states that the City Council shall conduct a mid-year and year-end evaluation of the City Manager's performance.

3. Subsection V(B), Compensation Review, of the Agreement states that at the conclusion of the year-end evaluation, the Council may, at its discretion, review and adjust the City Manager's compensation.

4. The City Manager has requested a cost of living adjustment beginning January 1, 2016.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Exhibit B, City Manager Compensation, of the Agreement is hereby amended to read as follows:

EXHIBIT B

CITY MANAGER COMPENSATION

1. Base Salary: \$162,593.90 per year.

2. Performance Payment. In addition to the City Manager's base salary, the City Manager may receive, at the discretion of the City Council, an additional annual lump sum performance payment if he achieves the performance goals and separately adopted performance criteria set according to Section V.A above. The City Council may determine, in its sole discretion, what percentage (if any) of the performance payment will be made to the City Manager and such payment will be made in February of the following year. If the City Manager leaves employment with the City for any reason other than termination for "just cause" as defined in Section VI.B.1 herein, the City Manager will be eligible to receive a prorated performance award calculated on the percentage of goals achieved and the number of months of participation. Any performance payment made under this paragraph is a one-time addition to the City Manager's base salary, and shall not become part of the base salary

3. Sick Leave: 12 days per year, consistent with the City's administrative guidelines governing use of sick leave.

4. Vacation: Vacation shall accrue at the same rate as for other unrepresented employees with the same tenure, with the option for the City Manager to cash out up to 5 days per year on the condition that the City Manager has used at least 10 days of vacation in the year in which cash out is requested. The City Manager may accrue no more than 480 hours of unused vacation at any time.

5. Holidays: 11 days per year, according to the holiday schedule adopted by the City for other unrepresented City employees.

6. Medical, dental and vision insurance: The City shall pay the costs of medical, dental and vision insurance for the City Manager and his dependents, at the same rates available to other unrepresented City employees.

7. Long-term disability insurance. The City shall pay the costs of long-term disability insurance for the City Manager, consistent with the rates and terms of long-term disability insurance available to other unrepresented City employees.

8. Life insurance. The City shall pay the cost of premiums for term life insurance for the City Manager, with a value of the City Manager's then-applicable annual base salary, contingent upon a successful medical exam if required by the insurance company.

9. Retirement benefits. The City shall contribute on the City Manager's behalf to the Public Employees Retirement System and Social Security at the same rate the City contributes on behalf of other unrepresented City employees.

10. Deferred Compensation. On behalf of the City Manager, the City shall contribute three percent (3%) of the City Manager's monthly base salary into the City Manager's ICMA Deferred Compensation Account. In addition, the City shall also match on a monthly basis the City Manager's own contributions into his ICMA Deferred Compensation Account, in an amount up to 3% of the City Manager's base salary.

11. Bicycle allowance. Up to \$250 per calendar year for the actual cost of equipment, maintenance, clothing, and/or accessories for bicycle commuting

2. All remaining provisions of the *Olympia City Manager Employment Agreement* dated September 23, 2003, not previously or here amended or supplemented shall remain as written in said Agreement, and shall continue in full force and effect.



City Council

Approval of Medela Rezone - Ordinance Amending Zoning Map

Agenda Date: 12/15/2015
Agenda Item Number: 4.H
File Number: 15-1139

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Medela Rezone - Ordinance Amending Zoning Map

Recommended Action

Committee Recommendation:

Not referred to a committee

Olympia Hearing Examiner Recommendation:

"The Hearing Examiner recommends to the City Council:

1. That the Medela Property be rezoned to RM-18 (Multi-Family Residential 18 units per acre) conditioned upon the re-designation of 9th Avenue East as a Neighborhood Collector Street.
2. That if 9th Avenue East is not re-designated as a Neighborhood Collector, the Medela Property be rezoned to MR10-18 (Mixed Residential 10 to 18 units per acre).
3. That the Banomi Property be rezoned in the same manner as the Medela Property.
4. That the City Council considers additional Development Regulations for development occurring adjacent to cemeteries."

City Manager Recommendation:

Move to approve on second reading the ordinance amending the Zoning Map from Single-Family Residential 4 to 8 to Residential Multi-Family 18 with respect to the Medela and Banomi properties consistent with Examiner's recommendations #1 and #3.

Report

Issue:

Background and analysis have not changed from first to second reading.

On January 14, 2015, the Medela Group, LLC, submitted a request to change the land-use zoning of approximately nine acres south of Pacific Avenue and east of Boulevard Road from Single-Family Residential 4 to 8 units per acre (R4-8) to Residential Multi-Family 18 units per acre (RM-18). This proposal was the subject of a public hearing held by the Olympia Hearing Examiner on July 20,

2015. The City Council reviewed the Examiner's recommendation on October 13, 2015, and directed preparation and presentation of an ordinance approving the request and including the adjacent property owned by Thomas Banomi as recommended by the Examiner.

Staff Contact:

Todd Stamm, Principal Planner, Community Planning and Development Department, 360.753.8597

Presenter:

None; consent calendar item.

Background and Analysis:

Procedural Background

The rezone proposal submitted to the City of Olympia by the Medela Group on January 14, 2015, to 'rezone' nine acres from single-family to multi-family zoning as described in the attached record was similar to but separate from a proposal submitted to Thurston County on November 12, 2009. On June 20, 2014, the site was annexed into the City of Olympia along with surrounding properties as part of the I-5/Boulevard Road "island" annexation. In December 2014, the City of Olympia's updated Comprehensive Plan was adopted, including - in part - designation of this site as part of the "Urban Corridor."

The application proposed for approval was received by the City the following month. Pursuant to the Olympia Development Code, this type of rezone request is subject to an open-record public hearing to be held by the Olympia Hearing Examiner. The Examiner evaluated the proposal for consistency with the Comprehensive Plan, as well as the other rezone criteria recently adopted by the City Council, and issued the recommendation summarized above.

On October 13, 2015, the City Council reviewed the Examiner's recommendation and other relevant information and directed that an ordinance be prepared and presented consistent with Examiner's recommendations #1 and #3. (On October 6, 2015, the Council had decided to re-designate Ninth Avenue SE as described in #1 above.) The Council considered the Examiner's recommendation regarding cemetery-related development regulations but directed no changes with respect to that aspect of the zoning code. The attached ordinance would change the land use zoning of the Medela and Banomi properties from R4-8 to RM-18 effective on January 1, 2015.

Neighborhood/Community Interests (if known):

This proposal has been the subject of intense public interest as set forth in the recommendation and the hearing record.

Options:

1. Approve the attached ordinance on second reading.
2. Postpone approval of the ordinance on second reading and direct modification of the proposed ordinance to come back at a later date.
3. Reject the proposed ordinance.

Financial Impact:

No direct impacts on City finances. Change in zoning may affect property values in the area and upon development would result in different demands for public services.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING THE OFFICIAL ZONING MAP OF OLYMPIA AND UPDATING THE RELATED OFFICIAL DESIGN REVIEW MAP, AND, IN PARTICULAR, REVISING THE ZONING OF THE MEDELA AND BANOMI PROPERTIES FROM SINGLE-FAMILY RESIDENTIAL 4-8 UNITS PER ACRE TO RESIDENTIAL MULTI-FAMILY 18 UNITS PER ACRE.

WHEREAS, on January 14, 2015, the Medela Group, LLC, submitted a request to change the zoning of certain properties totaling approximately nine acres located generally south of Pacific Avenue SE and east of Boulevard Road SE (herein the "Medela Property"); and

WHEREAS, City staff proposed that a similar change in zoning of an adjoining parcel known as the Banomi property (herein the "Banomi Property") be concurrently considered; and

WHEREAS, the Olympia Planning Commission (herein the "OPC") reviewed these proposals on June 1, 2015, and recommended that the Hearing Examiner proceed without a recommendation from the OPC; and

WHEREAS, on June 1, 2015, pursuant to the State Environmental Policy Act, the City of Olympia issued a Determination of Non-Significance, which was not appealed; and

WHEREAS, on July 20, 2015, the Olympia Hearing Examiner (herein the "Examiner") held a duly-noticed, open-record public hearing regarding these proposals; and

WHEREAS, on August 11, 2015, the Examiner recommended that the land use zoning of both the Medela Property and the Banomi Property be changed from Single-Family Residential 4-8 to Multi-family Residential 18 units per acre; and

WHEREAS, the Examiner's recommendation was contingent upon the Comprehensive Plan being amended to designate the block of Ninth Avenue SE east of Boulevard Road as a 'neighborhood collector' street; and

WHEREAS, the City Council has concurrently approved a separate ordinance amending the Comprehensive Plan to designate that block of Ninth Avenue SE as a neighborhood collector street effective January 1, 2016; and

WHEREAS, pursuant to Olympia Municipal Code Chapter 18.59, on October 13, 2015, the City Council considered the recommendation of the Examiner and directed preparation of an ordinance consistent with the Examiner's recommendation as described above; and

WHEREAS, the City Council hereby adopts the findings and conclusions as set forth in the Examiner's recommendation; and

WHEREAS, as recommended by the Examiner, the City Council considered additional development regulations for development occurring adjacent to cemeteries and elected not to adopt such regulations; and

WHEREAS, this Zoning Map amendment meets the goals and requirements of the Growth Management Act; and

WHEREAS, the Official Zoning Map of Olympia forms the base layer of the Official Design Review Map of Olympia. It is therefore necessary to update the Official Design Review Map to reflect the Zoning Map amendment described above; and

WHEREAS, Chapters 35A.63 and 36.70 RCW and Article 11, Section 11 of the Washington State Constitution authorize and permit the City to adopt this Ordinance; and

WHEREAS, this Ordinance is supported by the staff report and materials associated with this Ordinance, along with other documents on file with the City of Olympia;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of Official Zoning Map and Official Design Review Map The Official Zoning Map of Olympia and the related Official Design Review Map of Olympia, as referenced by Olympia Municipal Code Sections 18.02.160 and 18.100.080, are hereby amended by replacing the current Official Zoning Map of Olympia and the related Official Design Review Map of Olympia with the maps attached hereto as Exhibits A and B, respectively, which are incorporated by reference as though fully set forth herein.

Section 2. Official Maps. Copies of the Official Zoning Map of Olympia and the Official Design Review Map of Olympia are and shall be retained on file with the City Clerk.

Section 3. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

Section 4. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 5. Effective Date. This Ordinance shall take effect on January 1, 2016, being five (5) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:

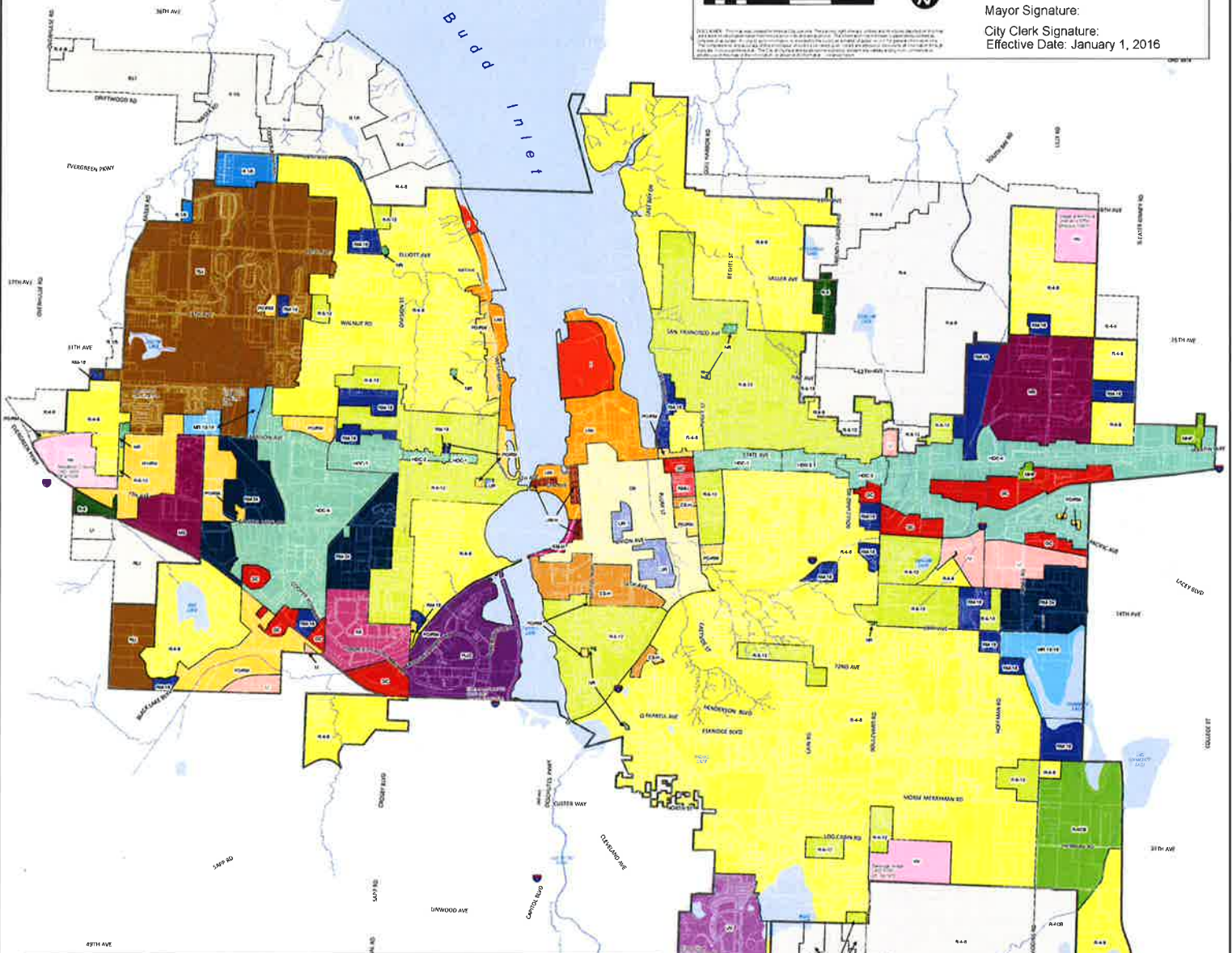
EXHIBIT A

City of Olympia | Capital of Washington State

2016 DRAFT ZONING MAP



Mayor Signature:
 City Clerk Signature:
 Effective Date: January 1, 2016



Zoning Map Legend

	Olympia City Limits		RESIDENTIAL 1 UNIT PER 5 ACRE
	Urban Growth Area		MIXED RESIDENTIAL 7-13 UNITS
Zone Name			MIXED RESIDENTIAL 10-18 UNITS
	HIGH DENSITY CORRIDOR 1		RESIDENTIAL MULTIFAMILY 18 UNITS
	HIGH DENSITY CORRIDOR 2		RESIDENTIAL MULTIFAMILY 24 UNITS
	HIGH DENSITY CORRIDOR 3		SINGLE-FAMILY RESIDENTIAL (CHAMBERS BASIN)
	HIGH DENSITY CORRIDOR 4		SINGLE-FAMILY RESIDENTIAL 4
	AUTO SERVICES		SINGLE-FAMILY RESIDENTIAL 4-8
	COMMERCIAL SERVICE HIGH DENSITY		TWO FAMILY RESIDENTIAL 6-12
	COMMUNITY ORIENTED SHOPPING CENTER		MANUFACTURED HOUSING PARK
	DOWNTOWN BUSINESS		RESIDENTIAL LOW IMPACT
	GENERAL COMMERCIAL		RESIDENTIAL MIXED USE
	INDUSTRIAL		PLANNED UNIT DEVELOPMENT
	LIGHT INDUSTRIAL		NEIGHBORHOOD VILLAGE
	HIGH RISE MULTIFAMILY		URBAN RESIDENTIAL
	MEDICAL SERVICE		URBAN VILLAGE
	PROFESSIONAL OFFICE/RESIDENTIAL MULTIFAMILY		URBAN WATERFRONT
	NEIGHBORHOOD RETAIL		URBAN WATERFRONT HOUSING

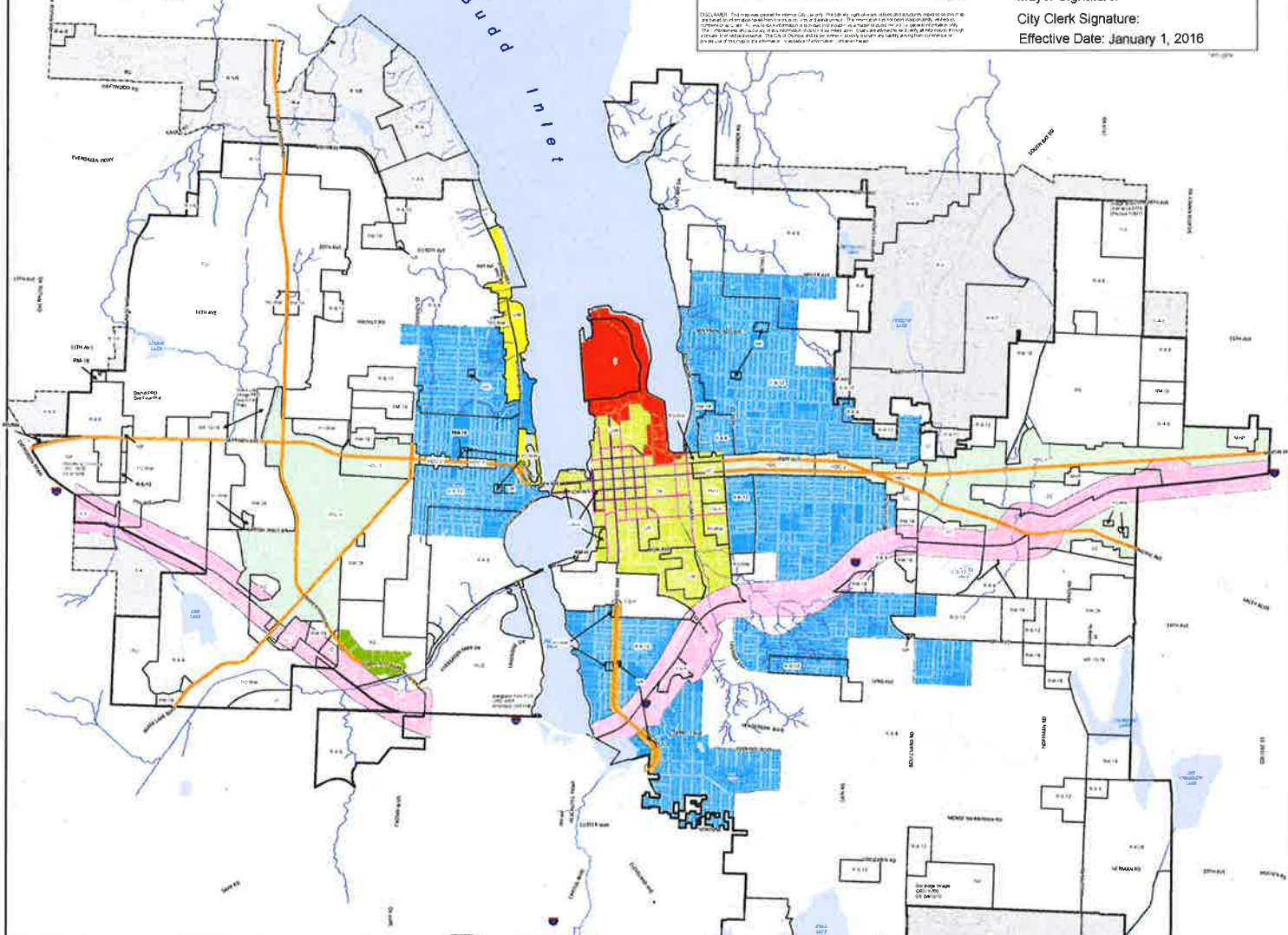
EXHIBIT **B**

2016 DRAFT DESIGN REVIEW MAP



Mayor Signature:
 City Clerk Signature:
 Effective Date: January 1, 2016

DISCLAIMER: This map was created by the City of Olympia. The City and Olympia Planning Commission do not warrant the accuracy of the information shown on this map. The information shown on this map is for general information only. The information shown on this map is not intended to be used as a basis for any legal or financial decision. The City and Olympia Planning Commission are not responsible for any errors or omissions on this map. The City and Olympia Planning Commission are not responsible for any damages, including consequential damages, arising from the use of this map.



Design Review Map Legend

- Olympia City Limits
- Urban Growth Area
- Design Review District Name**
- AUTO ORIENTED DISTRICT
- DESIGN REVIEW CORRIDOR
- DOWNTOWN DISTRICT
- FREEWAY CORRIDOR
- HIGH DENSITY CORRIDOR
- INFILL REGULATIONS
- PEDESTRIAN OVERLAY STREET A
- PEDESTRIAN OVERLAY STREET B
- PORT DESIGN DISTRICT
- RESIDENTIAL SCALE CORRIDOR
- WEST BAY DRIVE DISTRICT
- Pedestrian Streets**
- A
- B
- Design Review Corridors

- Zoning Code Name**
- HO-1 HIGH DENSITY CORRIDOR 1
 - HO-2 HIGH DENSITY CORRIDOR 2
 - HO-3 HIGH DENSITY CORRIDOR 3
 - HO-4 HIGH DENSITY CORRIDOR 4
 - AS AUTO SERVICES
 - CS+ COMMERCIAL SERVICE HIGH DENSITY
 - CO+ COMMUNITY ORIENTED SHOPPING CENTER
 - DB DOWNTOWN BUSINESS
 - GC GENERAL COMMERCIAL
 - I INDUSTRIAL
 - LI LIGHT INDUSTRIAL
 - HRM HIGH RISE MULTIFAMILY
 - MS MEDICAL SERVICE
 - PO+ PROFESSIONAL OFFICE/RESIDENTIAL MULTIFAMILY
 - NR NEIGHBORHOOD RETAIL
 - MRI MIXED RESIDENTIAL 7-13
 - MRI-18 MIXED RESIDENTIAL 10-18 UNITS
 - R1 RESIDENTIAL 1 UNIT PER 5 ACRE
 - R18 RESIDENTIAL MULTIFAMILY 18
 - R24 RESIDENTIAL MULTIFAMILY 24 UNITS PER ACRE
 - RS SINGLE-FAMILY RESIDENTIAL (CHAMBERS BASIN)
 - R4 SINGLE-FAMILY RESIDENTIAL 4
 - R4-6 SINGLE-FAMILY RESIDENTIAL 4-6
 - R6-12 SINGLE-FAMILY RESIDENTIAL 6-12
 - MHP MANUFACTURED HOUSING PARK
 - RL RESIDENTIAL LOW IMPACT
 - RML RESIDENTIAL MIXED USE
 - PLD PLANNED LIGHT DEVELOPMENT
 - NV NEIGHBORHOOD VILLAGE
 - UR URBAN RESIDENTIAL
 - UV URBAN VILLAGE
 - URW URBAN WATERFRONT
 - URWH URBAN WATERFRONT HOUSING



City Council

Approval of Interim Ordinance on Proposed Zoning and Buffer Changes for Cannabis Land Uses

Agenda Date: 12/15/2015
Agenda Item Number: 4.1
File Number: 15-1172

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Interim Ordinance on Proposed Zoning and Buffer Changes for Cannabis Land Uses

Recommended Action

Committee Recommendation:

The Land Use and Environment Committee recommendation is to adopt an interim zoning ordinance to allow cannabis sales in High Density Corridor - 3 and Medical Services zones, reduce buffers on restricted land uses (except schools and playgrounds) from 1,000 feet to 500 feet, and forward to Olympia Planning Commission.

City Manager Recommendation:

The City Manager makes no recommendation.

Report

Issue:

The City currently allows sales of recreational cannabis in High Density Corridor-4 (HDC-4) and General Commercial (GC) zones, in conjunction with 1,000 foot buffers separating such uses from the following: schools, playgrounds, licensed daycares, parks, arcades, libraries, and public transit centers. Should the City consider an interim ordinance expanding its zoning to include High Density Corridor-3 (HDC-3) and Medical Services (MS) zones, and/or reduce certain buffers?

Staff Contact:

Chris Grabowski, Lead Code Enforcement Officer, CP&D, 753-8168

Presenter(s):

Chris Grabowski, Lead Code Enforcement Officer, CP&D 360.753.8168

Background and Analysis:

Background and analysis have not changed from first to second reading.

The City Council referred this issue to the Land Use and Environment Committee at its Nov. 10, 2015, meeting.

The City of Olympia allows the sale of recreational cannabis in its High Density Corridor-4 and General Commercial zones, subject to Hearing Examiner approval. Two such retail stores exist at present.

The Washington State Legislature passed comprehensive legislation (2SSB 5052 & HB 2136) creating new regulations for the largely unregulated medical cannabis collectives and establishing a system that will be overseen by the Liquor and Cannabis Board and the Department of Health. The legislation was signed into law by Governor Jay Inslee on April 24, 2015. The long-standing "collectives" are now much smaller and more tightly regulated "cooperatives" that cannot easily rotate their four-person membership. The four-person cooperative can grow up to fifteen (15) plants per member. Cooperatives cannot sell or donate their product to other medical users, even those registered with the State, and members have to work the plants rather than pay into the cooperative. This step alone effectively ends the proliferation of medical collective storefronts. The State's new regulations mandate that all existing collective storefronts cease operation by July 1, 2016. Along with the above changes, the legislature also authorized local jurisdictions to reduce the 1,000 foot buffers to as low as 100 feet on all protected uses except schools and playgrounds, which must remain at 1,000 feet.

There are a number of shops currently serving the medical cannabis community that are termed as existing, non-conforming "collective gardens" and which came into existence prior to the City's moratorium. Some of these shops may be able to transition to being State licensed medical cannabis providers. This will become clear when the State establishes its rules by the end of this year. Those shops which are unable to make the transition will be required by the State to shut down by July 1, 2016.

Most, if not all, of the existing, non-conforming "collectives" are located in zones which, even if they were able to obtain a State license, would place them in violation of our current zoning. This would put them in the position of having to look for a new location in either the High Density Corridor-4 or General Commercial zones.

There are approximately 243 parcels of land that can be used for recreational sales of marijuana under our current regulations. Most of these are located along the Pacific Avenue/Martin Way corridors. There are few viable locations on the West side. Adding the High Density Corridor - 3 and Medical Services zones would add another 216 parcels. Reducing buffers only (not adding any new zones) to a median 500 feet, would add 149 parcels to the list of those eligible. By adding both High Density Corridor -3 and Medical Services zones and reducing the buffers, an aggregate 427 parcels are gained. (See Attachment 1)

The Washington State Liquor and Cannabis Board (LCB) is conducting public hearings across the state and has not finalized its rules governing the new licenses. It is anticipated that this will be completed by the end of December 2015. There has been much speculation about the number of licenses that will ultimately be granted. Indications from the LCB are that they will be limiting the number of licenses issued once they determine how best to meet the needs of the medical cannabis community.

Neighborhood/Community Interests (if known):

Several citizens who attended the LUEC meeting on November 19 spoke in support of the changes,

including medical cannabis users and business owners.

Options:

1. Do not change current zoning. Retain existing zoning regulations and buffers for retail cannabis sales.
2. Add High Density Corridor-3 and/or Medical Services zones to those allowed for retail sales, but do not reduce buffers. This will retain buffers from all restricted land uses at 1,000 feet.
3. Reduce buffers on restricted land uses (except schools and playgrounds) but do not add new zones.
4. Add High Density Corridor-3 and Medical Services zones and reduce buffers on restricted land uses (except schools and playgrounds) from 1,000 feet to 500 feet. (Land Use and Environment Committee recommendation)
5. Add High Density Corridor-3 and Medical Services zones and add a greater reduction in buffers on restricted land uses (except schools and playgrounds), from 1,000 feet to as low as 100 feet.

Financial Impact:

None. Changing zoning and/or buffers will not directly impact the City financially.

ORDINANCE NO. _____

AN INTERIM ZONING ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON RELATING TO STATE-LICENSED MARIJUANA RETAILERS; AMENDING OLYMPIA MUNICIPAL CODE SUBSECTION 18.51.040.C TO PERMIT MARIJUANA RETAILERS IN ADDITIONAL ZONES; REDUCING BUFFERS TO FIVE HUNDRED FEET EXCEPT FOR ELEMENTARY AND SECONDARY SCHOOLS AND PLAYGROUNDS; AND DECLARING AN EMERGENCY.

WHEREAS, this Ordinance is adopted pursuant to Article XI, Section 11, of the Washington State Constitution; and

WHEREAS, RCW 35A.63.220 of the Optional Municipal Code provides a legislative body that adopts an interim zoning ordinance, shall hold a public hearing on the proposed interim zoning ordinance within at least sixty (60) days of its adoption, whether or not the legislative body received a recommendation on the matter from the planning agency; and

WHEREAS, the City Council shall conduct a public hearing on this interim zoning ordinance as provided by RCW 35A.63.220, for the purpose of taking public testimony regarding interim regulations pertaining to state-licensed retailers of marijuana and shall adopt findings of fact justifying its action either before this hearing or shall do so immediately after this public hearing; and

WHEREAS, pursuant to RCW 35A.63.220, an interim zoning ordinance adopted under this statute may be effective for not longer than six months, but may be effective for up to one year if a work plan is developed for related studies providing for such a longer period; and

WHEREAS, RCW 69.50.331(8)(a) provides that the state liquor and cannabis board may not issue a license for any marijuana retail premises within one thousand feet of the perimeter of the grounds of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older; and

WHEREAS, a city is given authority by RCW 69.50.331(8)(b) to permit the licensing of marijuana premises within one thousand feet but not less than one hundred feet of the facilities described in RCW 69.50.331(8)(a), except elementary schools, secondary schools, and playgrounds, which must remain at not less than one thousand feet of the perimeter of the grounds of such uses, by enacting an ordinance authorizing such distance reduction, provided that such distance reduction will not negatively impact the jurisdiction's civil regulatory enforcement, criminal law enforcement interests, public safety, or public health; and

WHEREAS, with the exception required by state statute for elementary schools, secondary schools, and playgrounds, the City Council finds that reduction of the one thousand foot buffer from the uses set forth in RCW 69.50.331(8)(a) to five hundred feet, will not negatively impact the civil regulatory enforcement, criminal law enforcement interests, public safety, or public health; and

WHEREAS the City Council finds that insufficient zones presently exist for the location of marijuana retail businesses within the city and that such retail uses should also be permitted in the HDC3 and MS zones; and

WHEREAS, there is insufficient time between the effective date of the Liquor and Cannabis Board's rules and the Board's date for accepting additional marijuana retail applications for the City to go through the normal Growth Management Act development regulation adoption process; and

WHEREAS, adopting reductions in buffers authorized by state law will permit existing marijuana businesses to apply for licenses from the state, which, if granted, would allow such businesses to continue operating in their current Olympia locations;

WHEREAS, state law governing the Liquor and Cannabis Board's processes and time limits for licensing retail marijuana businesses does not afford sufficient time to permit existing marijuana businesses to obtain licenses to operate in their current Olympia locations under existing zoning regulations, thereby creating an emergency which warrants interim regulation; and

WHEREAS, the City Council has studied the potential land use impacts associated with state-licensed marijuana retailers and has now prepared this Interim Ordinance to address these uses and impacts; and

WHEREAS, the City Council finds that it is necessary to adopt this Interim Ordinance to avoid unanticipated negative impacts on the community and to protect the public health, safety, and welfare associated with state-licensed marijuana retailers; and

WHEREAS, RCW 36.70A.390 provides that, "A county or city governing body that adopts a moratorium, interim zoning map, interim zoning ordinance, or interim official control without holding a public hearing on the proposed moratorium, interim zoning map, interim zoning ordinance, or interim official control, shall hold a public hearing on the adopted moratorium, interim zoning map, interim zoning ordinance, or interim official control within at least sixty days of its adoption, whether or not the governing body received a recommendation on the matter from the planning commission or department. If the governing body does not adopt findings of fact justifying its action before this hearing, then the governing body shall do so immediately after this public hearing. A moratorium, interim zoning map, interim zoning ordinance, or interim official control adopted under this section may be effective for not longer than six months, but may be effective for up to one year if a work plan is developed for related studies providing for such a longer period. A moratorium, interim zoning map, interim zoning ordinance, or interim official control may be renewed for one or more six-month periods if a subsequent public hearing is held and findings of fact are made prior to each renewal . . . ;" and

WHEREAS, interim zoning controls enacted under RCW 35A.63.220 and/or RCW 36.70A.390 are methods by which local governments may preserve the status quo so that new plans and regulations will not be rendered moot by intervening development; and

WHEREAS, this Ordinance is supported by the staff report and attachments and documents on file with the City of Olympia and also by the professional judgment and experience of City staff; and

WHEREAS, by adopting these interim amendments to Olympia Municipal Code Section 18.51.040.C, the same penalties that apply elsewhere in Title 18 will also apply to these interim regulations ; and

WHEREAS, the City Council finds that the restrictions and requirements established by this Ordinance are necessary for the immediate preservation of the public peace, health, or safety and for the immediate support of city government and its existing public institutions;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 18.51.040.C. There are hereby adopted interim amendments to Olympia Municipal Code Subsection 18.51.040.C to read as follows:

Chapter 18.51
STATE-LICENSED MARIJUANA PRODUCERS, PROCESSORS, AND RETAILERS
REGULATIONS

18.51.000 Chapter

Sections:

- 18.51.010 Findings
- 18.51.020 Purpose
- 18.51.030 Definitions
- 18.51.040 State-Licensed Marijuana Producers, Processors and Retailers Requirements
- 18.51.050 Nuisance Abatement

18.51.010 Findings

The City Council finds that nothing in this chapter 18.51 OMC shall be construed to supersede Washington State or federal law pertaining to the acquisition, possession, manufacture, sale or use of marijuana.

18.51.020 Purpose

The purpose of these regulations of state-licensed marijuana producers, processors, and retailers is to mitigate potential impacts on nearby properties of marijuana producers, processors, or retailers licensed or to be licensed by the State of Washington Liquor and Cannabis Control Board and to promote the public health, safety, and welfare.

18.51.030 Definitions

- A. "Marijuana" shall have the definition as provided in RCW 69.50.101 ~~(s)~~(v) as it currently states or as may be amended.
- B. "Marijuana processor" shall have the definition as provided in RCW 69.50.101 ~~(t)~~(x) as it currently states or as may be amended.
- C. "Marijuana producer" shall have the definition as provided in RCW 69.50.101 ~~(u)~~(y) as it currently states or as may be amended.
- D. "Marijuana retailer" shall have the definition as provided in RCW 69.50.101 ~~(w)~~(bb) as it currently states or as may be amended.

18.51.040 State-Licensed Marijuana Producer, Processor and Retailer Requirements

- A. General requirements.

A marijuana producer, processor, or retailer licensed by the State of Washington Liquor and Cannabis Control Board shall be required to comply with all applicable regulations established by the City including, but not limited to, all building and fire code regulations and zoning regulations and shall be required to provide a copy of the state-issued license to the City upon request. A marijuana producer, processor, or retailer licensed by the State of Washington Liquor and Cannabis Control Board shall also be required to comply with all applicable state regulations and all requirements set forth in the state-issued license.

B. Premises Requirements.

A recreational producer, processor, or retailer must operate in compliance with the following conditions:

1. From a public right-of-way, there shall be no exterior display of marijuana or marijuana cultivation visible outside of the premises.
2. The marijuana of a retailer, producer, or processor shall be entirely within a permanent enclosed structure with a roof. The structure shall comply with all applicable code requirements.
3. Areas where marijuana is grown, stored, or dispensed must be provided with ventilation systems so that no odors are detectable off the premises.
4. All premises must comply with the noise control requirements of the Olympia Municipal Code.
5. No minors shall be permitted on marijuana producer, processor, or retailer premises unless accompanied by a parent or guardian.
6. Consumption of marijuana, products containing marijuana or alcohol on the premises is prohibited, as are any other associated uses such as a smoking room, dance or performance space, private club, open-to-the-public nightclub, cabaret, tavern, or similar establishment.
7. All premises must have an operating security and alarm system that is monitored twenty-four (24) hours a day and that includes a video recording system that monitors production, storage, and point of sale areas. All video recordings must be continuously recorded twenty-four (24) hours a day and must be kept for a minimum of forty-five (45) days on the licensee's recording device. All videos are subject to inspection by the Olympia Police Department upon request.
8. A recreational retailer may be open only between the hours of 8 a.m. and 9 p.m.

C. City Zoning

1. State-Licensed Marijuana Retailers

- i. No person may conduct business within the City of Olympia as a state-licensed marijuana retailer unless they are located within a HDC3, HDC4, MS or GC Zone in accordance with OMC Title 18, Unified Development Code and licensed under this chapter.
- ii. No state-licensed marijuana retailer shall be permitted within five hundred feet of the perimeter of the grounds of a recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older, with the exception of elementary schools, secondary schools, and playgrounds, for which uses the distance shall remain at one thousand feet.

‡ iii. Waste products must be disposed of in a secure manner that would prevent exposure to the public or create a nuisance.

‡ iv. A retailer is required to obtain a conditional use permit approved by the Hearing Examiner pursuant to chapter 18.48 OMC.

2. State-Licensed Marijuana Producers and Processors

~~iv.~~ v. No person may conduct business within the City of Olympia as a state-licensed marijuana producer or processor unless it is located within a light industrial zone in accordance with OMC Title 18, Unified Development Code, and licensed under this chapter.

~~v.~~ vi. Waste products must be disposed of in a secure manner that would prevent exposure to the public or create a nuisance.

~~v.~~ vii. A producer and/or processor is required to obtain a conditional use permit approved by the Hearing Examiner pursuant to chapter 18.48 OMC.

18.51.050 Nuisance Abatement

In addition to any other available remedy or penalty, any violation of this chapter, is declared to be a public nuisance per se, and may be abated under the applicable provisions of the Olympia Municipal Code and state law.

Section 2. Effective Date and Duration.

A. This Ordinance shall be effective five (5) days after publication.

B. This Ordinance shall be effective for one (1) year, unless subsequently extended by the City Council.

Section 3. Repeal of Moratorium. The moratorium imposed by Ordinance No. 6851 is repealed only to the extent that the activity is covered by this Ordinance, which addresses recreational sales, processing, and production of marijuana. Accordingly, the moratorium no longer applies to state-licensed retailers, producers, or processors of recreational marijuana. All other uses, including medical marijuana establishments, continue to be prohibited by the moratorium.

Section 4. Findings. The City Council adopts the recitals to this Ordinance as findings of fact in support of the enactment of this Interim Ordinance. The work plan is for staff to prepare and submit a draft set of regulations to the Olympia Planning Commission for their consideration and recommendation. City staff will then transmit its recommendation and the Planning Commission's recommendation to the City Council. Given the Planning Commission's full schedule, it is appropriate and necessary that this Ordinance be effective for one (1) year.

Section 5. Public Hearing. Pursuant to RCW 35A.63.220 and 36.70A.390, a public hearing will be held within sixty days after adoption of this Ordinance.

Section 6. Severability. If any provision of this Ordinance, or its application to any person, entity, or circumstance, is for any reason held invalid, the remainder of the Ordinance, or the application of the provisions to other persons, entities, or circumstances, is not affected.

Section 7. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:

Proposed Marijuana Zoning Changes Statistics

	Num of Parcels	% Increase	Acres	% Increase
Current	269		350	
LI	26		79	
Other Allowed	243		271	
Proposed Addition	432	159%	498	142%
Buffer reduction	149	55%	158	45%
LI	5		40	
Zone addition	216	80%	271	77%
Zone + Buffer	62	23%	69	20%

Current Marijuana Zoning- East

HDC-4, GC zones - 1000' buffer

Legend

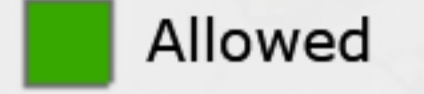
▲ Current Zones Allowed



▲ Current I-502 Allowed Parcels

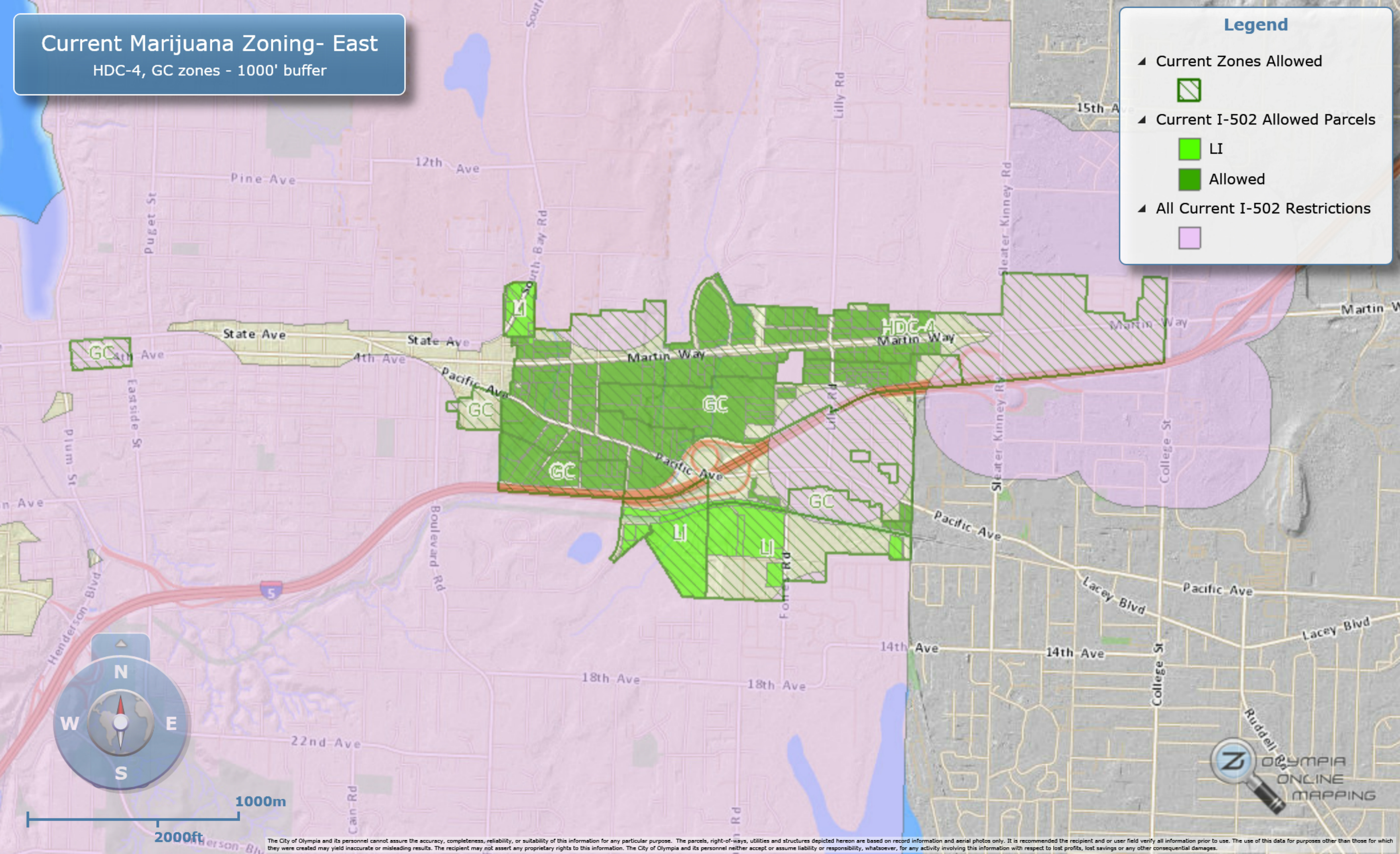


LI



Allowed

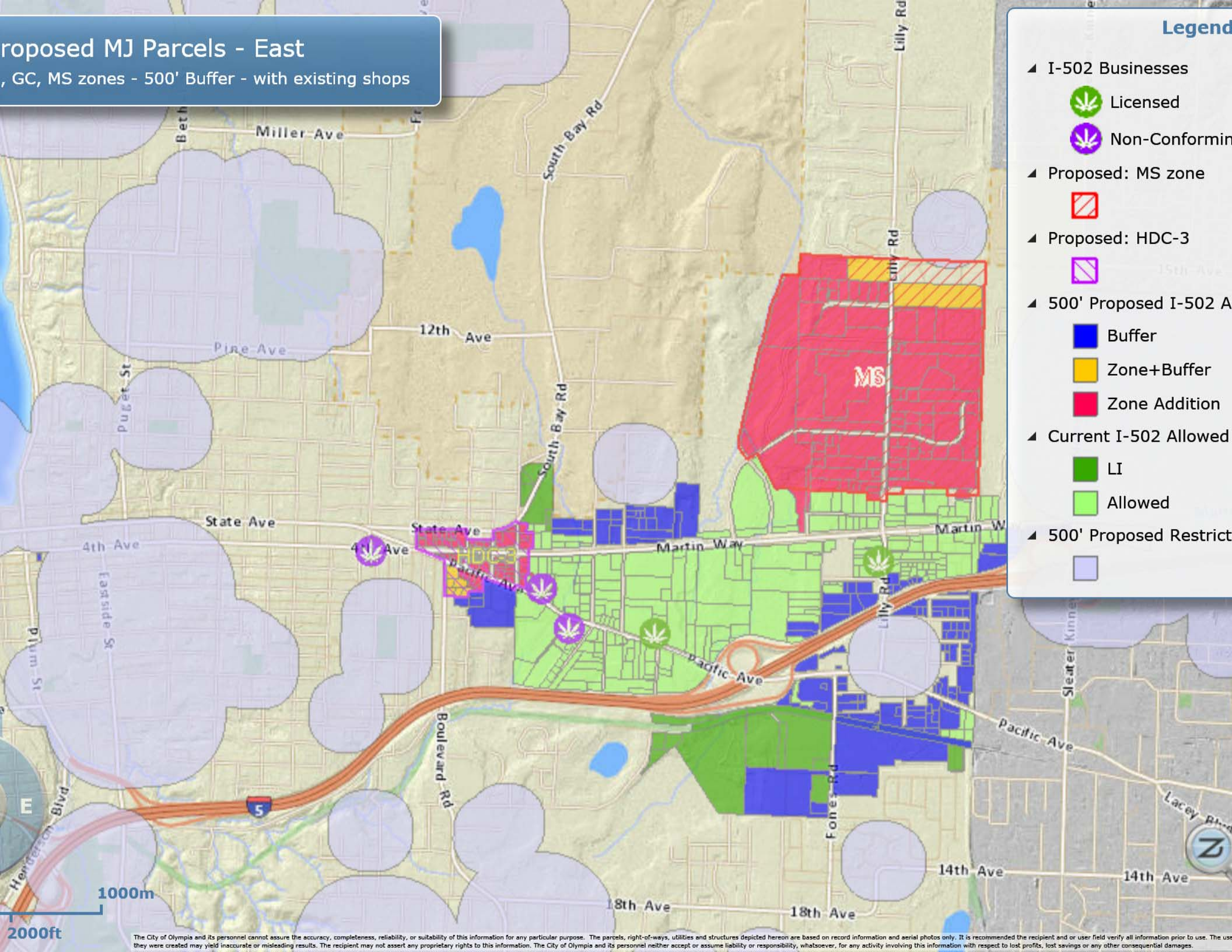
▲ All Current I-502 Restrictions



The City of Olympia and its personnel cannot assure the accuracy, completeness, reliability, or suitability of this information for any particular purpose. The parcels, right-of-ways, utilities and structures depicted hereon are based on record information and aerial photos only. It is recommended the recipient and or user field verify all information prior to use. The use of this data for purposes other than those for which they were created may yield inaccurate or misleading results. The recipient may not assert any proprietary rights to this information. The City of Olympia and its personnel neither accept or assume liability or responsibility, whatsoever, for any activity involving this information with respect to lost profits, lost savings or any other consequential damages.

Proposed MJ Parcels - East

, GC, MS zones - 500' Buffer - with existing shops



Legend

- ▲ I-502 Businesses
 - Licensed
 - Non-Conforming
- ▲ Proposed: MS zone
 -
- ▲ Proposed: HDC-3
 -
- ▲ 500' Proposed I-502 A
 - Buffer
 - Zone+Buffer
 - Zone Addition
- ▲ Current I-502 Allowed
 - LI
 - Allowed
- ▲ 500' Proposed Restrict
 -






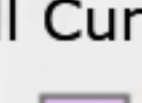
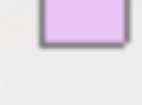
1000m
2000ft

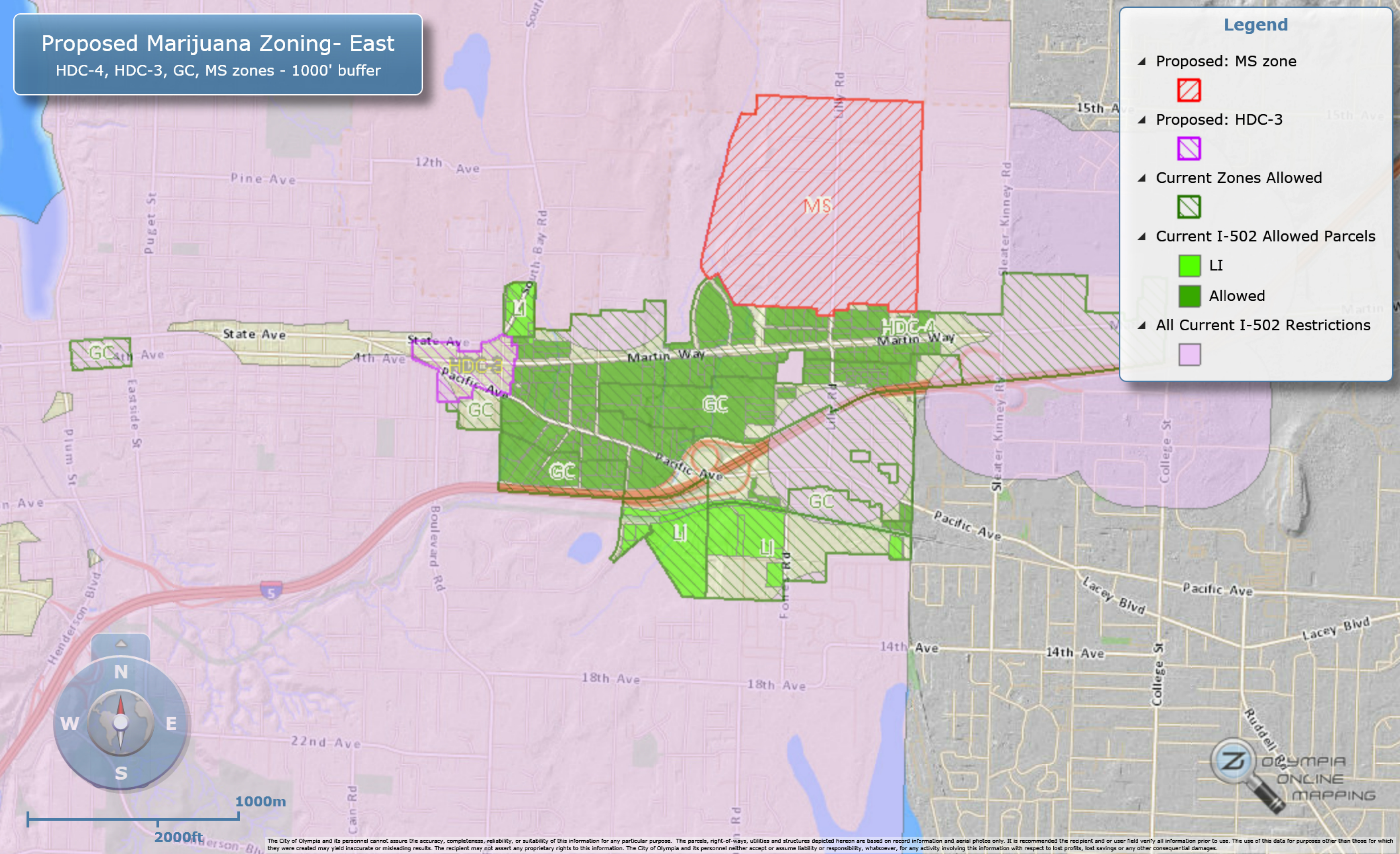
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Proposed Marijuana Zoning- East

HDC-4, HDC-3, GC, MS zones - 1000' buffer

Legend

- ▲ Proposed: MS zone

- ▲ Proposed: HDC-3

- ▲ Current Zones Allowed

- ▲ Current I-502 Allowed Parcels

- LI

- Allowed

- ▲ All Current I-502 Restrictions




1000m

2000ft



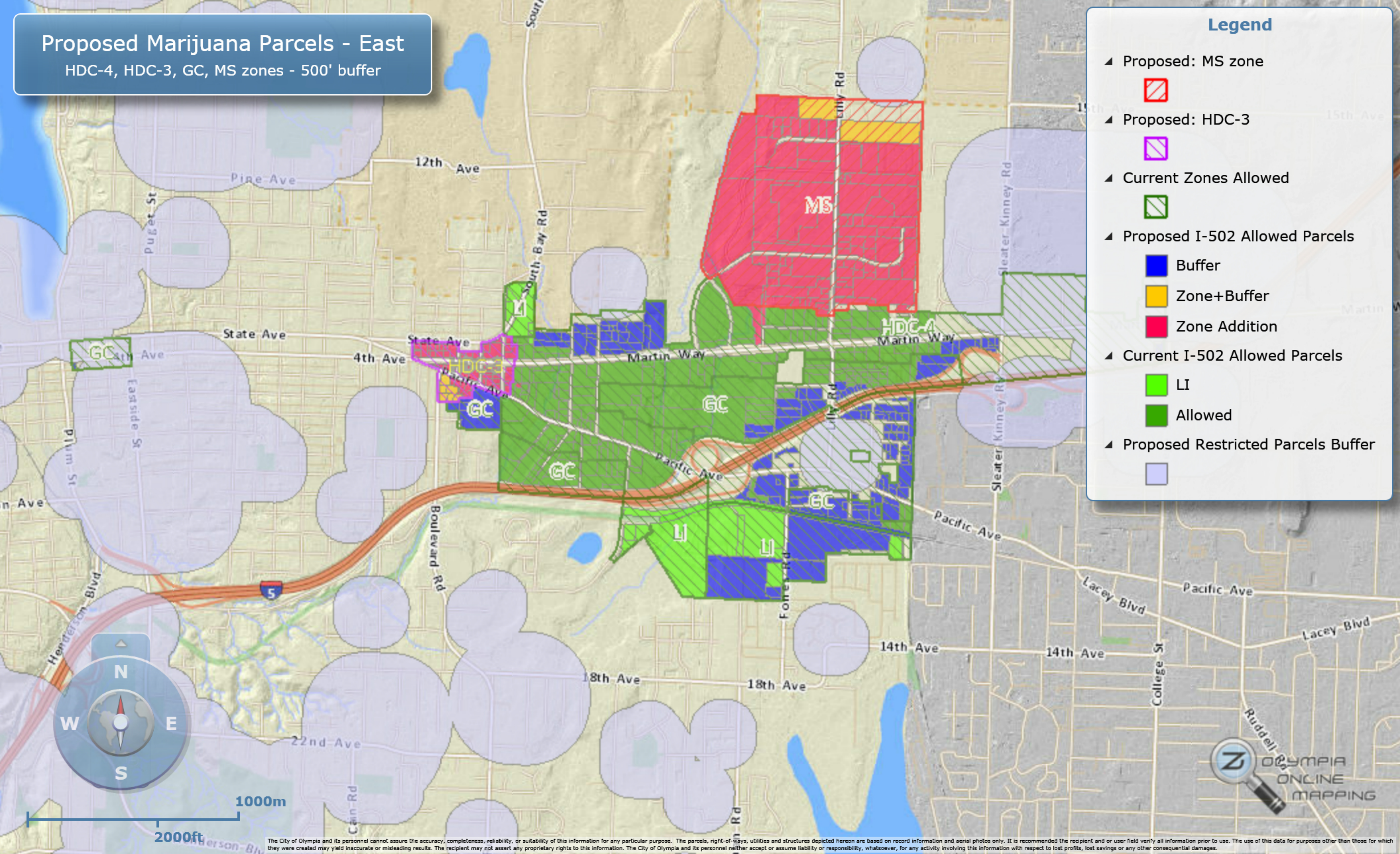
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Proposed Marijuana Parcels - East

HDC-4, HDC-3, GC, MS zones - 500' buffer

Legend

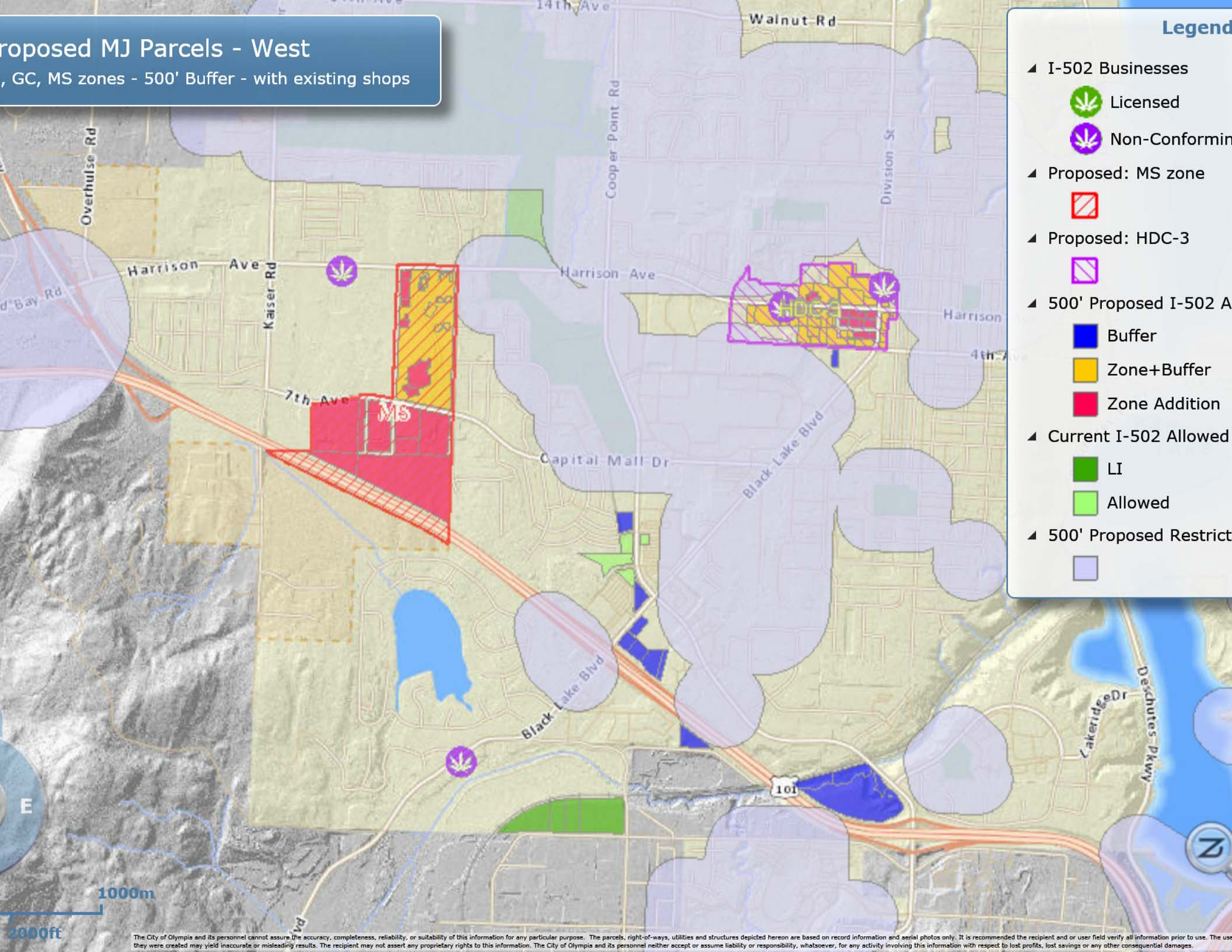
- ▲ Proposed: MS zone
 - ▲ Proposed: HDC-3
 - ▲ Current Zones Allowed
 - ▲ Proposed I-502 Allowed Parcels
 - ▲ Current I-502 Allowed Parcels
 - ▲ Proposed Restricted Parcels Buffer
- Buffer
- Zone+Buffer
- Zone Addition
- LI
- Allowed



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Proposed MJ Parcels - West

, GC, MS zones - 500' Buffer - with existing shops



Legend

- ▲ I-502 Businesses
 - Licensed
 - Non-Conforming
- ▲ Proposed: MS zone
 - [Red with diagonal lines]
- ▲ Proposed: HDC-3
 - [Purple with diagonal lines]
- ▲ 500' Proposed I-502 A
 - Buffer
 - Zone+Buffer
 - Zone Addition
- ▲ Current I-502 Allowed
 - LI
 - Allowed
- ▲ 500' Proposed Restrict
 - [Light Purple]

1000m
2000ft

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Current Marijuana Zoning- West

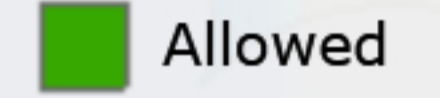
HDC-4, GC zones - 1000' buffer

Legend

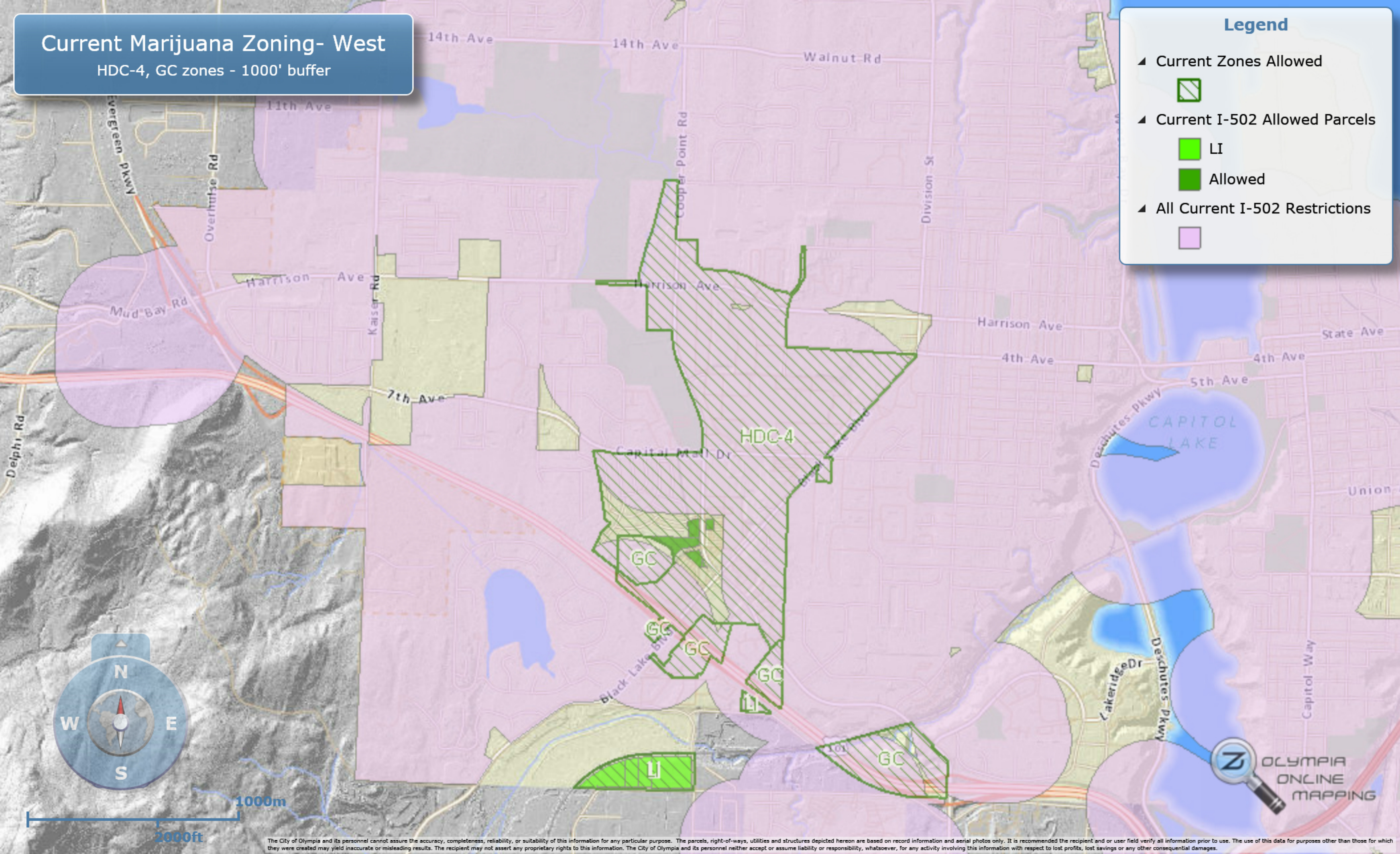
▲ Current Zones Allowed



▲ Current I-502 Allowed Parcels



▲ All Current I-502 Restrictions









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Proposed Marijuana Zoning- West

HDC-4, HDC-3, GC, MS zones - 1000' buffer

Legend

- ▲ Proposed: MS zone

- ▲ Proposed: HDC-3

- ▲ Current Zones Allowed

- ▲ Current I-502 Allowed Parcels


- ▲ All Current I-502 Restrictions




1000m

2000ft



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Proposed Marijuana Parcels - West

HDC-4, HDC-3, GC, MS zones - 500' buffer

Legend

- ▲ Proposed: MS zone
- ▲ Proposed: HDC-3
- ▲ Current Zones Allowed
- ▲ Proposed I-502 Allowed Parcels
- ▲ Buffer
- ▲ Current I-502 Allowed Parcels
- ▲ Proposed Restricted Parcels Buffer



1000m

2000ft

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City Council

Approval of 2015 Quarterly Special Funds Adjustment

Agenda Date: 12/15/2015
Agenda Item Number: 4.J
File Number: 15-1164

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of 2015 Quarterly Special Funds Adjustment

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve ordinance amending special funds on second reading.

Report

Issue:

Whether to approve the amendment to Ordinance 6979

Staff Contact:

Dean Walz, Fiscal Services Director, Administrative Services Department, 360.753.8465

Presenter(s):

None. Consent calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

To change the budget the Council must approve a new ordinance amending the budget. Generally, budgetary amendments are made quarterly. On occasion a budget change needs to be made between the quarterly updates and a separate ordinance will come before the Council. These ordinances do not officially amend the budget ordinance, but does provide authorization to expend funds. The attached ordinance reflects ordinances which may have been adopted relating to the budget since the last quarterly update, and other proposed changes to the budget.

One ordinance was passed related to the Special Funds Budget reflected in the attached ordinance.

Ordinance 6966 passed June 16, 2016 combined the two Community Development Grant Funds. There was no change in total budget due to the combining of the two Funds. The amending

ordinance reflects the combining of the Funds and the naming of the new combined Fund.

There were no other changes to Special Funds budget.

Neighborhood/Community Interests (if known):

None noted.

Options:

- 1) Approve ordinance amending ordinance 6979.

- 2) Do not approve the amending ordinance.

Financial Impact:

None.

Ordinance No.

AN ORDINANCE OF THE THE CITY OF OLYMPIA, WASHINGTON, APPROPRIATING FUNDS WITHIN VARIOUS SPECIAL FUNDS, AND AMENDING ORDINANCE NO. 6979.

WHEREAS, the Olympia City Council passed Ordinance No. 6944 on December 16, 2014, appropriating funds within various special funds; and

WHEREAS, the City Council amended Ordinance No. 6944 on June 16, 2015, by the passage of Ordinance No. 6965; and

WHEREAS, the City Council amended Ordinance No. 6965 on September 22, 2015, by the passage of Ordinance No. 6979; and

WHEREAS, the amendments contained in this Ordinance must be made to Ordinance No. 6979;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. The following appropriations are hereby made:

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
CDBG Loan Repayment Fund HUD Fund	\$36,000	\$315,000 \$1,105,375	\$351,000 \$1,141,375	\$-
Housing Urban Development Fund	-	790,375 0	790,375 0	-
Lodging Tax Fund	-	525,000	501,664	23,336
Parks & Recreational Sidewalk Utility Tax Fund	-	728,944	728,944	-
Parking Business Improvement Area Fund	10,000	100,000	110,000	-
Farmers Market Repair & Replacement Fund	30,000	-	30,000	-
Hands On Children's Museum	42,468	385,165	427,633	-
Equipment Rental Replacement Reserve Fund	960,000	1,428,800	2,036,646	352,154
Unemployment Compensation Fund	7,200	190,300	197,500	-
Insurance Trust Fund	86,720	1,478,280	1,565,000	-
Workers Compensation Fund	317,500	1,448,000	1,765,500	-

Washington Center Endowment Fund	350,000	5,347	355,347	-
TOTALS	\$1,839,888	\$7,395,211	\$8,859,609	\$375,490

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall take effect five (5) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of 2015 Quarterly Capital Budget Adjustment

Agenda Date: 12/15/2015
Agenda Item Number: 4.K
File Number: 15-1165

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of 2015 Quarterly Capital Budget Adjustment

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve ordinance amending the capital budget on second reading.

Report

Issue:

Whether to approve the amendment to Ordinance 6978

Staff Contact:

Dean Walz, Fiscal Services Director, Administrative Services Department, 360.753.8465

Presenter(s):

None. Consent calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

To change the budget the Council must approve a new ordinance amending the budget. Generally, budgetary amendments are made quarterly. On occasion a budget change needs to be made between the quarterly updates and a separate ordinance will come before the Council. These ordinances do not officially amend the budget ordinance, but does provide authorization to expend funds. The attached ordinance reflects ordinances that may have been adopted relating to the budget since the last quarterly update, and other proposed changes to the budget.

There were no ordinances passed since the adoption of Ordinance 6978 related to the Capital Budget.

Budget Items Not Previously Presented to the Council:

- 1) Appropriation of \$77,798 for LED streetlight conversion project. This is funded by rebates from Puget Sound Energy.
- 2) Appropriation of \$100,000 to the Downtown Enhancement Program. This is funded from a property sale to LIHI.
- 3) Appropriation of \$32,000 for downtown flood mitigation within the Storm Water Capital Fund. Funding is from a transfer from the General CFP sea level rise program.

Neighborhood/Community Interests (if known):

None noted.

Options:

- 1) Approve ordinance amending ordinance 6978.
- 2) Do not approve the amending ordinance or re-allocation of budget. The budget items would not be authorized.

Financial Impact:

Total increase in appropriations is \$209,798. The sources of funding of these appropriations are noted above.

Ordinance No.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO THE CAPITAL FACILITIES PLAN FOR THE YEARS 2015-2020, AND AMENDING ORDINANCE NO. 6978.

WHEREAS, the Olympia City Council adopted the "Capital Facilities Plan," herein referred to as the "CFP," for the fiscal years 2015 through 2020 by passing Ordinance No. 6946 on December 16, 2014; and

WHEREAS, the CFP is periodically amended to recognize additional revenue and/or appropriations, as provided for in RCW 36.70A.130(2)(a)(iv); and

WHEREAS, the City Council amended Ordinance No. 6946 on April 14, 2015, by passage of Ordinance No. 6958; and

WHEREAS, the City Council amended Ordinance No. 6958 on June 16, 2015, by passage of Ordinance No. 6964; and

WHEREAS, the City Council amended Ordinance No. 6964 on September 22, 2015, by passage of Ordinance No. 6978; and

WHEREAS, the amendments contained in this Ordinance must be made to Ordinance No. 6978;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. That certain document entitled the "Capital Facilities Plan," covering the years 2015 through 2020, a copy of which will be on file with the Office of the Director of Administrative Services and available on the City's web site, is hereby adopted as the Capital Facilities Plan for the City of Olympia and is incorporated herein as though fully set forth.

Section 2. Upon appropriation by the City Council of funds therefor, the City Manager shall be authorized to prepare plans and specifications, to take bids, and to make expenditures for the projects set forth in the CFP during the year for which said projects are scheduled; provided, however, that any award of bids and execution of contracts for construction shall be approved as provided in OMC Chapter 3.16.

Section 3. It is anticipated that the funding source and the construction schedule for projects identified in the CFP may be changed over the next year. Such changes shall not constitute an amendment to the Comprehensive Plan for purposes of RCW 36.70A.130.

Section 4. The Director of Administrative Services is hereby authorized to bring forward into fiscal year 2015 all appropriations and allocations not otherwise closed, completed, or deleted from prior fiscal years' capital budgets.

Section 5. The following appropriations are hereby made:

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
Impact Fee Fund	\$1,657,513	\$-	\$1,657,513	\$-
SEPA Mitigation Fee Fund	447,438	-	447,438	-

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
Parks & Recreational Sidewalk, Utility Tax Fund	211,124	2,553,276	2,764,400	-
Real Estate Excise Tax Fund	230,000	1,125,000	1,355,000	-
Capital Improvement Fund	224,300	8,500,362 <u>8,678,160</u>	8,724,662 <u>8,902,460</u>	-
City Hall Construction Fund	250,000	-	250,000	-
Fire Equipment Reserve Fund	-	450,000	450,000	-
Water CIP Fund	1,100,000	2,505,500	3,605,500	-
Sewer CIP Fund	602,400	741,300	1,343,700	-
Storm Water CIP Fund	-	1,129,200 <u>1,161,200</u>	1,129,200 <u>1,161,200</u>	-
TOTALS	\$4,722,775	<u>\$17,004,638</u> <u>\$17,214,436</u>	<u>\$21,727,413</u> <u>\$21,937,211</u>	\$0

Section 6. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

Section 7. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 8. Effective Date. This Ordinance shall take effect five (5) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY

**PASSED:
APPROVED:
PUBLISHED:**



City Council

Approval of 2015 Quarterly Operating Budget Adjustment

Agenda Date: 12/15/2015
Agenda Item Number: 4.L
File Number: 15-1168

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of 2015 Quarterly Operating Budget Adjustment

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve ordinance amending the operating budget on second reading.

Report

Issue:

Whether to amend Ordinance 6977

Staff Contact:

Dean Walz, Fiscal Services Director, Administrative Services Department, 360.753.8465

Presenter(s):

None. Consent calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

To change the budget the Council must approve a new ordinance amending the budget. Generally, budgetary amendments are made quarterly. On occasion a budget change needs to be made between the quarterly updates and a separate ordinance will come before the council. These ordinances do not officially amend the budget ordinance, but does provide authorization to expend funds. The attached ordinance reflects ordinances that may have been adopted relating to the budget since the last quarterly update, and other proposed changes to the budget.

No ordinances were passed since the adoption of ordinance 6977 relating to the Operating Budget.

The amending ordinance also includes the new Development Fee Revenue and Parking Funds created by ordinances on November 24, 2015

Budget Items Not Previously Presented to the Council:

- 1) Appropriation of \$50,750 for Fire Department medic overtime. Funding provided by Medic 1 system.
- 2) Appropriation of \$2,330 for Taser conductive energy devices. Funding is from proceeds from the sale of used Tasers. They were sold to a company that refurbishes Tasers.
- 3) Appropriation of \$5,000 to the facilities maintenance budget for utility costs. Funding is from rebates for use of solar panels.
- 4) Appropriation of \$15,566 for mobile computer terminals. Funding provided by a Federal grant.
- 5) Appropriation of \$50,000 to the Shared Leave special account. Funding provided by donations from employees.
- 6) Appropriation of \$22,500 for park maintenance. Funded from revenues in excess of budget projections.
- 7) Appropriation of \$16,400 from recreation services. Funded from revenues in excess of budget projections.

Neighborhood/Community Interests (if known):

None noted.

Options:

- 1) Approve ordinance amending ordinance 6977.
- 2) Do not approve the amending ordinance. The budget items not previously presented to the Council would not be authorized.

Financial Impact:

Increase total appropriations by \$162,546. Funding for these appropriations is noted above.

Ordinance No.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO BUDGETS, FINANCE, AND SALARIES, AND AMENDING ORDINANCE NO. 6977.

WHEREAS, the Olympia City Council held a public hearing on the preliminary budget on November 18, 2014, as required by law, and considered the public testimony presented; and

WHEREAS, the City Council passed Ordinance No. 6947 relating to budgets, finance and salaries on December 16, 2014; and

WHEREAS, updates are required throughout the year to recognize changes to budgets, finance and salaries; and

WHEREAS, the City Council amended Ordinance No. 6947 on April 14, 2015, by passage of Ordinance No. 6957; and

WHEREAS, the City Council amended Ordinance No. 6957 on June 16, 2015, by passage of Ordinance No. 6963; and

WHEREAS, the City Council amended Ordinance No. 6963 on September 22, 2015, by passage of Ordinance No. 6977; and

WHEREAS, the amendments contained in this Ordinance must be made to Ordinance No. 6977;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. 2015 Budget. The budget for the calendar year 2015 is hereby adopted in the amounts and for the purposes as shown below; and the following sums, or so much thereof as shall severally be found necessary, are hereby appropriated out of any of the monies in the several funds in the City Treasury hereinafter named.

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
General, Regular Operations	\$2,088,336	\$65,828,314 <u>\$65,993,030</u>	\$67,916,650 <u>\$68,081,366</u>	-
General, Special Sub-Funds	-	-	-	-
Special Accounts	343,395	1,524,852 <u>1,590,418</u>	1,868,247 <u>\$1,933,813</u>	-
Washington Center	5,000	258,988	263,988	-
Municipal Arts	21,100	50,000	71,100	-
Equip & Facilities Reserve	967,880	1,510,105	2,477,985	-
<u>Development Fee Revenue</u>	=	<u>2,787,211</u>	<u>2,787,211</u>	=

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
Parking	-	1,518,700	1,518,700	-
Total General Fund	3,425,711	69,172,259 73,708,452	72,597,970 77,134,163	-
4 th /5 th Avenue Corridor Bridge Loan	-	561,450	561,450	-
LTGO Bond Fund - 2006 Parks	-	1,196,000	1,196,000	-
UTGO Bond Fund – 2009 Fire	3,621	1,191,510	1,195,131	-
City Hall Debt Fund – 2009	-	2,422,622	2,421,718	904
2010 LTGO Bond – Street Projects	4	436,009	436,013	-
L.O.C.A.L. Debt Fund – 2010	-	178,283	178,282	1
2010B LTGO Bonds - HOCCM	-	413,688	413,688	-
2013 LTGO Bond Fund	-	674,725	674,725	-
Water Utility O&M	61,558	11,630,610	11,692,168	-
Sewer Utility O&M	-	18,047,323	18,047,323	-
Solid Waste Utility	186,112	10,008,528	10,194,640	-
Storm Water Utility	78,821	4,741,910	4,820,731	-
Water/Sewer Bonds	-	2,042,632	2,019,257	23,375
Stormwater Debt Service	14,000	83,262	97,262	-
Equipment Rental	-	1,686,365	1,672,188	14,177
TOTALS	\$3,769,827	\$124,487,176 \$129,023,369	\$128,218,546 \$132,754,739	\$38,457

Section 2. Administration. The City Manager shall administer the budget, and in doing so may authorize adjustments within the funds set forth in Section 1 above, to the extent that such adjustments are consistent with the budget approved in Section 1.

Section 3. Salaries and Compensation. The salaries and compensation for the City of Olympia employees for the calendar year 2015 shall be as set forth in the "Supplementary Information" section of the 2015 Adopted

Operating Budget document, or as the same may be amended by the City Manager as part of his administration of the budget pursuant to Section 2 above.

Section 4. Benefit Cost Sharing. The City Manager is authorized to modify and establish benefit cost sharing for City employees; and such programs may be based, in part, on an employee's start date with the City.

Section 5. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 6. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 7. Effective Date. This Ordinance shall take effect five (5) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of Ordinance Adopting 2016 Park Impact Fee Rate Adjustment

Agenda Date: 12/15/2015
Agenda Item Number: 4.M
File Number: 15-1158

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Adopting 2016 Park Impact Fee Rate Adjustment

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve an ordinance amending Olympia Municipal Code Section 15.16.010, Park Impact Fee Rates, resulting in a 1.93% increase in Park Impact Fee rates.

Report

Issue:

The City amends the Park Impact Fee ordinance annually to update the rates based on changes in park land acquisition and development costs.

Staff Contact:

Jonathon Turlove, Associate Planner, Parks, Arts and Recreation, 360.753.8068

Presenter(s):

None. Consent calendar item..

Background and Analysis:

Background and analysis have not changed from first to second reading.

In 2008, Council implemented a Park Impact Fee rate adjustment mechanism to ensure that Park Impact Fees accurately reflect the current costs of park land, design, and development. The adjustment mechanism adjusts each of these three components annually.

- **The land component** is adjusted by the Thurston County Assessor's Office median change in residential values for residential vacant land in Thurston County for assessment year 2015. This represents the change from 1/1/14 - 1/1/15. For assessment year 2015, there was no change in value.

- **The design component** represents staff time for design, permitting, contracting, and construction oversight. This is based on the City of Olympia Cost of Living Adjustment (COLA). There was a 3% COLA in 2015.
- **The construction component** utilizes the Seattle Construction Cost Index (CCI) published by the Engineering News Record. The Seattle CCI during the period 1/1/14-1/1/15 was a 2.5% increase.

Following is the adjustment formula that is applied separately for each of Olympia's three park types; community parks, neighborhood parks and open space:

FTCA = (DS*(1+COLA)) + (DV*(1+CCI)) + (LD*(1+PV)), where:

FTCA = Facility Type Cost per Acre
DS - Current Year Design Cost
DV = Current Year Development Cost
LD = Current Year Land Cost
COLA = Cost of Living Adjustment Percent
CCI = Construction Cost Index (Seattle) Percent
PV = Property Value Change Percent

Neighborhood/Community Interests (if known):

Updating Park Impact Fees reflects inflationary increases or decreases in project costs and ensures that new developments pay their fair share of project costs.

Options:

1. Move to approve an ordinance amending Olympia Municipal Code Section 15.16.010, Park Impact Fee Rates, resulting in a 1.93% increase in the Park Impact Fee rates.

Implications

- a. Park Impact Fee rate would increase 1.93%. This would result in an increase of \$103 per single family residence, from \$5,334 to \$5,437.
- b. Park Impact Fee rate would more closely reflect actual costs of park acquisition and development.

2. Do not approve an ordinance amending Olympia Municipal Code Section 15.16.010, Park Impact Fee Rates that result in an increase in the Park Impact Fee rate of 1.93%.

Implications

- a. The Park Impact Fee rate on new residential development would remain unchanged.
- b. Park Impact Fees collected on new residential development would be less than the actual cost of park land acquisition, design and development needed to serve the occupants of the new residential development.

Financial Impact:

The proposed change would result in a Park Impact Fee rate 1.93% higher in 2016 than in 2015.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, ADJUSTING PARK IMPACT FEES AND AMENDING SECTION 15.16.010 OF THE OLYMPIA MUNICIPAL CODE.

WHEREAS, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

WHEREAS, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "Park Impact Fees"; and

WHEREAS, in 2008, the City Council approved an annual adjustment mechanism for Park Impact Fees based on land, design, and development costs; and

WHEREAS, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

WHEREAS, following said review of the 2016-2021 CFP, the Olympia City Council desires to amend Park Impact Fees to account for costs of labor, construction materials, and real property; and

WHEREAS, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington Constitution; and

WHEREAS, this Ordinance is supported by the staff report, attachments, and documents on file with the Olympia Parks, Arts and Recreation Department;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 15.16.010. Olympia Municipal Code Section 15.16.010 is hereby amended to read as follows:

15.16.010 Schedule A, park impact fee

For complete building permit applications, the following schedule shall apply to residential development:
Housing Type:

TYPE OF DWELLING UNIT	Neighborhood Park	Community Park	Open Space	TOTALS
Single Family including Manufactured Homes on individual lots	\$851 <u>\$868</u>	\$3,233 <u>\$3,295</u>	\$1,250 <u>\$1,274</u>	\$5,334 <u>\$5,437</u>
Duplex (per unit)	\$579 <u>\$590</u>	\$2,199 <u>\$2,241</u>	\$850 <u>\$867</u>	\$3,628 <u>\$3,698</u>

TYPE OF DWELLING UNIT	Neighborhood Park	Community Park	Open Space	TOTALS
Multi Family (including Townhouses)	\$579	\$2,199	\$850	\$3,628
	\$590	\$2,241	\$867	\$3,698
Units in Senior Housing Developments (including single family units)	\$579	\$2,199	\$850	\$3,628
	\$590	\$2,241	\$867	\$3,698
Mobile Home in Mobile Home Parks	\$579	\$2,199	\$850	\$3,628
	\$590	\$2,241	\$867	\$3,698
Accessory Dwelling Units (separate structure)	\$341	\$1,293	\$500	\$2,134
	\$347	\$1,318	\$510	\$2,175
Single Room Occupancy Units	\$341	\$1,293	\$500	\$2,134
	\$347	\$1,318	\$510	\$2,175
Downtown Multi Family (including Townhouses)	\$443	\$1,681	\$650	\$2,774
	\$451	\$1,714	\$663	\$2,827

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.


Section 4. Effective Date. This Ordinance shall be in force and effect on January 1, 2016, after its passage by the Olympia City Council and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY (ACA)

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of Ordinance Adopting the 2016 Utility Rates and General Facilities Charges

Agenda Date: 12/15/2015
Agenda Item Number: 4.N
File Number: 15-1179

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Adopting the 2016 Utility Rates and General Facilities Charges

Recommended Action

Committee Recommendation:

The Finance Committee reviewed and discussed the proposed 2016 Utility rates and general facility charges (GFCs) on October 23, 2015, and the City Council held a public hearing on November 17, 2015. The review considered recommendations forwarded to Council by the Utility Advisory Committee (see attached letter). The proposed rates and charges reflect recommendations from the City Council and the Utility Advisory Committee.

City Manager Recommendation:

Move to approve the ordinance adopting the 2016 utility rates and general facilities charges on second reading.

Report

Issue:

Whether to approve an ordinance adopting the 2016 utility rates and general facility charges (GFC). Increases in LOTT Clean Water Alliance rates and capacity development charges are included in budget discussions of the ordinance.

Staff Contact:

Dan Daniels, Director, Public Works Waste ReSources, 360.753.8780
Andy Haub, P.E., Director, Public Works Water Resources, 360.753.8475

Presenter(s):

None. Consent calendar Item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The proposed 2016 utility rates and general facility charges (GFCs) are consistent with the Council-adopted utility master plans and the City of Olympia's Comprehensive Plan. The Utilities provide key public and environmental health services for our community.

For 2016, rate increases are proposed for the utilities of Drinking Water, Wastewater, Storm and Surface Water, and Waste ReSources. GFCs are proposed for the Drinking Water, Wastewater and Storm and Surface Water utilities. GFCs are charged to new development and recover the costs of customers that connect to the system.

Lacey, Olympia, Tumwater, Thurston County (LOTT) Clean Water Alliance Board of Directors approved increases for both monthly wastewater treatment rates and their capital development charge (CDC). The CDC is similar to the City's GFC. The City collects monthly rates and CDC for LOTT through the utility billing and development permitting processes.

If approved, the overall impact of the proposed rates to a typical residential customer for 2016 will be 4.5 percent or an \$10.06 increase in their bi-monthly bills (\$5.03/month). City GFCs and LOTT capacity development charges will increase \$549 for a new single family home.

Summaries of proposed rates for each utility and GFCs are as follows:

Drinking Water

7.3 Percent Increase Proposed. Increase GFCs by 6.7 percent.

The rate proposal is consistent with the *2015-2020 Water System Plan* that was adopted by City Council on October 6, 2015.

The proposed rate will result in an average single family residential charge increasing by \$1.64/month. Bi-monthly charges for a typical single family residence will be approximately \$48.25. Each customer class (residential, non-residential and irrigation) will see the increase, although actual increases on customer bills will vary depending on water usage.

Reclaimed water rates were modified in 2014 and remain appropriate for 2016. Reclaimed water revenues closely mimic costs.

A 6.7 percent increase in general facility charges for drinking water is also proposed. The new GFC will be \$3,687.

Wastewater

No Rate Increase Proposed. However, implementing volume-based wastewater rates will result in a rate decrease for some customers and an increase for others. Increase GFCs by 3 percent.

The Wastewater utility safely conveys wastewater from our homes and businesses to the LOTT Clean Water Alliance treatment facility in downtown Olympia.

An inflationary increase of 3 percent (\$100) is proposed for the wastewater general facility charge. The new GFC will be \$3,442 per single family home.

Volume-based Wastewater Rates

Under the proposed new rate structure, wastewater rates will be based on drinking water consumption. The volume-based rate is a recommendation of the City's Utility Advisory Committee as well as the *2013-2018 Wastewater Management Plan*.

On July 21, 2015, staff presented a three-tier rate structure to City Council. As proposed, approximately 17 percent of single family wastewater customers will receive a 35 percent rate reduction. Approximately 70 percent of all customers, including multifamily and commercial, will pay five percent more. The other 13 percent of customers will see little or no change.

Wastewater Treatment Services - LOTT Clean Water Alliance

LOTT Clean Water Alliance rates and capacity development charges are set by the LOTT Board of Directors. Capacity development charges (CDCs) are similar to City GFCs.

LOTT is proposing a 3 percent inflationary adjustment to monthly rates for 2016. With the rate increase, LOTT charges will increase by \$1.08 per month for a single family residence. The current LOTT charge of \$72.12 bi-monthly for single family residences will increase to \$74.28. The LOTT CDC is proposed to increase 4.3 percent, to \$5,354, for a new single family home.

Storm and Surface Water

6.7 Percent Increase Proposed. Increase trip-generation component of GFCs from \$3.15 to \$4.50.

The proposed 2016 Storm and Surface Water utility budget maintains current levels of service for flood mitigation, water quality improvement, and aquatic habitat enhancement.

With the rate increase, single family residences will see a \$1.60 bi-monthly (\$0.80 monthly) increase in their storm and surface water rates. Single family and duplex and surface rates in 2016 will be \$25.49 bi-monthly.

The base general facility charge for stormwater GFCs will stay at \$1,190 for a new single family home. Consistent with last year's decision to phase-in increases to the trip-generation component of the stormwater GFC, this component will increase from \$3.15 to \$4.50 per daily vehicle trip. The trip-generation component of the GFC recognizes the water quality implications of vehicle use. Land uses with high vehicle use (e.g. convenience mart) pay a higher charge than land uses with modest vehicle use (e.g. single family residences). For example, industry standards document that single family residences generate approximately 9.7 vehicle trips/day.

Waste ReSources

Variable Rate Increases Proposed

The Waste ReSources utility provides a wide range of waste reduction, recycling and disposal services. It implements programs for residential, commercial, drop box, and organics customers. Policy direction is set by the *Towards Zero Waste: Olympia's Waste ReSources Plan 2015-2020*.

Proposed rate increases for 2016 include the following:

- Drop box 3 percent
- Residential 5.5 percent
- Commercial 4 percent
- Organics 9 percent

Neighborhood/Community Interests (if known):

City utilities provide vital public health services for Olympia residents. Utility rates are set to ensure

reliable, uninterrupted levels of service.

Options:

Option 1: Move to approve the ordinance approving utility rates and charges for 2016.

Implications:

- Supports essential City public and environmental health services.
- Increases rates for customers and charges for new development.

Option 2: Modify or decline the proposed 2016 increases.

Implications:

- Avoids, or lessens, additional customer costs.
- Risk failures in fulfilling City public and environmental health responsibilities.

Financial Impact:

The proposed rate and GFC increases will generate revenue to implement Council-adopted utility master plans and ensure financially responsible management of City Utilities.

Attachment(s):

2016 Utility Rates Ordinance

Signed UAC 2016 Rate and WW Volume Bases Rate Recommendation Letter

Ordinance No.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO UTILITY FEES AND CHARGES, AMENDING SUBSECTIONS 4.24.010A, 4.24.010B, 4.24.010C, AND 4.24.010D OF THE OLYMPIA MUNICIPAL CODE.

WHEREAS, the City's utilities are managed with a goal of resource sustainability in order to maintain, rebuild, expand systems, and prepare for revenue variability; and

WHEREAS, the City Council intends to meet the goals and polices for utility fiscal management set forth in the Comprehensive Plan and utility master plans; and

WHEREAS, the City Council intends to promote rate equity through cost recovery by customer class, and to smooth out rate spikes over a period of up to six years, the time period for which the CFP is developed; and

WHEREAS, the City's Storm and Surface Water Utility and the Wastewater Utility are managed to maintain minimum operating expense reserves of ten (10) percent, and the Drinking Water Utility is managed to maintain minimum operating expense reserves of twenty five (25) percent; and

WHEREAS, in order to incorporate the foregoing principles into City Water Utility, City Storm and Surface Water Utility, City Wastewater collection and LOTT Cleanwater Alliance wastewater (LOTT) treatment rates, the City Council received recommendations from the Utility Advisory Committee, held hearings, and reviewed the utility rates set forth in this Ordinance; and

WHEREAS, pursuant to the Interlocal Cooperation Act Agreement for Sewer Treatment, the LOTT Board of Directors is empowered to "impose, alter, regulate, and control rates, charges, and assessments;" and the LOTT Board of Directors held a public hearing and approved certain rate increases, which the City Council must annually adopt;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC Section 4.24.010. Section 4.24.010 of the Olympia Municipal Code is hereby amended to read as follows:

04.24.010 - Computation and assessment of charges

The rates set forth below do not reflect any possible surcharges or discounts provided to a parcel of property or customer under any provision of city ordinances or taxes assessed directly upon customers for which the city acts as collection agent.

A. WATER

- | | | |
|---|---|---------------|
| 1. Occupant turning on water after delinquent shutoff penalty | \$10.00 | OMC 13.04.360 |
| 2. Delinquency notification penalty | \$10.00 | OMC 13.04.430 |
| 3. Service disconnected/water reconnect for nonpayment penalty | \$25.00 | OMC 13.04.430 |
| 4. Water for commercial construction purposes | \$50.00 per month plus consumption charge | OMC 13.04.410 |
| 5. Water for residential building construction purposes | Flat fee of \$50.00 paid along with building permit fee | OMC 13.04.410 |
| 6. Non-emergency after-hours water service turn on/shut off | \$110.00 | OMC 13.04.340 |
| 7. Water General Facility Charges, assessed and payable as provided in OMC 13.04.375: | | OMC 13.04.375 |

Meter Size	AWWA Capacity Factor	GFC
3/4"	1.00	\$ <u>3,687 3,918</u>
1" Residential Fire Sprinkler	1.00	<u>3,687 3,918</u>
1"	1.67	<u>6,160 6,573</u>
1 1/2"	3.33	<u>12,282 13,105</u>
2"	5.33	<u>19,659 20,976</u>
3"	10.67	<u>39,356 41,993</u>
4"	16.33	<u>60,232 64,268</u>
6"	33.33	<u>122,936 131,173</u>
8"	53.33	<u>196,706 209,885</u>
10"	76.67	<u>285,997 305,159</u>
12"	100.00	<u>368,848 393,561</u>

This charge shall be assessed in addition to any other charges or assessments levied under this chapter.

8. Water Meter Rates—Inside City Limits:

a. **Schedule I: Monthly Charges.**

The following is the monthly charge based upon meter size for all consumers. Monthly charges for meter sizes not listed in the schedule shall correspond to the next larger meter size listed.

Meter Size		Ready to Serve Charge	OMC 13.04.380
3/4-inch	\$ 10.96 <u>11.76</u>	+ consumption charge	
1-inch Residential Fire Sprinkler	10.96 <u>11.76</u>	+ consumption charge	
1-inch	14.59 <u>15.66</u>	+ consumption charge	
1 1/2-inch	23.66 <u>25.39</u>	+ consumption charge	
2-inch	34.53 <u>37.05</u>	+ consumption charge	
3-inch	63.56 <u>68.20</u>	+ consumption charge	
4-inch	96.21 <u>103.23</u>	+ consumption charge	
6-inch	186.88 <u>200.52</u>	+ consumption charge	
8-inch	295.70 <u>317.29</u>	+ consumption charge	
10-inch	422.64 <u>453.49</u>	+ consumption charge	
12-inch	549.60 <u>589.72</u>	+ consumption charge	

(1) Residential and nonresidential premises that are vacant shall be subject to payment of the full Water ready-to-serve charge. This fee will be charged even if the water is turned off.

Consumption charge per 100 cubic feet:

	Block 1	Block 2	Block 3	Block 4
Residential (Single Family and Duplex Residential)	\$ 1.62 <u>1.74</u>	\$ 2.67 <u>2.86</u>	\$ 4.25 <u>4.56</u>	\$ 5.59 <u>6.00</u>
Nonresidential (Multi-family and Commercial)	\$ 2.23 <u>2.39</u>	\$ 3.33 <u>3.57</u>	--	--
Irrigation	\$ 2.23 <u>2.39</u>	\$ 6.56 <u>7.04</u>	--	--
Blocks Definition:	Block 1	Block 2	Block 3	Block 4
Single Family and Duplex (1)	0-400cf/unit	401-900cf/unit	901-	1,401+ cf unit

Consumption charge per 100 cubic feet:

Residential			1,400cf/unit
Nonresidential (2)	Nov-June Usage	July-Oct Usage	--
Irrigation	Nov-June Usage	July-Oct Usage	

(1) Single family accounts with or without accessory dwelling units shall be charged as one single family account.

(2) If nonresidential block usage cannot administratively be prorated between blocks, usage shall then be billed at the block rate in which the meter reading period ends.

b. Wholesale consumers:

See OMC 13.04.380B.

c. State buildings with sprinkler systems or fire service connections:

See OMC 13.04.380C.

d. Hydrants and fire protection:

The rates for fire hydrants, including test water and water used to extinguish fires, shall be deemed service charges and for any one (1) year, or fractional part thereof, as follows:

Fire hydrants \$~~135.22~~145.09 per year

Automatic sprinkler systems or special fire service connections with the city water distribution system will be charged the monthly ready-to-serve charge based on pipe size in Section 1.6.a. Residential fire service connections that require a 1" pipe size will be charged the same as a 3/4" pipe size as shown in Subsection 8a.

~~B. WASTE WATER (SEWER)~~

LOTT joint facilities \$-36.06 OMC-13.08.190

Nonresidential accounts shall be billed one (1) ERU minimum per month. ERU charges in excess of one (1) ERU shall be billed at the rate of \$ 4.01 per 100 cf. for LOTT joint facilities.

Local collection system per ERU \$ 19.67 per ERU OMC 13.08.190

Nonresidential accounts shall be billed one (1) ERU minimum per month. ERU charges in excess of one (1) ERU shall be billed at the rate of \$2.81 per 100 cf. for local collection system.

Waste Water (Sewer) general facility charge, assessed and payable as provided in OMC 13.08.205:	\$3,342.44 per ERU	OMC 13.08.205
Waste Water (Sewer) general facility charge for properties on combined stormwater and sewer systems, assessed and payable as provided in OMC 13.08.205:	\$1,439.53 per ERU	
-2015 LOTT capacity development charge	\$5,136 per ERU	OMC 13.08.210
Reconnection charge	\$26.78	OMC 13.08.230
Tapping fee	\$107.10	

B. WASTE WATER (SEWER)

1) LOTT Charges

LOTT wastewater monthly service charge \$37.14 per ERU OMC 13.08.190

Nonresidential accounts shall be billed one (1) ERU minimum per month. ERU charges in excess of one (1) ERU shall be billed at the rate of \$.0413 per 1 cf. for LOTT wastewater service charges.

2016 LOTT capacity development charge \$5,354.57 per ERU OMC 13.08.210

2) City of Olympia Monthly Sewer Charges

A) Residential accounts with separately metered City of Olympia water service servicing: one separate single-family residence, one single-family residence with accessory dwelling unit, one unit of a residential duplex, one mobile home or one trailer shall be billed based on monthly water consumption as follows:

<u>0 – 250 cf</u>	<u>\$12.78 per month</u>	
<u>251 – 350 cf</u>	<u>\$12.78 per month plus \$.0787 per cf</u>	<u>OMC 13.08.190</u>
<u>351 cf and above</u>	<u>\$20.65 per month</u>	

B) Residential accounts with residential duplexes with a single water meter servicing both units shall be billed based on water consumption as follows:

<u>0 – 500 cf</u>	<u>\$25.56 per month</u>	
<u>501 – 700 cf</u>	<u>\$25.56 per month plus \$.0787 per cf</u>	<u>OMC 13.08.190</u>

<u>701 cf and above</u>	<u>\$41.30 per month</u>	
C) Residential accounts not included in A) or B) above	\$20.65 per ERU	OMC 13.08.190
D) Nonresidential accounts shall be billed one (1) ERU minimum per month. ERU charges in excess of one (1) ERU shall be billed at the rate of \$.0295 per 1 cf. for local collection system.		
	\$20.65 per ERU	OMC 13.08.190
3) City of Olympia General Facility Charge		
<u>Wastewater (Sewer) general facility charge</u>	<u>\$3,442.00 per ERU</u>	<u>OMC 13.08.205</u>
<u>Wastewater (Sewer) general facility charge for properties on public combined sewers and in the Downtown Deferred General Facility Charge Payment Option Area</u>	<u>\$1,483.00 per ERU</u>	<u>OMC 13.08.010</u> <u>OMC 13.08.205</u>

C. WASTE RESOURCES

1. Residential garbage rates, monthly, every-other-week collection:

	OMC 13.12.120*
One twenty-gallon cart (minimum residential garbage service)	\$ 9.31 <u>9.82</u>
One thirty-five gallon cart	
Recycle rate	16.08 <u>16.96</u>
Nonrecycle rate	20.16 <u>21.27</u>
One sixty-five gallon cart	
Recycle rate	21.95 <u>23.16</u>
Nonrecycle rate	27.52 <u>29.03</u>
Two sixty-five gallon carts	
Recycle rate	42.01 <u>44.32</u>
Nonrecycle rate	52.60 <u>55.49</u>
Three sixty-five gallon carts	78.95 <u>83.29</u>
One ninety-six gallon cart	
Recycle rate	38.04 <u>40.13</u>

Nonrecycle rate	<u>47.6650.28</u>
More than three sixty-five gallon carts	<u>78.9583.29</u> + <u>27.5229.03</u> for each sixty-five gallon cart over three carts

*Code reviser's note: Section 13.12.120 was repealed on July 10, 1990.

2. Residential garbage rates, monthly, weekly collection:

One thirty-five gallon cart	
Recycle rate	\$ <u>35.4437.39</u>
Nonrecycle rate	<u>44.3446.78</u>
One sixty-five gallon cart	
Recycle rate	<u>70.8774.77</u>
Nonrecycle rate	<u>88.6793.55</u>
One ninety-five gallon cart	115.20 <u>121.54</u>

3. Extended pickup:

Rate	Distance
\$1/month	Over 5 feet to 25 feet
\$2/month	Over 25 feet to 100 feet
\$1/month	Every 50 feet over 100 feet

a. Persons requesting extended distance service must be at least sixty-five years of age or handicapped where said person cannot wheel a full or partially full garbage cart to the collection point.

b. No person living with the qualified applicant can wheel a full or partially full garbage cart to the collection point.

c. Extended pickup service to be at no charge when the combined annual income of the household of the qualified applicant is equal to or less than fifty percent of the median household income in Thurston County.

d. Persons requesting service must apply with the utilities office by filling out an affidavit for extended service. Upon approval of affidavit, service will be granted.

e. Qualified applicant will reapply on a yearly basis on or before December 31st of each year.

f. In the case of a multifamily residence or complex, only the qualified tenant's cart will be clearly marked with the tenant's name and unit number.

4. Residential and commercial organics rate, monthly, every other week collection:

Organics:

Per city-owned 95-gallon cart or each 1/2 yard of material collected \$ ~~8-839.62~~

5. Commercial garbage rates, monthly, weekly collection:

One ten gallon can (minimum commercial garbage service)	\$ 6-506.76
One thirty-two gallon can or cart	19-1919.96
Two thirty-two gallon cans or equivalent cart service	29-2830.45
Three thirty-two gallon cans or equivalent cart service	55-0657.26
Four thirty-two gallon cans or equivalent cart service	72-5475.44
More than four thirty-two gallon cans or equivalent cart service	72-5475.44 + 19-1919.96 for each additional thirty-two gallons of service

6. 95-gallon garbage and refuse cart service, monthly:

One pickup weekly	\$ 55-0657.26
Two pickups weekly	105-51109.73
Three pickups weekly	153-87160.02
Four pickups weekly	203-12211.24
Five pickups weekly	251-75261.82

7. One-yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ <u>108.24112.57</u>
Two pickups weekly	<u>212.84221.35</u>
Three pickups weekly	<u>313.86326.41</u>
Four pickups weekly	<u>414.67431.26</u>
Five pickups weekly	<u>515.35535.96</u>
Six pickups weekly	<u>616.13640.78</u>

8. One and one-half yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ <u>143.11148.83</u>
Two pickups weekly	<u>272.75283.66</u>
Three pickups weekly	<u>401.34417.39</u>
Four pickups weekly	<u>529.63550.82</u>
Five pickups weekly	<u>657.89684.21</u>
Six pickups weekly	<u>786.59818.05</u>

9. Two-yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ <u>177.79184.90</u>
Two pickups weekly	<u>339.24352.81</u>
Three pickups weekly	<u>500.77520.80</u>
Four pickups weekly	<u>662.27688.76</u>
Five pickups weekly	<u>823.82856.77</u>
Six pickups weekly	<u>982.721,022.03</u>

10. Three-yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ <u>251.53261.59</u>
Two pickups weekly	<u>492.29511.98</u>
Three pickups weekly	<u>730.96760.20</u>
Four pickups weekly	<u>976.731,015.80</u>

Five pickups weekly	<u>1,208.671,257.02</u>
Six pickups weekly	<u>1,436.761,494.23</u>

11. Four-yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ <u>316.28328.93</u>
Two pickups weekly	<u>625.84650.87</u>
Three pickups weekly	<u>929.23966.40</u>
Four pickups weekly	<u>1,226.241,275.29</u>
Five pickups weekly	<u>1,516.941,577.62</u>
Six pickups weekly	<u>1,802.731,874.84</u>

12. Six-yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ <u>459.25477.62</u>
Two pickups weekly	<u>896.84932.71</u>
Three pickups weekly	<u>1,331.421,384.68</u>
Four pickups weekly	<u>1,765.691,836.32</u>
Five pickups weekly	<u>2,200.122,288.12</u>
Six pickups weekly	<u>2,530.142,631.35</u>

13. Prepaid extra tag for unscheduled collection of a bag on regular garbage collection day; \$5.39/each.

14. Extra unscheduled can, bag or box on regular garbage collection day to which a City approved prepaid tag is not attached: \$8.81/each.

15. Fees for special pickups, minor ancillary services, and yard waste drop-off site disposal services, other than unscheduled extra cans or material on regular collection day, shall be established by the City Manager, based on cost of service; to include labor, equipment, distance traveled, and volume of materials as appropriate.

16. City-owned drop boxes: customers will be charged repair fees on boxes which have been burned or damaged:

Ten cubic yards:

Delivery fee	\$ 60.00 <u>61.80</u>	
Daily rental	2.07 <u>2.13</u>	
Hauling fee	182.73 <u>188.21</u>	
Dumping charge		Current disposal fee, surcharge and 13.6% service fee on disposal fee

Twenty cubic yards:

Delivery fee	\$ 60.00 <u>61.80</u>	
Daily rental	2.66 <u>2.74</u>	
Hauling fee	182.73 <u>188.21</u>	
Dumping charge		Current disposal fee, surcharge and 13.6% service fee on disposal fee

Thirty cubic yards:

Delivery fee	\$ 60.00 <u>61.80</u>	
Daily rental	3.69 <u>3.80</u>	
Hauling fee	182.73 <u>188.21</u>	
Dumping charge		Current disposal fee, surcharge and 13.6% service fee on disposal fee

Forty cubic yards:

Delivery fee	\$ 60.00 <u>61.80</u>	
Daily rental	3.69 <u>3.80</u>	
Hauling fee	182.73 <u>188.21</u>	
Dumping charge		Current disposal fee, surcharge and 13.6% service fee on disposal fee
Standby or dig out	\$90.00	per hour

17. Customer-owned compactors and special containers. Dumping charges are based on weight at transfer station:

Cubic Yard	Charge Per Haul
10 or less	182.73 188.21 *
15	182.73 188.21 *
20	182.73 188.21 *
25	182.73 188.21 *
30	182.73 188.21 *
35	182.73 188.21 *
40	182.73 188.21 *
42	182.73 188.21 *

* plus disposal fee plus 13.6% service fee on disposal fee

Standby or dig out \$90.00 per hour

No delivery fees or rental fees will be charged for city-owned drop boxes used to haul source-separated yard waste for composting or construction and demolition debris for recycling. If material is contaminated, the customer will be charged current disposal fees and 13.6% service charge on the disposal fee, plus delivery fee and daily rental fees.

18. City-owned temporary garbage and refuse dumpster services (customers will be charged repair fees for containers which have been burned or damaged):

One cubic yard:

Delivery fee \$ ~~48.61~~51.28

Daily rental fee ~~1.91~~2.02

Fee per dump ~~40.00~~42.20

One and 1/2 cubic yard:

Delivery fee ~~48.61~~51.28

Daily rental fee ~~1.91~~2.02

Fee per dump ~~42.37~~44.70

Two yard:

Delivery fee ~~48.61~~51.28

Daily rental fee	<u>-1.912.02</u>
Fee per dump	<u>45.4047.90</u>
Three yard:	
Delivery fee	<u>48.6151.28</u>
Daily rental fee	<u>1.912.02</u>
Fee per dump	<u>59.7162.99</u>
Four yard:	
Delivery fee	<u>48.6151.28</u>
Daily rental fee	<u>1.912.02</u>
Fee per dump	<u>82.7287.27</u>
Six yard:	
Delivery fee	<u>48.6151.28</u>
Daily rental fee	<u>-1.912.02</u>
Fee per dump	<u>113.01119.23</u>

19. City-owned temporary organics dumpster services (customers will be charged repair fees for dumpsters which have been burned or damaged):

One cubic yard:	
Fee per dump	\$ <u>18.0519.67</u>
One and 1/2 cubic yard:	
Fee per dump	<u>27.0529.48</u>
Two yard:	
Fee per dump	<u>-36.0739.32</u>
Three yard:	
Fee per dump	<u>54.1258.99</u>

If material is contaminated, customer will be charged the dump fee, delivery fee and daily rental fee for city-owned temporary garbage and refuse dumpster services as established in Section 16 of this ordinance.

20. An additional surcharge of \$70.00 per month applies to commercial and drop box customers who require Saturday collection and are subject to regular monthly fees set forth in OMC 4.24.010C Subsections 5, 6, 7, 8, 9, 10, 11, 12, 16, 17, 18 or 19.

D. STORM AND SURFACE WATER

At the time of issuance of a building/engineering permit, per OMC 13.16.080, a storm and surface water GFC shall be assessed at the rate of:

\$ 1,190/Impervious Unit (2,528 sq. ft.) plus ~~2-104.50~~ per average daily vehicle trip based on the Institute of Traffic Engineers' Trip Generation Manual.

1. Storm drainage service charges:

a. Residential Parcel. All parcels in the city shall be subject to a monthly charge for storm drainage service in accordance with the following schedule:

- Single-family parcels with or without accessory dwelling units (Regardless of date approved) \$ ~~11-7912.58~~/utility account
- Plats approved after 1990 with signed maintenance agreement ~~10-5411.25~~/utility account
- Duplex parcels (Regardless of date approved) ~~11-7912.58~~/unit (\$ ~~23-5825.16~~ when billed as a single account)

b. Nonresidential Parcel. A charge per utility account will be established at the time of issuance of a clearing, filling, excavating or grading permit and assessed monthly as follows:

- Administrative fee \$ ~~11-5412.31~~ plus:
- For parcels developed after January 1990 (Category I) ~~4-344.63~~ per billing unit
or
- For parcels developed between January 1980 and January 1990 (Category II) ~~9-069.67~~ per billing unit
or
- For parcels developed before January 1980 (Category II) ~~11-4312.20~~ per billing unit

c. For developed parcels without structural impervious areas, the following construction phase charge shall be assessed at the time of issuance of a clearing, filling, excavating or grading permit:

Single-family and duplex zoned \$ 4,955.28 per parcel x total number of parcels identified
in preliminary plat x 24 months

d. Undeveloped parcels. No charge.

2. State highway charge:

Monthly fee for state highway rights-of-way - 30% of the storm drainage service charges
way

3. Other roadway charges:

Monthly fee for roadway rights-of-way, other than state highways within the city boundary

E. RECLAIMED WATER

1. Occupant turning on water after delinquent shutoff penalty	\$10.00	OMC 13.24.330
2. Delinquency notification penalty	\$10.00	OMC 13.24.340
3. Service disconnected/reclaimed water reconnect for nonpayment penalty	\$25.00	OMC 13.24.340
4. Reclaimed water for commercial construction purposes	\$50.00 per month plus consumption charge	OMC 13.24.200
5. Non-emergency after-hours reclaimed water service turn on/shut off	\$110.00	OMC 13.24.250

6. Reclaimed Water Rates

a. Meter Rates – The monthly charge based upon meter size for all reclaimed water customers follows 4.24.010.A.8. Monthly charges for meter sizes not listed in the schedule shall correspond to the next larger meter size listed.

b. Consumption charges

(1) Indoor use of reclaimed water: 70% of the consumption charges in 4.24.010.A.8.

(2) Outdoor use of reclaimed water: 70% of the consumption charges in 4.24.010.A.8 for Irrigation.

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

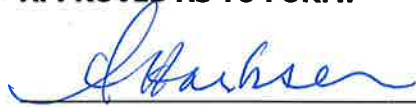
Section 4. Effective Date. This Ordinance shall take effect January 1, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY

(ALA)

PASSED:

APPROVED:

PUBLISHED:



October 12, 2015

Olympia City Council
PO Box 1967
Olympia, WA 98507-1967

Dear Council Members:

SUBJECT: 2016 Utility Recommendations, Including GFCs and Wastewater Volume-Based Rates

Thank you for the opportunity to comment on the proposed 2016 City of Olympia utility rates and general facility charges (GFCs). The Utility Advisory Committee (UAC) evaluated financial information regarding the City utilities from both a capital and operational perspective. This is a fundamental role of our committee.

The UAC reviewed the rates proposed by staff, keeping in mind key concerns such as equity to rate payers, meeting regulatory requirements, and responsibly managing our infrastructure in the interest of both current and future residents. The responsibilities of our municipal utilities must be provided effectively and without interruption.

The following sections document the UAC's recommendations for the 2016 utility rates GFCs. The recommendations are consistent with Olympia's utility master plans and the Comprehensive Plan.

Summary of Proposed Rates and GFCs

Rates

- Typical residential customer: 4.5% increase
- \$5.03/month, or a \$10.06 increase on bi-monthly bill

This increase includes a 3 percent increase for the LOTT Clean Water Alliance. With implementation of volume-based wastewater rate incorporated into the rate proposal, some customers would see modest decreases in total utility bills while others would see increases above the 4.5 percent average.

GFCs

- Single family home: \$549 increase
- Total 2016 charge for single family home: \$13,904

The UAC supports increasing City GFCs as justified by recent financial evaluations of infrastructure costs. GFCs collect funds from new development in acknowledgement of capital investments made by current residents. Both rates and GFCs for customers other than single family residential (e.g. commercial, multifamily) would increase by the same percentage.

Drinking Water

Rates

- Anticipated revenue shortfall: \$775,000
- 7.3% increase proposed
- Average single family residential account in 2016: \$1.64/month increase

We support staff's recommendation for a rate increase. Each customer class (residential, non-residential, and irrigation) will see the increase, although actual increases on customer bills will vary depending on water usage.

This rate proposal helps implement the *2015-2020 Water System Plan*. The Plan was adopted by City Council on October 6th and is expected to be approved by the State Department of Health this fall. The UAC supports the Plans adoption.

The Drinking Water utility continues to experience cost of service increases associated with State-mandated water quality and quantity regulations and costly infrastructure needs. Additionally, rate revenues are volatile and hard to predict due to the effectiveness of our water conservation programs and variable irrigation-related water use. While we seek to minimize future rate increases, the trend of annual cost increases is likely to continue.

Key budget drivers for the anticipated 2016 revenue shortfall include increasing debt service on the McAllister Wellfield and Service Meter Replacement Projects (\$140,000), salary and benefit increases which include a cost of living adjustment (\$111,000), and increasing indirect costs of \$170,000. Funding for new capital facilities is proposed to increase by \$50,000. Additionally, \$25,000 will be used to develop a lease program for managing privately-owned cell phone antennas on City water reservoirs. City and State taxes on the increased rates will be approximately \$125,000.

The shortfall also reflects the loss of revenue from wholesale water sales to the City of Lacey and Thurston PUD. Sales revenue of \$267,000 in 2015 will decrease to zero as the two entities bring new water sources online.

Reclaimed water rates were modified in 2014 and remain appropriate for 2016. Reclaimed water revenues closely follow costs.

The 2015 drought prompted high irrigation-related water use in Olympia. Sustained high water use over the spring and summer will generate unanticipated utility revenue of between \$1 and \$1.5M. The UAC deliberated at length about potential uses for the extra revenue. Members agree that this one-time revenue should be used to support Drinking Water's challenging capital budgets rather than defer the proposed rate increase. The UAC also recommends that 20 percent of this extra revenue be directed toward water conservation programming. With Council's approval, the UAC and staff will develop a strategy for one-time use of \$200,000-\$300,000 for conservation. If a viable strategy is not identified, the funds will be moved to the capital program.

GFCs

- 6.7% increase proposed
- Single family home: \$3,687

We also recommend a 6.7 percent increase in GFCs for drinking water. A greater increase (13 percent) is justified based on current and projected infrastructure investments. However, the UAC recommends “smoothing” the total increase over several years.

Wastewater

Rates

- Anticipated revenue shortfall: minimal
- No increase proposed

We agree with staff’s recommendation for no rate increase in Wastewater. The projected revenue shortfall is modest and can be covered with projected year-end fund balance. Although no rate increase is proposed, implementing volume-based wastewater rates will result in a rate decrease for some customers and an increase for others.

The operating and capital budgets for the Wastewater utility are aligned with the recently completed *2013-2018 Wastewater Management Plan*.

In general, the Wastewater utility experiences stable revenues and expenditures. Infrastructure needs are manageable. A substantial amount of needed work is proactive and preventative in nature. The utility continues to provide financial support for the conversion of onsite septic systems to municipal sewer. We anticipate future financial needs of the Wastewater utility to remain predictable and relatively modest.

GFCs

- 3% increase proposed
- Single family home: \$3,442

Volume-based Wastewater Rates

The UAC reinforces its support for implementing volume-based rates for wastewater. Under the proposed rate structure, rates would be based on drinking water consumption. Wastewater volume-based rates have been under consideration by the UAC for several years and are a recommendation of the *2013-2018 Wastewater Management Plan*.

We support staff recommendations for the three-tier rate structure as presented to City Council on July 21, 2015. As proposed, approximately 17 percent of single family wastewater customers would receive a 35 percent rate reduction. Approximately 70 percent of all customers, including multifamily and commercial, would pay 5 percent more. The other 13 percent of customers would see little or no change. The UAC encourages City Council to adopt the proposed tiered rate structure.

Wastewater Treatment Services - LOTT Clean Water Alliance

The Lacey, Olympia, Tumwater, Thurston (LOTT) Clean Water Alliance collects revenue for its operations through the utility bills of the local jurisdictions.

Increases to both LOTT monthly charges and new connection charges are proposed for 2016. The UAC plays a relatively minor role in LOTT's rate analysis and decisions. However, the UAC continues to be interested in the possibility of volume-based rates for LOTT charges.

An inflationary adjustment in LOTT monthly rates of three percent is proposed for 2016. With the proposed rate increase, LOTT charges would increase \$1.08 per month for a single family residence. The current LOTT charge of \$72.12 bi-monthly for single family residences would increase to \$74.28. Non-single family accounts would increase proportionately.

The LOTT capacity development charge (CDC) is proposed to increase 4.3 percent to \$5,354 for a new single family home.

Storm and Surface Water

Rates

- Anticipated revenue shortfall: \$290,000
- 6.7% rate increase proposed
- Average single family residential account in 2016: \$0.80/month increase

The UAC also supports staff's recommendation for a 6.7 percent increase for the Storm and Surface Water utility. The increase will be applied across all rate classes.

The total Storm and Surface Water budget for 2016 is approximately \$5.2 M. The expected revenue shortfall is \$290,000. Key drivers for the shortfall encompass salaries and benefits including an employee cost-of-living adjustment (\$115,000), indirect costs (\$133,000) and new debt service (\$20,000). City and state taxes are also applied to the new revenue.

The UAC encourages staff to begin updating the current Storm and Surface Water Management Plan in 2016. The update should include a comprehensive financial analysis of the utility. Investigating and implementing incentives for development innovation should be included in the analysis. The UAC anticipates being involved in this evaluation.

GFCs

- Residential: no increase proposed
- Commercial: proposed trip generation component increase to \$4.80/trip

The UAC recommends that the base charge for stormwater GFCs be held at \$1,190 for a new single family home. The base charge was increased ten percent in 2015. Consistent with last year's decision to phase-in increases to the trip-generation component of the GFC, the UAC recommends increasing the component from \$3.15 to \$4.80 per vehicle trip. The trip-generation component of the GFC recognizes the water quality implications of vehicle use. Land uses with high vehicle use (e.g. convenience mart) pay a higher charge than land uses with modest vehicle use such as single family residential.

Waste ReSources

- Anticipated revenue shortfall: \$337,600
- Increases between 3% and 9% proposed, dependent on rate class:
 - Drop Box 3%
 - Residential 5.5%
 - Commercial 4%
 - Organics 9%

The UAC agrees with staff's recommendation for a variety of rate increases in this utility. Policy direction is set by the *Towards Zero Waste: Olympia's Waste ReSources Plan 2015-2020*.

Key drivers for the 2016 rates include inflationary increases in disposal/tonnage fees, salaries, benefits, equipment, fuel and taxes. The revenue from recycled materials, which helps offset expenses, is expected to fall short of fees. Growth and annexations drive the need for an additional residential collection truck, as well as converting the current part-time Maintenance Worker I position into a full-time position.

All excess reserves above the ten percent minimum requirements were used to help smooth out rate increases from 2011-2014. The 2015 revenues are projected to cover expenditures in 2015 without the use of any reserve funds. Revenues for 2016 and beyond will need to cover expenditures without the use of any reserve funds.

Based on projected 2016 revenue and expenditures, the Waste ReSources budget would be out of balance by approximately \$337,600. Staff recommends implementing rate increases for all four service classes. Continuing to smooth and subsidize rates for the organics program through commercial rates is recommended as subscriptions continue to grow.

Thank you for the opportunity to comment and provide our recommendations. These proposals will support the important public health mandates of the four City utilities. The proposed utility rates reflect our responsibility to maintain and improve our essential public infrastructure.

Please let me, or Chair Thad Curtz, know if you have any questions.

Sincerely,



MARGARET DRENNAN

Vice Chair

Utility Advisory Committee

MD/lm

ec: UAC Members
Jane Kirkemo, Administrative Services Director
Dan Daniels, Waste ReSources Director
Andy Haub, Water Resources Director



City Council

Approval of Ordinance Amending School Impact Fees

Agenda Date: 12/15/2015
Agenda Item Number: 4.O
File Number: 15-1157

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Amending School Impact Fees

Recommended Action

Committee Recommendation:

Not referred to a committee. The full Council received a presentation on school impact fees.

City Manager Recommendation:

Move to approve on second reading the ordinance amending School Impact Fees.

Report

Issue:

Should the Council amend the School Impact fees for 2016?

Staff Contact:

Jane Kirkemo, Administrative Services Director, 360.753.8499

Presenter(s):

None. Consent Calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The proposed update to the school impact fees is based on the adoption by the School Board of the Olympia School District's 2016 - 2021 Capital Facilities Plan (CFP). Representatives from the School District met with the Planning Commission and City Council to review their CFP and proposed impact fees changes. The rates for impact fees are calculated based, in part, on the projects set forth in the District's CFP that are needed to address the impacts of projected growth. School impact fees are only charged to residential projects inside the city limits of Olympia.

The City collects the impact fees for the school district and remits the fees with any interest to them on a monthly basis. Based on the school districts CFP, the fees are as follows:

	2015	2016
Single Family	\$4,978	\$5,240
Multi-Family	\$1,676	\$2,498
Downtown Multi-Family	- 0 -	- 0 -

Neighborhood/Community Interests (if known):

The Olympia School District held a public meeting to discuss their CFP and corresponding impact fees and the Council had two public hearings that included the School District CFP.

Options:

The City can only adopt the changes proposed by the Olympia School Board or not charge school impact fees. The City has no basis for changing the calculations for school impact fees.

Option 1: Approve School Impact Fees Ordinance on second reading.

Option 2: Do not move forward with revised impact fees.

Financial Impact:

Depends on the number of new single family or multi-family residential permits issued.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING SCHOOL IMPACT FEES, AND AMENDING SECTION 15.16.030 OF THE OLYMPIA MUNICIPAL CODE.

WHEREAS, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

WHEREAS, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "School Impact Fees"; and

WHEREAS, the Olympia School District has updated its capital facility plan and revised its proposed impact fees as reflected in the School District's adopted 2015-2020 Capital Facility Plan; and

WHEREAS, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

WHEREAS, following said review of the 2016-2021 CFP, the Olympia City Council desires to revise School Impact Fees as adopted in the Olympia School District's 2015-2020 Capital Facility Plan; and

WHEREAS, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington State Constitution; and

WHEREAS, this Ordinance is supported by the staff report, attachments, and documents on file with the Department of Administrative Services;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 15.16.030. Section 15.16.030 of the Olympia Municipal Code is hereby amended to read as follows:

15.16.030 - Schedule C, School Impact Fees

For complete building permit applications submitted after the effective date of this title, the following schedule shall apply:

(Applies to residential development only)

Housing Type:	
Single Family - detached (including manufactured homes on individual lots)	\$4,978 <u>\$5,240</u>
Multifamily per unit (including townhouses)	\$1,676 <u>\$2,498</u>
Downtown Multi Family per units (including townhouses)	\$0

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall be in force and effect on January 1, 2016, after its passage by the Olympia City Council and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY (AAA)

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of Ordinance Amending Transportation Impact Fees

Agenda Date: 12/15/2015
Agenda Item Number: 4.P
File Number: 15-1189

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Amending Transportation Impact Fees

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve on second reading the ordinance amending Transportation Impact Fees.

Report

Issue:

Whether to adopt an ordinance that amends Transportation Impact Fees to adjust for increases or decreases in the cost of labor, construction materials, and real property.

Staff Contact:

Randy Wesselman, Transportation Engineering and Planning Manager, Public Works Transportation,
360.753.8477

Presenter(s):

None - Consent Item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The City charges developers a Transportation Impact Fee to offset the impact of new development on the transportation system. Transportation Impact Fees fund future transportation capital improvement projects. The cost is calculated based on the type of land use and the projected number of afternoon, peak-hour vehicle trips generated by the development.

Each year, staff updates the City's Transportation Impact Fee calculations to reflect inflationary increases or decreases in project costs. The recommended adjustments are based on 2015-2016 project costs. These costs are consistent with the 2016-2021 *Capital Facilities Plan*.

Staff recommends increasing the Transportation Impact Fee cost per trip from \$2,688 to \$2,913 (8.38%). This reflects an increase in engineering labor and construction costs and an increase to purchase Rights-of-Way (ROW). Additional detail on the cost of labor, construction materials, and real property can be found in the attachment.

The proposed amendments to the Transportation Impact Fee Ordinance can be found in Schedule D of the Ordinance.

Neighborhood/Community Interests (if known):

Public Hearings were held on October 13 and November 17, 2015. No comments were received concerning the increase in Transportation Impact Fees.

Options:

1. Approve the Ordinance amending Transportation Impact Fees on second reading. Project costs will remain current with the cost of labor, construction materials, and real property.
2. Approve the Ordinance with changes to some of the proposed impact fee rates.
3. Do not move forward with an update of the Transportation Impact Fee Ordinance at this time. Project costs will not remain current with the cost of labor, construction materials, and real property.

Financial Impact:

The proposed fees will result in Transportation Impact Fees increasing by approximately 8.38 percent.

Attachments:

1. Ordinance
2. Summary
3. Cost Distribution

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON AMENDING TRANSPORTATION IMPACT FEES, AND AMENDING SECTION 15.16.040 OF THE OLYMPIA MUNICIPAL CODE.

WHEREAS, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

WHEREAS, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "Transportation Impact Fees"; and

WHEREAS, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

WHEREAS, following said review of the 2016-2021 CFP, the Olympia City Council desires to amend Transportation Impact Fees to account for costs of labor, construction materials, and real property;

WHEREAS, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington Constitution; and

WHEREAS, this Ordinance is supported by the staff report, attachments, and documents on file with the Department of Public Works;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 15.16.040. Section 15.16.040 of the Olympia Municipal Code is hereby amended to read as follows:

15.16.040 - Schedule D, Transportation Impact Fees

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, 2015 2016**

Land Uses	Unit of Measure	Rate
Cost per New Trip Generated:		\$2,688 \$2,913
<i>Residential</i>		
Single Family (Detached)	dwelling	\$3,167 \$3,432
Multi Family-Townhouse & Duplex	dwelling	\$2,055 \$2,227

Land Uses	Unit of Measure	Rate
Senior Housing & Accessory Dwelling	dwelling	\$778 \$843
Mobile Home	dwelling	\$1,850 \$2,005
<i>Commercial – Services</i>		
Bank	sq ft / GFA	\$17.35 \$18.80
Day Care	sq ft / GFA	\$16.75 \$18.15
Hotel/Motel	room	\$2,115 \$2,292
Service Station ¹	fueling position	\$6,114 \$6,626
Quick Lubrication Vehicle Shop	servicing positions	\$5,534 \$5,997
Automobile Care Center	sq ft / GLA	\$5.00 \$5.42
Movie Theater	seat	\$123 \$133
Health Club	sq ft / GFA	\$7.35 \$7.97
Marina	berth	\$475 \$515
<i>Institutional</i>		
Elementary /Jr. High/ High School	student	\$186 \$202
University/College	student	\$508 \$551
Church	sq ft / GFA	\$1.82 \$1.98
Hospital	sq ft / GFA	\$4.09 \$4.43

Land Uses	Unit of Measure	Rate
Assisted Living, Nursing Home, Group Home	bed	\$552 \$598
Industrial		
Light Industry/Manufacturing/Industrial Park	sq ft / GFA	\$3.93 \$4.26
Warehousing/Storage	sq ft / GFA	\$1.46 \$1.58
Mini Warehouse	sq ft / GFA	\$1.19 \$1.29
Restaurant		
Restaurant	sq ft / GFA	\$18.25 \$19.78
Fast Food Restaurant	sq ft / GFA	\$30.32 \$32.86
Commercial – Retail		
Retail Shopping Center:		
up to 49,999	sq ft / GLA	\$5.85 \$6.34
50,000-99,999	sq ft / GLA	\$5.17 \$5.61
100,000-199,999	sq ft / GLA	\$5.08 \$5.51
200,000-299,999	sq ft / GLA	\$4.65 \$5.04
300,000-399,999	sq ft / GLA	\$5.55 \$6.01
over 400,000	sq ft / GLA	\$6.24 \$6.76
Supermarket > 5,000 SF	sq ft / GFA	\$14.82 \$16.06

Land Uses	Unit of Measure	Rate
Convenience Market < 5,000 SF	sq ft / GFA	\$27.47 \$29.77
Furniture Store	sq ft / GFA	\$0.41 \$0.45
Car Sales - New/Used	sq ft / GFA	\$8.54 \$9.25
Nursery/Garden Center	sq ft / GFA	\$5.01 \$5.42
Pharmacy/Drugstore	sq ft / GFA	\$6.41 \$6.95
Hardware/Building Materials Store < 25,000 SF	sq ft / GFA	\$5.07 \$5.49
Discount Merchandise Store (Free Standing)	sq ft / GFA	\$5.85 \$6.34
Video Rental	sq ft / GFA	\$9.32 \$10.10
Home Improvement Superstore > 25,000 SF	sq ft / GFA	\$2.45 \$2.66
Miscellaneous Retail	sq ft / GLA	\$6.02 \$6.52
Commercial – Office		
Administrative Office:		
0-99,999	sq ft / GFA	\$11.15 \$12.08
100,000-199,999	sq ft / GFA	\$6.79 \$7.35
200,000-299,999	sq ft / GFA	\$5.92 \$6.42
over 300,000	sq ft / GFA	\$5.55 \$6.02
Medical Office/Clinic	sq ft / GFA	\$11.16 \$12.09

Land Uses	Unit of Measure	Rate
<i>Downtown² Fees</i>		
Multi Family-Townhouse, & Duplex	dwelling	\$843 \$913
Senior Housing & Accessory Dwelling	dwelling	\$349 \$378
Assisted Living, Nursing Home, Group Home	bed	\$375 \$406
Hotel/Motel	room	\$1,568 \$1,699
Movie Theater	seat	\$101 \$110
Marina	berth	\$291 \$315
Downtown Services/Retail ³	sq ft / GLA	\$3.55 \$3.85
Administrative Office:		
0-99,999	sq ft / GFA	\$7.24 \$7.84
100,000-199,999	sq ft / GFA	\$5.43 \$5.88
200,000-299,999	sq ft / GFA	\$4.70 \$5.10
over 300,000	sq ft / GFA	\$3.98 \$4.31
Medical Office/Clinic	sq ft / GFA	\$9.77 \$10.58
Industrial Park	sq ft / GFA	\$2.47 \$2.67
Warehousing/Storage	sq ft / GFA	\$0.92 \$0.99
Mini Warehouse	sq ft / GFA	\$0.75 \$0.81

Notes: For uses with Unit of Measure in "sq ft / GFA" or "sq ft/GLA", impact fee is dollars per square foot.

1) Service Station can include Mini Mart (less than or equal to 2,500 square feet) and/ or Car Wash. Mini Mart greater than 2,500 square feet is calculated separately.

2) Downtown: As defined in Olympia Municipal Code 15.040.020.O.

3) Downtown Services/Retail includes Retail Stores, Restaurants, Supermarkets, Convenience Markets, Video Rentals, Banks, Health Clubs, Day Cares, and Libraries.

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.


Section 4. Effective Date. This Ordinance shall be in force and effect on January 1, 2016, after its passage by the Olympia City Council and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY (ACA)

PASSED:

APPROVED:

PUBLISHED:

2016 TRANSPORTATION IMPACT FEE
Annual Adjustment of Transportation Impact Fee
For Increases/Decreases in Cost of Labor, Construction Materials and Real Property
2016 - 2021 Capital Facilities Plan Cycle

Method: Inflate based on updated 2015 CFP cost and WSDOT CCI 8.8%, COLA 3%, ROW varies.

FN = $(L*(1+COLA)) + (C*(1+CCI)) + (ROW*(1+PI))$, where:

FN = Funds Needed that are adjusted for inflation

L = Current Year Labor Cost

C = Current Year Construction Cost

ROW = Current Year Right-of-Way Cost

COLA = Cost of Living Adjustment Percent

CCI = Construction Cost Index (WSDOT CCI) Percent (3-year average)

PI = Property Value Inflation Percent

Boulevard Rd and Log Cabin Rd - Phase 2, East Leg			
	<u>2015</u>	<u>Inflation</u>	<u>2016</u>
Engineering	344,900	1.03	355,200
Construction	2,331,900	1.088	2,537,100
TOTAL	2,676,800		2,892,300
Boulevard Rd and Morse Merryman Intersection Improvements			
(Updated for 2016 based on current project estimate.)	<u>2015</u>	<u>Inflation</u>	<u>2016</u>
Engineering	948,400	x	1,946,840
Construction	3,312,100	x	3,689,560
Right of Way	448,500	x	365,000
TOTAL	4,709,000		6,001,400
Boulevard Rd and 22nd Ave Intersection Improvements			
(Estimate for 2016 based on project estimate)	<u>2015</u>	<u>Inflation</u>	<u>2016</u>
Engineering	1,212,080	x	
Construction	2,903,480	x	
Right of Way	775,000	x	
TOTAL	4,890,560		
Cain Road & North Street Intersection Improvements			
	<u>2015</u>	<u>Inflation</u>	<u>2016</u>
Engineering	310,200	1.03	319,500
Construction	2,387,400	1.088	2,597,500
Right of Way	160,100	1.014	162,300
TOTAL	2,857,700		3,079,300
Fones Road from 17th Ave to Pacific Ave Phase 2b (North/South), Roadway Widening			
	<u>2015</u>	<u>Inflation</u>	<u>2016</u>
Engineering	1,626,300	1.03	1,675,100
Construction	9,964,700	1.088	10,841,600
Right of Way	4,804,700	1.009	4,847,900
	16,395,700		17,364,600

2016 TRANSPORTATION IMPACT FEE
Annual Adjustment of Transportation Impact Fee
For Increases/Decreases in Cost of Labor, Construction Materials and Real Property
2016 - 2021 Capital Facilities Plan Cycle

Henderson Boulevard & Eskridge Boulevard Intersection Improvements			<u>2015</u>	<u>Inflation</u>	<u>2016</u>
	Engineering		406,200	1.03	418,400
	Construction		2,944,900	1.088	3,204,100
	Right of Way		277,900	1.014	281,800
	TOTAL		3,629,000		3,904,300
Log Cabin Road Extension			<u>2015</u>	<u>Inflation</u>	<u>2016</u>
	Engineering		1,745,000	1.03	1,797,400
	Construction		10,243,300	1.088	11,144,700
	Right of Way		4,325,400	0.99	4,282,100
	TOTAL		16,313,700		17,224,200
	City Share 25%		4,078,425		4,306,050
West Olympia Access Interchange Justification Report (IJR)			<u>2015</u>	<u>Inflation</u>	<u>2016</u>
	Engineering		1,600,000	x	1,600,000
(Updated estimate based on US 101/West Olympia Access Project IJR estimate.)	Construction		0	x	0
	Right of Way		0	x	0
			1,600,000		1,600,000
Wiggins Road & 37th Avenue Intersection Improvements			<u>2015</u>	<u>Inflation</u>	<u>2016</u>
	Engineering		691,900	1.03	712,700
	Construction		5,080,600	1.088	5,527,700
	Right of Way		1,188,000	1.014	1,204,600
	TOTAL		6,960,500		7,445,000

Transportation Impact Fee Cost Distribution

PROJECT/STREET	A1	A15	A18	A19	A20
	Cost	Total Funds Appropriated or Assigned through August 31, 2015	Not Debt Financed	Payment Schedule for Horizon Year Debt Based on Bond Issuance	Total Funds Needed for Horizon Year A18+ A19
Fones Road - 18th Avenue to Pacific	\$17,364,600	\$104,518	\$17,260,082	\$0	\$17,260,082
Henderson Boulevard & Eskridge Boulevard Intersection Improvements	\$3,904,300	\$125,639	\$3,778,661	\$0	\$3,778,661
Wiggins Road & 37th Avenue Intersection Improvements	\$7,445,000	\$244,333	\$7,200,667	\$0	\$7,200,667
Cain Road & North Street Intersection Improvements	\$3,079,300	\$20,012	\$3,059,288	\$0	\$3,059,288
Boulevard Road Intersection Improvements - Log Cabin - Phase 2 (East Leg)	\$2,892,300	\$40,944	\$2,851,356	\$0	\$2,851,356
Boulevard Road Intersection Improvements - 22nd Avenue	\$4,890,560	\$3,576,269	\$1,314,291	\$0	\$1,314,291
Boulevard Road Intersection Improvements - Morse-Merryman Road	\$6,001,400	\$2,353,293	\$3,648,107	\$0	\$3,648,107
Log Cabin Road Extension, Phase I - County Property to Extension of Hoffman Road	\$4,306,050	\$40,337	\$4,265,713	\$0	\$4,265,713
West Olympia Access Study - Interchange Justification Report	\$1,600,000	\$850,884	\$749,116	\$0	\$749,116
Debt Service	\$2,620,525	\$0		\$2,620,525	\$2,620,525
Total	\$54,104,035	\$7,356,229	\$44,127,281	\$2,620,525	\$46,747,806

Percent of new project traffic due to growth within City of Olympia and UGA	65.1713636%
Project Costs Allowable for Impact Fees	\$30,466,183
New PM Peak Hour Trips	10,458
Cost Per Trip	\$2,913



City Council

Approval of Ordinance Appropriating 2016 Special Funds

Agenda Date: 12/15/2015
Agenda Item Number: 4.Q
File Number: 15-1163

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title:

Approval of Ordinance Appropriating 2016 Special Funds

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the ordinance appropriating 2016 special funds on second reading.

Report

Issue:

Whether to appropriate various Special Funds.

Staff Contact:

Dean Walz, Fiscal Services Director, Administrative Services Department, 360.753.8465

Presenter(s):

None. Consent calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The City has several special accounts and funds that are not part of the Operating or Capital Budgets. These Funds have been established for administrative purposes and/or to segregate funds for special purposes.

Neighborhood/Community Interests (if known):

None.

Options:

- 1) Pass the ordinance on second reading as presented. The ordinance provides authority to expend funds for various purposes.

2) Pass the ordinance on second reading with different amounts.

Financial Impact:

Appropriations of	\$6,943,459	To various Special Funds.
Funding:	\$2,144,565	Revenue from external sources
	\$4,933,040	Revenue from internal sources
	\$ 134,146	Net gain to fund balances

Ordinance No.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, APPROPRIATING FUNDS WITHIN VARIOUS SPECIAL FUNDS.

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. The following appropriations are hereby made:

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
HUD Fund	\$-	\$463,265	\$463,265	\$-
Fire Equipment Replacement Fund	-	125,500	120,000	5,500
Lodging Tax Fund	-	650,000	566,188	83,812
Parks & Recreational Sidewalk Utility Tax Fund	91,725	489,403	581,128	-
Parking Business Improvement Area Fund	10,000	100,000	110,000	-
Farmers Market Repair & Replacement Fund	10,000	-	10,000	-
Hands On Children's Museum	-	434,688	434,688	-
Equipment Rental Replacement Reserve Fund	-	1,547,660	1,201,101	346,559
Unemployment Compensation Fund	-	210,500	210,500	-
Insurance Trust Fund	50,000	1,501,880	1,551,880	-
Workers Compensation Fund	140,000	1,550,000	1,690,000	-
Washington Center Endowment Fund	-	4,709	4,709	-
TOTALS	\$301,725	\$7,077,605	\$6,943,459	\$435,871

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall take effect January 1, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of Ordinance Adopting the 2016 - 2021 Capital Facilities Plan (CFP) and Appropriating Funds for 2016

Agenda Date: 12/15/2015
Agenda Item Number: 4.R
File Number: 15-1159

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Adopting the 2016 - 2021 Capital Facilities Plan (CFP) and Appropriating Funds for 2016

Recommended Action

Committee Recommendation:

Move to approve the CFP as amended on second reading an ordinance adopting the CFP and appropriating the 2016 budget.

City Manager Recommendation:

Move to approve on second reading an ordinance adopting the 2016 - 2021 Capital Facilities Plan and appropriating funds for the 2016 year of the plan.

Report

Issue:

Should the Council adopt the 2016 - 2021 Capital Facilities Plan and appropriate funds for 2016?

Staff Contact:

Jane Kirkemo, Administrative Services Director, 360.753.8499

Presenter(s):

None. Consent calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The budget process began with the Capital Facilities Plan presented in July. The Planning Commission held a public hearing and reviewed the plan in detail. Plus, the Council held two public hearings and several meetings to discuss the CFP.

Since the City of Olympia collects impact fees for the School District, both the Planning Commission and the City Council reviewed the school district CFP. The School District's CFP will be incorporated into the Olympia document. The Finance Committee has reviewed aspects of the CFP at each of

their meetings since July. State law requires the budget be adopted no later than December 31st.

The dollar amounts on some projects have changed since the Preliminary CFP was presented due to more definitive cost estimates, receipt of grants, impact fee rate increases, or other additional funding sources. The CFP includes increases in Transportation, Park, and School impact fees. Also included in the CFP for review was the Capital Facilities Element (CFE) of the Comprehensive Plan Goals and Policies. The CFE will be adopted as part of the CFP.

The Council made some changes to the CFP (see attachment). In addition, a page will be added to the document outlining the funding sources included in the Capital Improvement Plan funding source. Staff will also add a description of the utility tax on cable television.

Neighborhood/Community Interests (if known):

Council held a public hearing to provide an opportunity for all interested individuals and groups to share their comments directly with Council. In addition, Parks and Public Works representatives met with the Coalition of Neighborhood Associations (CNA) and the Safe Streets Campaign to discuss various aspects of the plan.

Options:

Option 1: Approve the 2016 - 2021 Capital Facilities Plan including the Capital Facilities Element, and approve the 2016 Capital budget ordinance on second reading.

Option 2: Make additional changes to the Capital Facilities Plan or 2016 Capital Budget and pass on second reading of the CFP.

Financial Impact:

The total 2016 - 2021 CFP is \$138.1 million.

Ordinance No.

AN ORDINANCE ADOPTING THE CITY OF OLYMPIA'S CAPITAL FACILITIES PLAN FOR THE YEARS 2016-2021 AND APPROPRIATING FUNDS FOR THE 2016 PORTION OF SAID CAPITAL FACILITIES PLAN.

WHEREAS, the Olympia City Manager submitted to the City Council a recommended "Capital Facilities Plan," herein referred to as "CFP," for the fiscal years 2016 through 2021; and

WHEREAS, the CFP projects the proposed locations and capacities of expanded or new capital facilities needed to serve growth projected in the City's comprehensive plan, along with a six-year plan that will finance such capital facilities and the anticipated capital expenditures required to construct them for said period; and

WHEREAS, the Olympia School District's Capital Facilities Plan is being incorporated as a component of the City's CFP to allow for the collection of school impact fees; and

WHEREAS, the CFP element of the Comprehensive Plan Goals and Policies is included in the CFP; and

WHEREAS, the City Council has held public hearings and reviewed the recommended CFP along with the CFP Goals and Policies and has made revisions thereto; and

WHEREAS, the revisions made by the City Council have been incorporated into the recommended CFP; and

WHEREAS, the CFP meets the requirements of the Washington State Growth Management Act, including RCW 36.70A.070(3); and

WHEREAS, the CFP is supported by the staff report, attachments and documents on file with the City;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. That certain document entitled the "Capital Facilities Plan," covering the years 2016 through 2021, a copy of which will be on file with the Office of the Director of Administrative Services and available on the City's web site, is hereby adopted as the Capital Facilities Plan for the City of Olympia and is incorporated herein as though fully set forth.

Section 2. Upon appropriation by the City Council of funds therefor, the City Manager shall be authorized to prepare plans and specifications, to take bids, and to make expenditures for the projects set forth in the CFP during the year for which said projects are scheduled; provided, however, that any award of bids and execution of contracts for construction shall be approved as provided in OMC Chapter 3.16.

Section 3. It is anticipated that the funding source and the construction schedule for projects identified in the CFP may be changed over the next year. Such changes shall not constitute an amendment to the Comprehensive Plan for purposes of RCW 36.70A.130.

Section 4. The Director of Administrative Services is hereby authorized to bring forward into fiscal year 2016 all appropriations and allocations not otherwise closed, completed, or deleted from prior fiscal years' capital budgets.

Section 5. The following appropriations are hereby made:

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
Impact Fee Fund	\$2,649,315	\$ -	\$2,649,315	\$-
SEPA Mitigation Fee Fund	78,501	-	78,501	-
Parks & Recreational Sidewalk, Utility Tax Fund	-	2,409,750	2,409,750	-
Real Estate Excise Tax Fund	744,400	1,200,000	1,944,400	-
Capital Improvement Fund	69,600	10,136,306	10,205,906	-
Water CIP Fund	700,000	7,730,000	8,430,000	-
Sewer CIP Fund	1,311,700	741,300	2,053,000	-
Storm Water CIP Fund	586,000	1,799,000	2,385,000	-
TOTALS	\$6,139,516	\$24,016,356	\$30,155,872	\$0

Section 6. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 7. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 8. Effective Date. This Ordinance shall take effect January 1, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:

2016 Capital Facilities Plan - Dollar Changes Preliminary to Final

Changes Prelim to Final	Prelim	Final	Change	Reason
PARKS				
Community Park Expansion	\$ 883,500	\$ 925,723	\$ 42,223	YAF Grant -Additional \$42,223 to \$151,000= \$193,223 – Awarded a Youth Athletic Facility (YAF) Grant from the Recreation and Conservation Office for 2016. The funds will be used to install synthetic turf at Stevens Field Ballfield #1.
Open Space Acquisition and development	\$ 2,463,500	\$ 2,325,152	\$ (138,348)	\$11,652 – Urban Trails Impact Fees – additional funding for preparation of RCO grant application for Grass Lake Trail (\$150,000) – Open Space Impact Fees – Funds appropriated for the Kaiser Heights option payment
Percival Landing Major Maint.	\$ 357,000	\$ 1,278,500	\$ 921,500	Grant from State Department of Commerce
Small Capital Projects	\$ 130,000	\$ 137,000	\$ 7,000	\$7,000 – SEPA Fees – additional funding needed for the Priest Point Park trail and signage project
TRANSPORTATION WITH IMPACT FEES				
Transportation with Impact Fees	\$ 41,228,513	\$ 44,750,900	\$ 3,522,387	Updated with 2016 Impact fee numbers
TRANSPORTATION				
Bike Improvements	\$ 100,000	\$ 203,060	\$ 103,060	State Multi modal funding (\$51,530 for 2 years)
Sidewalks and Pathways	\$ 7,289,000	\$ 7,239,000	\$ (50,000)	Decrease in Utility Tax Revenue
STORM AND SURFACE WATER				
Flood Mitigation and Collection	\$ 8,010,800	\$ 8,650,800	\$ 640,000	Based on pre-design work performed by KPG this year (Cooper Point/Black Lake Boulevard Stormwater Conveyance, Findings of Preliminary Engineering Study: Final Report, KPG, September 2015).
			\$ 5,047,822	



Project Funding Reports - General Government Projects

Project Funding Reports - General Government Projects: Parks

PARKS PROJECTS	FUNDING	2016	2017-2021	TOTAL
Community Park Expansion	Grant	\$ 193,223	\$ -	\$ 193,223
	Impact Fees	\$ 732,500	\$ -	\$ 732,500
Condition Assessment and Major Maintenance Program (CAMMP)	CIP Fund	\$ 500,000	\$ 2,500,000	\$ 3,000,000
Neighborhood Park Development	Impact Fees	\$ 473,000	\$ 750,000	\$ 1,223,000
Open Space Acquisition and Development	Grants	\$ 500,000	\$ -	\$ 500,000
	Impact Fees	\$ 1,005,152	\$ 820,000	\$ 1,825,152
Parks Bond Issue Debt Service	Voted Utility Tax (V.U.T.)	\$ 1,435,150	\$ 1,210,600	\$ 2,645,750
Parks Land Acquisition	Voted Utility Tax (V.U.T.)	\$ -	\$ 5,000,000	\$ 5,000,000
Percival Landing Major Maintenance and Reconstruction	CIP Fund	\$ 357,000	\$ -	\$ 357,000
	Grant	\$ 921,500	\$ -	\$ 921,500
Small Capital Projects	SEPA Fees	\$ 12,000	\$ 125,000	\$ 137,000
	Total Parks	\$ 6,129,525	\$ 10,405,600	\$ 16,535,125

FUNDING RECAP	FUNDING	2016	2017-2021	TOTAL
	CIP Fund	\$ 857,000	\$ 2,500,000	\$ 3,357,000
	Grant	\$ 1,614,723	\$ -	\$ 1,614,723
	Impact Fees	\$ 2,210,652	\$ 1,570,000	\$ 3,780,652
	SEPA Fees	\$ 12,000	\$ 125,000	\$ 137,000
	Voted Utility Tax (VUT)	\$ 1,435,150	\$ 6,210,600	\$ 7,645,750
	Total Parks	\$ 6,129,525	\$ 10,405,600	\$ 16,535,125

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.



Project Funding Reports - General Government Projects: Transportation

TRANSPORTATION PROJECTS		FUNDING	2016	2017-2021	TOTAL
Access and Safety Improvements	CIP Fund	\$	200,000	\$ -	\$ 200,000
Bike Improvements	CIP Fund	\$	151,530	\$ 51,530	\$ 203,060
Sidewalks and Pathways	CIP Fund	\$	20,000	\$	\$ 20,000
	Stormwater Utility Rates	\$	186,500	\$ 932,500	\$ 1,119,000
	Voted Utility Tax - Parks & Sidewalks	\$	975,000	\$ 5,125,000	\$ 6,100,000
Street Repair and Reconstruction	CIP Fund	\$	1,437,000	\$ 6,445,000	\$ 7,882,000
	Gas Tax	\$	275,000	\$ 1,375,000	\$ 1,650,000
	Transportation Benefit District (TBD)	\$	870,000	\$ 3,500,000	\$ 4,370,000
Total Transportation		\$	4,115,030	\$ 17,429,030	\$ 21,544,060

FUNDING RECAP		FUNDING	2016	2017-2021	TOTAL
	CIP Fund	\$	1,808,530	\$ 6,496,530	\$ 8,305,060
	Gas Tax	\$	275,000	\$ 1,375,000	\$ 1,650,000
	TBD	\$	870,000	\$ 3,500,000	\$ 4,370,000
	Storm Water Utility Rate	\$	186,500	\$932,500	\$1,119,000
	Voted Utility Tax-Parks & Sidewalks	\$	975,000	\$ 5,125,000	\$ 6,100,000
Total Transportation		\$	4,115,030	\$ 17,429,030	\$ 21,544,060

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.



Project Funding Reports - General Government Projects: Transportation with Impact Fees

TRANSPORTATION IMPACT FEE PROJECTS	FUNDING	2016	2017-2021	TOTAL
2010 Transportation Stimulus Project Repayment	Impact Fees	\$ 438,663	\$ 2,181,862	\$ 2,620,525
Boulevard Road - Intersection Improvements (Program #0628)	Grant	\$ -	\$ 1,359,433	\$ 1,359,433
	Impact Fees	\$ -	\$ 5,140,030	\$ 5,140,030
	SEPA	\$ 9,767	\$ -	\$ 9,767
Cain Road & North Street - Intersection Improvements	Grant	\$ -	\$ 1,458,568	\$ 1,458,568
	Impact Fees	\$ -	\$ 1,600,720	\$ 1,600,720
	SEPA	\$ 9,703	\$ -	\$ 9,703
Fones Road—Transportation (Program #0623)	Grant	\$ -	\$ 8,229,040	\$ 8,229,040
	Impact Fees	\$ -	\$ 9,031,042	\$ 9,031,042
	SEPA	\$ 23,145	\$ -	\$ 23,145
Henderson Boulevard & Eskridge Boulevard - Intersection Improvements	Grant	\$ -	\$ 1,801,541	\$ 1,801,541
	Impact Fees	\$ -	\$ 1,977,120	\$ 1,977,120
	SEPA	\$ 4,295	\$ -	\$ 4,295
Log Cabin Road Extension - Impact Fee Collection (Program #0616)	Impact Fees	\$ -	\$ 4,265,713	\$ 4,265,713
	SEPA	\$ 9	\$ -	\$ 9
Wiggins Road and 37th Ave Intersection Improvements	Grant	\$ -	\$ 3,433,041	\$ 3,433,041
	Impact Fees	\$ -	\$ 3,767,626	\$ 3,767,626
	SEPA	\$ 19,582	\$ -	\$ 19,582
Total Transportation with Impact Fee		\$ 505,164	\$ 44,245,736	\$ 44,750,900

FUNDING RECAP	FUNDING	2016	2017-2021	TOTAL
	Grant	\$ -	\$ 16,281,623	\$ 16,281,623
	Impact Fees	\$ 438,663	\$ 27,964,113	\$ 28,402,776
	SEPA	\$ 66,501	\$ -	\$ 66,501
Total Transportation with Impact Fees		\$ 505,164	\$ 44,245,736	\$ 44,750,900

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Project Funding Reports - General Government Projects: General Capital Facilities

GENERAL CAPITAL FACILITIES PROJECTS	FUNDING	2016	2017-2021	TOTAL
Building Repair and Replacement	CIP Fund	\$ 1,330,000	\$ 7,000,000	\$ 8,330,000
Total General Capital Facilities		\$ 1,330,000	\$ 7,000,000	\$ 8,330,000

FUNDING RECAP	FUNDING	2016	2017-2021	TOTAL
	CIP Fund	\$ 1,330,000	\$ 7,000,000	\$ 8,330,000
Total General Capital Facilities		\$ 1,330,000	\$ 7,000,000	\$ 8,330,000

Summary of Funding Sources for General Government Projects

FUNDING SOURCES	2016	2017-2021	TOTAL
CIP Fund	\$ 3,995,530	\$ 15,996,530	\$ 19,992,060
Gas Tax	\$ 275,000	\$ 1,375,000	\$ 1,650,000
Grant	\$ 1,614,723	\$ 16,281,623	\$ 17,896,346
Impact Fees	\$ 2,649,315	\$ 29,534,113	\$ 32,183,428
SEPA	\$ 78,501	\$ 125,000	\$ 203,501
Stormwater Utility Rates	\$ 186,500	\$ 932,500	\$ 1,119,000
TBD	\$ 870,000	\$ 3,500,000	\$ 4,370,000
Voted Utility Tax	\$ 2,410,150	\$ 11,335,600	\$ 13,745,750
Total General Government	\$ 12,079,719	\$ 79,080,366	\$ 91,160,085

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Project Funding Reports - Utilities Projects

Project Funding Reports - Utilities Projects: Drinking Water

DRINKING WATER PROJECTS	FUNDING	2016	2017-2021	TOTAL
Asphalt Overlay Adjustments—Water (Program # 9021)	Rates	\$ 11,000	\$ 55,000	\$ 66,000
Groundwater Protection—Water (Program #9701)	Rates	\$ 158,000	\$ 889,000	\$ 1,047,000
Infrastructure Pre-Design and Planning—Water (Program #9903)	Rates	\$ 22,000	\$ 110,000	\$ 132,000
Reclaimed Water (Program #9710)	General Facility Charges	\$ -	\$ -	\$ -
	Rates	\$ -	\$ 418,000	\$ 418,000
Small Diameter Water Pipe Replacement—Water (Program #9408)	Rates	\$ 525,000	\$ 2,625,000	\$ 3,150,000
Transmission and Distribution Projects—Water (Program #9609)	General Facility Charges	\$ -	\$ 199,500	\$ 199,500
	Rates	\$ 3,863,000	\$ 7,641,500	\$ 11,504,500
Water Source Development and Protection (Program #9700)	General Facility Charges	\$ 1,140,500	\$ 293,000	\$ 1,433,500
	Rates	\$ 2,710,500	\$ 240,000	\$ 2,950,500
Water Storage Systems (Program #9610)	General Facility Charges	\$ -	\$ -	\$ -
	Rates	\$ -	\$ 3,600,000	\$ 3,600,000
Water System Planning (Program #9906)	General Facility Charges	\$ -	\$ 157,500	\$ 157,500
	Rates	\$ -	\$ 157,500	\$ 157,500
Total Drinking Water		\$ 8,430,000	\$ 16,386,000	\$ 24,816,000

Project Funding Reports - Utilities Projects: Wastewater

WASTEWATER PROJECTS	FUNDING	2016	2017-2021	TOTAL
Asphalt Overlay Adjustments - Sewer (Program #9021)	Rates	\$ 11,000	\$ 55,000	\$ 66,000
Infrastructure Predesign and Planning - Sewer (Program #9903)	Rates	\$ 39,000	\$ 195,000	\$ 234,000
Lift Stations—Sewer (Program #9806)	General Facility Charges	\$ -	\$ 1,890,500	\$ 1,890,500
	Rates	\$ 630,000	\$ 1,228,500	\$ 1,858,500
Onsite Sewage System Conversions - Sewer (Program #9813)	General Facility Charges	\$ 158,000	\$ 1,840,000	\$ 1,998,000
Replacement and Repair Projects - Sewer (Program #9703)	Rates	\$ 405,000	\$ 2,220,000	\$ 2,625,000
Sewer Systems Extensions - Sewer (Program #9809)	General Facility Charges	\$ 788,000	\$ -	\$ 788,000
Sewer System Planning - Sewer (Program #9808)	Rates	\$ 22,000	\$ 110,000	\$ 132,000
Total Wastewater		\$ 2,053,000	\$ 7,539,000	\$ 9,592,000

Project Funding Reports - Utilities Projects: Stormwater

STORMWATER PROJECTS	FUNDING	2016	2017-2021	TOTAL
Aquatic Habitat Improvements - Stormwater (Program #9024)	Rates	\$ 250,000	\$ 625,000	\$ 875,000
Flood Mitigation & Collection - Stormwater (Program #9028)	General Facility Charges	\$ -	\$ 2,691,650	\$ 2,691,650
	Rates	\$ 519,500	\$ 5,439,650	\$ 5,959,150
Infrastructure Pre-Design & Planning - Stormwater (Program #9903)	Rates	\$ 28,400	\$ 142,000	\$ 170,400
Water Quality Improvements - Stormwater (Program #9027)	Grants	\$ 570,975	\$ 1,617,750	\$ 2,188,725
	Rates	\$ 190,325	\$ 539,250	\$ 729,575
Total Stormwater		\$ 1,559,200	\$ 11,055,300	\$ 12,614,500

Additionally: Included in the Transportation Section are Projects funded by transfers from the Stormwater Utility as follows:

PROJECT	FUNDING	2016	2017-2021	TOTAL
Sidewalks and Pathways—Transportation Section	Stormwater Utility Rates	\$ 186,500	\$ 932,500	\$ 1,119,000
	Total	\$ 186,500	\$ 932,500	\$ 1,119,000

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Summary of Funding Sources for Utilities Projects

FUNDING SOURCES	2016	2017-2021	TOTAL
General Facility Charges	\$ 2,086,500	\$ 7,072,150	\$ 9,158,650
Rates	\$ 9,384,725	\$ 26,290,400	\$ 35,675,125
Stormwater Grants or Loans	\$ 570,975	\$ 1,617,750	\$ 2,188,725
Total Utilities	\$ 12,042,200	\$ 34,980,300	\$ 47,022,500

Combined Summary of Funding Sources for Both General Government and Utilities Projects

FUNDING SOURCES	2016	2017-2021	TOTAL
CIP Fund	\$ 3,995,530	\$ 15,996,530	\$ 19,992,060
Gas Tax	\$ 275,000	\$ 1,375,000	\$ 1,650,000
General Facility Charges	\$ 2,086,500	\$ 7,072,150	\$ 9,158,650
Grant	\$ 1,614,723	\$ 16,281,623	\$ 17,896,346
Impact Fees	\$ 2,649,315	\$ 29,534,113	\$ 32,183,428
Rates	\$ 9,384,725	\$ 26,290,400	\$ 35,675,125
SEPA	\$ 78,501	\$ 125,000	\$ 203,501
Stormwater Grants or Loans	\$ 570,975	\$ 1,617,750	\$ 2,188,725
Stormwater Utility Rates	\$ 186,500	\$ 932,500	\$ 1,119,000
TBD	\$ 870,000	\$ 3,500,000	\$ 4,370,000
Voted Utility Tax	\$ 2,410,150	\$ 11,335,600	\$ 13,745,750
Total	\$ 24,121,919	\$ 114,060,666	\$ 138,182,585

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.



City Council

Approval of Ordinance Adopting the 2016 Operating Budget

Agenda Date: 12/15/2015
Agenda Item Number: 4.S
File Number: 15-1156

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Adopting the 2016 Operating Budget

Recommended Action

Committee Recommendation:

Adopt the budget as amended.

City Manager Recommendation:

Move to approve on second reading the 2016 Operating Budget Ordinance.

Report

Issue:

Should the Council adopt the 2016 operating budget ordinance?

Staff Contact:

Jane Kirkemo, Administrative Services Director, 360.753.8499

Presenter(s):

None. Consent Calendar Item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

State law requires the City Manager to present a balanced operating budget each year. The Council held two public hearings, plus several additional study sessions to review the budget. In addition, the Finance Committee has reviewed various aspects of the budget at each of their meetings this year. By state law the budget must be adopted no later than December 31st.

Attachment 1 outlines the significant additions to the budget along with the corresponding funding sources to the preliminary budget. Through earlier ordinances, the City created a Development Fee Fund and a Parking Fund. These become sub-funds of the General Fund and are listed on the attached ordinance.

Neighborhood/Community Interests (if known):

The Planning Commission held a public hearing on the CFP and the Parks and Recreation Commission (PRAC), as well as the Utility Advisory Committee (UAC), each met and discussed various aspects of the budget. In addition, the City Council held a public hearing inviting public input on the budget.

Options:

Option 1: Approve the Operating Budget Ordinance.

Option 2: Make additional changes to the budget and pass the operating budget.

Financial Impact:

The total expenditure budget for 2016 is \$132,579,079.

Ordinance No.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO BUDGETS, FINANCE, AND SALARIES, AND ADOPTING THE 2016 CALENDAR YEAR BUDGET.

WHEREAS, the tax estimates and budget for the City of Olympia, Washington, for the 2016 calendar year have been prepared and filed as provided by the laws of the State of Washington; and

WHEREAS, the preliminary budget was printed for distribution and notice published in the official paper of the City of Olympia, setting the time and place for hearing on the budget and stating that all taxpayers requesting a copy from the City Clerk would be furnished a copy of the preliminary budget to review; and

WHEREAS, the Olympia City Council held a public hearing on the preliminary budget on November 17, 2015, as required by law, and has considered the public testimony presented;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. 2016 Budget. The budget for the calendar year 2016 is hereby adopted in the amounts and for the purposes as shown below; and the following sums, or so much thereof as shall severally be found necessary, are hereby appropriated out of any of the monies in the several funds in the City Treasury hereinafter named.

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
General, Regular Operations	\$116,500	\$67,226,965	\$67,343,465	\$-
General, Special Sub-Funds				
Special Accounts	264,880	1,053,000	1,317,880	-
Development Fee Revenue	-	3,037,211	3,037,211	-
Parking	-	1,518,700	1,338,268	180,432
Washington Center	5,000	320,872	325,872	-
Municipal Arts	400	50,000	50,400	-
Equip & Facilities Reserve	-	1,184,575	1,184,575	-
Total General Fund	386,780	74,391,323	74,597,671	180,432
4 th /5 th Avenue Corridor Bridge Loan	2,306	554,673	556,979	-
LTGO Bond Fund - 2006 Parks	-	1,191,750	1,191,750	-
UTGO Bond Fund – 2009 Fire	-	1,198,140	1,193,731	4,409
City Hall Debt Fund – 2009	962	2,420,156	2,421,118	-
2010 LTGO Bond – Street Projects	-	438,667	438,663	4
L.O.C.A.L. Debt Fund – 2010	1	178,281	178,282	-
2010B LTGO Bonds - HOCM	-	420,688	420,688	-
2013 LTGO Bond Fund	-	671,675	671,675	-
Water Utility O&M	-	12,328,250	12,328,250	-
Sewer Utility O&M	86,382	18,853,133	18,939,515	-
Solid Waste Utility	-	10,547,363	10,528,483	18,880
Storm Water Utility	53,861	5,137,826	5,191,687	-
Water/Sewer Bonds	-	2,040,532	2,013,281	27,251

Stormwater Debt Fund	-	103,311	103,219	92
Equipment Rental	-	1,744,767	1,744,087	680
TOTALS	\$530,292	\$132,220,535	\$132,519,079	\$231,748

Section 2. Administration. The City Manager shall administer the budget, and in doing so may authorize adjustments within the funds set forth in Section 1 above, to the extent that such adjustments are consistent with the budget approved in Section 1.

Section 3. Salaries and Compensation. The salaries and compensation for the City of Olympia employees for the calendar year 2016 shall be as set forth in the "Supplementary Information" section of the 2016 Adopted Operating Budget document, or as the same may be amended by the City Manager as part of his administration of the budget pursuant to Section 2 above.

Section 4. Benefit Cost Sharing. The City Manager is authorized to modify and establish benefit cost sharing for City employees; and such programs may be based, in part, on an employee's start date with the City.

Section 5. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 6. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 7. Effective Date. This Ordinance shall take effect January 1, 2016.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



Finance Committee Proposal

numbers are rounded



2015 Council Goal Money **\$116,500**

- Display cases \$2,000
- Renewable energy \$8,500
- Police Training \$106,000

General Fund On going revenue **\$280,424**

- Police training \$128,050
- Welcome center lease \$20,000
- Ambassadors salary \$16,200
- Police Walking patrol \$60,000

\$56,174 appropriated to 2016 council goal funds



City Council

Public Hearing -- Development Agreement with Intercity Transit

Agenda Date: 12/15/2015
Agenda Item Number: 5.A
File Number: 15-1226

Type: public hearing **Version:** 1 **Status:** Public Hearing

Title

Public Hearing -- Development Agreement with Intercity Transit

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Hold the public hearing. After closing the public hearing, move to adopt the Resolution Approving a Development Agreement with Intercity Transit for proposed expansion of its transit base at 526 Pattison Street SE, projected to take place in two phases of development.

Report

Issue:

Should the City Council approve the development agreement with Intercity Transit?

Staff Contact:

Leonard Bauer, Deputy Director, Community Planning and Development, 360.753.8206

Presenter(s):

Leonard Bauer, Deputy Director, Community Planning and Development

Background and Analysis:

This development agreement is requested by City staff in accordance with Chapter 18.53 of the Olympia Municipal Code. Staff from the Departments of Community Planning and Development and Public Works have worked with Intercity Transit and the City Attorney's office to draft the proposed resolution adopting the development agreement (attached).

The development agreement is for two tax parcels located at 526 Pattison Street SE. The southern parcel currently contains the Intercity Transit base and administrative offices. Intercity Transit plans to rehabilitate existing facilities on the southern parcel and expand onto the northern parcel to improve operations. The project is being phased due to limited funding.

Phase 1 will replace existing single-walled underground storage tanks on its southern parcel with

new tanks on the northern parcel. In addition, Phase 1 includes upgrades to an existing lubricant room and fueling station, adding paved parking, dedication of right-of-way and construction of temporary sidewalk along the east side of Pattison Street from the existing offices to Martin Way, and a pedestrian crossing of Pattison Street at its intersection with Martin Way. Phase 1 also includes temporary landscape screening around the entire developed portion of the northern parcel.

Phase 2 will complete rehabilitation of the existing facility and expansion of the entire northern parcel, including frontage improvements along Pattison Street and Martin Way frontage according to City standards, an additional transit stop, and two new access points - one on Pattison Street and one on Martin Way. Phase 2 also includes a separately accessible van pool service center. Landscape and tree replacement for the project are specified to meet city requirements. Intercity Transit agrees to install a traffic signal and pedestrian crossings at the intersection of Martin Way and Pattison Street as part of Phase 2.

This public hearing and decision are on the terms of a development agreement with Intercity Transit for the subject property. This Public Hearing is not a hearing or decision on the proposed development itself. Consideration of proposed development on the property will occur in the future as part of the review of permit applications after they are received by the City.

Legal Requirements for Development Agreements

Chapter 36.70B.170 of the Revised Code of Washington authorizes cities to enter into a written development agreement with a property owner. The City of Olympia's procedures for development agreements are contained in Chapter 18.53 of the Olympia Municipal Code (OMC).

Following is a brief summary of those procedures as they relate to the development agreement with Intercity Transit:

- The City Council is the authority to make a final decision on a development agreement.
- The City Council must hold a public hearing on the development agreement. Notice was provided for tonight's hearing consistent with the City's public notice requirements (OMC 18.78.040).
- A development agreement must be heard by the City Council prior to consideration of any related project application.
- A development agreement may address the development standards and other provisions that apply to the proposed development and vest to the development, the time frame of the agreement, and any mitigation measures to address potential impacts of the agreement. The attached development agreement would not change any existing city regulations as they would apply to the development, but would ensure that current regulations apply to all phases of the development. The agreement includes exceptions for future state or federal regulations that may supersede the city's authority, and for new regulations addressing threats to public health and safety. The term of the draft agreement is ten years.
- Development agreements are recorded with Thurston County and remain in force and applicable to the property according to the terms of the agreement, even if the property is sold or transferred to another party.

Neighborhood/Community Interests (if known):

There has been no indication as of this writing of significant neighborhood interest in the development agreement. The expansion project is likely to be of interest throughout Intercity Transit's service area, as it will provide improved support to all its transit services.

Options:

Following the close of the public hearing:

1. Approve the resolution approving the development agreement.
2. Do not approve the resolution.
3. Continue consideration of the resolution until a future Council meeting.

Financial Impact:

None.

**INTERLOCAL DEVELOPMENT AGREEMENT FOR
INTERCITY TRANSIT PATTISON REHABILITATION AND EXPANSION PROJECT**

THIS DEVELOPMENT AGREEMENT (hereinafter "Agreement") is between Intercity Transit, a Washington municipal corporation, hereinafter referred to as "Transit", and the City of Olympia, a Washington municipal corporation, hereinafter referred to as "City."

RECITALS

WHEREAS, the Washington State Legislature has authorized the execution of development agreements between local governments and property owners under the conditions contained in RCW Chapter 36.70B; and

WHEREAS, Transit and City are both municipal corporations and can enter into interlocal agreements pursuant to RCW Chapter 39.34; and

WHEREAS, Transit is the owner of that property described in Exhibits 5 and 6 attached hereto, referred to as Development Property; and

WHEREAS, Transit plans to rehabilitate and expand its Maintenance and Operation Facility to provide public transit options, assist local partners' in compliance with the Growth Management Act and Comprehensive Plan, replace its underground storage tanks for safe and efficient operation, and to serve a regional emergency response role; and

WHEREAS, Transit and the City both benefit by agreement on development standards and definition of Project parameters; and

WHEREAS, the intent of this Agreement includes, but is not limited to, providing certainty for Transit regarding applicable City development regulations and ordinances; and includes a determination that the current City regulations and ordinances in place on the effective date of this Agreement shall apply to this Project for the duration of this Agreement;

NOW THEREFORE, in consideration of the mutual promises and benefits contained herein, the City and Transit agree that the Pattison Rehabilitation and Expansion Project ("Project") shall be consistent with the following development standards:

1. **Term.** The Term of this Agreement shall commence on the effective date of the Resolution approving this Agreement ("Effective Date") and shall continue in full force and effect for a period of Ten (10) Years unless amended by mutual agreement of the City and Transit, in the same manner and following the same procedures as required to adopt the original Agreement.

2. **Project Background**

Transit is located at 526 Pattison Street, SE, in Olympia, Washington, which is legally described in Exhibit 6, and referred to as the southern parcel. Transit owns an adjacent parcel immediately to the north, which is legally described in Exhibit 5, and referred to as the northern parcel. Transit plans to rehabilitate existing facilities currently existing on its southern parcel and expand onto its northern parcel. The Project is being phased due to limited grant opportunities. In Phase 1 (Outlined in Exhibit 1) Transit will replace old single-walled underground storage tanks that are currently located on its southern parcel with new tanks on the adjacent northern parcel. In addition, Transit is rehabilitating the lubricant room, upgrading an existing fuel dispensing station, adding paved parking, temporary sidewalk and crossing on the northern and southern parcels. Transit plans to construct Phase 1 as soon as permitting is complete. Phase 2 (Outlined in Exhibits 2 and 3) reflects additional rehabilitation to the existing facility and the expansion of the entire northern parcel with new access points on the northern parcel from Martin Way and Pattison.

3. **Property**

The Project Site is legally described in Exhibits 5 and 6, attached hereto and incorporated by this reference.

4. **Vested Rights**

During the term of this Agreement, in developing the Property consistent with the Project described herein, Transit is assured, and the City agrees, the development rights, obligations, terms and conditions specifically in this Agreement, are fully vested in Transit under the Existing Land Use Regulations and may not be changed or modified by the City, except as may be expressly permitted by, and in accordance with, the terms and conditions of this Agreement, including the Exhibits hereto, or as expressly consented to by the City and Transit. This does not include any building or fire code that is state-mandated (See RCW 19.27.031), or any other regulations resulting from superseding state or federal law, impact fees, mitigation fees, or any other fees or charges, except as specifically described in this Agreement. Existing land use regulations means the ordinances adopted by the City Council of Olympia in effect on the Effective Date, including the adopting ordinances that govern the permitted uses of land, the density and intensity of use, and the design, improvement construction standards, and specifications applicable to the development of the Property, including, but not limited to the Comprehensive Plan, the City's Official Zoning Map and development standards, SEPA, Concurrency Ordinance, the EDDS, and all other ordinances, codes, rules, and regulations of the City establishing standards in relation to the development of the Property; and the division of land, whether through the subdivision process, the binding site plan process, or otherwise. As noted above, this does not include any building or fire code that is state-mandated (See RCW 19.27.031); or any other

regulations resulting from superseding state or federal law impact fees, mitigation fees, or any other fees or charges, except as specifically described in this Agreement. Pursuant to OMC 18.53.010, this development agreement reserves authority by the City to impose new or different regulations to the extent required by serious threat to public health and safety.

5. Permitted Uses, Development Standards, & Phasing

Whether developed in one phase or a series of phases as anticipated, the following uses and standards shall be those in effect as of the effective date of this Agreement, whether set forth in this Agreement, or in the permits and approvals, if any identified herein and all Exhibits incorporated herein: (a) the permitted uses, (b) the density and intensity of use, (c) the maximum height and size of proposed buildings, (d) provisions for reservation and dedication of land, (e) as noted above, the existing Land Use Regulations relating to among other items, the construction, installation and extension of public improvements, (f) the EDDS, (g) critical areas regulations, and (h) development guidelines and standards for and applicable to the development of the Property. This does not include any building or fire code that is state-mandated (See RCW 19.27.031); any other regulations resulting from superseding state or federal law, impact fees, mitigation fees or any other fees or charges, except as specifically described in this Agreement.

6. Project Development Plans.

A. Project Development Plan Documents. Transit agrees to construct the Project consistent with the Plans attached as Exhibits 1 through 4, incorporated by reference, as approved in a final decision by the Director of Community Planning and Development. The following documents are incorporated into the Agreement:

- Exhibit 1: Phase 1 Site Plan (plus landscaping & Pattison sidewalk)
- Exhibit 2: Phase 2 Site Plan (A)
- Exhibit 3: Phase 2 Landscape Plan (B)
- Exhibit 4: Pattison Base Master Plan, Reissued in June 2010
(incorporated by reference)
- Exhibit 5: Northern Parcel Legal Description
- Exhibit 6: Southern Parcel Legal Description

B. Non-Substantive Modifications. Transit shall have the right to make minor modifications to the documents described in Section 4(A). Minor modifications shall not be considered substantive under this Agreement and will not require amendment to this Agreement so long as they comply with this section. Modifications shall not (1) increase the total number of buildings or increase the total number of buildings dedicated to a specific use, (2) include any changes that would increase the traffic impacts, (3) reduce required frontage improvements, or (4) fundamentally alter

the layout of the site plan, including but not limited to, the amount of landscaping, the size of the fuel station building, or the size of the buildings on the southern site, as determined by the City.

7. **Phases.** The Project is anticipated to be completed in two phases as identified in Exhibits 1 through 3. This does not preclude Transits' ability to partially rehabilitate existing facilities as identified in its Pattison Base Master Plan (reissued in June 2010) if necessary and funding is available. However, changes to other existing facilities identified in the Pattison Base Master Plan are not vested under this development agreement.
8. **Infrastructure.** The Parties agree that in Phase 1 construction, Transit will construct an asphalt ribbon sidewalk in the Pattison Road SE right of way, along the western property line of the northern parcel, as identified in Exhibit 1. Transit will install curb stops or another divider to separate parking space from the asphalt sidewalk in a form to be approved by the City of Olympia Director of Planning and Community Development. Transit will also install a pedestrian crossing across Pattison Street, where it intersects with Martin Way in a form and location to be approved by the City of Olympia Director of Planning and Community Development. As part of this Phase I work, Transit will dedicate right-of-way to the City along the western edge of the northern parcel, as depicted in Exhibit 1.
9. **Future Traffic Signal Installation.** Transit will install a traffic signal and pedestrian crossing at Pattison and Martin Way as part of Phase 2 construction. Because the traffic signal and crossing benefit both the City and Transit, the Parties agree to examine the potential cost share partnership on these items closer to the start of Phase 2.
10. **Tree Plan.** The north parcel expansion is 5.25 acres. The minimum Tree Density requirement is 30 Tree Units per acre ($30\text{TU} \times 5.25\text{ac} = 158 \text{ Trees Minimum}$). Intercity Transit agrees to plant 45 Trees, in addition to screening plants, along the perimeter as part of Phase 1 work. For Phase 2 Intercity Transit also agrees to either remove, retain or replant to achieve a total of 80 tree units. The Parties agree the 78 Tree Unit deficit from Phase 2 ($158 \text{ TU} - 80\text{TU} = 78 \text{ Tree units}$) will be planted off site at an approved location or paid as a Fee in lieu of \$27,768 ($\$356/\text{Tree} \times 78 \text{ Trees}$) into the City of Olympia Tree Fund at the time of Land Use Approval for Phase 2.

11. **Right of Way Improvements.**

With the exception of the right of way improvements identified to occur in Phase 1, all other right of way improvements on Martin Way and Pattison will occur in Phase 2.

The Parties agree that Transit is required to install a maximum of seventy percent (70%) frontage improvements along Transit property on Martin Way. The conceptual frontage improvements are reflected in Exhibits 1, 2 and 3.

12. **Transfer of Property.**

Transit retains the right to sell, transfer, convey, mortgage and otherwise encumber the parcels, as identified in Exhibits 4 and 5. Any action shall be expressly subject to the rights and obligations of this Agreement. This Agreement shall be binding upon and inure to the benefit of any subsequent owner.

13. **Default.**

Failure or delay by either party to perform any term or provision of this Agreement shall constitute a default of this Agreement. In the event of the alleged default or breach of any terms or conditions of this Agreement, the party alleging such breach shall give the other party not less than thirty (30) days' notice in writing specifying the nature of the alleged default and the manner in which said default may be cured. During this thirty (30) day period, the Party alleged to have breached shall not be considered in default for the purposes of termination of this Agreement.

After notice any Party to this Agreement may, at its discretion, institute dispute resolution proceedings. Dispute Resolution Proceedings means involving a third party in facilitating a discussion between Transit and the City to resolve any allegation of breach of this Agreement.

In addition to these remedies, the City may file an action to enforce this Agreement, the vested development codes, and to obtain penalties for any violations.

14. **Authority to Execute Agreement.**

A. Transit. By executing this Agreement, Transit represents and warrants that it has taken all necessary steps under its corporate governance to authorize this Agreement and that this Agreement shall be valid and binding for all purposes.

B. City. By executing this Agreement, the City represents and warrants

that it has taken all necessary steps that a non-charter code City is required to take in order to authorize the execution of this Agreement.

15. **Miscellaneous Provisions.**

- A. **Governing Law and Attorneys' Fees.** This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. In the event either party shall bring an action to enforce this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and expenses incurred in connection with such action.
- B. **Amendments.** This Agreement may not be amended except upon the mutual consent of the parties in the same manner as the original Agreement was adopted. Consent may be withheld for any reason.
- C. **Headings.** The headings in this Agreement are inserted for convenience only and shall not affect the interpretations of this Agreement.
- D. **Waivers.** The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.
- E. **Severability.** If any provision of this Agreement or the application thereof to any party or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.
- F. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute the complete Agreement.
- G. **Entire Agreement.** This Agreement, together with Exhibits 1-6, constitutes the complete agreement between the parties and supersedes all prior or contemporaneous agreements or representations, written or oral, concerning the subject matter of this Agreement.

EXHIBIT 1

PHASE 1 SITE PLAN (including landscaping & Pattison sidewalk)

EXHIBIT 2

PHASE 2 SITE PLAN (A)

EXHIBIT 3

PHASE 2 LANDSCAPE PLAN (B)

EXHIBIT 4

PATTISON BASE MASTER PLAN, REISSUED IN JUNE 2010
(incorporated by reference)

EXHIBIT 5

NORTHERN PARCEL LEGAL DESCRIPTION

EXHIBIT 6

SOUTHERN PARCEL LEGAL DESCRIPTION

EXHIBIT 1

PHASE 1 SITE PLAN (including landscaping & Pattison sidewalk)

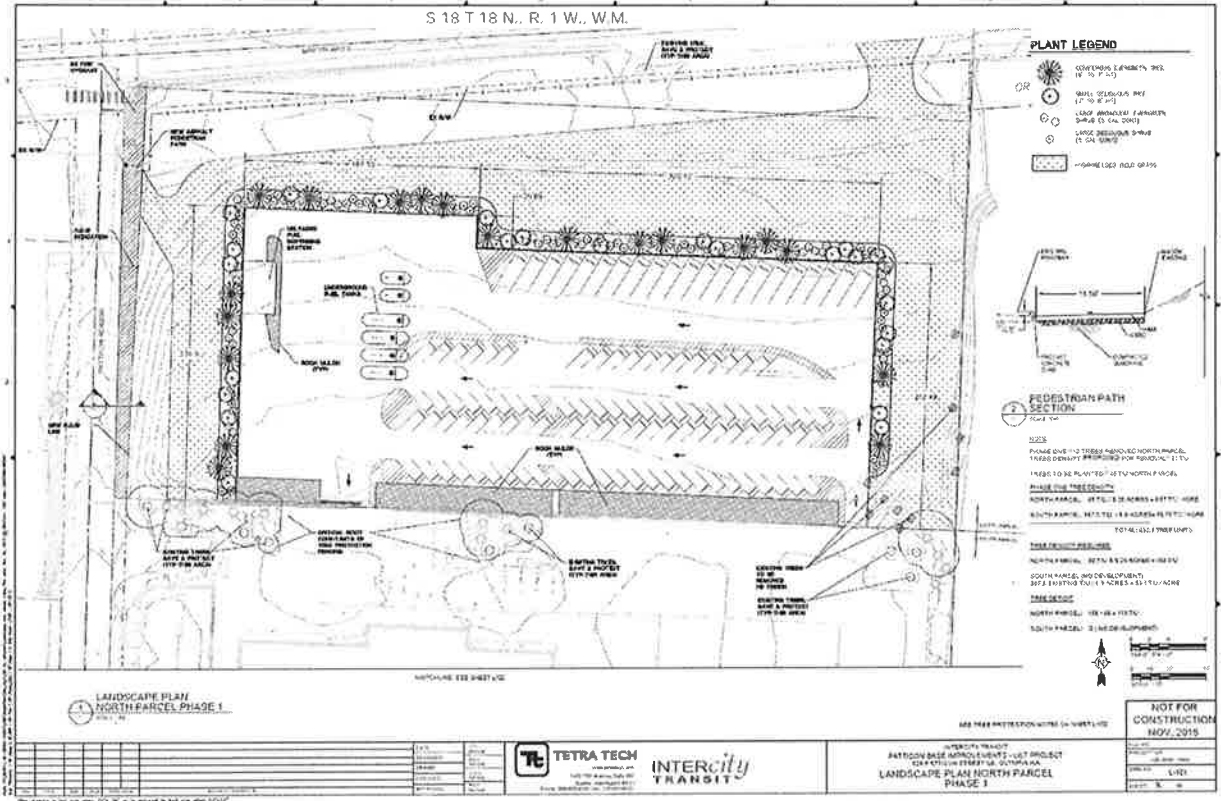


EXHIBIT 2 PHASE 2 SITE PLAN (A)

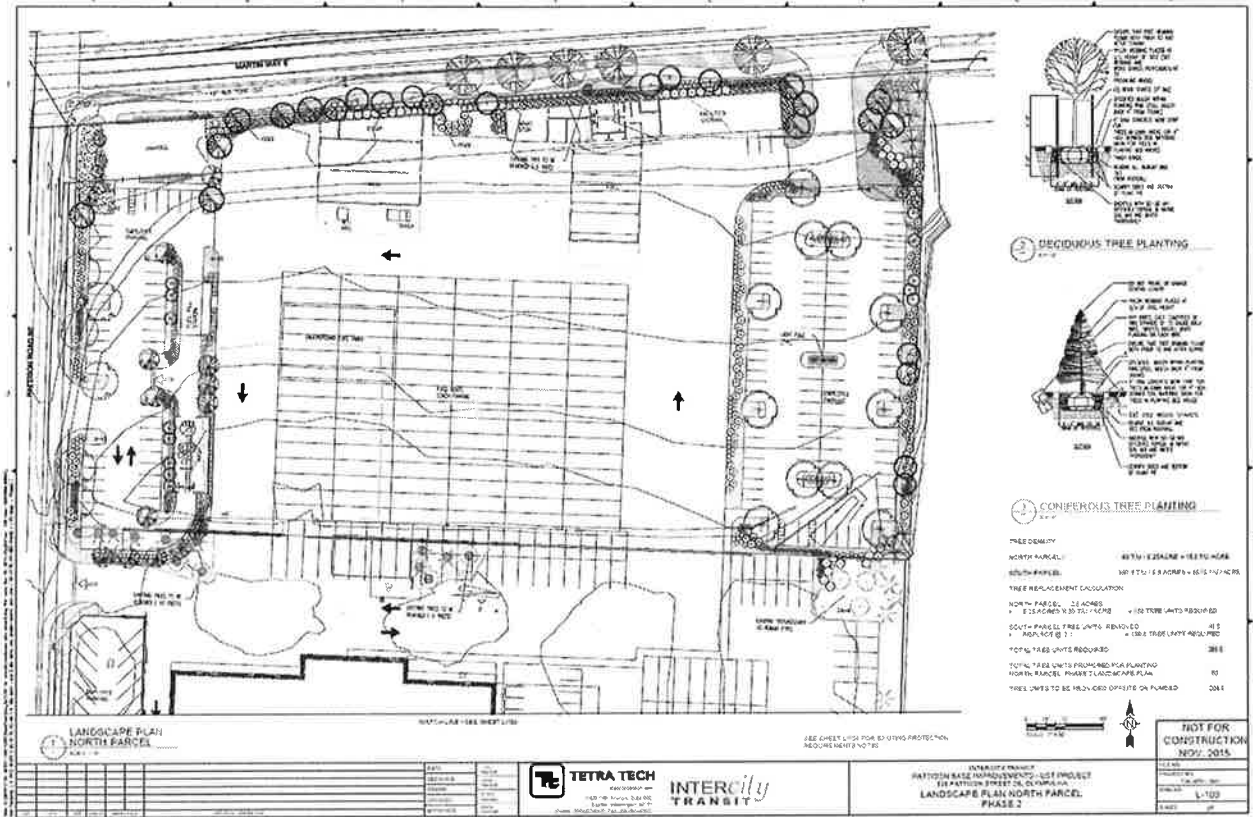
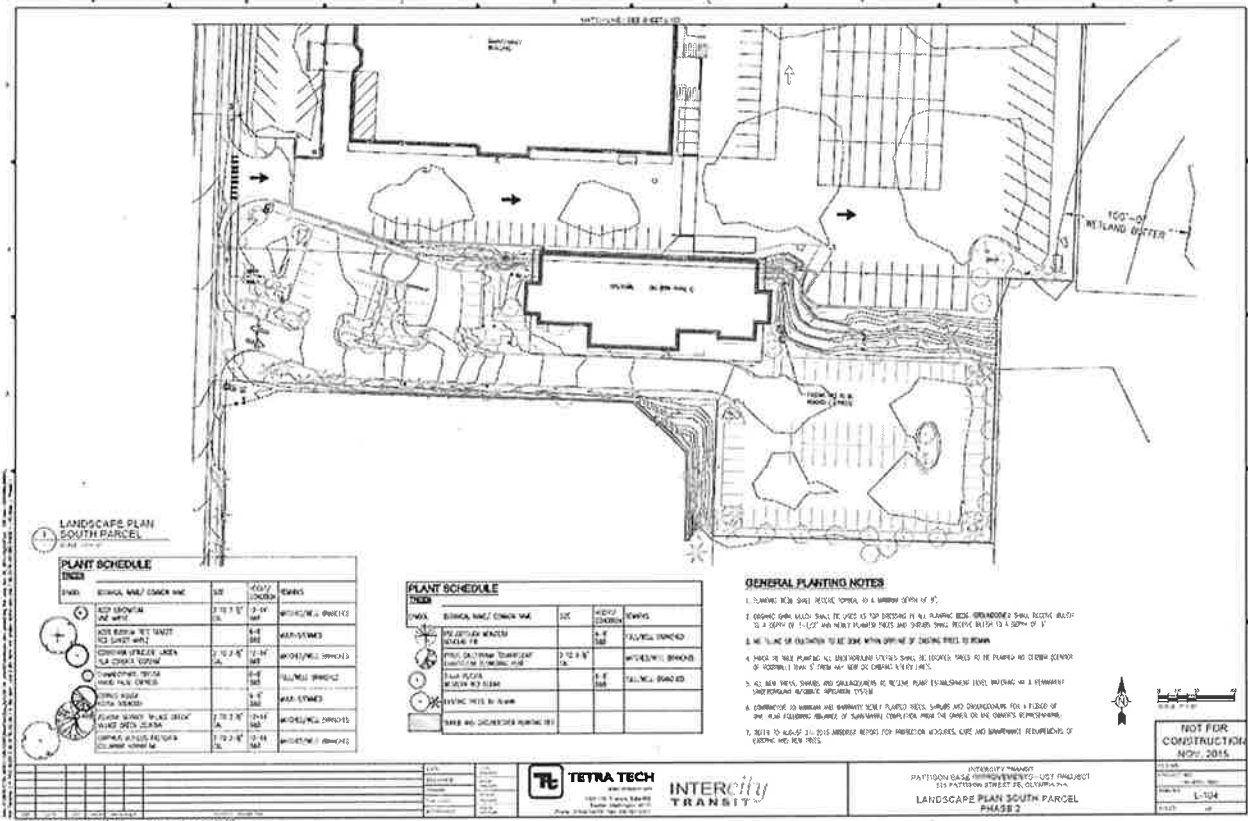


EXHIBIT 3 PHASE 2 LANDSCAPE PLAN (B)



LANDSCAPE PLAN SOUTH PARCEL

DATE: 11/10/15

PLANT SCHEDULE

SYMBOL	BOTANICAL NAME / COMMON NAME	SIZE	HEIGHT / SPREAD	REMARKS
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH

PLANT SCHEDULE

SYMBOL	BOTANICAL NAME / COMMON NAME	SIZE	HEIGHT / SPREAD	REMARKS
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH
+	ACD GROWER	3 TO 3.5 FT	2 FT	WINTERGREEN SPICEBUSH

GENERAL PLANTING NOTES

- PLANTING SHALL BE DONE WITHIN 10 DAYS OF A WRITTEN ORDER OF 10'.
- GROUND SHALL BE MAINTAINED TO 10' DEPTH IN ALL PLANTING AREAS. UNDESIRABLE SHALL BE REMOVED TO A DEPTH OF 1'-1.5' AND REPLANTED WITH TREES AND SHRUBS SHALL BE REPLANTED TO A DEPTH OF 1'.
- NO PLANTING SHALL BE DONE WITHIN 5' OF EXISTING UTILITIES TO REMAIN.
- ALL NEW PLANTING SHALL BE DONE WITHIN 10' OF EXISTING UTILITIES TO REMAIN.
- ALL NEW TREES, SHRUBS AND ORNAMENTALS TO BE PLANTED SHALL BE PLANTED TO A DEPTH OF 10' WITHIN 10' OF EXISTING UTILITIES TO REMAIN.
- CONTRACTOR TO MAINTAIN ALL EXISTING UTILITIES TO REMAIN PLANTING TO BE PLANTED TO A DEPTH OF 10' WITHIN 10' OF EXISTING UTILITIES TO REMAIN.
- ALL NEW TREES, SHRUBS AND ORNAMENTALS TO BE PLANTED SHALL BE PLANTED TO A DEPTH OF 10' WITHIN 10' OF EXISTING UTILITIES TO REMAIN.
- CONTRACTOR TO MAINTAIN ALL EXISTING UTILITIES TO REMAIN PLANTING TO BE PLANTED TO A DEPTH OF 10' WITHIN 10' OF EXISTING UTILITIES TO REMAIN.
- ALL NEW TREES, SHRUBS AND ORNAMENTALS TO BE PLANTED SHALL BE PLANTED TO A DEPTH OF 10' WITHIN 10' OF EXISTING UTILITIES TO REMAIN.
- CONTRACTOR TO MAINTAIN ALL EXISTING UTILITIES TO REMAIN PLANTING TO BE PLANTED TO A DEPTH OF 10' WITHIN 10' OF EXISTING UTILITIES TO REMAIN.



NOT FOR CONSTRUCTION
NOV. 2015

TETRA TECH
LANDSCAPE ARCHITECTS

INTERCITY TRANSIT

INTERCITY TRANSIT
PATTONS BAY IMPROVEMENTS - LOT PROJECT
150 PATTONS STREET, SE, OLYMPIA, WA

LANDSCAPE PLAN SOUTH PARCEL
PHASE 2

EXHIBIT 4

PATTISON BASE MASTER PLAN (reissued June 2010)
(incorporated by reference)

EXHIBIT 5

NORTH PARCEL LEGAL DESCRIPTION

Intercity Transit's north parcel, located at 3000 Martin Way E, Olympia, WA, 98501:

Parcel Number: 3420260000

Legal Description: ALL THE PART OF TRACTS 26 AND 27 OF BERRY FARMS ADDITION TO OLYMPIA LYING SOUTH OF THE RIGHT-OF-WAY CONVEYED TO THE STATE OF WASHINGTON FOR PRIMARY STATE HIGHWAY NO. 1 BY DEED DATED NOVEMBER 24, 1933 AND RECORDED IN VOLUME 146 OF DEEDS, PAGE 489, AS PER PLAT OF SAID ADDITION RECORDED IN VOLUME 8 OF PLATS, PAGE 28, RECORDS OF THURSTON COUNTY AUDITOR;

SITUATED IN THE CITY OF OLYMPIA, COUNTY OF THURSTON, STATE OF WASHINGTON.

EXHIBIT 6

SOUTH PARCEL LEGAL DESCRIPTION

Intercity Transit's south parcel, located at 526 Pattison St. SE, Olympia, WA, 98501:

Parcel Number: 34202500100

Legal Description:

Block 25 of Berry Farms Addition to Olympia, as recorded in Volume 8 of Plats, page 28.

That portion of Tract 24 of Berry Farms Addition to Olympia, as recorded in Volume 8 of Plats, page 28, and of Smith Donation Land Claim No. 42, Township 18 North, Range 1 W, W.M., described as follows: Beginning at the Northwest corner of Tract 24 of said Berry Farms Addition and running thence South 89 degrees 27' 00" East 611.965 feet, thence South 0 degrees 03' 58" West 210.92 feet, thence South 89 degrees 56' 02" West 220 feet, thence North 0 degrees 03' 58" East a distance of 105.46 feet, thence North 89 degrees 27' 00" West 391.96 feet, more or less, to the Easterly line of Pattison Street, thence North along said Easterly line 105.46 feet, more or less, to the point of beginning; EXCEPT road.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF OLYMPIA, WASHINGTON APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF OLYMPIA AND INTERCITY TRANSIT.

WHEREAS, pursuant to RCW 36.70B.200, the Olympia City Council held a public hearing on December 15, 2015, and considered testimony from the public and City staff on the proposed Development Agreement between the City of Olympia and Intercity Transit; and

WHEREAS, the development agreement adopted by this Resolution is consistent with applicable development regulations; and

WHEREAS, the City reserves its authority to impose new or different regulations to the extent required by a serious threat to public health and safety; and

WHEREAS, the development agreement adopted by this Resolution meets the requirements of RCW Chapter 36.70B and OMC Chapter 18.53; and

WHEREAS, like vesting under a formal subdivision process, a development agreement protects a developer from subsequent changes in land use laws;

NOW, THEREFORE, BE IT RESOLVED BY THE OLYMPIA CITY COUNCIL THAT the *Development Agreement By and Between the City of Olympia and Intercity Transit*, attached hereto and incorporated herein as Exhibit A, is hereby approved in accordance with RCW 36.70B.200.

PASSED BY THE OLYMPIA CITY COUNCIL this _____ day of _____ 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY



City Council

Approval of Proposed 2016 Legislative Agenda

Agenda Date: 12/15/2015
Agenda Item Number: 6.A
File Number: 15-1240

Type: decision **Version:** 1 **Status:** Other Business

Title

Approval of Proposed 2016 Legislative Agenda

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the proposed 2016 Legislative Agenda.

Report

Issue:

Discussion and approval of the 2016 Legislative Agenda.

Staff Contact:

Jay Burney, Assistant City Manager, 360.753.8740
Kellie Purce Braseth, Strategic Communications Director, 360.753.8361

Presenter(s):

Jay Burney, Assistant City Manager, 360.753.8740
Kellie Purce Braseth, Strategic Communications Director, 360.753.8361

Background and Analysis:

On January 4, 2015, Council is scheduled to meet with our local delegation to discuss our Legislative Agenda for 2016. Staff will present the draft agenda for discussion and approval.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Approve the proposed 2016 Legislative Agenda.
2. Provide staff with feedback on changes or additions and move to approve the 2016 Legislative Agenda as modified.
3. Do not approve the 2016 Legislative Agenda and provide feedback to staff on next steps.

Type: decision **Version:** 1 **Status:** Other Business

Financial Impact:
N/A



City Council

2015 Year End Highlights

Agenda Date: 12/15/2015
Agenda Item Number: 6.B
File Number: 15-1239

Type: information **Version:** 1 **Status:** Other Business

Title

2015 Year End Highlights

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive the overview of 2015 accomplishments

Report

Issue:

Presentation of 2015 accomplishments.

Staff Contact:

Jay Burney, Assistant City Manager, 360.753.8740

Fran Eide, City Engineer, Public Works, 360.753.8422

Presenter(s):

Jay Burney, Assistant City Manager, 360.753.8740

Fran Eide, City Engineer, Public Works, 360.753.8422

Background and Analysis:

Staff will provide an overview of our significant accomplishments for 2015.

Neighborhood/Community Interests (if known):

N/A

Options:

Informational, no options provided.

Financial Impact:

N/A

