

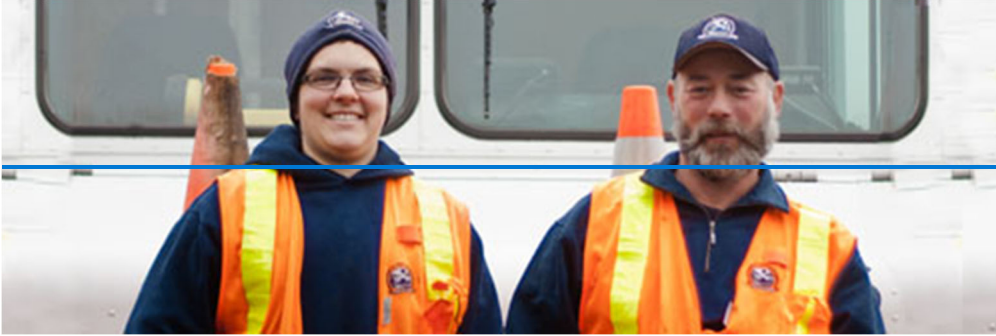
Utilities

August 3, 2023 UAC Review Draft

**AUGUST 3, 2023 UAC DISCUSSION
NOTES ADDED IN ALL CAPS**

**Requested edits by UAC members
added in **highlight****





Public Works utility employees enjoying a day on the job

What Olympia Values:

Olympians value a drinking water supply that is owned and controlled by the City. We want wastewater and stormwater treated effectively before it is discharged into Puget Sound. We understand and value the role that 'reuse, reduction and recycling' plays in our effort to conserve energy and materials.

Our Vision for the Future:

Clean, plentiful water and significant reduction of waste.

Read more in the [Community Values and Vision chapter](#)

[AUGUST 3, 2023 UAC DISCUSSION: REVIEW OF THE CHAPTER'S VALUES AND VISION WILL OCCUR AFTER THE RESULTS OF THE MAY 2023 VALUES AND VISION COMMUNITY SURVEY ARE AVAILABLE.](#)

Introduction - Utilities Shape the Future

Olympia's future ability to achieve long-term environmental, economic and social balance is influenced by how we deliver utility services to the community. To achieve [sustainability this](#), we'll need to shift from a short- to a long-term focus that considers how today's actions will affect future generations. The long-term view will emphasize reducing waste, preventing pollution, engaging the community, and managing our fiscal and environmental resources conservatively

City utilities include Drinking Water, Wastewater, Storm and Surface Water, and Waste ReSources (garbage, organics, and recycling). Privately-owned utilities such as natural gas and electric, cable service, and telecommunications facilities are regulated locally, especially within city-owned rights-of-way. Olympia's future will be shaped, in part, by where and when these facilities are provided.

Olympia's utilities also provide services that protect nature and conserve

resources by reducing pollution and waste, restoring habitat, and conserving water. The City is also partnering with private utilities to provide their Olympia customers with more opportunities to use renewable energy.

All of the City's ~~Most of the~~ utility programs discussed in this chapter have adopted and periodically update their own detailed master plans to guide the design and daily administration of their services. This chapter is intended to serve as a bridge between those specific plans and the broader vision of this Comprehensive Plan.

City-Owned Utilities Working Together

City-owned and operated utilities provide the community with essential services and can help shape Olympia's future in meaningful ways. We take a coordinated, cost-effective approach to managing our utilities and fully consider the economic, social and environmental implications of all our actions.





Drinking water is provided by a City-owned utility.

Community engagement and involvement is an important component of City utility management. Customers and users help with environmental restoration projects and efforts to reduce pollution and waste. They also can participate in utility management and rate setting. A Utility Advisory Committee (UAC), appointed by City Council, also reviews and provides advise and direction on programs, policies and rates and evaluates operations to ensure the utilities are operated in a sustainable manner.

The four City-owned and operated utilities include:

- **Drinking Water.** This utility's mission is to provide and protect healthy drinking water for the community. This involves protecting groundwater and promoting water conservation, as well as ensuring that our drinking water meets federal Safe Drinking Water Act standards.
- **Wastewater.** This utility collects and conveys wastewater to treatment facilities to protect public and environmental health. It also works to reduce the number of septic systems in the City.
- **Storm and Surface Water.** The mission of this utility is to minimize flooding, improve water quality, and protect or enhance aquatic habitat.
- **Waste ReSources.** Provides collection services for residential and commercial garbage, residential recyclables, and residential and commercial organics (yard debris, food waste and soiled paper), and also encourages waste reduction through educational programs. Its mission is to lead our community toward a waste-free future.



The City collects organics for composting through its Waste ReSources utility.

Over the next 20 years, there will be a growing need for us to manage our utility resources efficiently. Our challenges will include:

- **Repairing and replacing aging systems.** Operation and maintenance needs will continue to expand, as the pipes, pumps, valves, treatment facilities, reservoirs and wells that make up our utility system age. These needs must be met while keeping rates affordable.

- **Protecting the natural environment.** Water quality deterioration and habitat loss will continue to be a concern as development and utilities expand to new areas.
 - ~~**Preparing for sea level rise.** In addition to the flooding threat, the City's underground utilities in the downtown area will be jeopardized.~~
 - ~~**Reacting to and mitigating against climate change.** The changing climate in the Pacific Northwest is expected to result in more frequent and intensive winter rainfall events, **drier drier** summers and rising sea levels. Increased rainfall and associated flooding could result in increased flows into the combined stormwater/sewer system while sea level rise could impact utility infrastructure located in our downtown. Efforts taken by the City's utilities such as reducing energy use, protecting and enhancing habitat areas, promoting water conservation and recycling, and reducing inflow and infiltration could assist the community to mitigate for the impacts of climate change.~~
 - ~~**Advancing the City's social equity goals.** Into the future, city-owned utilities will need to balance the need to address ongoing utility maintenance needs with the rates necessary to replace aging infrastructure, while also addressing rates and general facility charges that help advance the City's social equity goals **while** with also keeping rates as low as possible.~~
- ~~AUGUST 3, 2023 UAC DISCUSSION: CONSIDER REWRITING THIS SENTENCE INTO TWO OR MORE.~~
- ~~**Adapting to growth and density.** City-owned utilities will need to be prepared to provide utility services to greater urban densities. Fast or slow, the rate of growth will determine how, for example, new water sources are developed and when they come on-line. Higher densities can make providing the space required for solid waste collection problematic.~~

Our utility programs will need to find partnerships and outside resources to help the City face these new challenges.

Goals and Policies

GU1 Utility and land use plans are coordinated so that utility services can be provided and maintained for proposed future land uses.


PU1.1 Require annexation of all properties for which new City wastewater or drinking water services are requested if the property is outside the City, but inside the Urban Growth Area. Or, require property owners to sign a Binding Agreement to Annex when requested by the City.

PU1.2 Require new developments to construct drinking water, wastewater and stormwater utilities and provide space for solid waste collection in ways that meet the community development, environmental protection, and resource protection goals of this Plan, and that are consistent with adopted utility plans and extension policies.

PU1.3 Evaluate land use plans and utility goals periodically to ensure growth is guided by our knowledge of current environmental ~~current environmental~~ constraints. This includes, including risks from climate change, and the latest available utility technology and up-to-date growth and development projections, including those that which incorporate climate migration considerations.

PU1.4 Make necessary improvements to utility facilities that do not currently meet minimum standards. Prioritize capital improvements to existing systems based on age, condition, risk of failure, and capacity, while also balancing the fair distribution of services and benefits to the entire community.

PU1.5 Ensure that public utility and transportation-related facilities constructed in Olympia and its Urban Growth Area meet City standards for safety, constructability, durability and maintainability. (See City of Olympia [Engineering Design and Development Standards](#).)

PU1.6 Annually update the utility portions of the [Capital Facilities Plan](#)  to reevaluate infrastructure priorities.

GU2 Reliable utility service is provided at the lowest reasonable cost, consistent with the City's aims of environmental stewardship, social equity, economic development and the protection of public health.

PU2.1 Ensure that new development projects pay for their own utility infrastructure based on their expected needs for the next 20 years. This while also includes balancing the City's social equity and affordable housing goals; and Also requires s development projects them to contribute to their portion of existing infrastructure. Routinely review new-development charges (such as general facility charges) when updating utility master plans, or do so more frequently as needed.

AUGUST 3, 2023 UAC DISCUSSION: THE UAC EXPRESSED CONCERN WITH THE INCREASE IN THE UTILITY TAX WHICH IS APPLIED TO UTILITY RATES, PAID BY UTILITY CUSTOMERS AND USED TO FINANCE THE CITY'S GENERAL FUND. THROUGH THE CHAPTER UPDATE PROCESS, STAFF AND THE UAC WILL WORK ON POTENTIAL LANGUAGE TO ADDRESS THE CONCERN THAT INCREASING UTILITY TAXES IMPACTS THE AFFORDABILITY OF RATES AND THE UTILITIES' ABILITY TO RAISE THE REVENUE REQUIRED TO ACCOMPLISH UTILITY GOALS.

PU2.2 Ensure that utility fees, such as rates and general facility charges, are structured to reasonably reflect the actual cost of providing services to each customer rate-service class. Fees must also encourage customers to conserve water and reduce their demand on our wastewater treatment system.

PU2.3 Provide special rates for low-income senior and low-income, disabled utility customers and consider expanding the Helping Neighbors Charitable Fund Program to further the City's social equity goals.

AUGUST 3, 2023 UAC DISCUSSION: BY CALLING OUT A PARTICULAR PROGRAM, IT MAY LIMIT THE UTILITIES' ABILITY TO ACCOMPLISH AN EXPANSION OF THE UTILITIES' FINANCIAL ASSISTANCE PROGRAMS. THROUGH THE CHAPTER UPDATE PROCESS, STAFF AND THE UAC WILL REVISE THIS POLICY LANGUAGE.

PU2.4 Ensure that adequate funds are generated by the City's utilities to maintain utility services and capital improvement programs.

PU2.5 Use fiscally responsible management practices in order to maintain favorable bond ratings for the City's utilities.

PU2.6 Provide service to existing and new customers consistent with the legal obligation of City utilities to provide service.

PU2.7 Use pricing and incentives to encourage utility customers to reduce waste, recycle, conserve water, and help protect our surface water quality.

PU2.8 Use debt financing responsibly to support needed capital facility investments and "smooth" rate impacts.

PU2.9 Use Developer Reimbursement Agreements that include "latecomer fees" and similar tools to enable property owners to recover some of the initial costs of extending infrastructure to serve their developments, when others connect to such extensions at a later date.


PU2.10 -Consider the social, economic and environmental impacts of utility

repairs, replacements and upgrades while balancing the fair distribution of services and benefits to the entire community.

PU2.11. Pursue grant funding (e.g. state, federal) opportunities to enhance utility services.

GU3 Utilities are developed and managed efficiently and effectively.

PU3.1 Coordinate public utility functions (such as operations and maintenance, public education and outreach, and Capital Facilities planning) for drinking water, wastewater, storm and surface water, and waste resources.

PU3.2 Regularly review and where needed revise the [Olympia Municipal Code](#)  and Engineering Development and Design Standards to give detailed guidance on how utility services should be delivered and paid for in accordance with the principles established in this Comprehensive Plan.

PU3.3 Update all utility master plans regularly and in accordance with state law. When updating utility master plans ensure the City's climate and social equity goals are considered.

PU3.4 Coordinate long-term planning and scheduling of utility capital improvements with neighboring jurisdictions and other local agencies, such as LOTT.

PU3.5 Work with neighboring jurisdictions to provide regionally coordinated utility systems for urban services that benefit from a regional approach.

PU3.6 Locate public and private utilities in public rights-of-way and/or easements on private property in a manner to facilitate safe and efficient operation, maintenance and repair, and to minimize conflicts. Provide guidance within the Engineering Design and Development Standards that shows how and where public and private utilities should be located, including opportunities for co-location.

PU3.7 Evaluate programs for effectiveness and efficiency on a regular basis.

PU3.8 Contribute a portion of utility revenue each year to provide outreach and engagement programs that are inclusive, accessible and representative of the entire community and result in the fair distribution of services and benefits educational programs for schools, neighborhoods and community organizations to help meet utility goals.

PU3.9 Ensure consistent maintenance, asset management, and emergency management practices for all utilities.

GU4 Use Olympia’s water resources efficiently to meet the needs of the community, reduce demand on facilities, and protect the natural environment.

PU4.1 Encourage and allow re-use techniques, including: rainwater collection, greywater systems, and the use of Class A reclaimed water as alternatives to use of potable water. in order to This can enhance stream flows or recharge aquifers, while also protecting water quality and be consistent with local and State regulations.

PU4.2 Develop specific targets for reducing potable water use.

PU4.3 Raise community awareness about why and how to conserve water.

PU4.4 Reduce water system leakage as much as possible, at a minimum below the Washington State limit of 10 percent of total water production on a three-year rolling average.

PU4.5 Model best practices in our City operations and the [Olympia Municipal Code](#).

PU4.6 Advance the use of reclaimed water as defined in Council-adopted policies and as outlined in the Drinking Water Utility’s Water System Plan.