



# Meeting Agenda

## Finance Committee

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

---

Wednesday, October 11, 2017

5:00 PM

Room 207

---

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. APPROVAL OF MINUTES

4.A [17-1034](#) Approval of September 20, 2017 Finance Committee Meeting Minutes

Attachments: [Minutes](#)

5. COMMITTEE BUSINESS

5.A [17-0864](#) Preliminary Review of Utility Rates

Attachments: [Proposed 2018 Bi-monthly Utility Bill and GFCs](#)

5.B [17-0961](#) Building, Engineering and Land Use Fee Increase

Attachments: [Proposed Fees](#)

[Cost for New Single Family Home](#)

5.C [17-1027](#) Ambassador Program Review

Attachments: [Ambassador Program RFP](#)

6. REPORTS AND UPDATES

7. 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 Committee 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  
360-753-8244

## Finance Committee

### Approval of September 20, 2017 Finance Committee Meeting Minutes

**Agenda Date:** 10/11/2017  
**Agenda Item Number:** 4.A  
**File Number:** 17-1034

---

**Type:** minutes **Version:** 1 **Status:** In Committee

---

**Title**

Approval of September 20, 2017 Finance Committee Meeting Minutes



# Meeting Minutes - Draft

## Finance Committee

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

---

**Wednesday, September 20, 2017**

**5:00 PM**

**Room 207**

---

**1. CALL TO ORDER**

Chair Cooper called the meeting to order at 5:01 p.m.

**2. ROLL CALL**

Committee member Bateman joined the meeting via conference call.

**Present:** 3 - Chair Jim Cooper, Committee member Jessica Bateman and Committee member Jeannine Roe

**OTHERS PRESENT**

The Washington Center for the Performing Arts Executive Director Jill Barnes  
The Washington Center for the Performing Arts Development Director Joselyn Wood  
City Manager Steve Hall  
Assistant City Manager Jay Burney  
City Attorney Mark Barber  
Administrative Services Acting Director Dean Walz  
Administrative Services Deputy Director Debbie Sullivan  
Community Planning & Development Director Keith Stahley  
Building Official Todd Cunningham

**3. APPROVAL OF AGENDA**

City Manager Steve Hall requested item 5.E Oral Report - Long Term Budget Sustainability be postponed to the next Finance Committee meeting.

**The agenda was approved as amended.**

**4. APPROVAL OF MINUTES**

**4.A** [17-0966](#) Approval of August 9, 2017 Finance Committee Meeting Minutes

**The minutes were approved.**

**5. COMMITTEE BUSINESS**

**5.A** [17-0964](#) Consideration of Joint Funding for the Development Director at the Washington Center of the Performing Arts

Ms. Barnes has received the audit for fiscal year 2016 - 2017 and is happy to report that the Center finished in the black for the first time in many years. She shared some of the different funding tracks that they have engaged in with the help of Joselyn Wood, Development Director for the Center. Currently the position of development director is funded through the City.

To establish and solidify the funding tracks, Ms. Barnes is requesting that the City continue to fund the position for two more years at 75% and then 50%. This would allow for gradual impact to their operating expenses.

Committee member Roe commended Ms. Barnes and Ms. Wood for the tremendous effort put forth to strengthen the downtown, the growth of the Center and drawing people to the area. She proposed a three year funding solution of 75%, 75% and then 50% for the development director position.

The committee members unanimously agree to send to the Council consent calendar for three year extension of the development director position at 75%, 75% and 50%.

**The recommendation was approved as amended to proceed to Council consent calendar.**

**5.B**     [17-0967](#)     Operating Budget Challenges - Criminal Division's Vital Needs

Mr. Barber presented information regarding staffing and software needs for the Criminal Division.

The workload for the prosecution staff has increased tremendously due to increase referrals from the Thurston County Prosecuting Attorney Office and a change in generating and filing complaints. Unfortunately, this trend is expected to continue. Mr. Barber is asking for \$50,000 in the 2018 budget to hire outside prosecution services. The City needs a third prosecutor however the budget doesn't support it at this time. Hiring outside prosecution services would provide a temporary patch that offers coverage for vacations, illness and additional support.

The committee members discussed the staffing situation and asked Mr. Hall to budget \$50,000 for prosecution services in the 2018 budget.

The lack of a case management system has also hindered the prosecution department, Mr. Barber said. The current paper oriented system is labor intensive, requires duplication, and lacks the ability to provide necessary statistical information. Prosecution is working with IT to put out a request for information (RFI) for case management software. Initial quotes range from \$250,000 to \$700,000 for implementation and software.

Chair Cooper mentioned that the entire City has software needs and it could be beneficial to have Shawn Ward, Chief Information Officer, provide an overview of the needs.

**The discussion was completed.****5.C**     [17-0915](#)            Operating Budget Challenges - Code Enforcement Briefing

Mr. Cunningham discussed the workload of the two code enforcement officers. The areas of responsibility for the code enforcement program include: zoning and land violations, vegetation violations, nuisance property abatement, encampment enforcement, graffiti and emergency management support.

The number of encampment enforcement and abatements has grown tremendously in 2017 and has required other enforcement responsibilities to be placed on the back burner. Dealing with encampments takes a great deal of time, attention and funding. Unfortunately, once an encampment has been cleaned another will establish itself near the site.

The cost of an additional code enforcement officer has been included in the upcoming public safety ballot measure. Should the measure not pass, there would still be a need for a third officer.

**The report was received.****5.D**     [17-0971](#)            Consideration of Funding for a Lobbyist

The City had a lobbyist prior to the recession. Mr. Burney picked up many of the responsibilities of advocating, tracking, monitoring and promoting legislation with the help of Associated Washington Cities (AWC) and has been effective. However, the City has some bigger transportation issues on the horizon, such as the State Route 101/West Olympia Interchange, that need a dedicated individual to nurture them. Council identified the need for a lobbyist as a priority at the 2017 Council Retreat.

Jennifer Ziegler Public Affairs has been highly recommended by local delegation and other communities. Ms. Ziegler has expressed interest in working with the City of Olympia.

Staff is looking for \$11,000 from the Council Goal money fund to hire a lobbyist in 2017 to help the Council develop the 2018 legislative session agenda and \$35,000 to \$40,000 in the 2018 budget for the lobbyist.

Committee members want to move forward with the 2017 request for \$11,000 and asked that Mr. Burney enter into negotiations for the 2018 budget as the dollar figure is high for a short legislative session.

**The recommendation was completed.****5.E**     [17-0965](#)            Oral Report - Long Term Budget Sustainability

**The report was postponed to be discussed at a future Finance Committee meeting.**

**6. REPORTS AND UPDATES - None**

**7. ADJOURNMENT**

Chair Cooper adjourned the meeting at 7:15 p.m.



## Finance Committee

### Preliminary Review of Utility Rates

**Agenda Date:** 10/11/2017  
**Agenda Item Number:** 5.A  
**File Number:** 17-0864

---

**Type:** discussion **Version:** 1 **Status:** In Committee

---

#### **Title**

Preliminary Review of Utility Rates

#### **Recommended Action**

##### **Committee Recommendation:**

The Utility Advisory Committee has reviewed and recommends the proposed 2018 utility rates and general facility charges and recommends they be forward to Council for further consideration.

##### **City Manager Recommendation:**

Move to forward the proposed 2018 utility rates and general facility charges to Council for further consideration.

#### **Report**

##### **Issue:**

Whether to forward proposed 2018 utility rates and general facility charges to the full Council as recommended by staff.

##### **Staff Contact:**

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

##### **Presenter(s):**

Dan Daniels, Waste ReSources Director, Public Works  
Andy Haub, Water Resources Director, Public Works

##### **Background and Analysis:**

The Utility Advisory Committee reviews City Utility finances, capital investments, and rates annually. The evaluation begins with review of the Capital Facility Plan (CFP) in the spring and concludes with Utility rate and general facility charges (GFC) recommendations in October. Utility staff can provide a verbal update on UAC proceedings at the Finance Committee meeting.

The City Utilities provide vital public health services for our community - safe drinking water, sanitary sewers, waste reduction and disposal, flood management, and environmental protection. Utility staff emphasizes effectiveness and efficiency in the delivery of these services.

The City Utilities are municipal enterprise funds. They are financially self-supporting without the input of general tax funds. Annual savings stay in the Utilities.

The City Utilities continue to be in good shape. Local, state, and federal public and environmental health mandates are either met or being addressed. We understand that our community expects this level of service.

General facility charges (GFCs) are also reviewed during the annual budget process. GFCs are a one-time charge collected from new development. The charges reflect the financial value of the existing utility infrastructure and the benefits the system provides to new development. Each of the water-related Utilities collects a unique GFC.

LOTT Clean Water Alliance charges monthly rates for operating the wastewater treatment facility as well as a capacity development charge (CDCs). The LOTT CDC is similar to the City's GFC. The rates are approved and collected by the City and passed on to LOTT.

### **Summary of Proposed 2018 Rates**

As detailed in the following sections, the proposed 2018 City combined rate increases for a typical single-family residence includes the following:

- All Utilities are assuming a 1.5 percent growth in residential and commercial accounts. This growth is the equivalent of approximately 225 new residential accounts. Growth is helping offset cost increases and therefore working to reduce potential rate increases
- Budgets include an estimated cost-of-living adjustment (COLA) for all Utility employees. Union contracts and annual City sales tax revenue influence the amount of the COLA.
- Other operating expenses including benefits are essentially flat. Funds are occasionally moved from one expenditure line item to another in order to better reflect costs of services, but overall the impact is neutral.
- The proposed combined rate increase for the four Utilities and LOTT is 2.7 percent. The bi-monthly utility bill would increase from approximately \$242 to \$249. This does not include optional yard waste collection (\$11.95/month).
- LOTT proposes a two percent increase (\$0.76/month).
- Drinking Water GFCs are proposed to increase \$253/single family residence to \$4,433. Wastewater and stormwater GFCs will not increase. LOTT's capacity development charge (CDC) would increase 4.1 percent to \$5,810. Combined City GFCs and LOTT CDCs for a new single-family home in 2018 would total \$14,875.
- Revenue collected through GFCs has been strong in 2016 and 2017. This revenue source has helped fund the three Capital Facilities Plans (CFPs).

### **2018 Rate Proposals**

#### **Storm & Surface Water Utility: Zero percent rate increase proposed.**

The Storm and Surface Water Utility responds to flood mitigation, water quality improvement, and aquatic habitat enhancement needs. The Utility also leads City-wide implementation of the regulatory requirements of the State's NPDES (National Pollution Discharge Elimination System) Phase II permit.



The current balancing position for 2018 (revenue less expenditures) for stormwater is approximately \$60,000. Total expenditures for 2018 are projected to be \$5,334,000, a \$23,000 increase over 2017. No appreciable program modifications or expansions are proposed.

While 2018 looks good, we anticipate financial challenges for the Storm and Surface Water Utility in coming years. The draft Storm and Surface Water Plan that staff will present to the UAC and City Council in early 2018 is the appropriate venue to discuss these challenges.

Storm and Surface Water GFCs: No increase proposed.

Based on independent financial analysis (FCS Group, 2013), the City increased the storm and surface water GFC from \$1,094 to \$1,190 per single-family residence in 2015.

Additional increases are justified. However, in light of the comprehensive financial evaluation associated with the draft Storm and Surface Water Plan, we recommend holding the GFC constant in 2018 and discussing the issue during the 2019 budget process.

**Wastewater Utility: Zero percent rate increase proposed.**

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

The proposed operating budget for City wastewater services reflects the goals and policies of the City's 2013 - 2018 Wastewater Management Plan.

The 2018 proposed budget for the City's Wastewater Utility is anticipated to increase by approximately \$80,000 to \$6,960,000. Utility expenditures are flat except for the salary COLA and a few minor increases (i.e, building rent, energy, tax on LOTT rates). With a 1.5 percent growth in accounts, the current balancing position (revenue less expenditures) for 2018 is \$49,000.

Wastewater GFCs: No proposed increase.

Wastewater GFCs were increased three percent in 2016 to \$3,442/single-family residence.

**LOTT Clean Water Alliance: Two percent rate increase. LOTT CDC increase of 4.1 percent.**

The LOTT Clean Water Alliance (Lacey, Olympia, Tumwater, and Thurston County) collects revenue for its operations and capital projects through the Utility bills of the local jurisdictions. LOTT charges are approved by the LOTT Board of Directors which is comprised of one elected official from each of the four partner jurisdictions.

LOTT's budgeting and revenue decisions are largely driven by infrastructure costs, including major upgrades to LOTT's Budd Inlet Treatment Plant. LOTT staff briefed the UAC on their finances in June.

In August, the LOTT Board approved the two percent (\$1.13/month) rate increase as well as the CDC increase. LOTT charges for Olympia customers will increase to \$13,296,000 in 2018. The LOTT CDC will increase 4.1 percent (\$231) to \$5,810.

**Drinking Water Utility: 4.4 percent rate increase proposed.**

The Drinking Water Utility continues to have infrastructure needs. Some needs are required by public health mandates; others reflect needed upgrades and replacements of infrastructure. Services of the Utility are consistent with the recently-adopted 2015-2021 Water System Plan. Utility finances were comprehensively evaluated in the Plan.

Drinking water rates increased appreciably in recent years. This year's recommendation is more modest. We propose a 4.4 percent rate increase. The rate increase is entirely linked to our need to start making loan payments in 2018 on three major capital projects - Log Cabin Reservoir, Meridian Reservoir Corrosion Control Facility, and the Fones Road Booster Station. The three projects total \$18 million. We have gradually ramped up rates over the past two years to cover the loan payments - 2018 will be the final increase.

The proposed Utility budget for 2018 is \$13,905,000, a \$607,000 increase from 2017. The projected 1.5 percent growth in account revenue helps reduce new revenue needs and generates a current balancing position (revenue less expenditures) of -\$440,000.

Several years ago, our financial consultants encouraged us to increase annual cash funding for drinking water projects to \$1,700,000/year. Our current funding level is \$997,000. Given strong economic growth and new development, the drinking water GFC revenues are currently higher than budgeted. GFC revenues go directly to the capital budget. With this in mind, we recommending deferring further increases in capital funding that would necessitate a rate increase. This will re-evaluated next year as part of the 2019 budget review.

The Utility is becoming more financially stable and continues to meet its mandates. Our community's water quality is excellent and our water rights are adequate for at least 50 years.

With this rate proposal a typical water charge for a single-family residence would increase from \$51.00/bi-monthly to \$53.24/bi-monthly.

Drinking Water GFCs: 6.7 percent increase proposed.

Given substantial recent capital investments, an increase in the GFC is warranted. A 2014 calculation by independent consultants indicate that Drinking Water GFCs should increase from \$3,456 to \$4,433.

Drinking Water GFCs were increased 6.7 percent in both 2015 and 2016. The proposed 6 percent increase in 2018 would bring the GFC to the recommended \$4,433. The increase would generate about \$50,000 per year. All GFC funding is dedicated to capital projects.

### **Waste ReSources Utility: Proposed rate increases vary by customer class (see table).**

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*.

The proposed Waste ReSources 2018 expenditures are \$11,924,643, a \$925,856 increase over 2017. However, the cost is largely offset by increased revenue, including the value of recyclables and

increases in customers through annexations and growth. Based on projected 2018 revenues minus expenditures, the Waste ReSources budget is out of balance by approximately \$221,000.

Staff recommends base rate increases for three of the four service classes. Continuing to smooth rates and subsidize the organics program through commercial rates is also recommended. Staff will be prepared to discuss the option of lowering the proposed organics rate increase by slightly raising the proposed commercial rate.

Staff are also evaluating future facility needs for Waste ReSources. This is part of a larger feasibility study funded by City Council that is exploring future maintenance facility needs. Additional background is contained in recent Finance Committee staff reports (Files #17-0532 and #17-0771).

As discussed with Finance Committee, staff recommend the creation of a future debt reserve to fund the new facility. This future debt reserve would be funded through a phased set of rate increases over five years. The first rate adjustment would be 4 percent above the base rate beginning in 2018.

Based on the above, the proposed Waste ReSources rate increases for 2018 include the following:

<b>Customer Class</b>	<b>Base</b>	<b>Debt Reserve</b>	<b>Total</b>
Drop Box	2%	4%	6%
Residential	2%	4%	6%
Commercial	0%	4%	4%
Organics	6%	4%	10%

Waste ReSources GFCs: N/A. Waste ReSources does not collect a GFC.

**Neighborhood/Community Interests (if known):**

City Utilities provide essential public health services to Olympia residents. These services cost approximately \$125/month/single-family residence.

**Options:**

1. Support staff proposals for 2018 City utility rates and GFCs. Forward the proposals to Council for further consideration.
2. Propose alternative rate recommendations.

**Financial Impact:**

Under Option 1, including the additional debt reserve for Waste ReSources, the typical single-family residential customers will experience a 2.7 percent increase in their 2018 utility bill. Non-single family residential accounts would see proportional increases.

**Attachments:**

Proposed 2018 Bi-monthly Utility Bill and GFCs

**City of Olympia**

**PROPOSED 2018 Bi-Monthly Utility Bill** (Sample Based on Single-Family Residence)

**October 5, 2017**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Proposed 2018</b>	<b>% Increase</b>
Drinking Water *	\$42.42	\$44.97	\$48.25	\$51.00	<b>\$53.24</b>	<b>4.4%</b>
Wastewater**	\$38.57	\$39.33	\$25.56 - \$41.30	\$26.58 - \$42.95	<b>Same</b>	<b>0%</b>
Waste ReSources ***	\$41.43	\$43.90	\$46.31	\$46.31	<b>\$49.10</b>	<b>6%</b>
Storm and Surface Water	\$22.89	\$23.89	\$25.16	\$26.74	<b>Same</b>	<b>0%</b>
LOTT ****	\$70.02	\$72.12	\$74.28	\$75.76	<b>\$77.28</b>	<b>2%</b>
<b>TOTAL:</b>	\$215.33	\$224.21	\$219.56 - \$235.30	\$226.39 - \$242.76	<b>\$232.94- \$249.31</b>	
% Overall Increase from Previous Year	4.8%	4.1%	-1.9% - 5.1%	3.2%	<b>2.7%</b>	
\$ Total Increase	\$9.82	\$8.88	-\$4.32 - \$11.42	\$6.83 - \$7.46	<b>\$6.55</b>	

Assumptions:

\* Average single family residential monthly water use.

\*\* Incorporates potential rate reductions associated with volume-based wastewater rates.

\*\*\* Assumes 65 gallon container picked-up bi-weekly without yard waste/organics. Yard waste/organics collection is an additional charge of \$20.49/bimonthly in 2017. The rate would increase 10% in 2018 to \$23.91/bi-monthly.

\*\*\*\* City of Olympia collects this rate for the LOTT Clean Water Alliance. Visit LOTT's website for more information ([lottcleanwater.org](http://lottcleanwater.org))

**City of Olympia**

**PROPOSED 2018 Projected General Facility Charges (GFC) and LOTT Capacity Development Charges (CDC)**

(Sample Based on Single-Family Residence)

**October 5, 2017**

	2014	2015	2016	2017	Proposed 2018	\$ Increase	% Increase
Drinking Water	\$3,456	\$3,687	\$3,918	\$4,180	\$4,433	\$253	6%
Wastewater	\$3,342	\$3,342	\$3,442	Same as 2016	Same as 2016	\$0	0%
Storm and Surface Water	\$1,094 plus \$1.80 trip charge	\$1,190 plus \$1.80 trip charge	\$1,190 plus \$4.50 trip charge	Same as 2016	Same as 2016	\$0	0%
LOTT CDC	\$4,924	\$5,136	\$5,354	\$5,579	\$5,810	\$231	4.1%
<b>TOTAL:</b>	<b>\$12,816</b>	<b>\$13,355</b>	<b>\$13,904</b>	<b>\$14,391</b>	<b>\$14,875</b>	<b>\$484</b>	<b>3.7%</b>



## Finance Committee

### Building, Engineering and Land Use Fee Increase

**Agenda Date:** 10/11/2017  
**Agenda Item Number:** 5.B  
**File Number:** 17-0961

---

**Type:** recommendation   **Version:** 2   **Status:** In Committee

---

#### **Title**

Building, Engineering and Land Use Fee Increase

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee

##### **City Manager Recommendation:**

Move to approve the recommendation to increase building, engineering and land use fees and forward to Council for consideration.

#### **Report**

##### **Issue:**

Whether to approve a recommendation to increase building, engineering and land use fees and forward to Council for consideration.

##### **Staff Contact:**

Karen Kenneson, Associate Line of Business Director, Community Planning and Development,  
360.753.8277

##### **Presenters:**

Todd Cunningham, Building Official, Community Planning and Development  
Karen Kenneson, Associate Line of Business Director, Community Planning and Development

##### **Background and Analysis:**

In November, 2015, Council approved the establishment of a Development Fee Revenue Fund (the Fund) for the purpose of receiving fees collected for management of development, to be used to pay costs related to the management of development at a Council-established 85 percent cost recovery rate. Establishment of this Fund was based on recommendations from a 2015 Development Services Fee Study. In January 2017, Council approved policies for managing the Fund, including establishing a target fund balance, establishing what actions will be taken when the fund balance exceeds or is less than the target fund balance, processes to identify costs to be reimbursed by the Fund and establishment of a Technology Account within the Fund to maintain, upgrade and replace technology and equipment that benefits users of development services.

The current recommendation includes a technology fee of 3.9 percent that would be assessed on permits and plan review fees to fund the Technology Account category. This includes software updates and licenses, web hosting for permitting and online plan review, credit card payment processing fees, technological equipment and services, and expected significant periodic expenditures such as technology advancements needed to maintain or improve levels of service based on industry standards. One example of such a project, is digitization of microfilm permit records and making them accessible to the public online.

The Department is proposing a 3 percent increase in building, mechanical and electrical plan review to recover costs for the increased time spent reviewing plans and conducting inspections per energy code requirements.

It will take several years to reach the target fund balance. The proposed fee increases support the policy to achieve 85 percent revenue to expenditure cost recovery ratio. Per the Fund policies, the City will update the development forecast and analyze operating costs at least once every three years, which may result in adjustments to fees.

**Neighborhood/Community Interests:**

Staff is developing a communication plan to communicate proposed fee increases to customers including builders, developers, and associations such as Olympia Master Builders and Washington Association of Building Officials.

**Options:**

1. Approve the recommendation to increase building, engineering and land use fees as presented and direct staff to forward to City Council for consideration.
2. Approve the recommendation to increase building, engineering and land use fees with changes and direct staff to forward to City Council for consideration.
3. Do not approve the recommendation to increase building, engineering and land use fees which will reduce the amount of development fee revenue available to reimburse development related costs, which could negatively impact the General Fund.

**Financial Impact:**

The estimate of increased revenue in 2018 resulting from the proposed building, engineering and land use fee adjustments is approximately \$163,826, or 5 percent, depending on the volume of construction activity and specific types of applications received. The technology fee will generate an additional \$119,000 for the technology fund within the Development Fee Fund.

**Attachments:**

Proposed Fees  
Cost for New Single Family Home





# 2018 Building/Engineering/Land Use Fees

## Land Use & Engineering

Item	Current Fee	Proposed Fee	Comments
Zoning/Planning Letter	\$100	\$200	
Critical Area Report Review	\$520	\$650	
Landscape Plan Review	\$250	\$450	
Solid Waste Pad/Enclosure Review	\$125	\$350	
Storm Onsite System Review	\$452	\$600	
Erosion Control Inspection Fee			
Lot size up to 5,000 sq ft	\$188	\$205	
Lot 5,001 to 20,000 sq ft	\$188	\$255	
Lot 20,001 to 40,000 sq ft	\$188	\$355	
Lot 40,001 to 220,000 sq ft	\$188	\$455	
Lot over 220,000 sq ft	\$188	\$575	

## Technology

Item	Current Fee	Proposed Fee	Comments
Technology Fee – 3.9% on all Land Use, Engineering and Building permit & plan review fees		3.9%	Cost of hosted solution for online permitting and electronic plan review, credit card convenience fees, technological equipment and service for field inspection, microfilm digitization project, etc.

## Mechanical Permits

Item	Current Fee	Proposed Fee	Comments
New SFR Mechanical Permit			
Up to and including 2,500 sq ft	\$225	\$245	
Over 2,500 sq ft	\$225	\$280	
Base Fee – Mechanical Permit	\$90	\$105	
Air Handlers	\$35	\$55	
Evaporative Coolers	\$35	\$55	
Furnaces	\$35	\$55	
Gas Piping			
Up to and including 5 connections	\$35	no change	
Each connection 6 and over		\$2.50 ea	
Repairs or Additions	\$35	\$55	
Wood Stove or Gas Insert	\$35	\$65	
Plan Review Fee (when applicable)	65% of permit fee	68% of permit fee	Energy code review & inspection

## Plumbing Permits

Item	Current Fee	Proposed Fee	Comments
New SFR Plumbing Permit			
Up to and including 2,500 sq ft	\$225	\$245	
Over 2,500 sq ft	\$225	\$280	
Base Fee - Plumbing Permit	\$90	\$105	
Gas Piping			
Up to and including 5 connections	\$35	no change	
Each connection 6 and over		\$2.50 ea	
Plumbing Fixtures	\$10.50	\$15	
Sewer	\$25	\$35	
Water Heater	\$30	\$35	
Water Equipment, Piping Repair or Alteration to Drainage/Vent Plumbing System	\$15	\$35	

## Building Fees

Item	Current Fee	Proposed Fee	Comments
For Stop Work Issued (work being done without a permit)	\$125 per hour	\$175 per hour	
Plan Review Fee	65% of permit fee	68% of permit fee	
Sign Plan Review Fee		\$35	
Demolition Permit			
Structures less than 3,000 sq ft	\$25	\$55	
Structures 3,001 to 5,000 sq ft	\$50	\$100	
Structures 5,001 to 10,000 sq ft	\$50	\$150	
Structures 10,001 sq ft and above	\$50	\$200	
Temporary Certificate of Occupancy - application filing fee		\$225	

## Building Valuation Table

Item	Current Fee	Proposed Fee
Valuation \$1 to \$500	\$90	\$105
Valuation \$501 to \$2,000	\$90 For the first \$500 plus \$5.30 for each additional \$100 or fraction thereof	\$105 For the first \$500 plus \$5.30 for each additional \$100 or fraction thereof
Valuation \$2,001 to \$25,000	\$168.90 For the first \$2,000 plus \$16.80 for each additional \$1,000 or fraction thereof	\$184.50 For the first \$2,000 plus \$16.80 for each additional \$1,000 or fraction thereof
Valuation \$25,001 to \$50,000	\$555.30 For the first \$25,000 plus \$12.71 for each additional \$1,000 or fraction thereof, up to and including \$50,000	\$570.90 For the first \$25,000 plus \$12.71 for each additional \$1,000 or fraction thereof, up to and including \$50,000

Valuation \$50,001 to \$100,000	\$813.05 For the first \$50,000 plus \$9.45 for each additional \$1,000 or fraction thereof, up to and including \$100,000	\$888.65 For the first \$50,000 plus \$9.45 for each additional \$1,000 or fraction thereof, up to and including \$100,000
Valuation \$100,001 to \$500,000	\$1,345.55 For the first \$100,000 plus \$7.98 for each additional \$1,000 or fraction thereof, up to and including \$500,000	\$1,361.15 For the first \$100,000 plus \$7.98 for each additional \$1,000 or fraction thereof, up to and including \$500,000
Valuation \$500,001 to \$1,000,000	\$4,537.55 For the first \$500,000 plus \$7.09 for each additional \$1,000 or fraction thereof, up to and including \$1,000,000	For the first \$500,000 plus \$7.09 for each additional \$1,000 or fraction thereof, up to and including \$1,000,000
Valuation \$1,000,001 and up	\$8,082.55 For the first \$1,000,000 plus \$5.93 for each additional \$1,000 or fraction thereof	\$8,098.15 For the first \$1,000,000 plus \$5.93 for each additional \$1,000 or fraction thereof

PROPOSED



# PERMIT FEES TO BUILD A SINGLE FAMILY HOME

Approximately how much are the permits and fees to build a single-family home in the City of Olympia?  
(EFFECTIVE JANUARY 1, 2018)

## BUILDING PERMIT

(BASED ON A 2,500 SQ. FT. HOME WITH A 480 SQ. FT. GARAGE AND 180 SQ. FT. PORCH/DECK W/ROOF.)<sup>1</sup>

PERMIT FEES (IN SUBDIVISION)	CURRENT FEE	PROPOSED FEE
BUILDING PERMIT	\$3,021.35	\$ 3,155.39
PLAN CHECK FEE	1,963.88	2,145.67
STATE PERMIT FEE	4.50	4.50
ELECTRICAL	178.00	178.00
MECHANICAL	225.00	245.00
PLUMBING	225.00	245.00
FIRE SPRINKLER	382.32	382.32
DRIVEWAY	0.00	0.00
WATER METER	331.00	331.00
SEWER LATERAL	147.00	147.00
CONSTRUCTION WATER	50.00	50.00
SEWER TAP	0.00	0.00
RIGHT-OF-WAY	0.00	0.00
EROSION CONTROL	175.00	205.00
<b>SUBTOTAL PERMIT FEES</b>	<b>\$6,703.05</b>	<b>\$ 7,088.88</b>
<b>IMPACT FEES</b>		
TRANSPORTATION IMPACT FEE	3,498.00	3,498.00
PARKS IMPACT FEE	5,446.00	5,446.00
SCHOOL IMPACT FEE	5,298.00	5,298.00
<b>SUBTOTAL IMPACT FEES</b>	<b>\$14,242.00</b>	<b>\$14,242.00</b>
<b>UTILITY FEES</b>		
WATER GENERAL FACILITIES CHARGE (GFC)	4,180.00	4,180.00
STORMWATER GFC	1,235.00	1,235.00
SEWER GFC	3,442.00	3,442.00
LOTT CAPACITY DEVELOPMENT CHARGE	5,579.46	5,579.46
WATER SERVICE INSTALL DEPOSIT	0.00	0.00
<b>SUBTOTAL UTILITY FEES</b>	<b>\$14,436.46</b>	<b>\$14,436.46</b>
<b>TOTAL FEES<sup>2</sup></b>	<b>\$35,381.51</b>	<b>\$35,767.34</b>

**NOTES:**

<sup>1</sup> VALUATION OF \$309,454.20 FOR RESIDENTIAL DWELLING IS BASED UPON:

2,500 SQ. FT. HOUSE X \$112.65 PER SQ. FT. = \$281,625.00

480 SQ. FT. GARAGE X \$43.33 PER SQ. FT. = \$20,798.40

180 SQ. FT. DECK/PORCH W/ROOF X \$39.06 PER SQ. FT. = \$7,030.80

<sup>2</sup>SOME PARCELS/LOTS MAY BE SUBJECT TO OTHER FEES.

Increase = \$385.83



## Finance Committee

### Ambassador Program Review

**Agenda Date:** 10/11/2017  
**Agenda Item Number:** 5.C  
**File Number:** 17-1027

---

**Type:** discussion **Version:** 1 **Status:** In Committee

---

#### **Title**

Ambassador Program Review

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee

##### **City Manager Recommendation:**

Receive the briefing and provide feedback to the City Manager and staff. Briefing only; No action requested.

#### **Report**

##### **Issue:**

Whether to receive an overview of the Ambassador Program and an update on the status of the Request for Proposals (RFP) process.

##### **Staff Contact:**

Keith Stahley, Director Community Planning and Development (360) 753.8227

##### **Presenter(s):**

Steve Hall, City Manager

Keith Stahley, Director Community Planning and Development Director

##### **Background and Analysis:**

The City of Olympia has funded a Downtown Ambassador program since 2012. Over the past five years the program has grown from a modest social service endeavor with a budget of \$50,000 dollars to a multifaceted program with a budget of over \$350,000.

The City issued an RFP in September and is currently evaluating responses. A selection committee as outlined in the RFP has been created and will evaluate the proposals on October 17. The RFP specifically articulates the interest of the City in providing business outreach, first-level social services interaction and referral, coordination with the Olympia Police Department and other City departments, as well as Clean Team services. The contract with a non-profit has also provided job opportunities for disadvantaged or difficult-to-employ young adults as a first step in creating skills and experience for these employees. A recommendation to City Council will follow thereafter.

**Neighborhood/Community Interests (if known):**

Downtown is both a neighborhood and a community asset. Interest in the RFP is high and the program has had a positive impact on Downtown by improving public safety, social services outreach, cleanliness and helping to create a welcoming environment for all.

**Options:**

Receive the briefing and provide feedback to the City Manager and staff.

**Financial Impact:**

The Downtown Ambassador Program is managed as a contracted service and has a total budget of approximately \$350,000 with approximately \$55,000 coming from CDBG funds, \$50,000 coming from Parking Service funds and \$43,000 coming from the PBIA.

**Attachments:**

Ambassador Program RFP

**City of Olympia  
Request for Proposals (RFP)  
Downtown Ambassador Program 2018**

**The Request:**

The City seeks a partner to provide assistance in overseeing daily operations for its Downtown Ambassador Program and Clean Team. The partner will be a qualified program administrator who can manage an array of services in order to help maintain Olympia's clean, safe and vibrant downtown. This proposed contract will run from January 1, 2018 through December 31, 2018, with a potential option for two one year renewals contingent upon funding.

The City anticipates and encourages organizations that provide service in and to downtown to submit proposals. The selected agency will coordinate cleaning, safety, hospitality and outreach work in our downtown. It is anticipated that the agency will provide all employees for this program and will furnish them with daily supervision, training, uniforms, and all necessary tools, equipment including personal protective equipment and outreach supplies to perform contracted services. The agency will be required to provide liability insurance in an amount and manner specified by the city.

The City anticipates that the supervisor and employees will be in close coordination with the City's Downtown Liaison, Code Enforcement and the Olympia Police Department. The contract will be managed by the Community Planning and Development Director or his designee.

Following a review of proposals and letters of interest, the City may negotiate service contract(s) with one or more agencies to provide some or all of the services described below.

**Downtown Cleaning Services:**

Provide cleaning services in a defined downtown core service area (designated below) to residents, visitors and workers within the downtown. Services, performed may include:

- Trash and needle collection
- Monitor and report trash can status
- Graffiti removal
- Pressure washing
- Leaf removal from City property and other designated areas
- Human and animal waste removal
- Seasonal weed removal from City sidewalks
- Flyer removal from City utilities and signage
- Assist with ice and snow removal, de-icing and drain clearance

**Priority Cleaning hours:**

- Monday - Sunday 7:00 AM - 4:00 PM (hours may vary depending on needs)

**Downtown Hospitality and Safety Services:**

Provide on-street hospitality and safety services for the residents, workers and visitors within a defined Downtown service area (designated below). Federal regulations dictate that the CDBG funds used to support part of this program must benefit homeless and mentally ill street dependent people in the downtown core. The other services funded with non-CDBG funds may benefit visitors, business owners, business patrons and other people in the downtown service area. These services may include:

- Foot patrols by Downtown Ambassadors
- Trespass engagement
- Visitor assistance
- Parking assistance
- Transit information
- Social media and event promotion
- Outreach Services (referrals for social services, direct assistance and other services)
- Business Check-ins
- Event Coordination
- Provide administrative and meeting responsibilities as necessary
- Distribute City provided referral information to all local human service programs
- Welcome new businesses
- Maintain social media presence including Facebook, Instagram, Twitter and other outlets

**Priority hospitality and safety hours:**

- Tuesday- Saturday 10:00 AM to 6:00 PM (hours may vary depending on needs)

**Welcome Center:**

Presently the City provides space for the Ambassador program at 301 4<sup>th</sup> Ave E. The City plans to continue this lease until December 31, 2018. In addition to serving as a base of operations for the Ambassador Program and Clean Team the space is also operated as a Welcome Center on a limited basis primarily using volunteers to support a public information desk. The Welcome Center is open Thursday thru Sunday approximately 4 hours per day. The existing space is not ideal for any of these functions.



Proposals that include alternative approaches and locations to support the Ambassador Program, the Clean Team and Welcome Center will be considered.

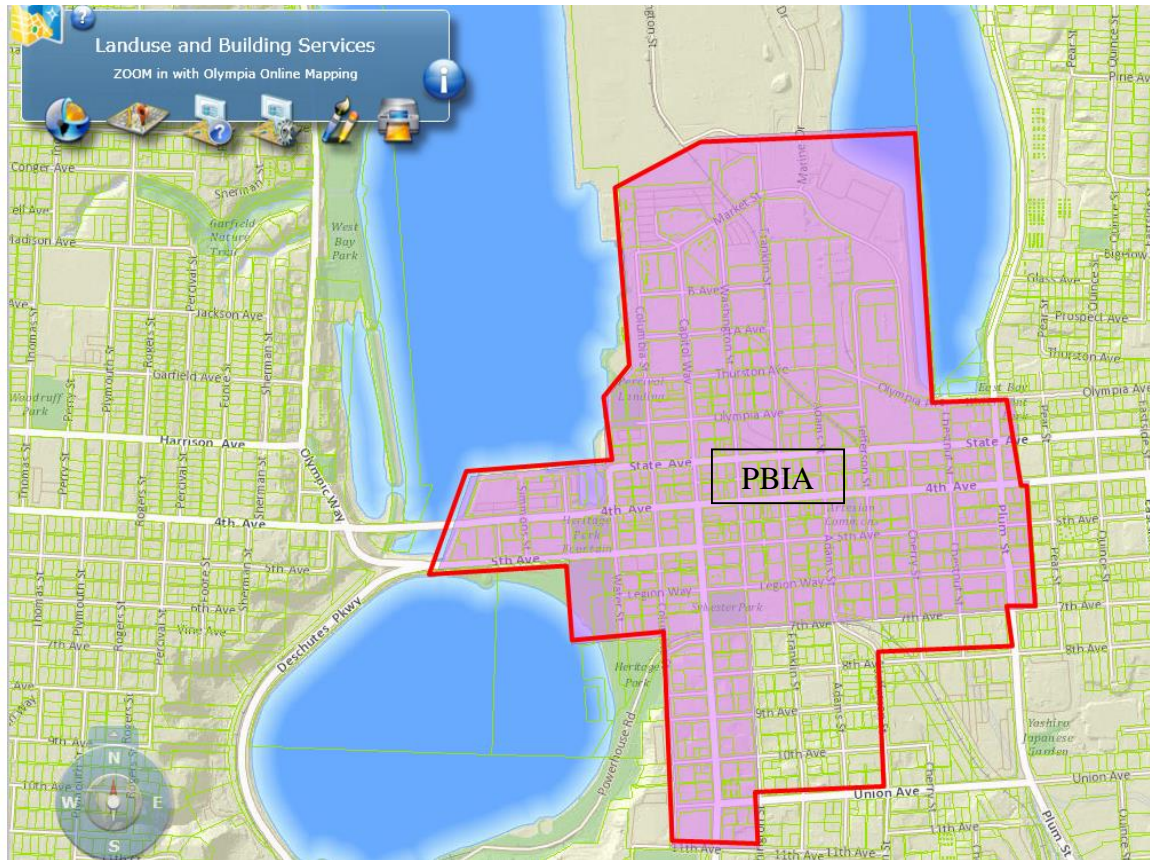
**Source of Funding:**

Please note that this proposed contract may be funded from a combination of sources including both the City of Olympia general fund and federal Community Development Block Grant funds. All potential applicants will be screened against the federal listing of disbarred contractors.

<b>Funding Source</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
General Fund	50,000	60,000	60,000	60,000	144,300	208,600
PBIA		37,500	30,000	33,500	43,500	43,500
CDBG				25,650	51,270	55,397
Parks, Arts & Recreation				2,200		
Parking Revenue		50,000	50,000	50,000	70,000	50,000
City LTAC funds					5,000	
<b>Total</b>	<b>50,000</b>	<b>147,500</b>	<b>140,000</b>	<b>171,350</b>	<b>314,070</b>	<b>357,497</b>

## Service Area:

The service area will generally be as defined on the map below. Within that area 4<sup>th</sup> Avenue and Capitol Way will be the target areas, the PBIA boundary is the primary service area and the remainder of the downtown is a secondary service area. Resources should be allocated accordingly.



## Project Reporting:

The selected contractor will coordinate and communicate with the Community Planning and Development Director or designee no less frequently than a weekly basis and shall provide a monthly performance data report as agreed to in the service contract within 10 days of end of the month. At a minimum, the report will detail person hours worked, volume of trash removed, social service referrals made, customer contracts made, police calls for service made.

### **Project Timing:**

The City is interested in continuing the existing program with no disruption. The contract period will run from January 1, 2018 until December 31, 2018 with the possibility of two one-year extensions.

### **Selection Process and Considerations:**

The responses to this RFP will be reviewed by a Selection Committee convened by the Community Planning and Development Department Director. At a minimum, the Selection Committee shall include the Chair of the PBIA, Chair of the General Government Committee, Police Department representative, Community Planning and Development Director, Downtown Business Owner, social service provider representative and Visitor and Convention Center representative.

In evaluating this contract the Selection Committee shall consider:

1. Previous experience and length of service with community outreach
2. Previous experience and length of service in providing direct social service and referrals
3. Previous experience with supervising and training work crews and providing contracted services
4. Knowledge and expertise of the project supervisor who *will work on the project*
5. Knowledge of Olympia's downtown
6. Availability to meet the project timeline

A final decision will be made based on the agency's availability to do the work within the needed time frame, with respect to the necessary expertise to be successful and with respect to the agency's clarity around their approach to providing the services and their understanding of the objectives of the program and the values of the City.

The City reserves the right to negotiate a contract in whole or in part or reject all proposals if it is deemed in the City's best interests.

The Selection Committee shall make a recommendation regarding the preferred contractor to the City Council. Following selection by City Council a contract for services shall be developed by the Community Planning and Development Director and approved by City Council.

### **Content of Submittals:**

Submittals shall not exceed (8) 8 ½ x 11 pages of text, including cover and letter of interest, with a minimum 12 pt. font, double-spaced. **One hard copy** and one digital copy of the proposal shall be submitted. The submittal shall include:

- A letter of interest signed by a principal of the agency, with a statement of availability to complete the work and a general approach and timeline to delivering the necessary services to meet identified timelines, objectives, outcomes and results. The statement should highlight the respondents approach to service delivery and understanding of the community's interests and values.
- A detailed cost estimate to complete the work outlined in the proposed approach.
- Qualifications and experience of the staff assigned to supervise the project.
- Approach to recruiting, selecting and training Downtown Ambassadors and Clean Team members.
- A staffing and compensation plan.
- A statement that the agency will be responsible for and take reasonable measures to ensure that its employees abide by the city's Administrative Guidelines as they relate to employee behavior while on the job.
- A statement that the agency acknowledges and will abide by the City's Administrative Guidelines in hiring and while providing contracted services.
- A statement regarding the agency's administrative and fiscal capacity to manage personnel, deliver contracted services, submit timely and accurate billing and prepare and keep necessary documentation to successfully deliver the services desired.

### **Response:**

To be considered proposals should be delivered to the Community Planning and Development Department, 601 4<sup>th</sup> Ave, Olympia, Washington 98501 no later than 4:00 PM on September 22, 2017. The City anticipates evaluating proposals and making a recommendation to City Council by October 17, 2017. A service contract will be negotiated with the selected respondent following action by City Council.

**Further Information:**

If you have questions, please contact Keith Stahley at (360) 753-8227 or e-mail [kstahley@ci.olympia.wa.us](mailto:kstahley@ci.olympia.wa.us).

**Deliver to:**

Keith Stahley  
CP&D Director  
City of Olympia  
601 4<sup>th</sup> Ave  
Olympia, WA 98501

**Mail to:**

Keith Stahley  
CP&D Director  
City of Olympia  
P.O. Box 1967  
Olympia WA 98507-1967