

# OPC Finance Subcommittee

CFP Comments and Questions for Discussion with City Staff on September 12, 2022

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## General Comments & Questions:

1. **Page 1-9 Graphic is outdated. Were the Water System Plan and Waste ReSources Management Plan updated in 2021 as planned?**

General Response: We have asked for this graphic to be updated prior to final approval.

Drinking Water Utility Response: As of September 8, 2022, one Water System Plan chapter remains pending. The Drinking Water Utility expects to submit the draft Water System Plan to its regulator, the Washington State Department of Health, in October.

2. **Under funding for some programs, it states “transfer from fund balance.” What fund does this refer to? Is each program a separate fund?**

General Response: More information is needed. The entire document has been searched and unable to locate “transfer from fund balance” referred to in the question. As for the separate fund question, each department has its own capital fund (i.e. Parks has a fund, Transportation has a fund, Drinking Water has a fund, etc.) A list of the City’s funds can be found in Title 3 of the [Municipal Code](#).

3. **Can you explain generally, why City of Olympia has chosen to set up various programs (e.g. ADA accessibility, CAMP) under which pretty much all projects fall as compared to what is seen more typically in which each project being separate within the larger departments funding request and programmatic projects being used to manage smaller groups of semi-regular projects?**

General Response: Need more information to be able to answer this question. CAMP is strictly a Parks program. The departments interact with each other to ensure that they coordinate capital projects.

4. **Is there a location where total project costs can be seen for each project (past, and future cost)?**

Water Resources and Drinking Water Utility Response: All three utilities monitor total project costs using a variety of sources, including computer software programs (such as E-Builder and Crystal Reports) and monthly capital project reconciliation spreadsheets prepared for us by Finance.

Transportation Response: Not in the CFP. Prior appropriations to a specific project are not shown. Sometimes future costs are not known.

5. **What guidelines does City of Olympia follow for determining whether something should be paid out of operations budget versus capital budget? (For example, in some cases in the CFP assessments are paid out of Capital funds and they may or may not result in a capital project).**

Water Resources and Drinking Water Utility Response: When making operating vs capital funding decisions all three utilities rely on the advice provided by Finance.

Transportation Response: With the exception of Street Repair and Reconstruction, Transportation programs are for new construction for retrofitting our streets in some way. Street Repair and Reconstruction is maintenance and is in the CFP because of the size of the program - the scale of the work and funding needed.

6. For disparate project types which can pull from the same pot of funding (e.g. REET, Cable Tax, VUT) how does the City determine how funding will be prioritized amongst these projects? The City has previously explained how like projects are scored, but the explanation of different categories of projects being prioritized has not been provided.

General Response: City Departments identify how they prioritize funding. Budget balancing and overall finalization of the CFP occurs through the review and adoption process of the Final CFP each year.

Transportation Response: This is a balancing act, decided year by year. We try to make sure we make some progress in each program (when one revenue source is used in several programs). One driver of the use of revenues can be needing to have a match for a grant project.

7. Is there a difference between residential neighborhood sidewalks and recreational?

Transportation Response: All sidewalks support recreational walking. When the TMP was updated, the sidewalk project list was updated as well. Public input during the TMP development process supported the approach to focus on major streets. These major streets connect to residential streets, or can be within a residential area (Boulevard, Eastside/22<sup>nd</sup> Avenue SE, for example). The reason the sidewalk program focuses on major streets is because this is where the safety needs for pedestrians are greatest: high vehicle volumes and speeds.

8. On page 26 it notes that a capital facility has a useful life of at least 5 years. This seems like a short timeline for investments into capital projects. How long has this timeframe been used? If the expense was reoccurring, such as a piece of equipment that is replaced every 7-10 years, would capital funds be used or operating?

Water Resources and Drinking Water Utility Response: When making operating vs capital funding decisions all three utilities rely on the advice provided by Finance. The useful life guideline is also coupled with a cost guideline. In recent years, interpretations have changed. For example, the Drinking Water now funds its meter replacement program out of its operating budget. While an individual meter has an expected life span of greater than 5-years, an individual meter costs less than the cost guidance. Prior to this interpretation, the cost of the annual meter replacement program collectively was taken into account thereby allowing the program to be funded out of the capital budget.

Transportation Response: The useful life of transportation projects is greater than 5 years.

9. Executive Summary – IV – establishment of general priorities. How strictly are the general guidelines for prioritization followed? For example, prioritizing maintenance before all else.

- a. **Have there been examples of Olympia retiring capital facilities to reduce the maintenance of the overall portfolio of facilities and how does that interact with this list of priorities?**

*Water Resources and Drinking Water Utility Response:* All three utilities take an “asset management” approach to infrastructure repair and replacement decisions. On a high level, this means that maintenance costs are considered when determining if an asset has reached its useful life and must be replaced. The utilities also consider an asset’s full life cycle cost, including cost of maintenance, when designing new capital facilities. Additionally, operations and maintenance staff are involved during capital project design to ensure maintenance issues are considered. Although an example of completely retiring any “utility” capital facilities to reduce maintenance does not come to mind, the utilities occasionally redesign capital facilities due to the cost of maintenance. For example, the Drinking Water Utility redesigned and rebuilt the Fones Road Booster Station, bringing it above ground, due to high maintenance costs, unsafe conditions and due to reliability concerns. Pumps at the West Bay Booster Station were also replaced due to maintenance costs for repairs.

10. **“Reader’s Guide” executive summary refers to 2022 – 2027 rather than 2023 – .**

*General Response:* We have asked for this to be corrected prior to adoption.

11. **[1-8; 1-14][1-16] How is Policy 3.5 estimated and tracked?**

- a. **I support the effort to connect capital facility investments with their ongoing operational costs (e.g. maintenance), however it is not clear to me from this plan how these are connected or tracked.**

*General Response:* Each Department is responsible to consider operating impacts of proposed capital projects. Efforts are made to ensure ongoing operation and maintenance needs can be adequately provided for before new capital projects are or built. This can be incorporated during the design phase for what is developed (e.g. type of surface, type of landscaping) and when purchasing equipment (e.g. lifecycle and durability). This is not only of interest from a sustainability perspective for public services and improvements, but also because it is an expectation and because each department’s capital and operating budgets are strongly related. For specific examples or tracking methods, you may wish to ask each Department to respond.

12. **[1-14] Goal 3, could you explain what ‘latecomers agreements’ are?**

*Water Resources and Drinking Water Utility Responses:* Olympia Municipal Code 18.41.02 contains the process under which a property owner may enter into a “latecomers agreement”. Simplistically, by entering into a latecomers agreement, a property owner constructing water and/or sewer facilities which could benefit other properties in the future can be reimbursed for such costs as other benefiting properties are developed. Under the process, Olympia determines the appropriate “benefiting area”, pro-rata share of project costs and the latecomers agreement is in place for 20-years (with extensions of time allowed).

13. **[2-10] What are the impact fees for a multifamily home?**

*General Response: Impact fees are collected for transportation, parks, and schools and the fee varies by residential type and sometimes by location. Impact fees are updated routinely.*

Transportation Impact Fees for Residential Uses:

<b><i>Land Uses</i></b>	<b><i>Unit of Measure</i></b>	<b><i>Fee</i></b>
<b>RESIDENTIAL</b>		
Single Family (Detached), Townhouse & Manufactured Home	Dwelling	\$3,845
Multifamily, including Apartment (1 to 2 levels), Duplex, Triplex, Fourplex, Cottage Housing and Courtyard Apartment	Dwelling	\$2,175
Senior Housing, Accessory Dwelling Unit and Single Room Occupancy Unit	Dwelling	\$1,088
Mobile Home	Dwelling	\$1,786
Apartment (3-10 levels) including Studio	Dwelling	\$1,708

Parks Impact Fees for Residential Uses:

<b>HOUSING TYPE</b>	<b>IMPACT FEE</b>
Single Family including Manufactured Homes on individual lots and Townhouses	<b>\$5,581</b>
Multifamily including Apartments, Duplex, Triplex, Fourplex, Cottage Housing and Courtyard Apartments	<b>\$3,796</b>
Units in Senior Housing Developments (including single family units)	<b>\$3,796</b>
Downtown Multifamily (including Apartments, Duplex, Triplex, Fourplex, Cottage Housing and Courtyard Apartments and Townhouses)	<b>\$2,902</b>
Mobile Home in Mobile Home Parks	<b>\$3,796</b>
Single-room Occupancy, Studio, Accessory Dwelling Units (except Accessory Dwelling Units created within existing Single Family structure, which are exempt)	<b>\$2,233</b>

School Impact Fees for Residential Uses:

HOUSING TYPE	FEE PER UNIT
Single Family – detached (including manufactured homes on individual lots)	\$6,029
Multifamily (including Apartments, Duplex, Triplex, Fourplex, Cottage Housing and Courtyard Apartments and Townhouses)	\$2,477
Downtown Multifamily (including Apartments, Duplex, Triplex, Fourplex, Cottage Housing and Courtyard Apartments and Townhouses)	\$2,040
Senior Housing, Accessory Dwelling Unit, Single Room Occupancy, Studio (Exempt)	\$0.00

Water Resources and Drinking Water Utility Response: All three utilities implement “general facilities charges” or GFCs. With the exception of the wastewater utility, an exact answer to the question cannot be provided.

Drinking Water Utility general facility charges are based on required meter size as follows per Olympia Municipal Code 4.24.A:

Meter Size	AWWA Capacity Factor	GFC
3/4-inch	1.00	\$4,433
1-inch Residential Fire Sprinkler	1.00	\$4,433
1-inch	1.67	\$7,483
1 1/2-inch	3.33	\$14,920
2-inch	5.33	\$23,881
3-inch	10.67	\$46,670
4-inch	16.33	\$73,168
6-inch	33.33	\$149,338
8-inch	53.33	\$238,951
10-inch	76.67	\$347,419
12-inch	100.00	\$448,064

Wastewater GFCs are based on number of ERUs (equivalent residential units) as follows from Olympia Municipal Code 4.24.B:

collection system.

3) City of Olympia General Facility Charge

Wastewater (Sewer) general facility charge	\$3,754.00 per ERU
Wastewater (Sewer) general facility charge for properties on public combined sewers and in the Downtown Deferred General Facility Charge Payment Option Area	\$1,617.43 per ERU

5 WASTE RESOURCES

*The definition of ERU is found in Olympia Code 13.08.190 B and is as follows:*

*For purposes of subsection (A) of this section, the term “equivalent residential unit” or “ERU” means:*

- 1. One single-family residence: one ERU; or*
- 2. One single-family residence with accessory dwelling unit: one ERU; or*
- 3. One mobile home, or one mobile home space in a mobile home or trailer park: one ERU; or*
- 4. Duplex: two ERUs; or*
- 5. Residential structure having more than two living units, seven-tenths of an ERU per living unit; or*

*Therefore, assuming a multifamily home is within a residential structure with more than two living units, the GFC for an individual unit would be seven-tenths of the current GFC amount of \$3,754 or approximately \$2,627. (This does not include LOTT’s connection charge.)*

*Stormwater GFCs, per Olympia Municipal Code 4.24.D, are calculated as follows: \$1,439.90 per impervious unit (2,882 square feet) and a water quality GFC assessed at a rate of \$9.09 per average daily vehicle trip based on the Institute of Traffic Engineers’ Trip Generation Manual*

*Therefore, in order to determine the Stormwater GFC for a multifamily home, the size of the impervious coverage and the average daily vehicle trips for the entire project is required.*

**14. [3-3] How are we shaping investments to reduce carbon emissions from our transportation system and capital facilities to support our goal of being a “A leader on climate action”?**

*Water Resources and Drinking Water Utility Response:* *All three utilities are taking measures to address carbon emissions. For example, all three utilities are beginning to convert their fleet to electric trucks. Both the Wastewater and the Drinking Water utilities purchase green power to run facilities and computer programs allow operations staff to remotely monitor facilities, thereby reducing trips to investigate possible problems, and each utility maintains their extensive piping systems with energy efficiency in mind – fewer leaks on the Drinking Water side and less inflow/infiltration into sewer pipes means less energy is required for pumping.*

*Transportation Response:* *The Transportation Master Plan guides the projects in the CFP. The goal of the TMP is to increase the number of trips by walking, biking and transit. An increase in these types of trips has the potential to decrease carbon emissions.*

## Program Section Questions:

### Parks, Arts and Recreation

- 1. Page 4-9 has project “Inclusive Playground at Squaxin Park Construction” (Community Park Development Program #0310) while page 4-13 has “Squaxin Park Playground Replacement” (CAMP Program #0132)**

- a. How do these two projects relate to each other?**

Parks Dept. Response: These descriptions are for the same project - but the program purposes are a little different. CAMP program funds are generally for the replacement value and for those we generally try to remain within the same footprint of the existing area. In this case, a fully inclusive playground would need more space and additional funding, which is being provided from the Community Park program. Therefore, both programs will provide funding for this project.

**b. If they are related, why is funding being pulled from two different programs?**

Parks Dept. Response: See response above. Also, by breaking funding up by program, even though for the same project, it does help us show progress in each program and differentiate between the different funding sources.

**c. If they are related, how does City of Olympia determine what portion of the project should be funded through each program (Note: This question applies to this project specifically, and then also more generally, because it appears there are several projects throughout the CFP which fall into two separate programs)?**

Parks Dept. Response: The replacement value portion of the project is essentially what the CAMP funds will cover. The Community Park Development program funds will cover the additional expenses associated with the larger area and the rest of the improvements to complete the inclusive playground.

## Transportation

**1. Can you explain how the Fones Rd project promotes “A stable and resilient economy; thriving, independent and locally owned businesses, or economically secure with opportunities to prosper”?**

Transportation Response: The project will allow the businesses along the corridor to operate more safely and efficiently by facilitating access to driveways and loading areas. The improvements may also increase the viability of new development along the corridor, as street frontage improvements will be complete, and would not be required to be built by new development.

Through this project, people will have increased access to transit, walking, and bicycling for a wide range of trips. Consistent with the Regional Transportation Plan and Olympia Comprehensive Plan, a multi-modal transportation system will reduce growth of traffic congestion in the area and enhance the vitality of Olympia. This project will allow the area to densify, as planned in the Olympia Comprehensive Plan, while minimizing the impact of additional trips.

**2. Page 5-17 has #TBD Martin for \$200K in 2023, but no description is provided on page 5-15. What is this project?**

Transportation Response: This is funding to do predesign work on the Martin Way project. It is listed in the TMP on page 96. Martin Way probably should be referenced in the text of this section too.

3. Is there really no measurable outcome for Major Street Reconstruction projects (5-15)? These projects are slated to receive \$30M over the next 6 years and the description of the projects explain “address multiple transportation goals at once.” It would be rather surprising to have no measurable outcomes for such an expensive suite of projects.

Transportation Response: We have not yet developed an outcome. A measure could be related to the miles of major street that have the full cross section complete (as defined for that particular classification of street).

4. Were there any updates to the Voted Utility Tax after Ordinance 6326? If so, what changes were made?

Transportation Response: Not that we are aware of.

5. For the purposes of expending VUT funds, how does City of Olympia define “walking paths, and recreation-related sidewalks?”

Transportation Response: Sidewalks and pathways, as defined in the TMP.

- a. How does this meet the intent of Ordinance 6314?

Transportation Response: By providing facilities for recreational walking.

6. Sidewalks and Pathways Program (#0626) is entirely funded by the Voted Utility Tax. Does this mean the City of Olympia defines all sidewalks to be “walking paths, and recreation-related sidewalks”?

Transportation Response: We consider all sidewalks to be eligible for VUT funding because all sidewalks have a recreational benefit. This was confirmed by legal staff with the development of the Transportation Master Plan.

7. Major Street Reconstruction (Program #0600) and Sidewalks and Pathways Program (#0626) both pull funding from the Voted Utility Tax. How does City of Olympia determine what proportion of VUT funding should go to each program?

Transportation Response: It will be determined project-by project; there is no strict methodology. Fones Road is the most recent and relevant project that this question applies to. We have assumed \$3M in VUT for Fones. We have not itemized the cost of the sidewalk, because it is hard to separate it from the cost of constructing the bike lanes and swale and new right-of-way needs. We could estimate the materials for a sidewalk, but not the portion of labor, stormwater, or site prep or design. Considering the costs of the sidewalk projects on West Bay Drive (\$2.9M) and 22<sup>nd</sup>/Eastside Street (\$1.4M), and that those projects only built sidewalks on one side of the street, we feel that \$3M is a reasonable amount of VUT to go towards the sidewalk aspects of Fones, especially because sidewalks will be on both sides.

8. Programs Sidewalks and Pathways (#0626) and Street Repair and Reconstruction (#0599) both have projects called “Management Administration” which total \$200K per year.



- a. Why do these two programs have “Management Administration” projects?
- b. What does the “Management Administration” consist of?

*Transportation Response:* These cover staff costs in Transportation Engineering and Planning. Those staff work to plan and scope projects in those programs. It is reasonable that staff costs to advance the work in these programs should be paid with revenues for those programs.

- c. How was the \$200K fee determined? I would expect there to be some scaling with total program costs, but Management Administration of the pavement program is only 9% of program costs, while for Sidewalks and Pathways this represents 23% of total costs over the next 6 years.

*Transportation Response:* It is a round number based on staff salaries and benefits. One staff person charges to each of these programs. These are the two single largest programs in the CFP for Transportation. Without staff working on these programs, the projects and planning around them would not move forward.

- 9. When comparing the draft CFP to the [2021-2026 CFP](#) it appears that all pathway/sidewalk projects have been pushed out into later years and the amount of funding for these projects has significantly decreased. For example, San Mar Drive in the 2021-2026 CFP had \$50K in 2022, and \$250K in 2023, while now we see \$0 in 2023 and \$100K in 2024. Similarly, Vista Ave has moved out from 2024 to 2027. And the total pathways and parkway funding for the 6 years is down from \$10.3M to \$5.2M (when comparing funding for similar years, i.e. 2023-2026, the funding decrease is still significant).

- a. What is the reason for shifting these projects out to later years?

*Transportation Response:* At this point the funds shown are just to get the design started in the year we think we can realistically start that work. More funds are anticipated in future years. Once scoped and designed, the funding and timing will become more specific.

- b. Why are there no projects scheduled for funding in 2023?

*Transportation Response:* Resources, both staff and revenues, will be going toward the Fones and Elliott projects.

- c. How realistic is it to expect design and construction of the Elliot Avenue sidewalks in 2025, whereas previously the project was scheduled to occur over two years?

*Transportation Response:* It is realistic to construct this project in one year (2025). It is common to set aside some funds for the construction of a project in a year or years prior to the actual construction year, especially large projects. It does not necessarily mean the project will be constructed over multiple years.

- d. Other than Elliot Avenue, which of these projects funding proposed in 2023-2028 covers both design and construction? Or are the remaining projects all design funding only?

Transportation Response: Yes, just design funds are shown. More funds are likely in future years. Once scoped and designed, the funding and timing will become more specific. This is our best guess at this point. The CFP is a mix of specific information and many “best guesses.”

**10. Since 2019, what projects have been completed under Sidewalks and Pathways (Program #0626)?**

Transportation Response: The last project built was the 26<sup>th</sup> Avenue pathway in 2019.

**11. Do the investments in the Capital Facilities Plan maintain the existing infrastructure in good condition?**

Transportation Response: In general, maintenance comes out of the operating budget and is conducted by City crews. Street Repair and Reconstruction is maintenance, but the scale of the work warrants it being included in the CFP.

**a. [5-2] Are the investments in maintenance sufficient to maintain the condition of the transportation system according to the City’s Pavement Management Program?**

Transportation Response: Funding levels can be tied to average pavement condition rating and the backlog of needed work. An update to this program is underway and will be presented to the Council early next year. At that point Council and the public can see what various levels of funding mean in terms of pavement condition and backlog.

**b. Examples of cities having to abandon road paving because of cost are cropping up across the country. Example: <https://www.planetizen.com/node/45345>**

**12. Why is there such a sharp decrease in spending between 2023 and 2024?**

Transportation Response: This is primarily due to known grants we will be receiving.

**13. [5-2] What is included in “Street repair, maintenance and reconstruction”?**

**a. Does this include things beyond the pavement such as streets trees, sidewalks, or surface water runoff management?**

Transportation Response: Generally not. If it is a full asphalt overlay, it could include upgrades to access ramps (required by law). Chip seals are simple but can include some lane reconfigurations. When more improvements are needed, such as sidewalks and street trees, then the project would more likely be listed in Major Street Reconstruction and funded with a range of revenues.

**14. [5-3] Is concurrency addressed at a system wide scale? That is, can decreases in the demand for car travel from one neighborhood offset development in another neighborhood where car travel may be more necessary?**

Transportation Response: Yes, concurrency is system wide, and not specific to a part of town.

**15. [5-3] What is the current debt service on transportation projects?**

*Transportation Response:* Approximately \$200,000 per year.

**16. Access and Safety Improvements**

- a. How long will it take to complete all Access and Safety Improvements (Program #0633) at current funding rates?**

*Transportation Response:* In many programs, we have costs from similar past projects to refer to. This allows us to extrapolate future progress (roughly how many miles of sidewalks we can complete in 20 years, for example). In this program, there are many new safety projects that we don't have experience building yet, and from one project to the next, the scope can be really different. So we were not able to do the same kind of 20 year forecasting in this program for costs and anticipated progress. We have more experience building enhanced crosswalks, (also in this program), but we need to scope what type of specific enhancement each location needs which will take some time and resources.

- i. Are there examples of a level of service in other cities that Olympia can adopt? Or possibly safe street and intersection design guidelines that we can establish as the baseline to report our progress towards meeting that baseline?**

*Transportation Response:* Possibly. It will take some time to develop a level of service for this program.

- ii. Has a program of rapid 'tactical' fixes been considered, with more permanent fixes to be applied as time and money allow?**

*Transportation Response:* We have tried some of these. An example is 5<sup>th</sup> and Cherry. We may use these types of simple fixes in the future.

- b. Why are projects in Access and Safety Improvements (Program #0633) not more regularly funded?**

*Transportation Response:* There are not enough reliable revenue sources in transportation to meet all our needs. This program relies on grants quite a bit. We have been successful in funding the State Avenue, Boulevard, and 4<sup>th</sup> Avenue projects with grants.

**17. Bicycle Improvements (Program #0200)**

- a. [5-3] How has allowing concurrency to be met with transit, bike, and walking infrastructure changed (or will change) investments for transportation in the Capital Facilities Plan?**

*Transportation Response:* The update of the concurrency program includes projects that build bike, ped and transit improvements. The primary change is that more multimodal projects can be funded with impact fees, along with other funding sources. Another change is that we are obligated to build this set of concurrency projects within 20 years to meet concurrency standards. Read about concurrency projects on page 5-3 and in TMP on page 127.

- i. Are these 4 miles and 4 miles less than what is in the transportation master plan (8 miles sidewalk and 7 miles bike lane) Page 183. These goals do not appear to have changed with the TMP update or change in concurrency language.

*Transportation Response:* If you are referring to the miles of sidewalks and bike lanes shown under concurrency on page 5-3, that is our minimum commitment to meeting concurrency in 20 years. What is listed on page 183 of the TMP is what we think we can build in 20 years, which is inclusive of the concurrency miles.

- b. What investments are being made to create low stress street connections (rather than just enhanced bike lanes)?

- i. For example, even for quieter neighborhood roads there is still dangerous speeding and dangerous crossings that limit where people can walk and bike safely.

*Transportation Response:* Two bike corridors are shown in this program and so far one is partially funded by a grant.

- c. Under level of service – does the 59% of streets with bike lanes consider updates to the EDDS that establishes design guidelines for enhanced bike lanes on arterials and major collectors?

*Transportation Response:* Any future enhanced bike lanes will add to this percentage.

- d. Why is there no ongoing investment in this area that is not dependent on grants? (Similar to Safety Improvements,)

*Transportation Response:* Similar to the answer on Access and Safety above, there are not dedicated revenues to this program. Recently, the impact fee program was revised, so some of those revenues can now be spent specifically on bike corridors. Revenue needs for this program, and Access and Safety, are discussed in the TMP on page 126.

#### **18. Intersection Improvements (Program #0420)**

- a. What is the estimated need for investment in intersection improvements?

*Transportation Response:* These projects have not been scoped or estimated. A compact roundabout is roughly \$1.5 to 2M to build in 2022 dollars but that can vary widely with right of way needs.

#### **19. Major Street Reconstruction (Program #0600)**

- a. Level of Service - In the Fones Road design the car flow level of service was integral to the design. Is car flow level of service not a major driver in the selection of these projects as well?

*Transportation Response:* At the time the current Fones project was scoped and designed, car flow or capacity was something we needed to address to comply with our concurrency policy. An additional lane is added from the trail to the north Home Depot driveway, only affecting part of the street. Most of the project costs are for the roundabout, sidewalks and bike lanes. The first Fones Road project, scoped over 15 years ago, included much more widening for additional vehicle lanes. That additional widening, south of Home Depot, has been removed from the scope

*of the current project. This project is now more focused on multimodal improvements and safety than car flow.*

*The Mottman and Wiggins projects do not address car capacity or flow. The US 101 project addresses car flow. With the change to our concurrency program, car capacity is an indicator of how the road is functioning, but we are no longer obligated by concurrency policy to add vehicle capacity to a street.*

*Read more about concurrency in the TMP on page 127.*

- b. How will these projects help meet the goal of reducing both absolute and per capital vehicle miles traveled set out in the Transportation Master Plan and the Thurston Climate Mitigation Plan?**

*Transportation Response: In theory, yes, they will. But we are not able to provide any numbers.*

**20. Sidewalks and Pathways (Program #0626)**

- a. Level of service – At our current funding levels, how long will it take to reach our goal of 100% of arterials and major collectors having sidewalks?**

*Transportation Response: This would take time to analyze. You can see more about expectations of current funding in the TMP page 118.*

- i. The estimated total cost of the sidewalks program was \$53,645,904 in 2003 dollars (with a modest 2% inflation for construction costs ~\$84M in 2022 dollars).**
- ii. What percent of the sidewalk program is finished? How long will it take to finish at current investment levels?**

*Transportation Response: We are just now beginning to address the sidewalk projects in the TMP (also shown in the CFP). See more of the expectations associated with current funding in the TMP page 118.*

- b. Could we incorporate a level of service for the state of repair of sidewalks? [similar to the pavement condition report 5-26].**

- i. What would it cost to make sidewalk maintenance a city responsibility? (OMC 12.36.010)**

*Transportation Response: No specific answers available. Sidewalk Repair Policy options will be explored with the Council in 2023, which may include development of a level of service, and an evaluation of the costs for the City should we take on more repair work.*

- c. For streets without sidewalks how are we investing in making it safe to walk in the street?**

*Transportation Response: The City no longer has a traffic calming program. Public education, lighting, and speed and parking enforcement can help make these streets safer for walking.*

- d. **The whole program is supported by the Transfer from Voted Utility Tax – why are there not investments from other funding sources?**

*Transportation Response:* There are limited flexible funding sources for transportation. Some programs are underfunded as noted in the TMP page 126. The VUT is one of the largest revenue sources for a defined type of project. We do augment the sidewalks and pathways projects with grants.

- e. **Noted previously that streets bordering wetlands do not have any hope of getting development funds for building sidewalks/improvements. Was this considered in prioritizing projects?**

*Transportation Response:* The prioritization methodology does not consider development potential.

- f. **Over half of the investment in the next 6 years is for the Elliott Avenue Sidewalk – what makes this one project a priority?**

*Transportation Response:* This has been a project planned for several years, prior to the TMP. Some design work is done, along with expectations by the neighborhood to complete this project.

- g. **Why are the administration costs such a high percentage of this program?**

*Transportation Response:* These administrative costs cover staff. Staff are involved in planning and scoping these projects, so it is reasonable that their compensation come from this revenue source.

## **21. Street Repair and Reconstruction (Program #0599)**

- a. **Are we able to maintain the system without degradation with this large investment of city funds?**

*Transportation Response:* No, there is a backlog of work at this funding level and the backlog will continue to grow.

- b. **Are there any costs to the operation budget from this program?**

*Transportation Response:* No, we do not augment the operating budget with these program funds.

## **Fire**

1. **Prior to 2022 where did the funding come from to replace these vehicles?**

*Fire Response:* Large fire apparatus (pumper trucks, ladder trucks, etc.) was not previously secured in a programmatic way. It has been funded “just in time” as part of other funding mechanisms (bonds, end of year funds, loans). We have not had a specific funding source before.

**2. What is the replacement cycle on these vehicles?**

*Fire Response:* In general, these vehicles have a relatively long life expectancy (with good mechanics and maintenance). Engines – 30 years (15 years front line, 15 years reserved); Ladder trucks – 25 years; Aid Vehicles (10 years?).

**3. Normally vehicles are funded using operating funds, as vehicles are generally not considered durable and they are also replaced on a standard cycle. Should funding be provided in the operating budget?**

*Fire Response:* Yes, we do need to find a long term, dependable funding source for these vehicles. Regular fire department vehicles are now included in the operating budget.

## General Capital Facilities

**1. Have there been evaluations and/or investment to the air handling systems in our public buildings to enhance staff and visitor safety in regard to respiratory illness (i.e. COVID)?**

*City Facilities Response:* There have been no capital investments made to the air handlers due to COVID, however, Facilities Maintenance have made some positive changes in operations:

- Maximized the economizers to bring in as much fresh air as our systems will allow for all facilities.
- Invested in upgrading the air filters from \*MERV 8 to MERV 13. This change in air filters capture particulates in the air down to .3 microns where the MERV 8 only capture down to 1 micron.

\* MERV: Minimum Efficiency Reporting Value and is an industry standard that measures the overall effectiveness of air filters.

**2. What is being done to close the funding gap needed for the maintenance of facilities?**

*City Facilities Response:*

- Starting 2022, the rent rate was adjusted at the Maintenance Center facility to set aside as reserve fund for future use at this location such as feasibility study, design fee, permitting, etc.
- Grants Opportunities: Department of Commerce is planning to release a Request for Application for building electrification retrofits grant this fall.

**3. Has any level of services for buildings been considered?**

- a. Inside air quality?

City Facilities Response: Inside air quality for all facilities has been improved due to the upgrade in the air filters from \*Merv 8 to Merv 13. With finer filtration, fewer airborne contaminants & dust particles are allowed to pass through the filter.

**b. Energy use per square foot or carbon emissions?**

City Facilities Response: Energy Use Intensity (EUI) rating information for most of our facilities are available upon request.

**4. [7-4, table] Debt service also included in the table, is this being summed in the totals?**

**a. I appreciate the sharing of the debt service for information in the capital facilities plan.**

City Facilities Response: Yes. The debt service is included in the combined total amount.

**5. [7-4] What size are the roofs that are being replaced on the Maintenance Building, the Justice Center, and Timberland Library?**

City Facilities Response:

- Maintenance Main Building: 42,000 SF
- Justice Center: 26,240 SF
- Timberland Library: 22,500 SF

**a. Are these roofs candidates for solar panels?**

City Facilities Response: Yes. When the roof on the Maintenance Center and Library are replaced, they would be great candidates for solar. The library has currently utilized approximately 20% of the roof for solar and there will be opportunity to expand in the future.

**6. Lee Creighton Justice Center Reconstruction**

**a. Note – funding sources for Lee Creighton Justice Center Reconstruction (table on 7-8) exceed costs, is it possible this is a copy paste error from the previous overall table.**

City Facilities Response: This is not an error. Please reference table on 7-4, year 2024, in addition to the Justice Center Roof Replacement project, we also have the following projects: Hands On Children Museum Wood Siding Replacement, Timberland Library Plumbing Fixtures Replacement, Unforeseen Emergency Projects, and Debt Service.

**b. What would the estimated cost of a full replacement of the Justice Center be? Will the roof outlast the expected life of the building?**

City Facilities Response: A planning level estimate for a full replacement was estimated at \$89 million. KMB Architectures' master plan study based on a facility that would meet both jail and court services need for 50 years. KMB programmed the building to meet the



*anticipated growth based on population growth projections which resulted in approximately 80% larger facility.*

*The Lee Creighton Justice Center is configured with three connected wings (i.e., East Wing, West Wing, and Courtroom). All three building wings and their systems are at the end of their useful life. Per the 2019 Building Conditions Assessment, a roof replacement should be considered by 2024.*

**7. ADA Program**

- a. The funding to make all our city buildings compliant is much less than the need, is there a plan to increase funding for this program to fix our buildings in a timely manner?**

*City Facilities Response:* *The total estimated cost for ADA repairs associated with PW managed buildings is over \$3 million.*

*2021 – 2026 CFP provides \$150,000/year coming from the General Fund to address ADA barriers.*

**8. Other**

- a. No spot light on the maintenance facility roof?**

*City Facilities Response:* *Thank you for noting the importance of this project. The Public Works Maintenance Center is comprised of five main buildings, and several out-buildings (the site in generally poor to fair condition).*

*The roof on the main building was coated in 2016. A coating was applied to extend the life of the existing roof. However, it was discovered during the Building Conditions Assessment (BCA) in 2019 that the coating may only last a few more years and recommended that the roof be replaced by 2023. Given the age and critical functions of City operations supported by this facility, staff is supporting the BCA recommendation.*

## Drinking Water

- 1. Are costs provided (for example pages 8-16 through 8-19) in nominal (2022) or real dollars?**

*Drinking Water Utility Response:* *Project costs vary depending upon the status of the project. For example, for projects currently under construction, costs have been adjusted for inflation (are real dollars). For annual projects, such as asphalt overlay adjustments, aging watermain replacements or pre-design and planning, project costs are in nominal (2022) dollars.*

- 2. Page 8-18 has in 2025 there being an “on-site generator replacement” and describes it as replacement of the generator at Allison Springs. However, on page 8-19 this is called “on-site generator replacement plan”. Is this project developing a plan OR replacing generators?**

*Drinking Water Utility Response:* Generators will be replaced under this project. Currently, the Drinking Water Utility has identified the need to replace the generator at Allison Springs under this project. (The Drinking Water Utility will request the removal of the word “plan” at CFP finalization.)

3. **On page 8-5 under “Sustainability” it talks about some pumps not improved due to cost. How many pumps does this approximately amount to compared to total number? Does this effect specific neighborhoods more than others? How big of a difference is the energy efficiency?**

*Drinking Water Utility Response:* The CFP includes the Drinking Water Utility’s sustainability level of service standard which states: All pumps are rated at 80 percent efficient or higher, unless it is not cost-effective to do so. Since this level of service has been in place, all new pumps that have been installed have met, or nearly met, the 80 percent efficiency mark, such as those at the McAllister Wellfield, and in the West Bay and Fones Road Booster Pump Stations. Additionally, the Drinking Water Utility chooses the highest efficiency available and has not had to go with a lesser performing pump due to payback or cost-effectiveness concerns.

## Wastewater

1. **Page 191 indicates that a fee-in-Lieu program is being considered for developers to pay a fee to help fund environmental/stormwater projects in lieu of doing the mitigation as part of the development. If implemented, how will we be ensured the fee’s go to additive projects and not projects that would have been completed regardless of the new fee revenue?**

*Stormwater Utility Response:* (This is actually in reference to the Stormwater Utility rather than the Wastewater Utility.) The Stormwater Utility is currently updating its Drainage Design and Erosion Control Manual. As a component of that work, Stormwater Utility staff is currently recommending the removal of references to the possibility of private development using a “fee-in-lieu” program. The Stormwater Utility will request removal of this reference at CFP finalization.

2. **Page 174 discusses on-site sewer systems. These aging systems can be extremely detrimental to the environment. How many are left in Olympia? What are primary hurdles to transitioning onto City sewer systems?**

*Wastewater Utility response:* Onsite Sewage Systems (Septic Systems) are a cost-effective technology for protecting the environment, when the local conditions favor onsite treatment. This generally means good soils, good separation from ground water, and large lot sizes. When sited in an appropriate area, septic systems can result in damage to natural systems. Septic systems are the only sewage disposal option for homes located away from centralized wastewater systems.

There are approximately 4,000 septic systems located within the city’s sewer service boundary (2,000 within the city limits, and 2,000 in the UGA). Approximately half of those are sited in areas where current regulations would not allow septic. Approximately 1,000 of the septic systems are located within 200 feet of available sewer. Septic systems within 200 feet of available sewer are not required to immediately connect; when the septic system fails connection is required. Connection to the city sewer is generally at the owner’s expense, including extending the city utility, connection fees, abandoning the septic tank, and physically connecting their home to the city system. For many homeowners this can be prohibitively expensive. The city supports septic to sewer conversions by

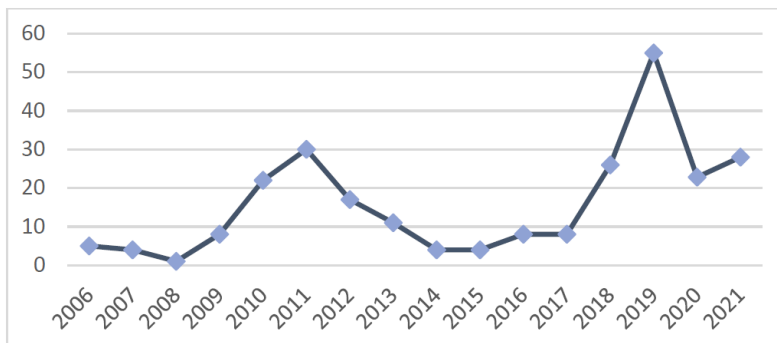
*waiving our connection fee for two-years from the date at which sewer becomes available. LOTT waives between 50 percent and 75 percent of their connection fee. The city is working to extend sewer to make it available in the street in front of homes.*

*Septic systems that fail and are not within 200 feet of available sewer have a tough choice: They may be able to re-permit or repair/replace their system, they may extend the city utility beyond the 200 feet, or they may be forced to abandon/sell their home.*

*The major hurdles for transitioning septic systems onto the city sewer are:*

- 1. Extending sewer service into the areas where septic systems are. Large areas of the city have low density development that does not support extending the utility.*
- 2. Extending sewer service in the street in front of the property with a septic system. The city is extending sewer in to unsewered neighborhoods as the utility budget allows.*
- 3. Financial resources for homeowners to connect to the sewer system. The city and LOTT provided some subsidy, but the costs are still large and following connection, homeowners have monthly sewer bills.*
- 4. Connection is not required as long as the septic system is functioning. Even when utilities are extended to the property it could take a decade or more before the system connects.*

*The Wastewater Utility performance target is to convert 20 equivalent residential units from septic to sewer a year. The below chart shows conversions from 2006 through 2021.*



- 3. Is climate change and rising water levels being taken into consideration when prioritizing projects? What impacts will rising water levels have on the sewer system?**

*Wastewater Utility Response: Yes, climate change and rising water levels have been taken into consideration when prioritizing capital projects. Development of the Olympia Sea Level Rise Response Plan included a vulnerability and risk assessment. Five wastewater lift stations are vulnerable to flooding, at varying levels of sea level rise, with East Bay and Old Port 1 being the most vulnerable. Work to relocate the Old Port 1 lift station has begun and floodproofing of the old Water Street lift station has been completed. The Wastewater Utility will continue to monitor sea level rise and will make needed adjustments to its capital facilities plans as may be required.*

- 4. The Infrastructure Investment and Jobs Act (IIJA) funding will start to come out during 2023. Has that funding been considered and how will that impact capital projects and which ones to prioritize?**

*Wastewater Utility Response: At this point, no wastewater utility capital projects have been included in the CFP specifically assuming IJIA as a source of funding. The Wastewater Utility is monitoring IJIA funding availability and will submit applications for projects based, in part, on those most likely to score the highest based on advertised program scoring criteria. If IJIA funding is obtained in the form of a grant, the Wastewater Utility would, presumably, then have the opportunity to use its other capital funds to pursue needed capital projects earlier than currently projected.*

## Storm and Surface Water

### 1. If the decision is made to turn Capital Lake into an estuary, will there be impacts to storm and surface water?

*Storm and Surface Water Response: If the Estuary alternative is implemented, the magnitude of flooding will be reduced, since the flood elevation will be reduced, but the frequency of flooding with Heritage Park will increase.*

*The dam is currently managed to keep lake levels below incoming tidal levels. With the Estuary alternative water levels will closely mimic tidal elevations. Tidal elevations are frequently (when above approximately 16 feet MLLW) above the elevation of low-lying streets in the vicinity of 7<sup>th</sup> and Columbia Street. During these times, Storm and Surface Water Operations staff run a pump to evacuate stormwater runoff from the area.*

*Between 2020 and 2022, the Utility installed 22 tide gates to prevent lake and marine waters from flowing backward and flooding low-lying areas of downtown. In general, the Estuary Alternative would be beneficial for reducing downtown Olympia flooding, would be the most beneficial to Budd Inlet water quality, would substantially benefit anadromous fish and marine fish, and would be the most beneficial for controlling invasive species.*

### 2. Is climate change and rising water levels being taken into consideration when prioritizing projects? What impacts will rising water levels have on the storm/surface water?

*Storm and Surface Water Response: Although annual precipitation is not expected to change significantly, summer precipitation is projected to decrease by up to 10 percent and winter precipitation is projected to increase by up to 12 percent by the 2080s. Additionally, the maximum 24-hour precipitation event is expected to increase by up to 27% by 2080 and by even more in the upper Deschutes River basin.*

*Older stormwater infrastructure, the network of ponds and pipes that capture and channel runoff from streets and other impervious surfaces, will be most vulnerable to overflows associated with more frequent and intense storm events. As climate modeling improves, the Utility will consider requiring the use of inflated precipitation data for the design of flow control facilities.*

*Given Olympia's location near sea level, protecting the land and conveying water from the land surface to marine waters via piped systems will become more difficult as sea level rises. Higher sea levels will result in less hydraulic pressure to drive stormwater out of pipes. During high tides, marine water flows back up (backflow) into conveyance piping, in some cases causing flooding inland. In*

most cases, backflow flooding can be prevented by installing tide gates. However, eventually (post 2050) sea levels will rise to elevations that will require reconfiguring the storm drainage system and installing pump stations to get stormwater out of low-lying areas.

3. **The Infrastructure Investment and Jobs Act (IIJA) funding will start to come out during 2023. Has that funding been considered and how will that impact capital projects and which ones to prioritize?**

*Storm and Surface Water Response:* At this point, no stormwater projects have been included in the CFP specifically assuming IIJA as a source of funding. The Storm and Surface Water Utility is monitoring IIJA funding availability and will submit applications for projects based, in part, on those most likely to score the highest based on advertised program scoring criteria. If IIJA funding is obtained in the form of a grant, the Storm and Surface Water Utility would, presumably, then have the opportunity to use its other capital funds to pursue needed capital projects earlier than currently projected.

## Waste ReSources

1. **What is the expected lifespan of the new Waste Resources facility?**

*Waste ReSources Response:* The building has a 50-year design life.

2. **Has Waste Resources studied investing in garbage pickup options that reduce carbon emissions, noise, and pollution from pickup and can increase safety in neighborhoods?**

*Waste ReSources Response:* The Waste ReSources Utility has implemented many changes in the past 25 years that were geared toward reducing emissions and the impact of vehicles in neighborhoods. These include the alternating every-other-week collection, single-stream recycling, front-load commercial pick up, one-side road pick up, and two shared compactors for businesses in downtown. The Utility also encourages, and when applicable, requires the use of self-contained compactors in some commercial applications. More recently, the Waste ReSources Utility, as part of its Utility Master Plan update, had its consultant research options for electrifying its solid waste fleet. Details of fleet electrification are described more fully below.

- a. **Example, electric garbage trucks: <https://www.thedrive.com/news/36566/electric-garbage-trucks-are-finally-coming-in-2021-with-the-battery-powered-mack-lr>**

*Waste ReSources Response:* As part of its Waste ReSources Utility Master Plan update, the city had its consultant research options for electrifying its solid waste fleet. The research showed that while a lot of headway has been made toward electrified solid waste trucks, it has a long way to go. Of the four types of trucks commonly used in solid waste collection, rear-load is the most feasible, however it still lacks enough power to run a complete day and route. New York City has committed to 12 Mack LR trucks as a pilot project. NYC has about 2,000 solid waste trucks in its fleet and they are all rear load. The power needs for automated side-load residential trucks exceed what can be accomplished with electric. At least currently. What is available can barely run one-quarter of a day/route on a full charge. Moreover, the trucks cost about 50 percent more than their diesel fuel counterparts. It also requires the city have the charging infrastructure

*in place. The consultant recommended refreshing the research in three to four years, and to focus on starting with its rear-load commercial truck first. The Carpenter Road Facility would be designed with charging infrastructure, or at least to the point where it would be an easy add-on.*

**b. Example, centralized collectors:** <https://undergroundrefuse.com/>

*Waste ReSources Response: The Utility is aware of similar technologies, but they are quite new in the United States and generally more popular where above ground waste collection has significant issues - whether that is the high heat of the desert southwest, or as mentioned in the article, floods and storm events. The city has installed two shared compactors in downtown Olympia. These two compactors have reduced nearly 40 individual dumpster stops each week. The Utility plans to further maximize these two compactors. Centralized waste for neighborhoods is a bit more tricky when it comes to figuring out the appropriate container and container size, where it might be located, and then how the service is funded. Currently, the fees charged by the utility are directly related to each customer's individual service. These types of technologies can be monitored by staff for feasibility in our community.*

**c. Example, safety technology and site lines:** <https://bicyclensw.org.au/safety-through-technology/>

*Waste ReSources Response: The solid waste trucks the city purchases are based on what is available in our market, parts availability, their safety and reliability performance, and efficiency. Staff is not aware of cab designs in the United States that are similar to those described in Australia.*

*The utility specs its trucks with input from the drivers, fleet mechanics, and finance to source the best possible solution. Only one cab and chassis manufacturer in the United States produces a truck solely for use in solid waste collection. This company is Autocar and is the cab/chassis selected for the recent automate side loaders purchased this year. This manufacturer does focus on eliminating blind spots and improving site lines more so than other solid waste truck manufacturers. The other manufacturers produce trucks mostly for over-the-road use, such as short, medium, and long haul, and for construction use. Solid Waste trucks now come with many safety features not available just a few years ago. While cameras have been in use for many years, they now come with very high resolution and clarity for backup, hopper, and other views. Trucks are equipped with enhanced lighting systems for both driver usability and to be seen by others, and numerous proximity sensors that alert drivers when they are too close to objects. Safety remains a high priority for Waste ReSources and each time the utility needs to update/purchase a new truck or trucks through its lifecycle program, staff will look at everything that is available.*

## Home Fund

- 1. The Home Fund money is slotted to be transferred Thurston County Regional Planning Council. Is Olympia's Home Fund then going to be combined with a County Home Fund as well as ones from other cities?**

*General Response: The City and Thurston County are working on an interlocal agreement to combine the City's Home Fund with the County-wide Home Fund. The funds would go to Thurston County for administration through the Regional Housing Council (of which Olympia is a member) if such an agreement is reached. This is still subject to approval by the Olympia City Council and the Thurston County Commission. We are not aware of any direct role for Thurston Regional Planning Council regarding the Home Funds. If the Council and Board approve an interlocal agreement, it is anticipated that 65% of the Olympia Home Fund will combine with the County-wide Home Fund. Those dollars could be used for capital projects. The remaining 35% of the funds would stay with the City for the next 3-years to continue funding ongoing homeless response operations, such as for Quince Street Village and encampment sanitation.*