



Planning Commission

Olympia 2045 - Utilities Chapter of the City of Olympia Comprehensive Plan Update

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Title

Olympia 2045 - Utilities Chapter of the City of Olympia Comprehensive Plan Update

Recommended Action

Information only. No action requested.

Report

Issue:

Discussion on the draft Utilities Chapter update of the Olympia Comprehensive Plan.

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Presenters:

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Background and Analysis:

Utilities Chapter Update

A subcommittee of the Utility Advisory Committee (UAC) met five times in 2023 to review and provide feedback on staff recommended updates to the Utilities Chapter of the City's Comprehensive Plan.

Dates and subjects covered were as follows:

- **August 3, 2023:** Utilities Chapter general introductory text, goals and policies.
- **September 7, 2023:** Drinking Water introductory text, goals and policies.
- **October 5, 2023:** Waste ReSources (garbage/recycling) introductory text, goals and policies and the Utilities Chapter's vision and values statements.
- **November 2, 2023:** Wastewater introductory text, goals and policies and general utilities financial policies.
- **December 7, 2023:** Storm and Surface Water Utility introductory text, goals and policies.

Members of the public were invited to attend the subcommittee meetings, and the meetings were advertised in the newspaper of record, through E-newsletters and on the Olympia 2045 website.

The subcommittee's discussion and recommendations were captured for each meeting and made available on the Olympia 2045 website. The complete record of discussion has been attached to this staff report, titled "UAC Comprehensive Plan Subcommittee Record of Discussions".

Additionally, on February 1, 2024, the full UAC moved to recommend forwarding the February 1, 2024 draft Utilities Chapter to the Planning Commission for review and a subsequent public hearing.

Recommended updates to the Utilities Chapter discussed by the subcommittee, and approved by the full UAC, include:

- Ensuring master plans consider up-to-date growth and development projections during the update process, including growth projections due to climate migration as well as ensuring master plans consider environmental constraints, including risks from climate change, during update cycles.
- Acknowledging the utilities' new Helping Neighbor's Charitable Fund Program and suggesting it should be considered for expansion to help meet the City's social equity goals.
- Ensuring master plans and utility rates consider the City's climate and social equity goals.
- Adding that new developments should be required to provide space for solid waste collection, in addition to constructing drinking water, wastewater and stormwater utilities, in ways that meet community development goals of the Plan.
- Adding a new policy acknowledging grant funding opportunities should be pursued to enhance utility services.
- Clarifying that a portion of utility revenue each year should be provided for outreach and engagement programs that are inclusive, accessible and representative of the entire community.
- Supporting securing Drinking Water Utility facilities in a manner commensurate to the critical nature of the infrastructure.
- Allowing telecommunications providers to access Drinking Water Utility sites only when the security of the site can be assured.
- Supporting state legislation that addresses waste reduction and recycling.
- Incorporating material quality and compost into existing Waste ReSources policies.
- Addressing the Waste ReSources Utility's carbon footprint.
- Taking equity into account in the design and operation of the wastewater system.
- Adding policy language to address new Budd Inlet Total Maximum Daily Load (TDML) requirements.
- Adding new introductory language to explain how Olympia's utilities fund expenses.
- Adding a new general financial policy to address the UAC's concerns that increases to the municipal utility tax impacts the utilities' ability to meet operating and capital funding needs and creates a burden on rate payers.
- Adding a new general financial policy to address the importance of long-range financial planning to guide rate, capital projects and operational decisions.
- Making revisions to the Utilities Chapter's vision and values statements to address public

comment.

- Adding a goal and policies to address all three components of the Storm and Surface Water Utility’s mission (flooding, water quality and habitat).
- Removing language supporting the development of the completed Olympia Sea Level Rise Response Plan.
- Adding a goal and policies that recognizes that meeting the requirements of the Municipal Stormwater Permit is a shared City-wide responsibility.

Utilities Chapter- General Background

The Utilities Chapter of the City’s Comprehensive Plan covers both city-owned and privately run utilities.

City-owned and operated utilities provide the community with essential services and can help shape Olympia’s future in meaningful ways. We take a coordinated, cost-effective approach to managing our utilities and fully consider the economic, social and environmental implications of all our actions. Each City-owned utility has developed, and periodically updates, utility focused management plans. Each plan provides specific strategic direction necessary to implement the growth directives contained in the Comprehensive Plan. Because the utility plans are updated more frequently, they are more relevant to current trends, and will, therefore, form the basis for the update of the Utilities Chapter’s goals and policies.

The Washington State Growth Management Act (RWC 36.70A) requires the following information to be included in utilities chapters of comprehensive plans:

- The general location, proposed location and capacity of all existing and proposed utilities.
- Utilities include, but are not limited to: sanitary sewer systems, water lines, fire suppression, electrical lines, telecommunication lines, and natural gas lines.

Comprehensive Plan Periodic Update - General

Under the Washington State Growth Management Act, Olympia is required to update its Comprehensive Plan every 10 years. Olympia’s will look out to year 2045 to show, among other things, how the City will accommodate new population and employment growth. It is also an opportunity to make sure the Comprehensive Plan and the City’s Development Regulations meet current state requirements that may have changed since the last major update of the Plan. This update process has been named “Olympia 2045”.

Based on population projections developed by the Washington State Department of Commerce and allocated to Olympia through a regional process overseen by the Thurston Regional Planning Council (TRPC), Olympia and its urban growth area (UGA) is expected to grow by almost 21,000 new residents by 2045. To accommodate this growth, 13,500 new housing units are expected. As service providers, all four city-owned utilities must be prepared to serve this expected growth.

The Comprehensive Plan contains the following chapters, in addition to the Utilities Chapter:

- Community Values & Vision
- Public Participation & Partners
- Natural Environment

- Land Use & Urban Design
- Housing
- Transportation
- Parks, Arts and Recreation
- Economy
- Public Safety
- Capital Facilities
- Climate Change & Resiliency Sub-element - New 2023 Requirement

Climate Analysis:

All four City-owned utilities currently contribute to the City’s overall climate goals through current strategies, actions and programs including, but not limited to: waste prevention messaging; supporting legislative initiatives and improving recycling capture at multi-family and mixed-use buildings; green power purchase; water conservation goals and messaging; inflow and infiltration reduction; and, property purchase and habitat preservation programs. The four City-owned utilities will continue to analyze ways to support reducing greenhouse gas emissions and preparing for the impacts of climate change, guided by the goals and policies contained in the Comprehensive Plan and individual utility management plans.

Equity Analysis:

Goals, policies and the strategic direction established through the Comprehensive Plan for City-owned utilities have the potential to both benefit and burden people who live, work, visit, pay utility bills, develop property in Olympia or become utility customers/rate payers in the future. The mission of all three water-related utilities (Wastewater, Storm and Surface Water and Drinking Water) includes prioritizing public and environmental health on behalf of all customers, regardless of who "pays the bill". Additionally, all three water-related utilities collect and use data on the condition of each utility's infrastructure to make maintenance, renewal and replacement decisions. Condition data helps each utility to make equitable decisions since it focuses work toward infrastructure most in need of maintenance, renewal or replacement. Further, all four City-owned utilities implement utility bill assistance programs for low-income disabled or low-income over age 62. Finally, all four City-owned utilities are in the business of providing high-quality and cost-effective service to all existing and future customers located within each utility's respective service area consistent with the growth and development objectives of the City's Comprehensive Plan. However, regardless of current practices, all four City-owned utilities would benefit from continuing to use information from the in-house developed tool, the Stormwater Equity Index, to focus efforts and resources to ensure infrastructure and program service decisions are made which reduce service disparities and support equitable outcomes consistent with the goals and policies contained in the Comprehensive Plan and individual utility management plans.

Neighborhood/Community Interests (if known):

City-owned utilities provide essential public health services to residential and commercial customers in their service areas. The results of a May 2023 Community Values and Vision survey for the Olympia 2045 project were reviewed by the UAC as the Utilities chapter’s value and vision statements were discussed and revised. As the Olympia 2045 project continues, additional opportunities for community input and involvement will occur.

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Options:

None. No action requested.

Financial Impact:

None at this time. However, utility rates impact our community by the utility rates that customers pay.

Attachments:

UAC Recommended Utilities Chapter - February 1, 2024 draft (track changes)

UAC Recommended Utilities Chapter - February 1, 2024 draft (clean)

UAC Comprehensive Plan Subcommittee Record of Discussions