

**** Per Governor's emergency [Proclamation 20-28](#) et seq., agencies are required to meet completely remotely without providing for a physical location.**

**** Per Section 3 of Anacortes [Resolution 2082](#) Ratifying Proclamation of Emergency and Providing Temporary Procedures to Respond to the COVID-19 Epidemic, adopted by the Anacortes City Council on March 16, 2020, and [Resolution 3010](#), adopted December 28, 2020, extending the duration of Resolution 2082 through March 31, 2021, all in-person Committee meetings of the City Council are cancelled. Council and committee meetings may be held telephonically regardless of whether the City has the capability of video recording meetings.**

- Meetings may be viewed on the [City of Anacortes website](#), on the City of Anacortes [YouTube](#) Channel, or on TV [Channel 10](#).
- The public may also watch, listen to, or participate in the meeting live by visiting <https://us02web.zoom.us/j/89255646791> or by telephoning 1-253-215-8782 and entering Meeting ID 892 5564 6791.
- The public is encouraged to comment via email to cityclerk@cityofanacortes.org or via written comment addressed to City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received prior to 3:00 p.m. the day of the meeting will become part of the record for the meeting, just as if presented in person.
- Complete guidelines for public participation in virtual Anacortes City Council meetings are available [here](#). View the quick video example for connecting to the meeting [here](#).



Anacortes City Council

Municipal Building Council Chambers

**** This meeting will be held electronically only ****

February 8, 2021
6:00 PM

PRELIMINARY AGENDA

[Packet Materials](#) / [Watch Meeting](#)

- 1. Call to Order**
- 2. Announcements and Committee Reports**
 - a. COVID-19 Update (Discussion)
 - b. Port/City Liaison Committee (Discussion)
 - c. Public Safety Committee (Discussion)
 - d. Housing Affordability and Community Services Committee (Discussion)
- 3. Public Comment**
- 4. Consent Agenda**
 - a. Minutes of February 1, 2021 (Action)
 - b. Approval of claims in the amount of \$124,140.16 (Action)
 - c. Interlocal Agreement: Bartholomew Road Fiber Extension #21-027-FBR-001 (Action)
- 5. Other Business**
 - a. * Parks and Recreation Impact Fee Rate Study (Discussion)
 - b. * Washington Park Fee Rate Update (Discussion)
 - c. * Resolution 3016: Wastewater Plant Outfall Competitive Bidding Waiver (Discussion/Possible Action)

Per Resolution 2044, citizens wishing to comment on items not on the agenda may do so under the Public Comment portion of the agenda. Citizens wishing to comment on agenda items indicated with an asterisk (*) may do so as those items are considered by Council during the course of the meeting.

The City of Anacortes is committed to making public meetings available and accessible to all members of the community.
For assistance with special needs, please contact the City Clerk at 360-299-1960 in advance of the meeting.

6. Adjournment

Per Resolution 2044, citizens wishing to comment on items not on the agenda may do so under the Public Comment portion of the agenda. Citizens wishing to comment on agenda items indicated with an asterisk () may do so as those items are considered by Council during the course of the meeting.*

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For assistance with special needs, please contact the City Clerk at 360-299-1960 in advance of the meeting.

Anacortes City Council Minutes - February 1, 2021

Call to Order

Mayor Laurie Gere called to order the Anacortes City Council meeting of February 1, 2021 at 6:00 p.m. Councilmembers Jeremy Carter, Anthony Young, Ryan Walters, Christine Cleland-McGrath, Carolyn Moulton, Bruce McDougall and Matt Miller all participated in the meeting in absentia via video conference.

Announcements and Committee Reports

COVID-19 Update: Mayor Gere shared current case statistics for Anacortes, Skagit County, Washington State, and the nation. The mayor reported on vaccination progress and procedures in Anacortes and Skagit County. She noted the continued increasing trend in case counts.

Mayor Gere reported that the Kiwanis Aktion Club eCycle program is seeking a new space and invited the public to contact her about any potential locations.

Finance Committee: Mr. McDougall reported from the Committee meeting held the previous Wednesday. The topics discussed included alternative budget reporting applications and the year end finance update that would be presented later on the evening's agenda.

Fiber Committee: Mr. McDougall reported from the Committee meeting held the previous Thursday. He said the committee would meet monthly henceforth. Mr. McDougall reported that the city is waiting for word on the EDC grant award (due around February 8). He shared the status of installations in the 2020 aerial expansion areas and design of the 2021 construction area.

Public Works Committee: Ms. Moulton reported from the committee meeting held earlier in the evening. The topics discussed included contracting methodology for the wastewater treatment plant outfall project, solids handling options for the WWTP incinerator which would be presented to Council soon, the 12th Street and Commercial Avenue intersection improvement project which would be addressed later on the agenda, the water treatment plant raw water line and clearwell projects, the Deception Pass fiber project, and 2021 waterline replacements and street preservations projects.

Public Comment

No one present wished to address the Council on any topic not already on the agenda.

Consent Agenda

Mr. Miller moved, seconded by Mr. Young, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

- a. Minutes of January 25, 2021
- b. Approval of claims in the amount of \$768,057.49
The following vouchers/checks were approved for payment:
EFT numbers: 99186 through 99239, total \$646,766.87
Check numbers: 99185 and 99240 through 99260, total \$149,522.48
Wire transfer numbers: 278617 through 279620, total \$17,315.87
- c. Contract Modification: Periodic Review of Shoreline Master Program #19-111-PLN-001
- d. Contract Modification: Grandview Cemetery Expansion - Phase 1 #19-092-PRK-002

Other Business

Commercial Avenue Complete Streets Project Phase 1 - 11th Street to 13th Street Alternatives

Public Works Director Fred Buckenmeyer, Engineering Project Manager Tim Hohmann, consultant Brandon Gonzalez from Alta Planning + Design and consultant Andrew Bratlien from TSI presented background information, the results of the virtual open house, traffic analysis, and intersection control evaluation for the 12th and Commercial intersection to be designed as a part of the proposed Commercial Avenue Complete Streets Project Phase 1. Mr. Hohmann's and Mr. Gonzalez's slide presentations were added to the packet materials for the meeting. The project team presented the intersection alternatives that had been evaluated and the public input on those alternatives.

The project team requested Council endorsement of a preferred alternative before moving the project to the preliminary design phase and expending resources for continuing evaluation of the alternative selected. The team recommended the roundabout alternative.

The project team responded to councilmember questions about ferry traffic volumes and the Safeway entrance. Mr. Walters asked to have repaving 11th Street between O Avenue and Commercial Avenue made part of this project. Several councilmembers urged further modeling of Safeway entrance options. The project team explained the public and business owner resistance to closing the Safeway entrance at 12th & Commercial. Councilmembers were generally supportive of the recommended roundabout alternative but requested additional modeling of Safeway entrance options and more information about the City's role in determining those entrances before the roundabout design proceeded much further. Mr. Hohmann concurred and said staff would bring back additional information in a few weeks.

Contract Award: Combined Sewer Overflow Pump Station Design #21-025-SEW-001

Mr. Buckenmeyer requested City Council consent to award a contract in the amount of \$592,279.96 to HDR Engineering, Inc. to design a new Combined Sewer Overflow (CSO) Pump Station including abandonment of existing CSO #4. He outlined the contract and its relationship to the larger wastewater treatment plant outfall project. Councilmembers requested a comprehensive report of all the capital projects currently projected for the wastewater treatment plant.

MATT MILLER moved, seconded by CAROLYN MOULTON, to authorize the Mayor to sign contract 21-025-SEW-001 with HDR Engineering, Inc. in the amount of \$592,279.96 to perform the Combined Sewer Overflow Pump Station Design. Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, MATT MILLER. Nays - None. Result: Passed

Finance Update

Finance Director Steve Hoglund provided a detailed update on the city's financial position as of the end of the 2020 fiscal year. Mr. Hoglund referred to his slide presentation which was included in the packet materials for the meeting.

Ordinance 3083: Amending the 2020 Budget

Mr. Hoglund presented Ordinance 3083 to amend the 2020 budget. Mr. Hoglund explained each line item of the proposed ordinance, following up on the finance update immediately preceding this agenda item.

ANTHONY YOUNG moved, seconded by BRUCE MCDOUGALL, to adopt Ordinance 3083 amending the 2020 budget. Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, MATT MILLER. Nays - None. Result: Passed

Adjournment

There being no further business, at approximately 8:48 p.m. the Anacortes City Council meeting of February 1, 2021 was adjourned.

The following claims against the City of Anacortes have been preaudited and certified by the Clerk-Treasurer as ready for City Council approval at the February 8, 2021 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
279630	12/28/2020	360-293-3725-0501135	ZIPLY FIBER	DEPOT PHONE 12/28-01/27/21	\$ 63.01	parks1
279631	12/28/2020	360-293-6427-0218975	ZIPLY FIBER	CITY HALL 911 12/28-1/27/2021	\$ 79.51	finance
279633	12/28/2020	360-299-2484-0726025	ZIPLY FIBER	LIBRARY PHONE 12/28-1/27/21	\$ 57.25	finance
279684	12/28/2020	360-299-3674-0214175	ZIPLY FIBER	OPS: 12/28 - 01/27/2021	\$ 70.66	dshop
279784	12/28/2020	360-299-0813-1017915	ZIPLY FIBER	WWTP 12/28-1/27/21	\$ 313.69	dwwtp
279791	12/28/2020	360-299-6615-0615165	ZIPLY FIBER	APD 911 LINE 12/28-1/27/21	\$ 73.14	apd
279792	12/28/2020	360-588-1422-0822015	ZIPLY FIBER	APD BUSINESS LINE 12/28-1/27/21	\$ 301.80	apd
279793	12/28/2020	360-588-9248-0619005	ZIPLY FIBER	APD BACKUP LINE 12/28-1/27/21	\$ 207.57	apd
279794	12/28/2020	360-293-4900-0912865	ZIPLY FIBER	APD BAC LINE 12/28-1/27/21	\$ 85.93	apd
279864	12/28/2020	360-293-9063-0926075	ZIPLY FIBER	STA 3 INTERNET/PHONE/FAX 12/28-1/27/21	\$ 83.00	medic
279737	12/31/2020	294293	BAY CITY SUPPLY	COVID PPE 100% FIRE	\$ 789.64	pwfac
279891	12/31/2020	33155	MATERIALS TESTING & CONSULTING	SKAGIT RIVER RAW WATER PIPELINE/CLEARWELL - SPECIALIZED INSPECTIONS DEC 2020	\$ 2,075.00	pw1
279895	1/1/2021	1804	SKAGIT COUNCIL OF GOVERNMENTS	SCOG 2021 DUES	\$ 15,267.00	plan
279786	1/8/2021	0142002	INTERNATIONAL ASSOCIATION OF	ACTIVE DUES 1/1/2021 THROUGH 12/31/21; CHIEF SMALL	\$ 190.00	apd
279893	1/13/2021	293	SKAGIT PUBLIC UTILITY	MUTUAL ASSISTANCE ON PROJECTS - SERVICES FOR SKAGIT RIVER RAW WATER PIPELINE	\$ 7,748.82	pw1
279851	1/19/2021	476588	USA BLUE BOOK	BUFFER, PH STORAGE SOLUTION	\$ 477.26	dwwtp
279727	1/19/2021	RE 41 JA2711 L165	WASHINGTON STATE DEPARTMENT	SIGNAL MAINTENANCE	\$ 127.94	dshop
279767	1/20/2021	797747	CASCADE COLUMBIA DISTRIBUTION	FLUORIDE - 1 PALLET	\$ 1,860.00	dwwtp
279686	1/20/2021	1837484	MILES SAND & GRAVEL CO.	5/8" CRUSHED ROCK	\$ 91.94	dshop
279687	1/20/2021	1837483	MILES SAND & GRAVEL CO.	5/8" CRUSHED ROCK	\$ 551.64	dshop
279736	1/21/2021	1837880	MILES SAND & GRAVEL CO.	5/8" CRUSHED ROCK	\$ 551.63	dshop
279896	1/21/2021	552523284	SIGMA-ALDRICH, INC.	LAB PROFICIENCY MATERIALS	\$ 274.68	dwwtp
279778	1/21/2021	1679854350	WILSON DDS, NICHOLAS J	DENTAL SERVICES	\$ 845.00	hr

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
279726	1/22/2021	101858	OWEN EQUIPMENT COMPANY	1" BALL VALVE, ROCKER SWITCH	\$ 258.89	dshop
279371	1/22/2021	8181293619	SHRED-IT USA, LLC	CONTAINER SHREDDING - CITY HALL 1/15/21	\$ 55.47	finance
279540	1/22/2021	8181291429	SHRED-IT USA, LLC	OLD RECORDS DESTROYED - APD	\$ 67.51	apd
279632	1/23/2021	149144	LAKESIDE INDUSTRIES, INC.	GUEMES QUARRY SPALLS ROCK	\$ 471.97	parks1
279634	1/23/2021	108083	LAKESIDE INDUSTRIES, INC.	5/8"- 0" & 3/4" ROCK & DUMP FEES	\$ 819.94	wdist
279874	1/25/2021	23890495	LEXISNEXIS MATTHEW BENDER	PUB DEF LIBR LEX NEX SUBS	\$ 202.91	court
279859	1/25/2021	2952	SKAGIT 911	4TH QUARTER SPILLMAN	\$ 6,003.83	medic
279853	1/26/2021	6110491	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 40.48	medic
279855	1/26/2021	6115679	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 169.44	medic
279866	1/26/2021	131300	FASTENAL COMPANY	BATTERIES	\$ 3.43	medic
279725	1/26/2021	0955517	FERGUSON ENTERPRISES, INC	METERS FOR INVENTORY	\$ 2,229.31	wdist
279888	1/26/2021	9319774468	GRAYBAR ELECTRIC COMPANY, INC	HANDHOLES FOR GPON NETWORK	\$ 3,851.75	fiber
279860	1/26/2021	1070411	LIFE ASSIST, INC	MEGAMOVERS, PELICAN CASE, FORCEPS	\$ 300.68	medic
279728	1/26/2021	331 0558370	UNIFIRST CORPORATION	WATER CREW LAUNDRY	\$ 39.26	wdist
279854	1/27/2021	6115049	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 199.60	medic
279768	1/27/2021	730188	HASA, INC	SODIUM HYPOCHLORITE	\$ 3,840.21	dwtp
279733	1/27/2021	207045	NAPA	SPARK PLUGS- #13911 & GLASS CLEANER FOR SHOP	\$ 24.15	dshop
279691	1/27/2021	1045	NORTHWEST COLORS INC.	LTAC HEART RESTROOM MAINTENANCE	\$ 1,784.32	plan
279769	1/27/2021	331 0558546	UNIFIRST CORPORATION	WTP LAUNDRY SERVICE	\$ 95.15	dwtp
279774	1/28/2021	T324989	AMB TOOLS & EQUIPMENT CO	PARTS & SERVICE #90009	\$ 1,105.09	dshop
279729	1/28/2021	293094B	BAY CITY SUPPLY	COVID-19 PPE DISINFECTANT SPRAY	\$ 85.52	pwfac
279730	1/28/2021	293319C	BAY CITY SUPPLY	FACILITY USE ITEMS	\$ 15.17	pwfac
279731	1/28/2021	295614	BAY CITY SUPPLY	FACILITY USE ITEMS HEART OF ANACORTES	\$ 216.95	pwfac
279867	1/28/2021	804658	CENTRAL WELDING SUPPLY CO, INC	O2 FOR AMBULANCE	\$ 73.20	medic
279861	1/28/2021	MV247833	MOTOR TRUCKS, INC	OPERATING SUPPLIES FOR #512 & #203	\$ 1,341.91	dshop
279863	1/28/2021	MV247858	MOTOR TRUCKS, INC	REM KIT #512	\$ 187.03	dshop
279735	1/28/2021	220015149234	PUGET SOUND ENERGY INC	STREET LIGHTS- 8147 S MARCHS POINT RD	\$ 28.16	dshop
279692	1/28/2021	RefundSchneider	SCHNEIDER, NIKOLE	BASKETBALL REFUND NIKOLE SCHNEIDER	\$ 20.00	pkrec
279771	1/28/2021	153030	SKAGIT HYDRAULICS	GARBAGE TRUCK #511 MODIFICATION	\$ 71.39	dshop
279738	1/28/2021	113201	WALTON BEVERAGE COMPANY, INC	WTP BREAKROOM SUPPLIES	\$ 52.50	dwtp
279781	1/29/2021	301010	A WORKSAFE SERVICE INC	PRE-EMPLOYMENT DRUG TESTING	\$ 110.00	hr
279779	1/29/2021	94525	BLYTHE PLUMBING & HEATING, INC	HVAC REPAIRS @ WTP	\$ 217.86	pwfac
279783	1/29/2021	94274	BLYTHE PLUMBING & HEATING, INC	HVAC REPAIR @ WTP	\$ 1,854.16	pwfac
279785	1/29/2021	94625	BLYTHE PLUMBING & HEATING, INC	LIBRARY HVAC REPAIR OLD SERVER ROOM	\$ 776.83	pwfac
279796	1/29/2021	U2116004272	HB JAEGER	GRIP RINGS	\$ 1,162.64	wdist
279862	1/29/2021	1071550	LIFE ASSIST, INC	RESUS PACKS, SENSORS, CHEST SEALS	\$ 492.68	medic
279780	1/29/2021	10328965	NAVIA BENEFIT SOLUTIONS, INC	FLEXIBLE SPENDING PARTICIPANT FEE JAN 2021	\$ 136.95	hr

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
279894	1/29/2021	0121	NELSON, BONNIE	AGING MASTERY PROGRAM ADMINISTRATION - JANUARY 2021	\$ 275.00	parks1
279732	1/29/2021	0263935-IN	REISNER DISTRIBUTOR INC	OIL & DEF- SHOP	\$ 1,184.60	dshop
279934	1/31/2021	149799	LAKESIDE INDUSTRIES, INC.	5/8" & 3/4" ROCK SALES	\$ 202.63	wdist
279936	1/31/2021	108083	LAKESIDE INDUSTRIES, INC.	5/8" & 3/4" ROCK SALES	\$ 172.56	wdist
279880	1/31/2021	21CONFL01-JAN21	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 175.50	court
279881	1/31/2021	21CONFL06-JAN21	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 451.75	court
279885	1/31/2021	21CONFL02-JAN21	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 214.50	court
279887	1/31/2021	21CONFL04-JAN21	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 227.50	court
279852	1/31/2021	1010113	UTILITIES UNDERGROUND LOCATION	JANUARY LOCATE TICKETS	\$ 223.17	dshop
279787	2/1/2021	88768	ASSOCIATION OF WASHINGTON	MOULTON CITY ACTION DAYS	\$ 75.00	executive
279789	2/1/2021	02/01/2021	FIDALGO CLEANING	APD CLEANING & SUPPLIES 2/1-2/14	\$ 800.00	apd
279889	2/1/2021	001	FINAL TAKE PRODUCTIONS	ASSIGNMENT AND TRANSFER AGREEMENT - BILL MITCHELL MATERIALS	\$ 810.00	museum
279776	2/1/2021	ReimbFlores	FLORES JR, ODILON	BOOT ALLOWANCE	\$ 95.00	dwwtp
279773	2/1/2021	ReimbRains	RAINS, JAMES	BOOT ALLOWANCE	\$ 106.78	dwwtp
279782	2/1/2021	1131	REBECCA DEAN PLLC	PROFESSIONAL HUMAN RESOURCE SERVICES JAN 2021	\$ 670.00	hr
279795	2/1/2021	022570	REECE, STORMIE	DEPOT CLEANING JANUARY 2021	\$ 374.00	parks1
279788	2/1/2021	LE-21-04	SKAGIT COUNTY CISM TEAM	ANNUAL RETAINER FOR SERVICES; SKAGIT CO CISM TEAM	\$ 500.00	apd
279777	2/1/2021	GB00100301	TRANSAMERICA LIFE INS CO	LEOFF LONG-TERM CARE INSURANCE	\$ 634.98	hr
279775	2/1/2021	0542005-001	UNUM LIFE INS CO OF AMERICA	LEOFF LONG-TERM CARE PREMIUM FEB	\$ 1,024.90	hr
279897	2/1/2021	125363	VENTEK INTERNATIONAL	MONTHLY HOSTING FEE 02/01-02/28	\$ 135.00	parks1
279882	2/1/2021	102853701-0008638	WAVE	DEDICATED INTERNET ACCESS	\$ 1,469.82	fiber
279884	2/1/2021	WAFL184400221	ZIPLY FIBER	MAKE READY WORK FOR POLE ATTACHMENTS	\$ 200.00	fiber
279875	2/2/2021	6131413	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 216.04	medic
279892	2/2/2021	144620	COMPULINK MANAGEMENT CENTER, D/B/A LASERFICHE	LASERFICHE SUPPORT 3/1/21-2/28/22	\$ 29,560.96	legal
279869	2/2/2021	01-98875	CONTROL FACTORS-SEATTLE INC	MAINTENANCE SUPPLIES - PUMP STATIONS	\$ 1,265.13	dwwtp
279877	2/2/2021	WD 01-29-2021	DAVIS, WAYNE	TRAVEL EXPENSE VOUCHER	\$ 16.00	dwwtp
279870	2/2/2021	BINV0008653	GOBLE SAMPSON ASSOCIATES, INC	MANITENANCE SUPPLIES - INCINERATOR	\$ 546.77	dwwtp
279883	2/2/2021	21CONFL05-JAN21	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 269.75	court
279871	2/2/2021	0264345-IN	REISNER DISTRIBUTOR INC	INCINERATOR FUEL	\$ 855.27	dwwtp
279890	2/2/2021	1st QTR 2021	SKAGIT COUNTY DISTRICT COURT	JUDICIAL SERVICES	\$ 19,473.50	court
279873	2/2/2021	2021-002260	VENDNOVATION, LLC	SOFTWARE LICENSE SUBSCRIPTION - DRUG	\$ 1,305.60	medic
279878	2/2/2021	HW 01292021	WHYTE, HARRY	TRAINING MEAL REIMBURSEMENT	\$ 16.00	dwwtp

Total **\$124,140.16**



City Council Contract Agenda Bill

Meeting Date: 2/8/2021 **Agenda Item:** 4c

Subject: Interlocal Agreement 21-027-FBR-001 with the Port of Anacortes for the Bartholomew Road Fiber Extension

Staff Contact: Emily Schuh

Approved for Submittal to Council by:
Darcy Swetnam, City Attorney

Action Type: Interlocal Agreement

Summary Statement: City staff seeks approval to execute Interlocal Cooperative Agreement 21-027-FBR-001 with Port of Anacortes, under which the City's Fiber Division will extend the City's GPON network to several Port-owned buildings near the intersection of Bartholomew Road and Pinkerton Road.

Background: The Port owns several parcels and buildings near the intersection of Bartholomew and Pinkerton Roads which they wish to lease to third parties who will operate businesses from those sites. Internet service in that general area is less than ideal, and the businesses that will lease Port property require the kind of high-quality broadband service that is available from the City.

The Port asked the City's Fiber Division if the City's fiber optic network could be extended to those sites. Fiber Division staff advised Port staff that the network could be so extended, but that the Port would need to pay the City for the costs of doing so. Port staff agreed to such an arrangement, and the interlocal agreement under consideration here resulted.

Key Terms:

- The Port will pay the total project cost of \$17,600.13.
- The City will Construct and install all necessary conduit, fiber, and infrastructure to the six Port-owned buildings depicted in Exhibit A and legally described in Exhibit B.
- The term of this Agreement shall be through 12/31/2021.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to execute Interlocal Cooperative Agreement 21-027-FBR-001 between City of Anacortes and Port of Anacortes.

Alternative Actions: Not approve the interlocal

Attachments: 21-027-FBR-001

INTERLOCAL COOPERATIVE AGREEMENT

BETWEEN

THE PORT OF ANACORTES AND CITY OF ANACORTES

THIS AGREEMENT ("Agreement") is made and entered into by the Port of Anacortes ("Port"), a Washington municipal corporation and the City of Anacortes ("City") a Washington municipal corporation, pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT. The parties may be individually referred to herein as a "Party", and may be collectively referred to herein as the "Parties."

1. PURPOSE: The purpose of this Agreement is to provide for the construction and funding of a project by which the City will construct fiber optic infrastructure to six buildings owned by the Port, with the intention that future Port tenants will be able to connect to the City's municipal broadband fiber system. Separate agreements between the City and future Port tenants will be required for fiber connection services.

2. RESPONSIBILITIES:

2.1 Pursuant to the terms of this Agreement, the City shall:

- A. Construct and install all necessary conduit, fiber, and infrastructure to the six Port-owned buildings depicted in attached Exhibit A and legally described in attached Exhibit B ("Properties"), which exhibits are hereby incorporated by reference, so that the buildings are ready for installation of business class internet service upon submission of future tenant service orders ("Project").
- B. Invoice the Port for the Project Cost as provided in Section 4 (below).

2.2 Pursuant to the terms of this Agreement, the Port shall:

- A. Pay the total Project Cost, in a total fixed price of \$17,600.13. Such payment shall be made by the Port to the City upon completion of all Project work, and then within thirty (30) days after receipt of an invoice from the City.
- B. Provide the City with access to Port property necessary to complete the Project.

3. TERM OF AGREEMENT: The term of this Agreement shall commence upon mutual execution by all parties and continue through December 31, 2021, unless sooner terminated pursuant to the terms herein.

4. PROJECT COST:

Total Project Cost shall be a fixed price of seventeen thousand six hundred dollars and thirteen cents (\$17,600.13), which includes \$1,423.54 in sales tax.

5. ADMINISTRATION: The following individuals are designated as representatives of the respective Parties. The representatives shall be responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. In the event such representatives are changed, the Party making the change shall notify the other Parties in writing.

5.1 The City's Representative shall be City's Broadband Manager.

5.2 The Port's representative shall be the Port's Director of Planning, Properties and Environmental.

6. TREATMENT OF ASSETS AND PROPERTY:

6.1 No fixed assets or personal or real property will be jointly or cooperatively, acquired, held, or used. All fiber optic lines, conduit or related Project equipment installed with the exception of conduit installed on Port property shall be owned by the City. Conduit installed on Port property shall be owned by the Port.

6.2. MAINTENANCE AND OPERATION. Upon Project completion, the City shall be operationally and financially responsible to maintain those portions of the Project that it owns and the Port shall be operationally and financially responsible to maintain those portions of the Project that it owns on Port property.

7. NO AGREEMENT FOR FIBER NETWORK SERVICES: This Agreement shall not be interpreted nor construed as providing any license, lease, access or other rights to the City's fiber optic network. The provision of any services (e.g. dark fiber access, lit fiber services, connectivity through the City's fiber optic network) shall require separate agreement(s).

8. INDEMNIFICATION: Except as provided to the contrary herein, each Party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other Parties harmless from any such liability. It is further provided that no liability shall attach to any Party by reason of entering into this Agreement except as expressly provided herein.

10. INSURANCE. Prior to entering onto the Properties to perform any portion of the Work, the City shall procure and maintain a comprehensive general liability policy covering all claims for personal injury (including death) and property damage (including all real and personal property of the Port located on the Properties) arising on the Properties or arising out of the Work. The limits of liability shall be not less than One Million Dollars (\$1,000,000) for each occurrence and Two Million Dollars (\$2,000,000) in the aggregate. The liability policies shall contain a cross-liability provision such that the policy will be construed as if separate policies were issued to the Port and the contractor or consultant. The City shall provide the Port with certificates of insurance and, if requested, copies of any policy to the Port. Furthermore, the policy of insurance required herein shall: (i) be written as a primary policy; (ii) contain an express waiver of any right of subrogation by the insurance company against the Port and the Port's elected officials, employees, or agents; and (iii) expressly provide that the insurance proceeds of any loss will be payable notwithstanding any act or negligence of the contractor which might otherwise result in a forfeiture of said insurance. The Parties hereby acknowledge that the City's participation in the

Washington Cities Insurance Authority (WCIA) municipal risk pool satisfies all requirements of this Paragraph.

11. **TERMINATION:** Any Party hereto may terminate this Agreement upon thirty (30) days notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the Party's last known address for the purposes of giving notice under this paragraph. If this Agreement is so terminated, the Parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

12. **CHANGES, MODIFICATIONS, AMENDMENTS, AND WAIVERS:** The Agreement may be changed, modified, amended or waived only by duly executed subsequent written agreement executed by the Parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

13. **SEVERABILITY:** In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.

14. **NO THIRD PARTY BENEFICIARIES:** This Agreement is not intended to nor does it create any third party beneficiary or other rights in any third person or party, including, but not limited to, the general public, property owners and residents at or in the vicinity of the Project work to be performed, or any other organization or entity, or any agent, contractor, subcontractor, consultant, employee, volunteer, or other representative of any party.

15. **NO PARTNERSHIP OR JOINT VENTURE:** No partnership and/or joint venture exists between the Parties, and no partnership and/or joint venture is created by and between the parties by virtue of this Agreement. No agent, employee, contractor, subcontractor, consultant, volunteer, and/or other representative of the Parties shall be deemed an agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the other Party.

16. **COMPLIANCE WITH LAWS:** The Parties to this Agreement shall comply with all applicable federal, state, and local laws, rules, and regulations in carrying out the terms and conditions of this Agreement.

17. **VENUE AND CHOICE OF LAW:** In the event that any litigation should arise concerning this Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Skagit. This Agreement shall be governed by the laws of the State of Washington.

18. **STATUS OF AGREEMENT:** This Agreement is in addition to, and is not intended to replace, substitute, modify, or otherwise amend any other agreements by and between the Parties. Any other agreements by and between the parties shall continue in full force and effect.

19. **ENTIRE AGREEMENT:** This Agreement contains all the terms and conditions agreed upon by the Parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto.

CITY OF ANACORTES:

By: _____
Laurie Gere, Mayor

Dated: _____

Attest: _____
Steven D. Hoglund, Finance Director

Approved as to form and legality:

Darcy Swetnam, City Attorney

PORT OF ANACORTES:

By: _____
Brenda Treadwell, Director of Planning, Properties, and Environmental

Dated: _____

EXHIBIT A
Buildings to Which Fiber Will Be Extended
Page 1 of 1

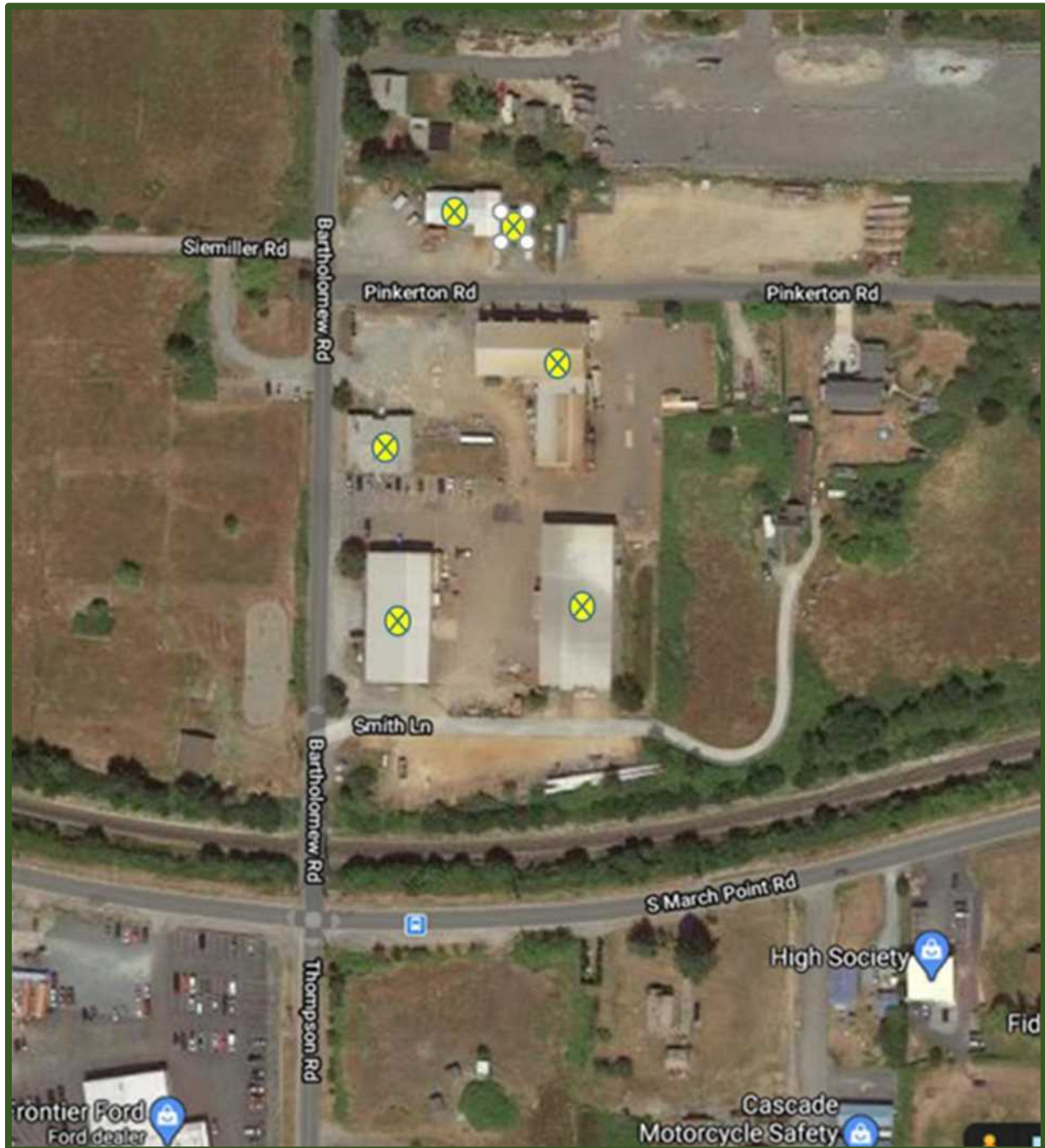


EXHIBIT B
Legal Descriptions of Port Property
Page 1 of 2

PARCEL P19802

COMMENCING AT A POINT 825 FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 4, TOWNSHIP 34 NORTH, RANGE 2 EAST, W.M.; THENCE RUNNING EAST 370 FEET; THENCE SOUTH, 350 FEET; THENCE WEST 370 FEET TO THE WEST LINE OF THE AFORESAID NORTHEAST 1/4 OF SECTION 4, THENCE NORTH TO THE PLACE OF BEGINNING, EXCEPT THAT PORTION THEREOF LYING WITHIN THE BOUNDARIES OF THE COUNTY ROAD RUNNING ALONG THE WEST LINE THEREOF. AND THE SOUTH 350 FEET OF THE NORTH 1175 FEET OF THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 34 NORTH, RANGE 2 EAST, W.M., LYING WEST OF A LINE THAT IS 387 FEET EAST OF THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER AND LYING EAST OF A LINE THAT IS 370 FEET EAST OF THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER.

PARCEL P19804

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 34 NORTH, RANGE 2 EAST, W.M., DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF THE COUNTY ROAD, 825 FEET SOUTH AND 20 FEET EAST OF THE NORTHWEST CORNER OF SAID SUBDIVISION; THENCE EAST 264 FEET; THENCE NORTH 82.5 FEET; THENCE WEST 264 FEET TO THE EAST LINE OF THE COUNTY ROAD; THENCE SOUTH ALONG SAID COUNTY ROAD 82.5 FEET TO THE POINT OF BEGINNING.

PARCEL P68515

LOT 1, BLOCK 2, ROBERTSON-EVERETT ADDITION, AS PER PLAT RECORDED IN VOLUME 7 OF PLATS, PAGE 32, RECORDS OF SKAGIT COUNTY, WASHINGTON.

PARCEL P19852

THAT PORTION OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 4, TOWNSHIP 34 NORTH, RANGE 2 EAST, W.M., DELINEATED AS TRACT 'A' OF 'ROBERTSON-EVERETT ADDITION', AS PER PLAT RECORDED IN VOLUME 7 OF PLATS, PAGE 32, RECORDS OF SKAGIT COUNTY, WASHINGTON. TOGETHER WITH THAT PORTION IF ANY, OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 4, TOWNSHIP 34 NORTH, RANGE 2 EAST, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF THE ABOVE DESCRIBED TRACT 'A'; THENCE SOUTH ALONG THE WEST LINE OF LOT 1, BLOCK 2, OF SAID PLAT, AND SAID WEST LINE EXTENDED TO THE SOUTH LINE OF THE NORTH 825 FEET OF SAID SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 4, TOWNSHIP 34 NORTH, RANGE 2 EAST, W.M.; THENCE WEST TO THE EAST LINE OF COUNTY ROAD, 264 FEET, MORE OR LESS, COMMONLY KNOWN AS BARTHOLOMEW ROAD; THENCE NORTH ALONG THE EAST LINE OF SAID ROAD TO A POINT DUE WEST OF THE SOUTHWEST CORNER OF SAID TRACT 'A'; THENCE EAST TO SAID SOUTHWEST CORNER OF TRACT 'A'; THENCE EAST ALONG THE SOUTH LINE OF SAID TRACT 'A' TO THE POINT OF BEGINNING. EXCEPT ANY PORTION LYING SOUTH OF THE NORTH LINE OF THE FOLLOWING DESCRIBED PARCEL: THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 34 NORTH, RANGE 2 EAST, W.M., DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF THE COUNTY ROAD, 825 FEET SOUTH AND 20 FEET EAST OF THE NORTHWEST CORNER OF SAID SUBDIVISION; THENCE EAST 264 FEET; THENCE NORTH 82.5 FEET; THENCE WEST 264 FEET TO THE EAST LINE OF THE COUNTY ROAD; THENCE SOUTH ALONG SAID COUNTY ROAD 82.5 FEET TO THE POINT OF BEGINNING. AND EXCEPT ANY PORTION LYING WITHIN THE BOUNDARIES OF THE COUNTY ROAD RUNNING ALONG THE WEST LINE THEREOF.

EXHIBIT B
Legal Descriptions of Port Property
Page 2 of 2

PARCEL P68499

LOTS 1 AND 2, BLOCK 1, ROBERTSON-EVERETT ADDITION, AS PER PLAT RECORDED IN VOLUME 7 OF PLATS, PAGE 32, RECORDS OF SKAGIT COUNTY, WASHINGTON.

PARCEL P68500

LOT 3, BLOCK 1, ROBERTSON-EVERETT ADDITION, AS PER PLAT RECORDED IN VOLUME 7 OF PLATS, PAGE 32, RECORDS OF SKAGIT COUNTY, WASHINGTON.

PARCEL P68501

INC M/H U105421225 COLUMBIA 61 55X10 LOT 4, BLOCK 1, ROBERTSON-EVERETT ADDITION, AS PER PLAT RECORDED IN VOLUME 7 OF PLATS, PAGE 32, RECORDS OF SKAGIT COUNTY, WASHINGTON.



City Council Agenda Bill

Meeting Date: February 8, 2021 **Agenda Item:** 8.a.

Agenda Item Title: Parks and Recreation Impact Fee Rate Study

Staff Contact(s): JONN LUNSFORD

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
JONN LUNSFORD	Discussion

Item Summary: Review Parks Impact Fee Rate Study and Draft Ordinance

Budget Impact:

Would raise Parks and Recreation revenue by increasing impact fee on residential development and adding a fee on commercial development. Parks and Recreation Impact fees were last updated in 1998.

Previous Action: Council Planning Sub-Committee Review on January 11.

Recommended Motion: Discussion and Review for City Council.

Alternative Actions: Return to Committee

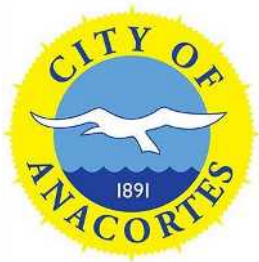
Attachments (listed in order presented):

1. Anacortes Parks Impact Fees Rate Study DRAFT 2020_1211
2. Draft Ordinance Parks Impact Fees 2021 w attachment

Anacortes Parks Impact Fees Rate Study, 2020

Rate Study to Update City of Anacortes Parks Impact Fees **DRAFT December 11, 2020**

Prepared for:



City of Anacortes

Prepared by:



BERK Consulting, Inc.

Date:

DRAFT December 2020

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Introduction

PURPOSE

The City of Anacortes enacted Growth Management Act parks impact fees in 1998 in order to fund growth-driven capital needs in parks, open space, and trails. The City Council established parks impact fees through Ordinance 2474, and the current rate (\$615 per new housing unit) has not been updated since 1998.

In 2020, the City engaged BERK Consulting to update this park impact fee rate in order to incorporate current growth projections, to respond to newly adopted parks capital needs, and to explore the possibility of a more targeted rate schedule aligning with the varied impacts from different development types.

This study outlines the purpose and requirements for impact fees, documents the technical assumptions and methodology for fee calculation, presents the findings from these calculations, and includes an updated capital projects list.

Impact Fee Definitions

Statutory Creation

Impact fees authorized by the Growth Management Act are those fees charged by a local government on new development to recover a portion of the cost of capital facility improvements (called “system improvements” throughout the statute authorizing impact fees [RCW 82.02.090(9)]) needed to serve growth. The Washington State Legislature defined the intent of local impact fees in RCW 82.02.050:

(1) *It is the intent of the legislature:*

- (a) *To ensure that adequate facilities are available to serve new growth and development;*
- (b) *To promote orderly growth and development by establishing standards by which counties, cities, and towns may require, by ordinance, that new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development; and*
- (c) *To ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same impact.*

(2) *Counties, cities, and towns ... are authorized to impose impact fees on development activity as part of the financing for public facilities, provided that the financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees.*

Impact fees may be charged to help pay for four categories of system improvements:

- Public transportation and road facilities;
- Fire protection facilities;
- Schools; and
- Public parks, open space, and recreation facilities.

Local governments are authorized to charge fees only for system improvements that are reasonably related to the new development, do not exceed a proportionate share of the costs of necessary system improvements, and are only used for system improvements that will reasonably benefit the new development (see Project Eligibility below; RCW 82.02.050(3)). In addition to restrictions on the types of projects eligible for impact fees, State law also requires that jurisdictions' "financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds" – i.e., impact fees cannot be the sole source of funding for eligible system improvements.

According to the provisions of RCW 82.02.060, impact fees must be adjusted for other revenue sources that are paid by development, if such "payments are earmarked for or proratable to particular system improvements." Likewise, the City must provide impact fee credit if the developer dedicates land or provides improvements identified in the City-adopted capital facilities plan as a requirement as a condition of development approval. Collected impact fees may only be spent on public facilities identified in a capital facilities plan and may only be spent on capital costs; impact fees may not be used to pay for operating expenses or maintenance activities (RCW 82.02.050(4)).

Potential Deficiencies

Based on RCW 82.02.050(4), the capital facilities plan must identify "[d]eficiencies in public facilities serving existing development and the means by which existing deficiencies will be eliminated within a reasonable period of time," and must distinguish such deficiencies from "[a]dditional demands placed on existing public facilities by new development."

Deficiencies are determined by the level of service (LOS) standards that the City uses to measure the impact created by development.

The City of Anacortes's *Comprehensive Plan* Capital Facilities Element considers a 6-year and 20-year planning period of 2016-2036. To operationalize the Capital Facilities Element, the City regularly updates and adopts a 6-year *Capital Facilities Plan* (CFP); the CFP represents current capital activities and advances years of applicability within the City's 20-year planning period. As of the time of this study, the most recently adopted CFP covers the 2021-2026 period. The City also passed a *Parks and Recreation Plan* in February 2020 that outlined capital needs in connection with level of service standards (see **Level of Service and Methodology** starting on page 9).¹

Some of the projects in the CFP address existing deficiencies; only those portions of these projects planned to accommodate future growth are considered in this study.

¹ The Capital Facilities Element currently references older years, and the Parks Element will need to be aligned with the new PROS Plan. The City is currently determining how to update these for consistency.

Project Eligibility

By law, impact fees can only be used for system improvements that benefit the new development and relate to the demand from new development. To the extent these projects extend parks capacity, the growth-related portion of capital project costs can be funded by impact fees. RCW 82.02.050(3) specifies that impact fees:

- (a) Shall only be imposed for system improvements that are reasonably related to the new development;*
- (b) Shall not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and*
- (c) Shall be used for system improvements that will reasonably benefit the new development.*

Examples of the types of Anacortes Parks projects that are growth-related and impact-fee eligible include adding facilities at existing parks that increase capacity, such as new and expanded parks, sports fields, paths and trails, and other improvements. A list of the specific projects that the City identified as necessary to support growth is in **Appendix A. Parks Capital Project List**.

Requirements for Impact Fee Rate Calculation

Impact fees must be assessed in accordance with the requirements of RCW 82.02 subsections 050 through 090. The schedule must be based on a formula or consistent method (RCW 82.02.060(1)). The fees must be adjusted for the share of future taxes or other available funding sources. How the proportionate share reduction is calculated is guided by RCW 82.02.060:

- (1) ...In determining proportionate share, the formula or other method of calculating impact fees shall incorporate, among other things, the following:*
 - (a) The cost of public facilities necessitated by new development;*
 - (b) An adjustment to the cost of the public facilities for past or future payments made or reasonably anticipated to be made by new development to pay for particular system improvements in the form of user fees, debt service payments, taxes, or other payments earmarked for or proratable to the particular system improvement;*
 - (c) The availability of other means of funding public facility improvements;*
 - (d) The cost of existing public facilities improvements; and*
 - (e) The methods by which public facilities improvements were financed.*

See the following Fee Calculations for the method in accordance with RCW 82.02.060.

Fee Calculations

ANTICIPATED GROWTH

Based on the available capital projects lists and demographic projections, this study incorporates growth for the ten-year expenditure window for collected impact fees, 2021-2030.²

The City of Anacortes provided employment and household growth estimates for 2015-2036 consistent with the Skagit County growth allocations for Anacortes. BERK also collected employment, population, household size, and housing unit data from the Office of Financial Management (OFM), U.S. Census Bureau's American Community Survey (ACS), and the City of Anacortes Comprehensive Plan. Using a compound annual growth rate to adapt the 2036 Anacortes growth estimates to the 6-year CFP timeline, BERK found annual expected growth in employment, residential population, and housing. The results are split between commercial employees and residents below.

Residential: Population, Housing, and Household Size

The City of Anacortes provided estimates of growth in housing units and population to year 2036. BERK calculated annual growth rates for the Anacortes resident population and housing units using the compound annual growth rate to project from 2020 OFM April 1 Population Estimates and Housing Estimates for the City of Anacortes. The OFM housing estimates were used to determine the share of growth in single family and multifamily units.

Exhibit 1 shows housing unit and population projections. This method assumes steady growth, but the City will experience a different, and likely uneven, actual growth pattern as projects are built during economic upturns and construction slows during recessions and economic downturns.

Exhibit 1. Estimated and Projected Housing Units and Population: 2020, 2021-2026, and 2036

	2020 ESTIMATE (OFM)	2021-2026 CHANGE	2021-2030 CHANGE (IMPACT FEE STUDY PERIOD)	2036 GROWTH TARGETS
Housing Units				
Single Family	6,684	714	1,339	9,193
Multifamily	1,474	148	276	1,989
Total	8,341	876	1,642	11,416
Resident Population	17,830	1,307	2,421	22,293

Notes: Housing total includes estimates for mobile homes and other special unit types; these types are not presented, as Anacortes does not assess impact fees on these types of units.

Sources: City of Anacortes, 2018; OFM, 2020; BERK, 2020.

² RCW 82.02.070.

Commercial: Employment

The City provided estimates for employment and square footage growth by commercial type in Anacortes for 2014-2036, and assumptions for commercial square feet per employee, by type. BERK projected employment and commercial square footage by type using a compound annual growth rate for the impact fee period, shown below in Exhibit 2 and Exhibit 3.

Exhibit 2. Projected Employment (Jobs) by Type: 2014, 2015, 2021-2026, and 2036

EMPLOYMENT TYPE	2014 ESTIMATE	2015 ESTIMATE	2015-2036 ALLOCATION	2021-2026 CHANGE	2021-2030 CHANGE (IMPACT FEE STUDY PERIOD)	2036 GROWTH TARGETS
Retail	1,608		92	21	38	1,700
Industrial	2,236		702	156	288	2,938
Services (FIRES & Health)	2,958		806	180	331	3,764
Government and Education	900		476	104	195	1,376
Total	7,702	8,404	2,076	550	852	10,480

Notes: In the Services category, FIRES indicates commercial development in finance, insurance, real estate, and other services. Employment estimates for 2014 were given for these types by City of Anacortes, but do not include all employment categories. Employment categories, like resources, that do not have growth allocations are not included. In internal documents, Anacortes cites the 2015 total employment figure when referencing its 2036 growth allocations for employment. However, the analysis providing the growth estimates uses 2014 figures to determine growth in these categories. The sum of categories analyzed in the 2014 growth analysis and allocation do not match the 2015 total employment estimate. BERK made no attempt to align these estimates and is using the total 2015-2036 growth target of 2,076 (with breakdowns by type), as published by Skagit County, to reach 2036 targets by employment type.

Sources: City of Anacortes, 2020; BERK, 2020.

Exhibit 3. Projected Commercial Development (Space) by Type, 2014, 2020, 2021-2026, and 2036

COMMERCIAL DEVELOPMENT (SQ. FT. IN 1,000S)	2014 ESTIMATE	2020 ESTIMATE	2021-2026 CHANGE	2036 PROJECTED TOTAL
Retail	804	816	10	850
Industrial	2,236	2,409	156	2,938
Services (FIRES & Health)	961	1,027	58	1,223
Government and Education	293	328	34	447
Total	4,293	4,580	259	5,458

Note: May not add up to totals due to rounding.

Sources: City of Anacortes, 2020; BERK, 2020.

Resident-Equivalent Population

Beyond additional residents, development is expected to bring jobs. Added jobs can increase demand on parks infrastructure through use of the parks by the employees or non-resident visitors to those businesses. Multiple Washington jurisdictions have attempted to capture this increased usage resulting from growth by using the concept of equivalent population.³ Equivalent population estimates are based on quantifying the amount of time that parks are available to each group. These estimates are not an estimate of usage, but of possible usage given the periods that parks are open.

Based on hours of operation and comparisons with other jurisdictions, BERK used an assumption that an employee can access City parks 40.2% of the time a resident can access City parks. These calculations are shown in Exhibit 4.

Exhibit 4. Employee to Residential Conversion Factor

RESIDENTIAL CONVERSION FACTOR	
<i>Time Employee at Employment Location</i>	
Hours per day parks open to residents (6 a.m. - 10 p.m.)	16
Days per week	7
Total hours per week parks available to residents	112
<i>Time Employee at Employment Location</i>	
Hours per day at employment location	9
Days per week at employment location	5
Total hours per week at employment location	45
Employee to Residential Conversion Factor	40.2%

Sources: Arthur Nelson, *Planner's Estimating Guide*, 2004; BERK, 2020.

³ Examples of other jurisdictions that have used equivalent population include the cities of Issaquah, Redmond, Edmonds, and Montlake Terrace.

BERK used this employee-to-resident equivalency factor to estimate employee growth and the number of additional resident equivalents expected from 2021-2036. Exhibit 5 shows population, employment, and resident equivalent growth from 2021-2036.

Exhibit 5. Projected Employment and Resident Equivalent Population

	2020 ESTIMATE (OFM)	2021-2030 CHANGE (IMPACT FEE STUDY PERIOD)	2036 GROWTH TARGETS
Resident Population	17,830	2,421	22,293
Employee Population	8,858	888	10,480
Resident-Equivalent Employee Population	3,559	357	4,211
Total Resident Equivalent Population	21,389	2,778	26,504

Sources: City of Anacortes, 2020; BERK, 2020.

FUNDING OTHER THAN IMPACT FEES

BERK used historical budget actuals provided by the City to find the expected share of funding related to growth – please see **Proportionate Share** on page 16.

LEVEL OF SERVICE AND METHODOLOGY

To collect park impact fees, the City of Anacortes has identified parks facilities and services necessary to support growth. By law, these projects must be addressed in a CFP (RCW 82.02.050(4)). The Growth Management Hearings Board concluded in *McVittie* 1999 that local governments need a locally-established minimum standard to provide the basis for objective measurement of need for those projects necessary to support growth (*McVittie*, 99-3-0016c, FDO, at 25), or a Level of Service (LOS) standard.

The City of Anacortes proposes several residential and commercial land use categories for determining Parks Impact Fees:

- Residential: Single Family
- Residential: Multifamily
- Commercial: Retail
- Commercial: Industrial
- Commercial: Services, including Finance, Insurance, Real estate, and Services (FIRES) and Health
- Government and Education

The City currently uses an LOS standard based on facilities per population, as outlined in the *2020 Parks and Recreation Plan*. These standards are based on the 2016 population of **16,681** and 2036 resident-equivalent population estimate of **26,504**, combining the *Comprehensive Plan* target residential population of 22,293 and the expected resident-equivalent population of 4,211 from employees.

BERK used the 2016 existing facilities and recommended LOS standards to calculate the existing deficiencies, as shown in Exhibit 6.

DRAFT

Exhibit 6. Anacortes Parks Existing Facilities, Recommended LOS Standard, and Identified Deficiencies for Resident-Equivalent Population

FACILITY	RECOMMENDED LOS STANDARD	2016 EXISTING FACILITIES	2016 LOS	2016 FACILITIES TO MEET RECOMMENDED LOS STANDARD	2016 EXISTING DEFICIENCY ⁴
Regulation baseball	1 field per 7,500 population	3.5	1 field per 4,766 population	2.22	-1.28
Youth league baseball fields	1 field per 5,000 population	3.5	1 field per 4,766 population	3.34	-0.16
Fast pitch fields	1 field per 7,500 population	2	1 field per 8,340 population	2.22	0.22
Football fields	1 field per 10,000 population	2	1 field per 8,340 population	1.67	-0.33
Soccer fields	1 field per 5,000 population	4	1 field per 4,170 population	3.34	-0.66
Tennis courts	1 court per 2,000 population	9	1 court 1,853 population	8.34	-0.66
Outdoor basketball courts	1 court per 4,000 population	5	1 court per 3,336 population	4.17	-0.83
Play structures	1 structure per 1,500 population	10	1 structure per 1,668 population	11.12	1.12
Smooth surfaced walking paths	1 mile per 2,000 population	7.67	1 mile per 2,174 population	8.34	0.67
Covered picnic shelters	1 shelter per 3,000 population	6	1 shelter per 2,780 population	5.56	-0.44

Sources: City of Anacortes Parks and Recreation Plan, February 2020; BERK, 2020.

⁴ Negative means excess (no existing deficiency).

Then, BERK calculated the 2036 recommended facilities and identified future facility need based on recommended LOS standards.

- The **2036 LOS recommended facilities needed for growth** is the difference between 2036 LOS recommended facilities minus 2016 LOS recommended facilities. This is based on the service population target.
- The **identified future facility need** is the difference between the 2036 LOS recommended facilities and 2016 existing facilities.

Exhibit 7. Recommended LOS Standard, Expected Future Need, and Portion Responding to Growth in Resident-Equivalent Population

FACILITY	RECOMMENDED LOS STANDARD	2016 LOS RECOMMENDED FACILITIES	2036 LOS RECOMMENDED FACILITIES	2036 LOS RECOMMENDED FACILITIES NEED FOR GROWTH	2016 EXISTING FACILITIES	IDENTIFIED FUTURE FACILITY NEED (2036 LOS - 2016 EXISTING)
Regulation baseball	1 field per 7,500 population	2.22	3.53	1.31	3.50	0.03
Youth league baseball fields	1 field per 5,000 population	3.34	5.30	1.96	3.50	1.80
Fast pitch fields	1 field per 7,500 population	2.22	3.53	1.31	2.00	1.53
Football fields	1 field per 10,000 population	1.67	2.65	0.98	2.00	0.65
Soccer fields	1 field per 5,000 population	3.34	5.30	1.96	4.00	1.30
Tennis courts	1 court per 2,000 population	8.34	13.25	4.91	9.00	4.25
Outdoor basketball courts	1 court per 4,000 population	4.17	6.63	2.46	5.00	1.63
Play structures	1 structure per 1,500 population	11.12	17.67	6.55	10.00	7.67
Smooth surfaced walking paths	1 mile per 2,000 population	8.34	13.25	4.91	7.67	5.58
Covered picnic shelters	1 shelter per 3,000 population	5.56	8.83	3.27	6.00	2.83

Sources: City of Anacortes Parks and Recreation Plan, February 2020; BERK, 2020.

CAPITAL PLANS

The City of Anacortes has developed a parks capital project list that includes investments to support and facilitate the increased usage of existing parks and recreation assets to meet growing demand, as well as strategic expansions of the system as opportunities arise. The list of projects needed to accommodate future growth is used to calculate a base LOS standard for impact fee rate setting, as described below.

Identified Capital Projects

As of the time of this study, the most recently adopted CFP is covers the 2021-2026 period and includes parks capital projects. In addition to a description of each project, the CFP contains the annual cost projections and expected revenues over the next six years.

Appendix A. Parks Capital Project List details the projects identified by City staff related to serving new growth in the six-year CFP timeframe. Exhibit 8 summarizes system improvements that are impact fee eligible and part of the 2021-2026 CFP.

Exhibit 8. Impact Fee Eligible System Improvement Projects, 2020-2026

	NUMBER OF ELIGIBLE SYSTEM IMPROVEMENT PROJECTS	TOTAL PROJECT COST	TOTAL IDENTIFIED CAPITAL NEED FROM GROWTH	PERCENT OF COST GROWTH- RELATED
Parks Impact Fee Eligible	11	\$3,975,000	\$1,686,250	42%

Sources: City of Anacortes, 2020; BERK, 2020.

City of Anacortes staff outlined the expected funding sources for each capital project and the percentage of each project expected to be funded by each source. The City identified the percent of each project associated with growth, and from this percent need, BERK calculated the impact fee revenues associated with each project and a total impact fee eligible need of **\$1.7 million** for the 2020-2026 period.

This need is based on the projects identified at the time of this memo; as part of periodic updates to master planning documents, especially the six-year CFP, the City will update the capital project list and additional value needed.

Collected parks impact fees may be used to fund parks capital projects 10 years from collection and may be updated in the future to accommodate new capital projects.

FUTURE NEED

The City's financial need related to parks growth is the lesser of two numbers:

1. **Facility LOS Standards needs per capita:** The future needs identified by the LOS standards.
2. **Growth-related project cost per capita:** The capital projects that the City has identified.

Any given LOS standard may suggest that the City will need to invest in capital projects at a level that is not physically or financially possible. For example, the City's parks facilities based LOS standard may suggest a necessary investment in an area where there is no land available.

Exhibit 9 and Exhibit 10 compare the expected need using the facility LOS service standard and the planned capital projects that the City has identified.

Facility LOS standards calculations are shown in detail in Exhibit 7, where the 2036 LOS recommended facilities needed for growth are based on the 2036 resident equivalent population target of 26,504.

Exhibit 9. Parks Future Needs Identified by Facility LOS Standard

FACILITY	IDENTIFIED FUTURE FACILITY NEED (2036 LOS - 2016 EXISTING)
Regulation baseball	0.03
Youth league baseball fields	1.80
Fast pitch fields	1.53
Football fields	0.65
Soccer fields	1.30
Tennis courts	4.25
Outdoor basketball courts	1.63
Play structures	7.67
Smooth surfaced walking paths	5.58
Covered picnic shelters	2.83

Sources: City of Anacortes, 2020; BERK, 2020.

Exhibit 10. Parks Future Needs Identified by Identified Growth-Related Capital Projects

GROWTH-RELATED PROJECT COST PER CAPITA	
New Resident Population, 2021-2030	2,421
New Employee Population, 2021-2030	888
New Resident-Equivalent Employees, 2021-2030	357
New Resident Equivalent Population, 2021-2030	2,778
Identified Capital Need from Growth, 2021-2026	\$1,686,250
Per Capita Share of Capital Need	\$607.03

Sources: City of Anacortes, 2020; BERK, 2020.

SERVICE AREAS

The City of Anacortes Parks and Recreation has one service area that encompasses a broad area outside the city limits. According to the *2020 Parks and Recreation Plan*, the service area includes an estimated additional 25% population. The City of Anacortes is not the only supplier of Parks and Recreation services in the area. Since the City of Anacortes only has authority to set impact fees within city limits, this study uses city limit population estimates.

UNADJUSTED RATE SCHEDULES

BERK found the expected fee by development type before adjusting for the expected proportionate share. BERK calculated fees depending upon the development type as follows:

- Residential: Single Family
- Residential: Multifamily
- Commercial: Retail
- Commercial: Industrial
- Commercial: Services (FIRES & Health)
- Government and Education

For residential development, impact fees are charged per dwelling unit. To connect residential units by type to the number of people, this study used information from the U.S. Census Bureau's ACS 5-Year Estimates. The single-family dwellings were assumed to have an average household size of **2.38** people, compared to an average household size of **1.71** in multifamily dwellings.

For impact fees collected on commercial developments, fees are charged per 1,000 gross square feet of development. The unadjusted rates are as shown in Exhibit 11 and Exhibit 12.

Exhibit 11. Unadjusted Residential Rate Schedules for Parks by Development Type

PARKS: RESIDENTIAL	SINGLE FAMILY	MULTIFAMILY	TOTAL
Growth in Resident-Equivalent Population, 2021-2030			2,778
Identified Service Area Capital Need from Growth			\$1,686,250
Per Capita Share of Capital Need			\$607.03
Estimated Number of Residents per Unit	2.38	1.71	
Unadjusted Park Impact Fee per Unit	\$1,443.38	\$1,039.93	

Source: BERK, 2020.

Exhibit 12. Unadjusted Commercial Rate Schedules for Parks by Development Type

PARKS: COMMERCIAL	RETAIL	INDUSTRIAL	SERVICES	GOV/EDU	TOTAL
Growth in Estimated Built Sq. Ft, 2021-2030	18,840	288,224	107,533	63,502	478,099
Identified Service Area Capital Need from Growth (Projects)					\$1,686,250
Per Capita Share of Capital Need					\$607.03
Estimated Number of Employees per 1,000 Sq. Ft	2.00	1.00	3.08	3.08	
Unadjusted Park Impact Fee: Cost per 1,000 Gross Square Feet	\$1,214.05	\$607.03	\$1,867.78	\$1,867.78	

Source: BERK, 2020.

These schedules represent intermediary steps to a final rate schedule; each must be adjusted for the expected proportion of other non-impact fee future funding contributed by growth.

PROPORTIONATE SHARE

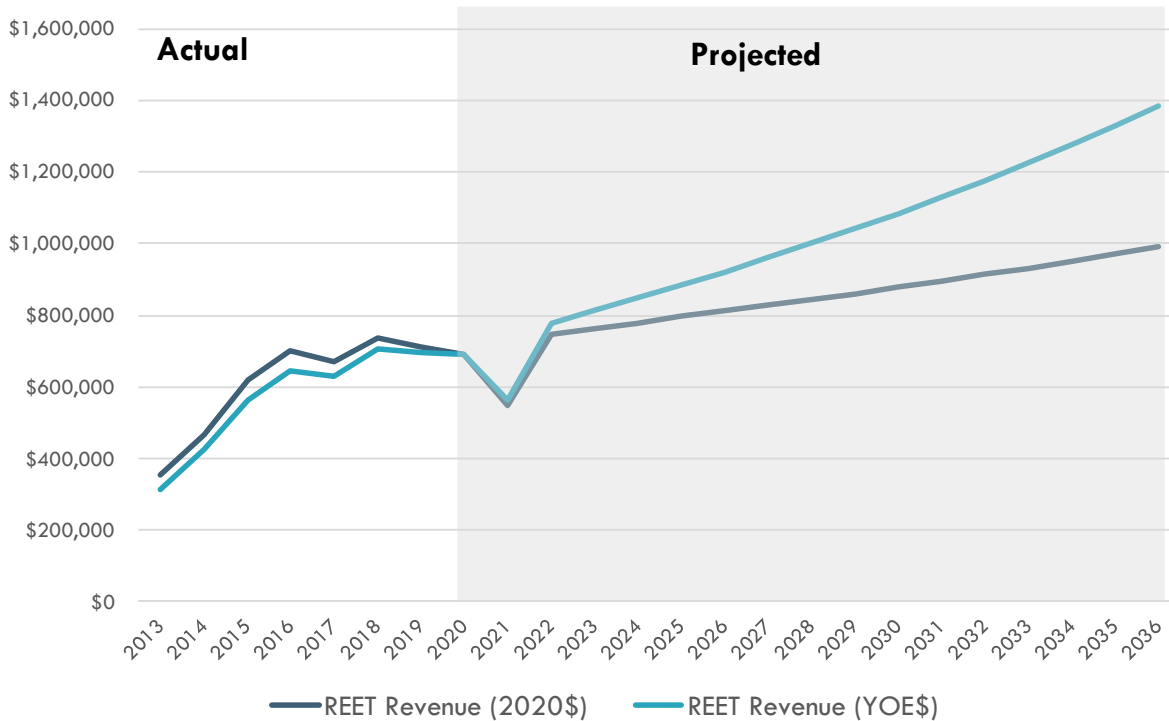
As required RCW 82.02.030(1), BERK calculated the proportionate share of future payments reasonably anticipated to be made by new development users in the form of fees, debt service payments, taxes, and other payments specific to the identified public facilities.

Aside from parks impact fees, the City uses grants, contributions, and Real Estate Excise Tax (REET) 1 to fund park capital projects. Of these, REET 1 is the only other parks funding source that is made by new development residents/employees.

Exhibit 13 shows the amount of REET available for parks capital projects. From 2013-2019, these are actuals; for 2020-2036, BERK projected these revenue sources into the future.

We incorporated potential impacts from the ongoing COVID-19 pandemic using from Washington State's Economic Revenue Forecast Council June 2020 forecast. This is reflected in the dip in 2020 and 2021 and the recovery in 2022 and 2023.

Exhibit 13. Parks REET Revenues: Actual and Projected, 2020\$ and YOES



Sources: City of Anacortes, 2020; BERK, 2020.

To project REET revenues, BERK evaluated financial actuals collected from the Washington State Auditor's Office for 2013-2019 as well as financial actuals for 2018-2020 (to date) provided by City staff. These revenues were inflation-adjusted to 2020 dollars using the U.S. City Average All Urban Consumer Price Index. Revenues were finally converted into per capita estimates for consistency with this study's growth projection methodology.

The City identified the annual amount of REET expected to be used for each park capital project. The property seller is technically responsible for paying REET, although the property buyer is liable for unpaid REET. Depending on market conditions, the property seller may be able to pass some portion of tax on to the property buyer, with strong markets enabling property sellers to demand more. For simplicity and transparency, BERK used the portion of new population as a rough indicator of the portion of REET from new growth. Exhibit 14 shows these calculations used to find the average per capita REET expected to be used for park capital projects stemming from growth.

Exhibit 14. Proportionate Share of Expected Parks Revenues, 2020\$

YEAR	REET FUNDING FOR PARK CAPITAL PROJECTS	ESTIMATED TOTAL POPULATION	ADDITIONAL POPULATION SINCE 2019	PERCENT OF POPULATION FROM GROWTH	ESTIMATED PORTION OF PARK CAPITAL REET FROM GROWTH	PER CAPITA PARK CAPITAL REET FROM GROWTH
2021	\$549,488	21,671	283	1.3%	\$7,166	\$25.36
2022	\$747,304	21,958	569	2.6%	\$19,365	\$34.03
2023	\$764,492	22,248	859	3.9%	\$29,524	\$34.36
2024	\$779,782	22,542	1153	5.1%	\$39,893	\$34.59
2025	\$795,377	22,840	1451	6.4%	\$50,537	\$34.82
2026	\$811,285	23,142	1753	7.6%	\$61,460	\$35.06
2027	\$827,511	23,448	2059	8.8%	\$72,670	\$35.29
2028	\$844,061	23,758	2369	10.0%	\$84,171	\$35.53
2029	\$860,942	24,072	2683	11.1%	\$95,970	\$35.77
2030	\$878,161	24,391	3002	12.3%	\$108,075	\$36.00
Average Per Capita Park Capital REET from Growth						\$34.03

Note: All amounts shown in 2020 dollars.

Source: BERK, 2020.

ADJUSTED RATE SCHEDULE

BERK deducted the proportionate share revenue estimates in the unadjusted rates to create adjusted rate schedules. These rate schedules represent the final rate study calculation of suggested impact fee rates. The adjusted rate schedules are presented in Exhibit 15.

Exhibit 15. Adjusted Residential Rate Schedules for Parks by Development Type

PARKS: RESIDENTIAL	SINGLE FAMILY	MULTIFAMILY	TOTAL
Growth in Resident-Equivalent Population, 2021-2030			2,778
Identified Service Area Capital Need from Growth			\$1,686,250
Per Capita Share of Capital Need			\$607.03
Estimated Number of Residents per Unit	2.38	1.71	
Unadjusted Park Impact Fee: Cost per Unit	\$1,443.38	\$1,039.93	
Expected Parks Capital Revenue per Capita			\$34.03
Expected Revenue per Unit	\$80.92	\$58.30	
Adjusted Park Impact Fee Rates per Unit	\$1,362.47	\$981.63	

Source: BERK, 2020.

Exhibit 16. Adjusted Commercial Rate Schedules for Parks by Development Type

PARKS: COMMERCIAL	RETAIL	INDUSTRIAL	SERVICES	GOV/EDU	TOTAL
Growth in Estimated Built Sq. Ft., 2021 - 2030	18,840	288,224	107,533	63,502	478,099
Identified Service Area Capital Need from Growth (Projects)					\$1,686,250
Per Capita Share of Capital Need					\$607.03
Estimated Number of Employees per 1,000 Sq. Ft	2.00	1.00	3.08	3.08	
Unadjusted Park Impact Fee: Cost per 1,000 Gross Square Feet	\$1,214.05	\$607.03	\$1,867.78	\$1,867.78	
Expected Parks Capital Revenue per Capita					\$34.03
Employees per 1,000 Gross Sq. Feet	2.00	1.00	3.08	3.08	
Expected Revenue per 1,000 Gross Sq. Ft	\$68.06	\$34.03	\$104.71	\$104.71	
Adjusted Park Impact Fee Rates per 1,000 Gross Square Feet	\$1,145.99	\$573.00	\$1,763.07	\$1,763.07	

Source: BERK, 2020.

Appendix A. Parks Capital Project List

Exhibit 17. Parks Growth-Related Capital Project List, 2021-2026

PARKS CAPITAL PROJECT	DESCRIPTION	TOTAL PROJECT COST	% OF PROJECT RELATED TO GROWTH	IMPACT FEE ELIGIBLE FUNDING
Cemetery Improvements and Expansion	<i>Expansion Project as planned.</i>	\$650,000	30%	\$195,000
Washington Park Restroom and Infrastructure	<i>New Washington Park maintenance building and attached public restroom on or near site of existing maintenance facility.</i>	\$500,000	50%	\$250,000
Pocket Park Construction	<i>Build new pocket park in south commercial area to better serve that area. Site TBD</i>	\$150,000	75%	\$112,500
Heart Lake Improvements	<i>Follow Improvements to Parking lot and beach restoration in Heart Lake Master Plan</i>	\$500,000	35%	\$175,000
Cap Sante Improvements	<i>Collaboration with the Anacortes Rotary Club to make trail and view point improvements at Cap Sante</i>	\$125,000	25%	\$31,250
Storvik Park Lighting and Field Improvements	<i>Field renovation, improved drainage, add topsoil and add LED lighting for the field</i>	\$700,000	50%	\$350,000
Storvik Park Small Courts Restoration	<i>Upgrade small courts area with new amenities</i>	\$50,000	25%	\$12,500
Bike/Pedestrian Connections	<i>Path improvement and Trail Head improvements to major trails and parks in the city for non-motorized transport.</i>	\$100,000	75%	\$75,000
Ace of Hearts Restrooms and Upgrade	<i>Building new restroom, putting sidewalks around the baseball field and upgrade parking</i>	\$500,000	50%	\$250,000
West Side Park	<i>Build new neighborhood park at West 6th and Minnesota.</i>	\$400,000	40%	\$160,000
SHIP Wetland Interpretive Trail	<i>This will include a teaching station as well as improved connection to the Washington State ferry terminal</i>	\$300,000	25%	\$75,000
TOTAL				\$1,686,250

Sources: City of Anacortes, 2020; BERK, 2020.

An Ordinance Repealing Ordinance 2474 and Adopting a Schedule for Assessment and Collection of Parks and Recreation Impact Fees

Whereas, the Anacortes Municipal Code (AMC) Chapter 3.93 provides for the assessment and collection of impact fees on development activity within the City of Anacortes as authorized and consistent with Chapter 82.02 RCW; and

Whereas, in 1998 the City Council adopted ordinance 2474 enacting parks impact fees in order to fund growth driven needs in parks and recreation; and

Whereas, the City Council desires to update the parks impact fees to incorporate current growth projections and to respond to newly adopted parks capital needs; and

Whereas, the City of Anacortes has conducted a study documenting the formulas and procedures for measuring the impact of new developments on parks and recreation facilities, and has prepared a technical report which serves as the basis for the actions taken by Council; and

Whereas, the Council here by incorporates the following study into this ordinance by reference; “Anacortes Parks Impact Fee Rates Study”, date December 2020, and finds that the fees provided in Exhibit A are necessary to provide for facility improvements that will reasonably benefit new anticipated developments; and

Whereas, on (DATE), the City Council held a public hearing on the proposal;

Now, therefore, the City Council of Anacortes does ordain as follows:

Section 1. Ordinance 2474 is hereby repealed in its entirety.

Section 2. Exhibit A, attached hereto, which establishes park impact fee rate schedules for residential and commercial development is hereby adopted and will replace all previously adopted parks impact fees, and clarifies that parks and recreation standards include the full development of amenities within a park such as restrooms, parking, etc., for a play field, trail head or playground to better serve the public, and shall be incorporated into the City’s Unified Fee Schedule.

Section 3. The Finance Director shall use the Construction Cost Index (CCI) published by the Engineering News Record, to calculate annual inflation adjustments in the parks impact fee rates. The parks impact fees shall not be adjusted for inflation should the CCI remain unchanged or decrease in value. Annual rate schedule adjustments will replace the rate schedules included in the Exhibit A rate study, and be publicly available on the Unified Fee Schedule on the City website.

Section 4. This ordinance takes effect five days after publication.

Exhibit A

Adjusted Residential Rate Schedules for Parks by Development Type

PARKS: RESIDENTIAL	SINGLE FAMILY	MULTIFAMILY	TOTAL
Growth in Resident-Equivalent Population, 2021-2030			2,778
Identified Service Area Capital Need from Growth			\$1,686,250
Per Capita Share of Capital Need			\$607.03
Estimated Number of Residents per Unit	2.38	1.71	
Unadjusted Park Impact Fee: Cost per Unit	\$1,443.38	\$1,039.93	
Expected Parks Capital Revenue per Capita			\$34.03
Expected Revenue per Unit	\$80.92	\$58.30	
Adjusted Park Impact Fee Rates per Unit	\$1,362.47	\$981.63	

Adjusted commercial Rate Schedules for Parks by Development Type

PARKS: COMMERCIAL	RETAIL	INDUSTRIAL	SERVICES	GOV/EDU	TOTAL
Growth in Estimated Built Sq. Ft., 2021-2030	18,840	288,224	107,533	63,502	478,099
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Appendix A. Parks Capital Project List

Exhibit 17. Parks Growth-Related Capital Project List, 2021-2026

PARKS CAPITAL PROJECT	DESCRIPTION	TOTAL PROJECT COST	% OF PROJECT RELATED TO GROWTH	IMPACT FEE ELIGIBLE FUNDING
Cemetery Improvements and Expansion	Expansion Project as planned.	\$650,000	30%	\$195,000
Washington Park Restroom and Infrastructure	New Washington Park maintenance building and attached public restroom on or near site of existing maintenance facility.	\$500,000	50%	\$250,000
Pocket Park Construction	Build new pocket park in south commercial area to better serve that area. Site TBD	\$150,000	75%	\$112,500
Heart Lake Improvements	Follow Improvements to Parking lot and beach restoration in Heart Lake Master Plan	\$500,000	35%	\$175,000
Cap Sante Improvements	Collaboration with the Anacortes Rotary Club to make trail and viewpoint improvements at Cap Sante	\$125,000	25%	\$31,250
Storvik Park Lighting and Field Improvements	Field renovation, improved drainage, add topsoil and add LED lighting for the field	\$700,000	50%	\$350,000
Storvik Park Small Courts Restoration	Upgrade small courts area with new amenities	\$50,000	25%	\$12,500
Bike/Pedestrian Connections	Path improvement and Trail Head improvements to major trails and parks in the city for non-motorized transport.	\$100,000	75%	\$75,000
Ace of Hearts Restrooms and Upgrade	Building new restroom, putting sidewalks around the baseball field and upgrade parking	\$500,000	50%	\$250,000
West Side Park	Build new neighborhood park at West 6th and Minnesota.	\$400,000	40%	\$160,000
SHIP Wetland Interpretive Trail	This will include a teaching station as well as improved connection to the Washington State ferry terminal	\$300,000	25%	\$75,000
TOTAL		\$3,975,000	42%	\$1,686,250

Sources: City of Anacortes, 2020; BERK, 2020.



ANACORTES PARKS AND RECREATION IMPACT FEE DISCUSSION

- Parks and Recreation last updated its Impact Fees in 1998.
- Berk Consulting, Inc. developed new Rate Study in December 2020 for Parks and Recreation.
- New fees would be based on growth projections and include residential and commercial development.

-Anacortes Current Residential Impact Fee: \$616

-Proposed Impact Fee: \$1362.47 (single family)
\$981.63 (multi family)

Parks Impact Fees	Residential			
	Single family	Multi family	Mobile Home	Modular Home
Oak Harbor	\$1,673	\$1,344	\$1,344	\$1,344
Mount Vernon	\$885	\$789		
Sedro Woolley	\$1,500	\$1,500		

Adjusted Residential Rate Schedule for Parks by Development Type.

PARKS: RESIDENTIAL	SINGLE FAMILY	MULTIFAMILY	TOTAL
Growth in Resident-Equivalent Population, 2021-2030			2,778
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Expected Revenue per Unit	\$80.92	\$58.30	
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Adjusted Commercial Rate Schedule for Parks by Development Type.

PARKS: COMMERCIAL	RETAIL	INDUSTRIAL	SERVICES	GOV/EDU	TOTAL
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Parks Capital Project List

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West Side Park	Build new neighborhood park at West 6th and Minnesota.	\$400,000	40%	\$160,000
SHIP Wetland Interpretive Trail	This will include a teaching station as well as improved connection to the Washington State ferry terminal	\$300,000	25%	\$75,000
TOTAL				\$1,686,250

Questions?



City Council Agenda Bill

Meeting Date: February 8, 2021 **Agenda Item:** 8.b.

Agenda Item Title: Washington Park Fee Rate Update

Staff Contact(s): JONN LUNSFORD

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
JONN LUNSFORD	Presentation

Item Summary: Parks and Recreation staff is proposing a fee increase at Washington Park to provide additional revenue for park improvements. City residents will continue to pay a reduced rate for park services.

Budget Impact:

The proposed fee update will increase park revenue and provide additional funds for improvements at Washington Park.

Previous Action: Fee increase was approved by Parks and Recreation Advisory Commission at their December 2020 meeting. Rates were reviewed at Council Finance Committee in January 2021.

Recommended Motion: Approve fee increases and add to Unified Fee Schedule.

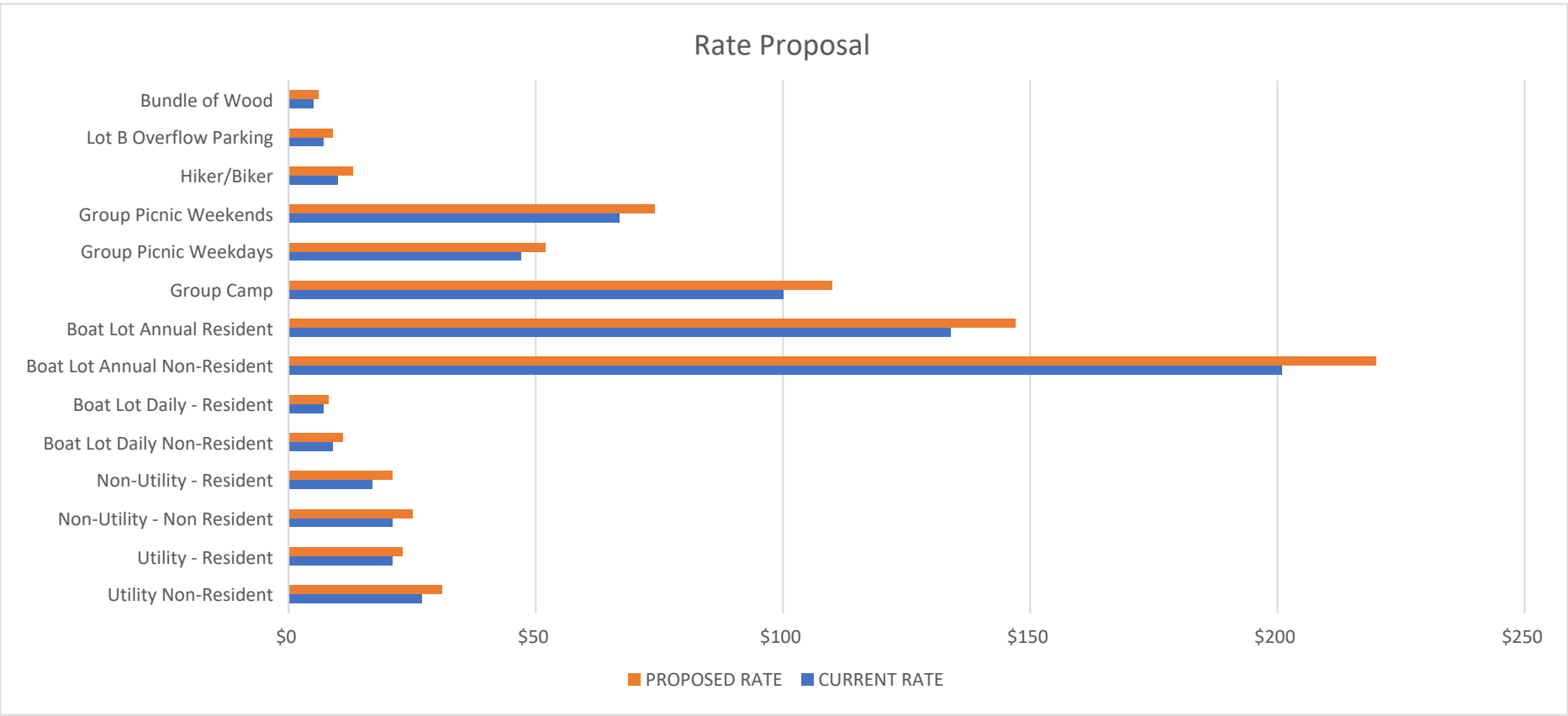
Alternative Actions: Maintain current fee.

Attachments (listed in order presented): None

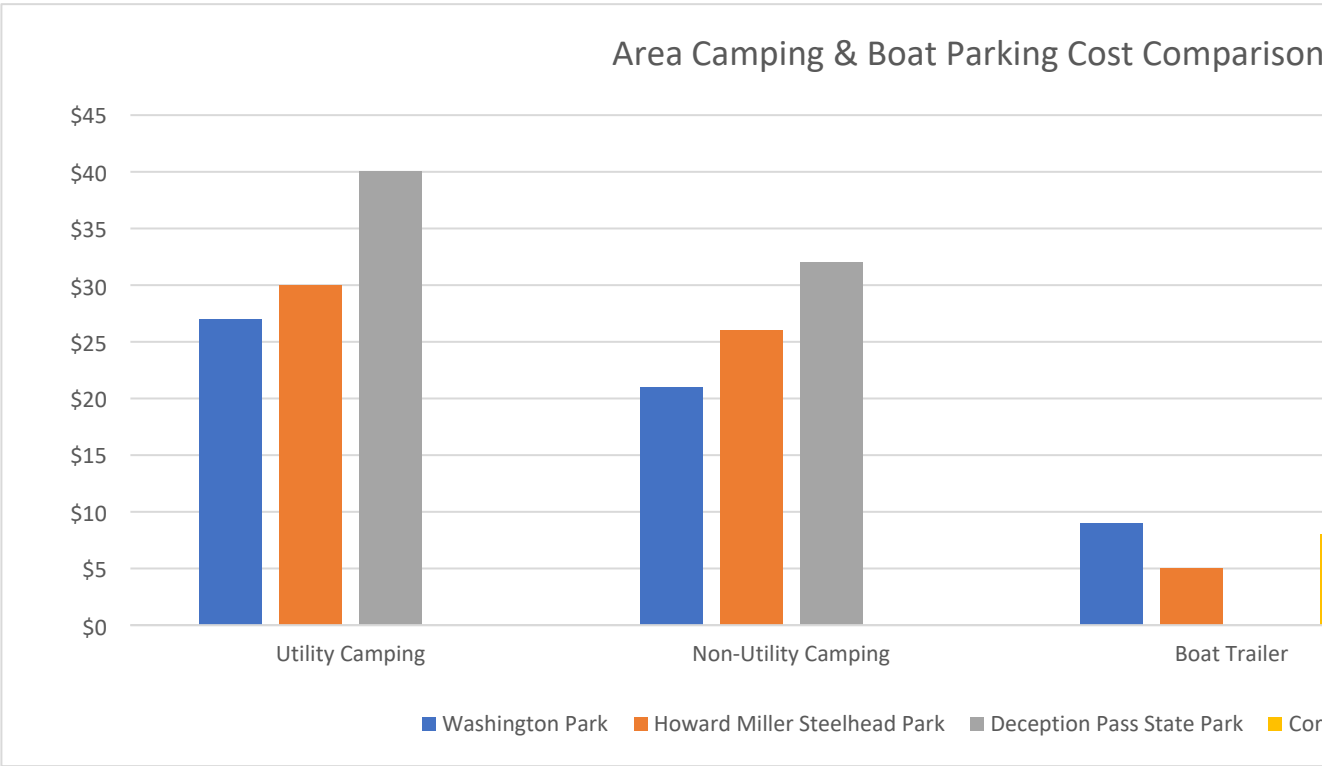
WASHINGTON PARK PROPOSED RATES

STARTING DECEMBER 18, 2020

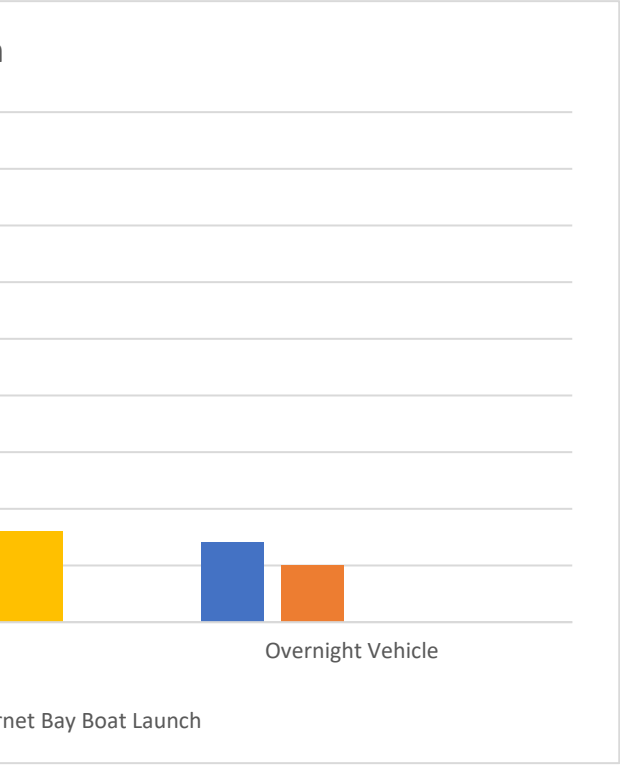
	CURRENT RATE	PROPOSED RATE
Utility Non-Resident	\$27	\$31
Utility - Resident	\$21	\$23
Non-Utility - Non Resident	\$21	\$25
Non-Utility - Resident	\$17	\$21
Boat Lot Daily Non-Resident	\$9	\$11
Boat Lot Daily - Resident	\$7	\$8
Boat Lot Annual Non-Resident	\$201	\$220
Boat Lot Annual Resident	\$134	\$147
Group Camp	\$100	\$110
Group Picnic Weekdays	\$47	\$52
Group Picnic Weekends	\$67	\$74
Hiker/Biker	\$10	\$13
Lot B Overflow Parking	\$7	\$9
Bundle of Wood	\$5	\$6



	Utility Camping	Non-Utility Camping
Washington Park	\$27	\$21
Howard Miller Steelhead Park	\$30	\$26
Deception Pass State Park	\$40	\$32
Cornet Bay Boat Launch	\$0	\$0



Boat Trailer	Overnight Vehicle
\$9	\$7
\$5	\$5
\$0	\$0
\$8	\$0



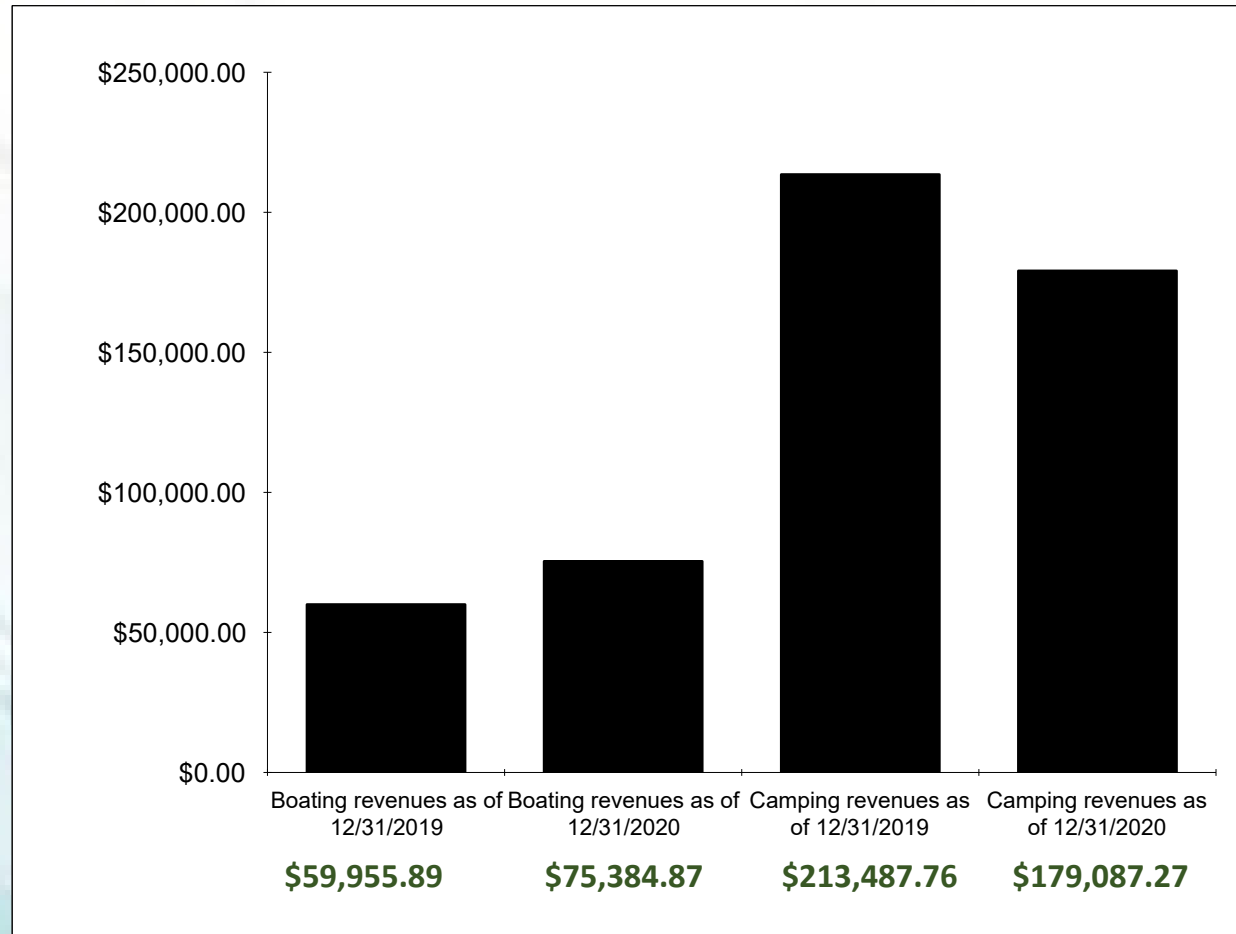


Washington Park

Proposed Rate Increase

Revenue Comparison

2019 and 2020



Proposed Rate

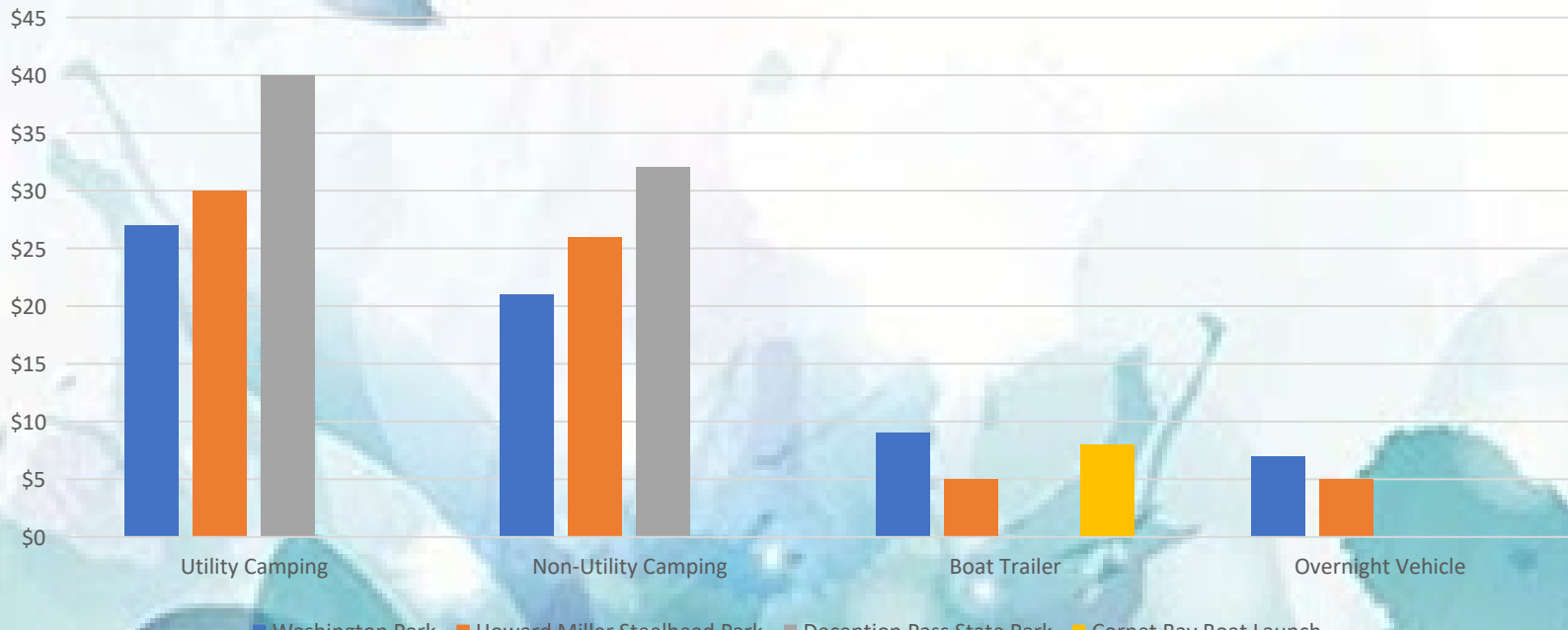
Increases

	CURRENT RATE	PROPOSED RATE
Utility Non-Resident	\$27	\$31
Utility - Resident	\$21	\$23
Non-Utility - Non Resident	\$21	\$25
Non-Utility - Resident	\$17	\$21
Boat Lot Daily Non-Resident	\$9	\$11
Boat Lot Daily - Resident	\$7	\$8
Boat Lot Annual Non-Resident	\$201	\$220
Boat Lot Annual Resident	\$134	\$147
Group Camp	\$100	\$110
Group Picnic Weekdays	\$47	\$52
Group Picnic Weekends	\$67	\$74
Hiker/Biker	\$10	\$13
Lot B Overflow Parking	\$7	\$9
Bundle of Wood	\$5	\$6

Rate Comparisons

	Utility Camping	Non-Utility Camping	Boat Trailer	Overnight Vehicle
Washington Park	\$27	\$21	\$9	\$7
Howard Miller Steelhead Park	\$30	\$26	\$5	\$5
Deception Pass State Park	\$40	\$32	\$0	\$0
Cornet Bay Boat Launch	\$0	\$0	\$8	\$0

Area Camping & Boat Parking Cost Comparison





City Council Agenda Bill

Meeting Date: February 8, 2021 **Agenda Item:** 5.d.

Agenda Item Title: Resolution 3016: Wastewater Plant Outfall Competitive Bidding Waiver

Staff Contact(s): DARCY SWETNAM, FRED BUCKENMEYER

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
DARCY SWETNAM	Resolution
STEVE HOGLUND	

Item Summary: Authorizing the replacement and relocation of the existing wastewater plant outfall pipe, construction of an associated combined sewer overflow pump station, and decommissioning of associated existing infrastructure without following competitive bidding requirements in awarding the contract.

Budget Impact:

Previous Action: N/A

Recommended Motion: Approve Resolution 3016 Competitive Bidding Waiver for the Wastewater Plant Outfall project.

Alternative Actions: Engage in full competitive bidding process for the Wastewater Plant Outfall project.

Attachments (listed in order presented):

1. Resolution 3016

RESOLUTION NO. 3016

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANACORTES, Washington relating to public works; authorizing the replacement and relocation of the existing wastewater plant outfall pipe, construction of an associated combined sewer overflow pump station, and decommissioning of associated existing infrastructure without following competitive bidding requirements in awarding the contract.

WHEREAS the City is planning the replacement and relocation of the existing wastewater plant outfall pipe including marine work of laying approximately 1700 feet of outfall pipe underwater in the Guemes Channel; the construction of an upland outfall pipe from the wastewater plant to the beginning of the underwater portion of the outfall pipe; the construction of a new combined sewer overflow pump station to convey flows into the new outfall; and decommissioning the existing wastewater effluent outfall and combined sewer overflow outfall; and

WHEREAS Section 70A.210.110 of the Revised Code of Washington provides a broad competitive bidding exemption for pollution control facilities improved by Cities; and

WHEREAS Section 70A.210.020 defines pollution as “any form of environmental pollution, including but not limited to water pollution, air pollution, land pollution, solid waste disposal, thermal pollution, radiation contamination, or noise pollution,”; and

WHEREAS Section 70A.210.020 defines pollution control facility to include “any land, building, structure, machinery, system, fixture, appurtenance, equipment or any combination thereof, or any interest therein...to be used...in furtherance of the purpose of abating, controlling, or preventing pollution,”; and

WHEREAS the City desires to use its sole discretion to select a contractor with the specific skills and qualifications to complete the project due to the unknown condition of the existing outfall and supports, the complexity of the marine environment, and the technical difficulties of the project, which is inconsistent with the competitive bidding requirements under Washington law.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Anacortes, Washington, that

1. The City Wastewater Treatment Plant and its related equipment, including the existing wastewater plant outfall pipe, associated combined sewer overflow pump station, and associated existing infrastructure, are consistent with the definition of a pollution control facility in Section 70A.210.020 RCW.
2. The exemption from competitive bidding requirements for pollution control facilities provided by Section 70A.210.110 RCW applies to the improvement of the replacement

and relocation of the existing wastewater plant outfall pipe, construction of an associated combined sewer overflow pump station, and decommissioning of associated existing infrastructure.

3. The technical challenges of the project, unknown condition of the existing structure, and the complexity of the marine environment in which the work will take place require specific skills and qualifications for the contractor to complete the project.
4. Therefore, the City Council of the City of Anacortes, Washington hereby waives competitive bidding requirements for awarding the contract in the Wastewater Treatment Plant outfall replacement and relocation project. **The City will select a contractor for each phase of the project from at least two contractors, based on their qualifications and projected budget for the project.**

INTRODUCED, PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ANACORTES on this ____ day of _____, 2021.

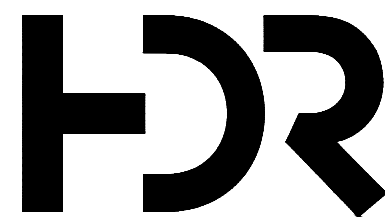
LAURIE M. GERE, MAYOR

Approved as to form and legality:

Darcy Swetnam, WSBA #40530
City Attorney

ATTEST:

Steve D. Hoglund, City Clerk Treasurer



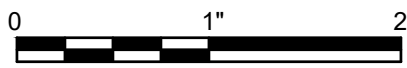
1/2021	60% DESIGN	
ISSUE	DATE	DESCRIPTION

PROJECT MANAGER	BERGSTROM, ERIC
CIVIL ENG	PETILLA, COLLEEN
DRAWN BY	SCHMIDT, ADAM
PROJECT NUMBER	

PRELIMINARY
NOT FOR
CONSTRUCTION
OR
RECORDING

CITY OF ANACORTES
WWTP OUTFALL
UPLAND PIPELINE

OUTFALL OVERVIEW



FILENAME	C-001.DWG
SCALE	NA

SHEET
C-001