

Oak Harbor City Council
Regular Meeting Minutes
February 7, 2023

This was both a physical meeting location and a virtual meeting. Meeting was viewable live via YouTube at www.youtube.com/cityofoakharbor , on Facebook, and on Cable Channel 10/HD 1090 following the meeting

CALL TO ORDER

Mayor Severns called the meeting to order at 6:00 p.m.

Invocation – Reverend Greg Steible, Whidbey Presbyterian Church

Pledge of Allegiance – Led by Mayor Severns

ROLL CALL

City Council Present:

Mayor Robert Severns
Mayor Pro Tem Tara Hizon
Councilmember Beth Munns - absent
Councilmember Jim Woessner
Councilmember Bryan Stucky
Councilmember Dan Evans
Councilmember Shane Hoffmire
Councilmember Eric Marshall

Staff Present/Videoconference

City Administrator Blaine Oborn
Finance Director David Goldman
Public Works Director Steve Schuller
Development Services Director David Kuhl
Parks and Recreation Director Brian Smith
Fire Chief Ray Merrill
Police Chief Kevin Dresker
City Engineer Alex Warner
Deputy Fire Chief Mike Buxton
Water Supervisor Chris Price
Communications & IT Manager Sabrina Combs
Executive Assistant Macalle Finkle
City Clerk Julie Nester

Also in attendance: City Attorney
Hillary J. Evans of Kenyon Disend, PLLC

EXCUSE ABSENT COUNCILMEMBERS

Mayor Severns noted Councilmember Munns had asked to be excused and requested a motion.

Motion: Mayor Pro Tem Hizon moved to excuse Councilmember Munns. Councilmember Woessner seconded the motion, which carried unanimously.

1. APPROVAL OF AGENDA

Mayor Severns welcomed all in attendance and called for any changes to the agenda. Hearing none, the agenda was approved as presented.

2. PRESENTATIONS

- a. Proclamations – None
- b. Honors & Recognitions - None
- c. Community Presentations – None

3. CITIZEN COMMENT PERIOD

Mayor Severns noted citizens may comment on Consent Agenda items or subjects of interest not listed on the agenda at this time and that citizens would have the opportunity to comment on the remaining Agenda items during the meeting as appropriate.

Citizens can also visit the City's website prior to meetings for methods to submit public comment, or contact the City Clerk, Julie Nester by phone or email as noted on screen. When submitting comments, please include your name and address. Public comments sent anonymously will be shared with the Mayor and Council but will not be displayed.

The City received one comment since the last regular meeting from Cam and Jenny Byers in regards to a suggested Arts Commission project for a tool library and makers space. The comment was displayed on-screen.

Mayor Severns opened the floor for public comment from any audience member present. Hearing no one with a desire to address the Council, the public comment period was closed.

4. CONSENT AGENDA

Consent Items

- a. Approval of Minutes of the January 17, 2023 Council Meeting, the January 25, 2023 Special Meeting – Audit Exit Conference, and the January 25, 2023 Council Workshop
- b. Approval of Payroll and Accounts Payable Vouchers
- c. Re-Appointment: Planning Commission Position 4 – John Chaszar

Mayor Severns called for any changes to the consent agenda. Hearing none, he noted all items were approved as presented.

5. MAYOR, COUNCIL & STAFF COMMENTS

- a. Mayor - Mayor Severns provided the following comments and updates:

- Boards and Commissions Appointments: Mayor Severns thanked John Chaszar for continuing on the Planning Commission and note that the City still has openings on several committees. Please visit the city's website for more information.
- Safe Streets for All Program Grant: The City of Oak Harbor, in partnership with the Island Regional Transportation Planning Organization, will be receiving a federal grant for Safe Streets funding from the Department of Transportation. Senator Maria Cantwell created the program with the goal of helping to reverse the statewide increase in traffic fatalities. Oak Harbor is one of only 16 communities receiving this grant, which staff reviewed with Council a few months ago.
- Community Events: The Center is hosting a four-session course on fraud prevention on Wednesdays in February as well as AARP Tax Aide on Fridays through April 14. Art Walk will take place downtown February 25 and applications for the annual St. Patrick's Day parade are now available.

- City Employee Home Dedication: Center Program Assistant Christina Benjamin will have her Habitat for Humanity Program home dedication February 17th. Habitat works with qualified, need-based families, with participants doing a percentage of the labor. City employees were able to volunteer assistance for Christina as part of our Wellness program. Congratulations Christina!

b. Councilmembers

i. Mayor Severns called upon the Council for any additional comments.

Councilmembers Hoffmire and Woessner provided their respective comments. Councilmember Hoffmire observed Tuesday, February 14, 2023 was an election day and the importance of voting. He also noted two planes and aviators from NASWI were participating in the flyover for the Superbowl. Councilmember Hoffmire also praised the leadership of former Oak Harbor School Board President Peter Hunt. Councilmember Woessner stated he was honored to serve on the Whidbey/Camano Tourism Board and noted the Board had an opening under the lodging classification and he would like to see a qualifying lodging business from Oak Harbor apply.

6. PUBLIC HEARINGS & MEETINGS - None

7. ORDINANCES & RESOLUTIONS

a. Ordinance No. 1967: Fire UTGO Bond Financing

Finance Director Goldman presented the item. Also in attendance virtually were financial advisors Duncan Brown, Matt Schoenfeld and Bond Counsel Stacie Amasaki. Director Goldman reviewed the background information for the financing.

The City of Oak Harbor adopted Resolution 22-18 on July 12, 2022 submitting a ballot proposition to the voters for the 2022 General Election for the issuance of General Obligation Bonds in the aggregate principal amount of no more than \$9,200,000 for the purpose of paying the costs of construction and equipping a second fire station including the acquisition of a new quint ladder truck, the principal of and interest on such bonds to be payable from annual excess property tax levies. The proposition was passed on November 8, 2022 with 62.60% of the voters voting in favor (60% threshold required).

Following the will of the voters, the next step in the process is to authorize the City Administrator, as the designated representative (or the Finance Director in the absence of the City Administrator), to work with the City's Bond Counsel and Financial Advisor¹ to conduct the sale of the voter approved bonds in the manner and upon terms deemed most advantageous to the City, and to approve the final terms of each series of the bonds, with such additional terms and covenants as the designated representative deems advisable, within the parameters contained in the ordinance, notably: The Aggregate principal amount of the bonds shall not exceed \$9,200,000. Rate of interest and true interest cost to the City shall not exceed 5.5%. Final maturity date shall be with 21 years after issue. 1. On May 4, 2021, the City Council selected Foster Garvey PC as the City's Bond Counsel. On May 18, 2021, the City Council selected PFM Financial Advisors LLC as the City's Financial Advisor.

Mayor Pro Tem Hizon provided her respective comments, noting she was pleased the voters had passed the bond levy, and recognizing the importance of providing public safety services and replacing aging equipment.

Finance Director Goldman presented the recommended motion: To adopt Ordinance No. 1967 providing for the issuance, sale, and delivery of not to exceed \$9,200,000 aggregate principal amount of Unlimited Tax General Obligation Bonds to provide funds to construct and equip a second fire station in

the City, including the acquisition of a new ladder truck and pay the costs of issuance and sale of the bonds authorized by the qualified voters of the City on November 8, 2022; fixing or settling parameters with respect to certain terms and covenants of the bonds; appointing the City's designated representative to approve the final terms of the bonds; and providing for other matters properly related thereto.

Motion: Mayor Pro Tem Hizon moved to approve the recommended action as presented. Councilmember Hoffmire seconded the motion, which carried unanimously.

8. CONTRACTS & AGREEMENTS

- a. Professional Services Agreement with 120Water for lead and copper compliance

Water Supervisor Chris Price presented the item and provided background information.

On August 4, 2022, the Environmental Protection Agency (EPA) released Guidance for Developing and Maintaining a Service Line Inventory to support water systems to develop inventories and provide states with needed information for oversight and reporting to EPA. The guidance provides essential information to help water systems comply with the Lead and Copper Rule Revisions requirement to prepare and maintain an inventory of service line materials by October 16, 2024. This is the largest federal regulation on public water systems in the last 30 years.

Specifically, EPA's Lead Service Line inventory guidance includes the following:
Provides best practices for inventory development and communicating information to the public.
Includes a template for water systems, states, and Tribes to use or adapt to create their inventory.
Contains case studies on developing, reviewing, and communicating inventories; and,
Highlights the importance of prioritizing inventory development in disadvantaged communities and where children live and play.

Supervisor Price noted City staff have begun creating an inventory by creating a map using utility as-builts and identifying the homes built post-1986 when lead was banned from construction. He explained 120Water is a technical services company that helps state agencies, schools, and public water utilities plan, manage, and effectively communicate the results of water sampling programs. Supervisor Price explained the hazards of lead and copper. None of the samples taken for Oak Harbor exceed the action level for either lead or copper.

Supervisor Price reviewed the Scope of Work as follows: 1) Program Start and Customer Alignment 2) Data Investigation and Submission 3) Data Analysis 4) Preliminary Findings and Software Alignment 5) Software Import and Training 6) LSLI Verification Strategy 7) LSLI Verifications He noted by hiring 120Water, staff will achieve the goal of 100% compliance before the October 16, 2024, deadline. Funds have been included in the 2023-2024 biennial budget to cover the cost of hiring a company to provide this service and enable staff to comply with this new requirement.

Mayor Severns noted this professional services agreement funding request would come from water reserve funds with no increase to utilities. City Administrator Oborn confirmed this, noting it was already in the 2023-2023 Biennial budget.

Councilmember Hoffmire provided his respective comments, thanking Supervisor Price for the presentation.

Motion: Mayor Pro Tem Hizon moved to authorize the Mayor to enter into an agreement with 120Water in an amount not to exceed \$50,000 for two years of service. Councilmember Hoffmire seconded the motion, which carried unanimously.

b. 2022 Sanitary Sewer Rehabilitation – Award to In Depth Excavation, LLC

City Engineer Warner reviewed the rehabilitation project. The City is replacing several sewer mains located on NE 10th Ave and NE 9th Avenue due to serious structural concerns. The project involves installing new sewer mains with a trenchless technology called pipe bursting. This technology lowers the cost and reduces the impacts to the affected residents.

The project was designed in-house by the City of Oak Harbor Engineering Division. The project was advertised for bid and bids were publicly opened at City Hall on January 24, 2023. The city received six bid proposals. The Engineer's estimate was from \$470,000 to \$570,000.

The bid results are as follows:

InDepth Excavation, LLC \$519,135.75
Shoreline Construction \$598,575.68
SRV General Construction, Inc \$628,749.06
Pacific Trenchless \$783,475.00
C Johnson Construction, Inc \$917,888.00
New X, Inc \$1,234,285.49

Following bid opening a bidder responsibility check was performed on the apparent low bidder In Depth Excavation, LLC. Staff recommends the contract be awarded to the responsive and responsible bidder In Depth Excavation, LLC. In addition, per Oak Harbor's Purchasing Policy Manual, the change order allowance shall be \$100,000 which is 20% of the original contract awarded administered by the Department Director. Following award of the contract, construction is expected to begin in Spring 2023 and conclude in Summer 2023. This project is fully funded in the 2023-24 Biennial Budget and is included in the City's Capital Improvement Plan.

Councilmembers Evans and Hoffmire provided their respective questions and comments regarding impacts to residents and the stress the failing concrete pipes create for the wastewater treatment facility.

Motion: Councilmember Evans moved to authorize the Mayor to sign the construction contract with In Depth Excavation LLC for the 2022 Sanitary Sewer Rehabilitation Project in the amount of \$519,135.75 and authorize the Public Works Director to execute change orders up to \$100,000 in total. Councilmember Hoffmire seconded the motion, which carried unanimously.

c. Purchase and Sale Agreement for property located at 1250 SW Swantown Avenue – for 2nd Fire Station

City Administrator Oborn and Fire Chief Merrill presented the item.

Following voter approval of the City's Proposition 1, Fire Protection Property Tax Levy Lid Lift, and Proposition 2, General Obligation Bonds for Fire Station and Equipment this past November, staff began researching available property meeting cost, location and topography criteria second fire station. The City referenced a commissioned study completed in 2015/2016, which identified properties in the desired area for placement of the second fire station, and the challenges and advantages of each. It was determined that the property located at 1250 SW Swantown Avenue, Tax Parcel No(s): R13203-138-1910, belonging to 1250 Swantown, LLC, best met the criteria. Following negotiations with the property owners, staff has negotiated a purchase price of \$800,000. and presented the Purchase and Sale Agreement for Council approval. The Purchase & Sale Agreement has been reviewed by the City's legal counsel and includes a six-month contingency period for the City to conduct a viability review and environmental study of the property.

Councilmembers Stucky, Hoffmire and Woessner provided their respective questions and comments, including location, property cost, the importance of the four-minute response time, and appreciation of the due diligence performed.

Motion: Councilmember Marshall moved to authorize the Mayor to sign the Purchase and Sale Agreement with 1250 Swantown, LLC for the property located at 1250 SW Swantown Avenue. Mayor Pro Tem Hizon seconded the motion, which carried unanimously.

9. OTHER ITEMS FOR CONSIDERATION- None

10. REPORTS & DISCUSSION ITEMS - None

11. EXECUTIVE SESSION - None

Adjourn

Motion: There being no further business, Councilmember Stucky moved to adjourn, seconded by Mayor Pro Tem Hizon. The motion was approved by a unanimous vote, therefore the meeting adjourned at 6:57 p.m.

Certified by Julie Nester, City Clerk