



**City of Port Townsend
Capital Facilities Plan
2023-2028**

Report Date: _____

Adopted: _____

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Schedule

The following schedule was generally followed during 2022 to create this Capital Facilities Plan

- Start assembling the tables in July.
- Initial Draft presented to the City Council on October 17, 2022
- Boards and Commissions review - October/November
- SEPA Determination of Non-significance for non-project action published on November 16,2022
- Public Hearing and City Council Adoption anticipated on December 5, 2022

Prelude

Historically, the City has adopted a Capital Improvement Plan (CIP) in order to comply with the Growth Management Act. The CIPs have been adopted coinciding with the budget process and typically included funded projects scheduled over a 6-year period. These CIPs have included little detail regarding the projects, but served useful as a capital projection for funded projects.

This capital facilities plan accomplishes the same purpose but takes a more expansive and longer-term look at infrastructure needs for the city by including unfunded projects. This plan also provides a high-level narrative associated with each type of infrastructure need based on how infrastructure is funded and categorized according to the requirements established by state law and city codes.

The objective of this revised format is to build on the plan year to year in an effort to create a continuum of infrastructure development while clearly representing long term needs to the public in an abbreviated form. This first-year draft may include place holders and there will be areas for improvement through successive years as adaptation is needed and as new information becomes available. The Capital Facilities Plan is fully intended to be a living document with annual or bi-annual updates to reflect changes in the City funding and planning landscape.

Introduction

The quality, availability and affordability of infrastructure is fundamental to the health, wellbeing, success and sustainability of our community. With limits to funding based on the relatively small scale of our tax base, we need to make strategic and, at times, difficult decisions about infrastructure investment priorities. We do this in the best overall interest of our entire community over the long term.

The City of Port Townsend has a number of infrastructure needs as identified in various focused city plans. Capital planning is the term used to identify the timing of infrastructure investment. Capital planning for the replacement and development of new public infrastructure is a core governmental purpose of the City in providing for public health, safety, and welfare. The overall purpose of this plan is to consolidate all infrastructure planning into a concise document to illustrate the overall infrastructure needs and aspirations for the community. This plan is intended to be used by staff, policy makers, and the public to develop effective and efficient \$34 million in funded infrastructure and \$144 in unfunded need.

Another primary purpose of this plan is to comply with the state Growth Management Act (GMA).

The Growth Management Act, RCW 36.70a.600(3), requires a fully planning City to adopt a Capital Facilities Plan Element that consists of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of

expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.

This capital facilities plan draws upon other city planning documents included by reference and included in the city's comprehensive plan. Examples of these plans include but are not limited to the Water System Plan, Six Year Transportation Improvement Plan, Rainier Subarea Plan, Non-motorized plan, Parks Recreation and Open Space Plan, and many more available on the City's website at <https://cityofpt.us/citycouncil/page/city-plans>. These plans are where inventories and further detail can be found concerning existing city infrastructure. Periodically, the City updates the Comprehensive Plan to address land use elements and other state requirements. In summary, capital facilities planning is a component of the Comprehensive Plan and serves as a tool for a community to strategically address existing and future conditions of the community while planning for growth as required by the State.

The final purpose of this plan is to facilitate procurement of grants. Often, granting agencies will not allow for the application of funding unless projects are specifically identified in an adopted plan of the City. Some projects included in the Capital Facilities plan do not have a home in other adopted plans, but are community priorities and may be emerging issues. These projects are included in this plan to the extent that information is available.

Definitions

Capital is defined in the City's purchasing policy as capital equipment having an initial value of \$1,000 or more and a useful life of 3 years or more. For the purposes of this plan, Capital is defined at having an initial purchase value of \$10,000 or more and a useful life of 5 years or more. This keeps most of the repair and maintenance capital items outside of this plan.

Capital Facilities Plan is defined as an overall assessment of the City's capital needs. The term facilities when included inside the title of the plan includes all city infrastructure and not just city buildings.

Comprehensive Facilities Assessment means an evaluation of the condition and capital needs of the City buildings.

Comprehensive Plan means the most recent version of the City adopted Comprehensive Plan as required and identified in Chapter 20.04 PTMC.

Facilities means city buildings for the purpose of this plan. This definition is not be confused with the overall name of the plan.

Functional Plan means an adopted plan or study that clarifies and supports elements of the City’s Comprehensive Plan.

Rate Study means a study utilized to establish rates for services. Rate studies are typically performed for a five year period for utility systems to ensure sustainable operations.

Subarea Plan means an adopted plan with a focus on a specific area of the City that clarifies and supports the Comprehensive Plan.

Level of Service Standards

A local government cannot determine what it will need in the future for public facilities and services without knowing what levels of service (LOS) it must meet. To serve new growth and development, the Growth Management Act (GMA) requires that certain facilities and services be provided concurrent with expected new development using population projections for the 20-year planning period or ultimate build-out under the growth patterns established by the Land Use Element (Chapter 8, Policy 1.2). The City's Comprehensive Plan requires, in the case of transportation improvements, a financial commitment to provide them within six years.

Facilities that are subject to concurrency in the City are transportation, water, wastewater, and stormwater. The Capital Facilities Financing Plan in GMA requires a municipality to reassess the land use element if probable funding falls short of meeting existing needs. The Capital Facilities Plan is not merely a wish list, and should account for meeting critical maintenance and planning for the density allowed for in the Comprehensive Plan.

The City’s Capital Facilities Plan adopts Level of Service standards that must be met for these facilities per Chapter 8 Goals 3 and 4 are as follows.

**Table 8-1
Water and Wastewater Level of Service Standards**

Facility	Standard
Raw Water Supply	Sufficient capacity to fully serve customer demands
Raw Water Storage	A Minimum of 60 days of storage for City customer demands
Water System	A flow volume that meets peak demand and fire flows.
Wastewater System	A level that allows collection and treatment of peak wastewater flows and meets Dept. of Ecology criteria

**Table 8-2
Transportation Level of Service Standards**

Road Type	Standard
Urban Corridor	D
Other Roads w/in Urban Growth Area (UGA)	D

Stormwater and Surface Water	A level of conveyance, detention, and treatment that meets the Department of Ecology (DOE) Stormwater Manual adopted by the City or as defined in the City’s Stormwater Master Plan
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These standards should then be applied to additional population and employment growth anticipated. The most recent Port Townsend Comprehensive Plan updated in 2016 projected the 20-year population projection to be 12,165 by the year 2036. The 2020 US Census counted 10,148 people and the 2021 WA Office of Financial Management estimates 2021 population at 10,220. The 2016 update projected a need of 55 acres over 20 years to support the high wage jobs projected. The Rainier Street and Upper Sims Way Corridor is intended to provide this need with approximately 82.5 acres of fully served, shovel-ready industrial acreage.

Each development must meet the aforementioned level of service standards prior to issuance of a building permit; however, it may demonstrate meeting the standards for transportation facilities within six years issuance of a building permit (Chapter 8, Policy 4.1). The City may condition development permits to provide for appropriate facilities, services, and utilities not subject to concurrency such as EMS, parks, law enforcement, and schools (Chapter 8 Policy 4.2). A development that cannot meet the minimum concurrency requirements can mitigate impacts on levels of service, revise to reduce impacts, or phase the development coincident with the availability of services (Chapter 8, Policy 4.3). All development must pay its proportionate share of the cost of new capital facilities and utilities needed to serve that development.

Under the Growth Management Act and Chapter 8 Goals 6 of the City’s Comprehensive Plan, the Capital Facilities Plan must also be coordinated and consistent with CFP’s of other public facility providers. Other public facility providers include but are not limited to Jefferson County Transit, East Jefferson Fire and Rescue, Port of Port Townsend, Jefferson Health Care, Jefferson County PUD, the Port Townsend School District, and Jefferson County. The City engages in partnerships with these other providers in an effort to coordinate the procurement of limited resources.

Financial Constraints (Revenue Sources)

Most if not all governmental agencies experience financial needs for infrastructure that exceed the available resources. This reality is a reiteration of the primary purpose of the plan. As such, the plan is organized by funded projects and unfunded projects. Funded projects means that the City either has a revenue stream in place to accomplish the project, or has dedicated funds from a specified funding source. These funding sources are often in the form of grants, loans, or use of reserves for one-time investments.

Financial constraints means that projects are either funded or can be reasonably funded. For the purposes of this plan, financially constrained projects are included in the funded portions of the plan. As the plan develops over time, the objective is to hone financially constrained projects into the first 6 years of the plan.

More specifically the City's Comprehensive plan Chapter 8 provides the following goal:

Funding & Financial Feasibility

Goal 5: Provide needed public facilities within the City's financial capabilities or within the City's authority to require others to provide such facilities.

Policy 5.1: Base capital facilities planning on estimates of local revenues and external revenues that are reasonably anticipated to be received by the City.

5.1.1: Consider a wide variety of potential funding sources to finance the capital improvements specified in the Capital Facilities Plan, such as real estate excise tax, user fees, general obligation bonds, and impact fees.

5.1.2: Match revenue sources to capital projects on the basis of sound fiscal policies. Sound fiscal policies include cost-effectiveness, prudent asset and liability management, ensuring that the length of financing does not exceed use of the City's borrowing capacity, prudent use of the City's borrowing capacity, and maximizing the use of grants and other external revenues.

Policy 5.2: Finance the six-year Capital Improvements Program to assure a positive balance between available revenue and needed capital facilities and utilities. If projected funding is inadequate to finance needed capital facilities and utilities based on adopted level of service standards and forecasted growth, make adjustments to one or more of the following:

- a. Level of service standard;
- b. Land Use Element; and/or
- c. Sources of revenue.

Policy 5.3: Ensure adequate funding is available for long-term operations and maintenance costs prior to the construction of new capital facilities.

Policy 5.4: Ensure that new development pays a proportionate share of the cost of new capital facilities and utilities needed to serve that development.

Policy 5.5: Ensure that developers provide capital facilities and utilities concurrent with new development or provide a contractual agreement for the phasing of facilities and utilities, subject to approval by the City.

Current Revenue Sources

Current revenue sources for infrastructure include the following sources. These sources are listed from top to bottom from least restrictive to most restrictive as required by laws and city code.

<p>General Fund, Fund Balance.</p>	<p>There are four categories of fund balance: restricted, committed, assigned, and unassigned. Restricted – Amounts reserved to specific purposes by their providers (such as grantors, bondholders and enabling legislation); Committed – Amounts reserved to specific purposes by a government itself, using its highest level of decision-making authority; Assigned – Amounts a government proposes to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority; and Unassigned – Amounts that are available for any governmental purpose; these amounts are reported only in the general fund.</p>
<p>Limited Tax General Obligation Bonds:</p>	<p>Backed by general fund revenues, the City Council can issue debt for infrastructure. The amount of Debt is limited by law and practicality. As discussed above, debt takes away from operating funds and other capital funds and thus use of debt is a strategic choice.</p>
<p>Banked Capacity:</p>	<p>In February 2019, residents approved adding Port Townsend to East Jefferson Fire & Rescue (EJFR) fire district. EJFR now collects the dedicated Fire and EMS levies from City property taxpayers directly. In addition to the dedicated levies, the City was funding fire service through the general property tax levy. The City no longer makes payments from the general fund for fire protection. The City agreed to suspend the collection of an equivalent amount of property taxes it would have paid EJFR from the general levy – a reduction of the City levy or a “banked capacity” of about \$908,000. An agreement with the fire district and a policy adopted by City Council spelled out an approach that allows increased levies of the banked capacity over the course of four years. For the first three years, funding is restricted to four main uses consistent with existing plans: local roads, parks and trails, the City’s housing trust fund and utility tax relief. In 2020, the City decided not to levy any of the possible \$303,000 banked capacity given the dire COVID situation and its related impacts. In 2021, the City levied</p>

	<p>\$605,000 in banked capacity for use in 2022. More about that process and corresponding documents can be found on the 2021 Banked Capacity page in Completed Initiatives. In 2022, that “banked capacity” goes to \$908,000 and stays at that level after that; the restricted use requirement sunsets in 2023.</p>
Real Estate Excise Tax (REET)	<p>State law restricts REET 1 and REET 2, or the first and second quarter percent (.25%) of REET funds to the following uses: Planning, acquisition, construction, re-construction, repair, replacement, rehabilitation or improvement of: streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water system and storm and sanitary sewer systems. Planning, construction, reconstruction, repair, rehabilitation or improvement of park and recreation facilities. State law allows REET 1, or the first quarter percent (.25%) to also be used for: Acquisition of parks and recreation facilities. Planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of: law enforcement or fire protection facilities, trails, libraries and administrative and judicial facilities.</p>
Revenue Bonds	<p>Revenue bonds are debt that is secured by dedicated revenue. Utilities often use revenue bonds to pay for infrastructure backed by utility rates. Another form of secured revenue are voted bonds in which the tax payer votes to accomplish a certain project and taxes are raised to pay for the public project.</p>
Motor Vehicle Fuel Tax (MVFT)	<p>In addition to Street Fund operations and maintenance this can be used for construction and improvement projects. The City has very limited amounts of MVFT and currently it is all dedicated to operations. The majority of the street operations is funded through general taxation resources and thus impacts the general fund.</p>
Multimodal Funds:	<p>These funds are restricted to transportation purposes.</p>
Sale of Assets:	<p>Assets that can be sold generally include real-estate and vehicles. The City owns considerable real-estate that is not currently dedicated to a specific use. The real-estate is owned by the utilities and the general fund. If there is a sale of real-estate, the proceeds must be used by the fund that owns the property. For example, proceeds from the sale of property owned by the water utility, cannot be used for general fund purposes. A number of properties have been declared surplus by the City Council in the last 15 years for the purpose of housing. These properties have not yet been sold.</p>
Grants:	<p>Grants are very specific to the purpose of the granting agency. Grants are an important revenue source and is how most of the City’s new infrastructure is funded. In particular, grants fund street projects on a periodic basis with an average of over \$1 million per year. Other grants for parks, historic properties, energy, utilities, climate, hazard mitigation, and housing are also available to the City.</p>
Housing Tax:	<p>RCW 82.14.530 and 540 allow a city and county to impose a sales and use tax up to 0.1% for housing and related services through HB 1406 and 1590. The 148 and 149 funds are authorized by RCW 36.22.178 and 179, which allow counties to collect shares of revenue from document recording to fund affordable housing and homeless housing programs. The City and County have a joint Interlocal Agreement on administration of these funds authorized. The City collects funds from HB 1406 and provides them to the county for deposit in the 148 Fund for budgeting and allocation subject to the interlocal agreement.</p>

System Development Charges for Utilities:	Also known as SDCs, these charges for new utility connections help fund system expansion for growth.
Utility Rates:	Utilities are enterprise funds that are specific independent business units within the City. Utilities are required to set rates for services that ensure payment for operations and capital to address system needs. This business model is set forth to ensure essential public services such as water, sewer, and stormwater are addressed.
Donations and Fund Raising	Fund raising by the public, volunteerism, and donations are all sources of revenue the city has utilized for capital improvements historically.
Library Foundation	The Foundation has the opportunity to fund capital programs if in concert with Library capital improvement needs and planning.

Future Revenue Sources

Future revenue opportunities are available to the City to address capital needs. Below are a few of the more common revenue sources used by cities across the State. As the City looks toward financial sustainability, additional revenue sources may be recognized and brought forward for consideration.

- Transportation Benefit District: Councilmanic car tabs or voted sales tax for streets.
- Levy Lid lift: Voted property tax increase for specific purposes.
- Sales tax: Several sales tax options are available for various purpose which are typically voted.
- B&O Tax Increase: Councilmanic authority to set B&O tax rates.
- Metropolitan Parks District: Voted opportunity for funding of parks through a property tax levy.
- Tax Increment Financing Districts: Councilmanic authority to establish up to two districts in which increases in tax revenue is used to fund infrastructure.
- Impact fees for transportation, parks, fire protection, and schools are permitted by State law. Impact fees are currently not in place in Port Townsend.
- Cultural Access Program: County wide voted sales or property tax to fund cultural access organizations such as arts, heritage and science organizations.
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- 1% for the Arts: The City has voted to include a limited number of general municipal projects that are subject to this tax. The City could expand the definition of capital to include utility funded capital projects in order to increase revenues.
- Development Services Fees: both PW and PSD related
- Fines & Fees: Councilmanic authority to implement or increase parking fees & others
- Foundations and Public Fund Raising: Foundation support, donations, and pubic fundraising are all sources of capital. Historically, significant fund raising has been accomplished through volunteerism. This can be expanded through strategic city support of fund raising.
- Partnerships: Working with partner agencies to achieve mutual goals provides a great opportunity for increased revenue for capital.

- Marketing: Marketing the City through partner organizations for business recruitment, retention, and growth has the potential to increase tax revenue. Sustained tax revenue increases are typically used for operations to support increases in demands for public service; however, one-time revenues or cyclic increases in tax revenue serve as an opportunity for a source of funds for capital investments.

Existing Debt Summary

The City currently has significant debt in terms of revenue bonds, LTGO bonds, and voted bonds. Debt has a significant impact on the ability to pay for capital and debt services takes away from recurring revenues. Staff recommends developing a debt strategy for the future to consider when debt is appropriate and to what level of debt should be on the city's books. The following considerations should be considered in the development of a debt policy:

- General Obligation vs. Revenue debt
- Principle, payoff date, and revenue sources
- Term of debt should not exceed the lifespan of asset. ie 20-year bond for 15-year roof.
- Debt term should generally not exceed 20 years
- Evaluation of opportunity cost for issuing debt. What is this interest rate differential and how does it compare to projected inflation.
- Should general obligation debt be limited to a specific percentage of revenues.

The following table provides a summary of the city's debt.

NonVoted General Obligation Debt Outstanding

LTGO 2017A (2008 Refi) NonTaxable Bond	9,155,000	9,155,000	9,155,000	9,155,000	9,155,000
LTGO 2017B (2008 Refi) Taxable Bond	1,060,000	1,060,000	1,060,000	1,060,000	1,060,000
LTGO 2020 (Refi 2010 LTGO)	4,273,350	4,073,350	3,868,350	3,658,350	3,356,900
LTGO Refi 2012 (PORTOWGORE12)	3,165,000	2,680,000	2,175,000	1,660,000	1,135,000
LTGO 2018 Homeward Bound Debt Svc	834,000	834,000	834,000	808,104	781,069

NonVoted GO Debt Outstanding	18,487,350	17,802,350	17,092,350	16,341,454	15,487,969
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Voted General Obligation Debt Outstanding

LTGO Refi 2015 (PORTOWUTGO15)	3,205,000	3,020,000	2,835,000	2,640,000	2,440,000
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Voted GO Debt Outstanding	3,205,000	3,020,000	2,835,000	2,640,000	2,440,000
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Total General Obligation Debt Outstanding	21,692,350	20,822,350	19,927,350	18,981,454	17,927,969
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Revenue Debt Outstanding (excluded from General Purpose Debt limits)

Amount Outstanding at End of Year

	2018	2019	2020	2021	2022
	Actual	Actual	Actual	Forecast	Budget
SRF 2002: DOE Wastewater Conveyance Syst	337,212	291,098	244,376	196,950	148,811
PWTF 2002: Morgan Hill Wtr System Impr.	333,510	266,808	200,106	133,404	66,702
PWTF 2012 City Lake Loan	736,842	684,211	631,579	578,947	526,316
DWSRF 2012: LT2 Water Treatment Facility	2,917,945	2,782,025	2,627,468	2,472,911	2,318,354
DWSRF 2012: LT2 Water Treatment Facility	1,566,900	1,454,978	1,343,057	1,231,135	1,119,214
PWTF 2013: LT2 UV Disinfection	3,696,963	3,450,499	3,204,035	2,957,571	2,711,107
PWTF 2013: 5 MG Reservoir Replacement	1,125,937	1,050,875	975,812	900,750	825,687
DWSRF 2015: 5MG Reservoir Replacement	4,414,363	4,196,495	3,986,670	3,765,189	3,543,707
DWSRF 2015: Mandated Drinking Water Treat	3,537,275	3,360,411	3,183,548	3,006,684	2,829,820
Rev Bond 2020: LT2 & Big Quil	-	-	-	1,914,980	1,834,800
CERB 2015: Howard St Corridor Public Infrastructure		1,200,000	1,165,407	1,119,007	1,071,216
	18,666,947	18,737,400	17,562,058	18,277,528	16,995,734

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City Capital Plan Summary

The following table illustrates the vast needs of the City by category. This table wraps up all the following sections of the Capital Facilities Plan to provide an overall view of the challenges the City faces in terms of capital needs. This is not an uncommon situation for most cities. This first-year draft of the capital facilities plan includes approximate estimates for capital needs as a place holder where information is missing. Examples include needs for buildings, the future of parks, wastewater, fleet, housing/economic development/environment, and streets. These categories are currently under evaluation or are anticipated to be under evaluation in the near future to help provide more refined estimates. Each section of this plan will identify where data is needed or currently under analysis.

Department	Funded (2023-2028)	Unfunded (2023-2028)	2029+
Facilities (Buildings)	\$ 575,000	\$ 13,567,000	\$ 15,060,000
Parks and Recreation	\$ 302,000	\$ 18,320,000	\$ 6,050,000
Water	\$ 3,981,247	\$ -	\$ 2,371,437
OGWS	\$ 8,170,591	\$ -	\$ 51,284,735
Wastewater	\$ 7,205,000	\$ 10,605,000	\$ 8,000,000
Stormwater	\$ 1,810,000	\$ 1,000,000	\$ 4,200,000
Transportation (Streets)	\$ 1,867,781	\$ 91,877,000	\$ 14,000,000
Fleet	\$ 2,932,407	\$ 1,170,000	\$ -
General Fund (Fleet)	\$ 170,000	\$ 1,567,000	\$ -
Information Technology	\$ 826,500	\$ -	\$ -
Housing Economic Development	\$ 1,123,400	\$ 17,715,000	\$ 1,885,000
Totals	\$ 28,964,000	\$ 155,821,000	\$ 102,852,000

Note: The funded totals for 2023-2028 does not include carry forward budgets from 2022. Many projects budgeted in 2022 have not been completed and thus investment carries forward and will be added to the 2023 budget through the first budget supplement usually in the first quarter of the year.

Facilities (Buildings)

This section of the Capital Facilities Plan is dedicated to city buildings, lands, and art. The term facilities is confusing due to its name duplicated in the overall plan. This section is also applied to facilities which are under the purview of the General taxation as compared to facilities that are directly tied to the utilities such as the water treatment facility.

Buildings

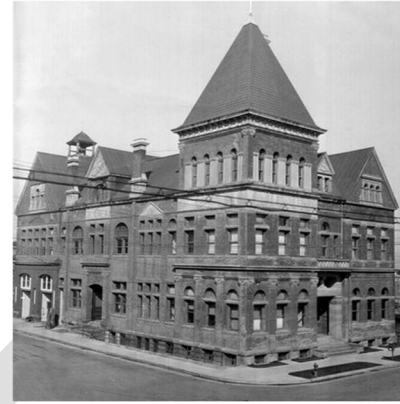
City buildings are a major asset of the community. City buildings also carry significant financial liability in terms of maintenance and upkeep. A facilities assessment is needed to accurately identify building needs and estimate time frames for periodic preventative maintenance such as rehabilitation of roofs, HVAC systems, carpets, elevators, weather protection, and other maintenance needs. The larger maintenance projects are classified as capital investments and thus need to be included in the Capital Facilities Plan. The following narrative describes each of the City facilities and includes known and unknown placeholders for significant needs.

The City Hall Annex- Owner: City of Port Townsend, 12,000 square feet renovation was finished in 2006. Total construction costs of \$4,626,000. It sits at 250 Madison Street quietly beside the stately 1894 Historical City Hall in downtown Port Townsend. Their adjacency is intentional; the Annex was designed to seismically support the historic structure, thus minimizing aesthetically invasive upgrades to its façade. The Annex design references the materials and proportions of its Victorian neighbor, including strong vertical lines, tall narrow windows, and precast details. Close collaboration with the Port Townsend Historic Preservation Committee resulted in a respectful yet modern new Annex and a sensitive rehabilitation of the historic City Hall that included seismic and technology upgrades



Completed in 2021, upgrades to the front lobby included an administrative counter that consist of three workstations to properly welcome and direct the public as they enter the building. The counter replaces an existing conference room that was designed with the new construction. Additional wall construction was done on the 2nd floor to enclose several open workspaces making way for new staff members. During the 2021 season, major rebuilds were done to both boiler units that provide heating to the City Hall Annex and Historical City Hall buildings. In 2022, City staff completed acoustical upgrades by adding noise dampening boards in the front lobby and workstation areas to lessen the reverb and traveling echoes. As the building was not built with mechanical cooling, staff have been working to find ways to limit the warming of the building during the summer months. New heat and sun reducing shades were installed throughout the building along with the existing ventilation fans being converted to programmable timers to correspond and run with the HVAC unit helping to remove warmer air as it tends to stack up on the third floor. Also completed in 2022 was the City Hall Space Planning Phase II study. This study looked at reconfiguring the 2nd floor conference admin room with renovations, acoustic controls, and office furniture on floors 2R and 3. Floor 2R and 3 were never finished with the annex project in 2006. Now, after COVID and a changing work environment, these updates are needed more than in the past. Phase III also continues with HVAC updates.

Historical City Hall and Museum- Owner: City of Port Townsend, the 12,500 SF of building is located at 540 Water Street and is currently operating as the Jefferson County Museum of Art and History. The City of Port Townsend carries a 15-year lease agreement with the Jefferson County Historical Society which is set to renew for an additional 15-year period on January 1st, 2023. On the first floor you will find many rotating displays of art and historical artifacts along with the original Fire Hall and Court Room from 1892. The second floor consists of City administrative offices and a working City Council Chambers that continues to hold public meetings on the first and third Mondays of each month. Originally the building was built with three floors until around the late 1940s the third-floor roof was removed due to deterioration and deferred maintenance, making it a two-story building as it sits today. The city hall was listed on the National Register of Historic Places, administered by the National Park Service, in 1971. Land for the city hall was purchased from Henry Landes in 1887. Voters in Port Townsend passed a bond issue to fund a new \$30,000 city hall in 1891. Construction began in 1891 and finished on 02/1892, with space allocated for the city administration and fire department, as well as a jail and municipal court. City council meetings have occurred in a chamber on the second floor. Architects Batwell and Patrick designed Port Townsend's City Hall, an eclectic building with some Neo-Classical, Romanesque, and Queen Anne Style motifs.



In 2005, as part of the construction of the new City Hall Annex, contractors replaced the roof with a flat rubber membrane. Much needed repairs to the exterior brick and mortar on the south facing and waterward side as it begins to show signs of deterioration. The public elevator has experienced a few major repairs and needs to be replaced in the next 10 years depending on the outcomes of an assessment. Most of the original single pane windows are beginning to fail as the glass thins and frames begin to break. There is no forced air or ventilation system in this building which is a concern for the displays and the preservation of the artifacts. The need for soundproofing on the first and second floors is of concern as the original wood flooring and lath and plaster walls do not absorb the acoustics of the room.

Mountain View Campus- 7.6 Acres. Owner: Port Townsend School District. Located at 1925 Blaine St, Mountain View houses many nonprofit entities including the Red Cross, Food Bank, KPTZ, YMCA, the ReCyclery and New Image clothing. Mountain View is also home to the City of Port Townsend Police Department and other administrative offices. The land parcels, buildings, and facilities all remain owned by the Port Townsend School District and are only leased to the City for management and operations.



Mountain View Pool and Park exist at the site of a former school, Mountain View Elementary. Mountain View Pool is an indoor aquatic facility that is now operated by the YMCA and consists of a non-competitive 20 yard “L” shaped pool that provides programming and classes for swim lessons, aquatic fitness, lap swim, open swim, and special events. Mountain View Park is anchored by a 1-acre fenced dog park, a playground, open field, and sport courts for basketball and newly resurfaced pickleball court sponsored by the Port Townsend Pickle Ball Club.

Beginning in August of 2009 the City of Port Townsend entered into a five-year lease agreement with the Port Townsend School District for the property known as Mountain View Campus. In 2014, the City expanded the lease agreement with the School District to 15 years with an option for an additional 15-year renewal. This extension positioned the City to qualify for grants and other funding opportunities to invest in the buildings and grounds. With this change in place, the City passed a bond in 2015 for \$3.6M and received an additional \$414,150 Community Development Block Grant through the State of Washington for needed infrastructure and deferred maintenance improvements. Also, in 2015 City officials determined that extensive repairs were needed to the Mountain View Campus. Phase I repairs included the complete replacement of two giant propane boilers used to heat the pool and the rest of the buildings as well as the outdated HVAC system needed an overhaul. As well as the roof on the old elementary school needed replaced. \$2.5 million was spent between replacing the boiler units, HVAC upgrades and the new roof on just one of the buildings.

The remaining funds from the 2015 bond and CDBG grant were used for the Phase III repairs. The repairs included construction of an ADA ramp and new accessible doors that serve the pool restrooms and main entrance to the buildings. Remodeling of Foodbank, Working Image, and Police station offices. Remodel to include electrical, plumbing, and other interior needs. Phase III also included repainting of the exterior of the buildings and a new fire alarm system.

On September 1st, 2017, the City of PT and the PTSD entered into 15-year lease agreement expiring on August 31, 2032. With this agreement it was determined that the sub-lease agreements the City has with New Image, Foodbank, and the Red Cross would be extended 10 years set to renew in 2029. In 2018, the City accepted a donation for the expressed purpose of creating a fenced dog park and completed the effort in August 2019. In 2022 the Port Townsend Pickleball Club raised funds to

resurface the Mountain View public pickleball courts, as well as adding new nets and posts. In addition, the group is planning on adding a new playable fence to increase the quality of the game.

Pope Marine Building- Owner City of Port Townsend

More information is needed for this facility.

2022 siding assessment was conducted by Terrapin Architects to determine the costs and repairs for the deteriorating siding on the waterward side of the building.



Outstanding Repairs: Exterior siding on the waterward side, interior floorboards, windows, HVAC, exterior deck boards, and structural bracing underneath is beginning to rot.

Cotton Building- Owner City of Port Townsend

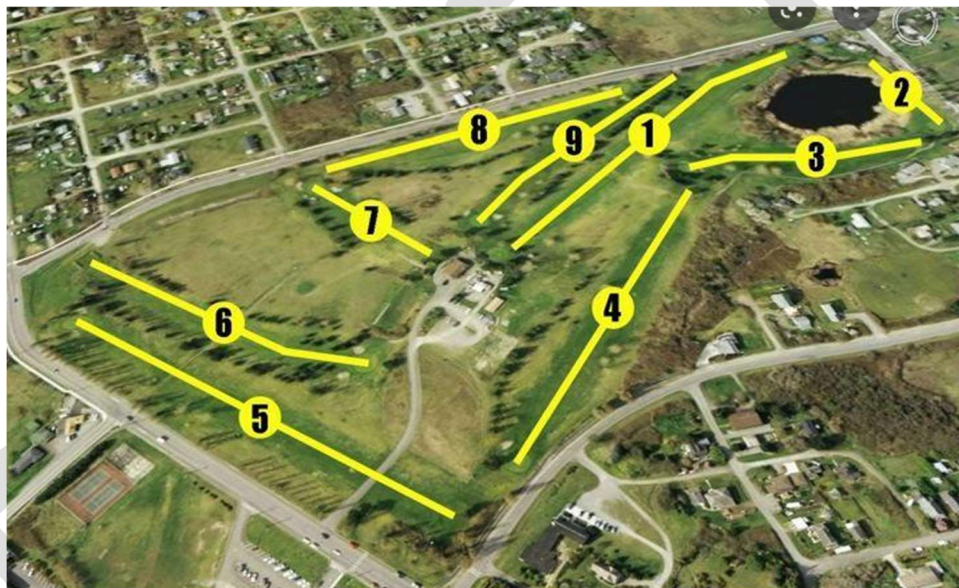
BARTLETT/COTTON BUILDING 607 Water St. built in 1888 by Charles C. Bartlet was a three-story, one bay brick building. In 1889, the first tenant was the Bartlett House, considered as the focal point of the city. It had a saloon, wine parlor, clubrooms, cigars, and sporting newspapers. In 1932, Water Street Garage took over and then in 1939 Olympic Pile Driving Company office and later, the Cotton Corporation (George Cotton) stayed until 1974. In 1955, George Cotton removed the top two floors, which needed repair after a windstorm caused irreparable damage. The City of Port Townsend Police Department moved to the site in 1975 until moving to Mountain View Campus in the early 2000's.



The Cotton Building renovation project had its genesis in the planning to relocate the Police Department away from the Downtown Historic District waterfront and its associated tsunami and seismic hazards. It was recognized that the Department had to continue to operate effectively during an emergency event that may otherwise destroy the Police operations center and restrict access to/from the rest of the City. The move of the Police Station raised the question of what to do with the Cotton Building. The historic character of the building precluded its demolition so a plan for an alternate use was pursued, but it was clear that the unreinforced masonry building needed structural improvements to make it safe for continued use.

In 2010 the building was completely renovated for city, civic and community uses. The project was funded through a 2008 City Council bond, along with funds from the Washington State Military Department, FEMA and the Department of Ecology. The initial total project cost with construction, design, overhead and technical support came in at \$980K. Once construction and demolition began in the fall of 2009 it became apparent that the condition of the building was far worse than anticipated. Issues developed around the rotting floorboards, crawl space, lead based paint and additional asbestos were found in the ceiling, roof, floor and walls. Unknown until the time of demolition were four large underground fuel tanks which were half full at the time.

Outstanding repairs: Depending on the outcomes of an assessment, the rubber membrane roof will need to be replaced in the next five years, estimated to cost \$75K. Brick and mortar work on the waterward side.



Golf Course- Owner City of Port Townsend- Leased to Gabriel Tonan in 2021 for a three-year contract.

The Port Townsend Municipal Golf Course was developed in 1904 and includes a regulation-length 9-hole course, driving range, maintenance buildings, and clubhouse with a commercial kitchen for restaurant services, and retail sales. The Golf Course, once privately owned and operated, was converted to a public course in 1927 and first administered by Jefferson County but is now owned and operated by the City of Port Townsend. The City leases the Golf Course to a local business for management and operations. When converted to a public course, there were deed restrictions on the property. There is a deed restriction that the largest parcel will be used for municipal purposes only.

According to a recent study completed by the National Golf Foundation (NGF) in 2019, the NGF found that the facility is challenged by its declining physical condition and somewhat remote location which limits its potential market support. NGF has estimated that it would cost \$935,000 - \$1.2M to bring it up to standard to attract more visitors and become a viable Golf Course. The upgrades would include

improvements to the irrigation system and pump house (\$735,000), tree and stump removal, purchase of appropriate maintenance equipment (\$120,000), clubhouse repair, and course repair. Based on this analysis, the City Council at the time decided not to pursue the recommendation because of the cost for both the capital and operations.

Port Townsend Golf Course has historically used an average of 9 million gallons per year of treated drinking water from the Big and Little Quilcene Rivers for irrigation. In 2002 Port Townsend applied for a ground water right water of 150 gallons per minute with a maximum annual withdrawal of 34 acre-feet to irrigate 35 acres of the city-owned golf course. A 10" well was converted to 105' feet in 2017/2018 and a pump and controls were installed in 2022. The cost to develop the well was \$450,000. The well will also serve as an emergency water supply if the city's Olympic Gravity Water System is not functional.



Library - Owner City of Port Townsend

The historic Carnegie Library building is a jewel in the community. The library is the most frequently and heavily used City facility. The Port Townsend Public Library was established in 1898 by a group of "leading community ladies." By 1913 they had acquired the land, secured City funding, and received a grant from the Carnegie Library Foundation to construct a new building in keeping with Carnegie architectural design standards of the period. The Port Townsend Carnegie Library served its community so well that a 4,500 sq. ft. addition was added in 1990 to accommodate the high volume of use that continues to increase significantly each year. In 2014 a major renovation was completed. Click [here](#) to view a slideshow of the project.

Read [A Source of PT Pride](#) -- History of the Port Townsend Carnegie Library by Pam McCollum Clise for more in-depth history of the library and historic Carnegie building. From the library's website <https://ptpubliclibrary.org/library/page/history-library>

This beloved building is in great condition given its age. Nevertheless, several repairs are needed including replacement of the HVAC system which experiences problems every winter season and the anticipation of replacement of the elevator. The addition of an AC unit would help address equity issues for the community during a time of climate change. The annex part of the building is still waiting for much needed window replacements. The bathrooms are also waiting to be remodeled. Permits and

plans for the windows and bathrooms have been issued and completed and the library is waiting to hear back about a Department of Commerce Library Capital grant to help with the costs. Along with this grant, funds from ARPA, the Foundation, and bond proceeds are planned for this project. The Carnegie building needs to be included in an overall building assessment to ensure that preventative maintenance is not overlooked in order to preserve this beloved community treasure for another one hundred years into the future.

Project History:

1990 - Annex addition. This project modernized and doubled the square footage of the library with a single level structure attached to the Carnegie building. Major site work created the current parking lots and sidewalks around the building. The annex currently houses the bulk of the library collections (fiction, nonfiction, A.V. YA, Large Print), circulation and staff work areas and teen-room.

2009-2012 Combined structural retrofit to life safety standard and nonstructural retrofit of shelving systems. \$598,089 total project costs. FEMA funded seismic upgrades to the Carnegie building. New roofing for the Carnegie building in 2013. Carnegie historic window restoration and storm windows.

2012 – Pink House interior renovations. Large scale interior work was completed to make the Pink House downstairs into two public meeting room and presentation spaces. The work included bathroom renovations, kitchen renovations, wall and fireplace removal, new carpeting, electrical work, painting, trim, and furniture – complete interior renovations.

2014 Library Renovations – New carpet throughout building, new paint (interior and exterior throughout), power/data improvements for public computers and staff work areas, ADA bathroom improvements, automatic door openers, new signage, new shelving, and library furniture, wall removal to open circulation and work areas, new built-in countertops and shelving for staff work room. Fire and panic alarms installed. Extensive landscaping work.

2014/2015 – Pink House and Carnegie room presentation and programming space creation. Work included new integrated projectors and podium, screens and speakers, wiring work and data.

2017 – Historic rock wall fronting Lawrence Street restored. Also, concrete work was completed to fix Carnegie exterior stairs and handrails. Carried over front the 2014 project list but scaled back from original plans which would have rebuild the Carnegie stairs instead of repairing.

2017 – New Annex roof completed, carried over from 2014 project list.

Outstanding Repairs: Elevator replacement, HVAC Unit, Annex windows, public restroom upgrades.



Charles Pink House- Owner City of Port Townsend

The Charles Pink House is a unique asset for the library. Constructed in 1868 in the Late Greek Revival style of architecture, it is one of the last remaining houses of its kind in the state. Built by Horace Tucker, who is known for building many of the oldest houses in Port Townsend, the house was purchased by Charles Pink in 1874. The house remained in the Pink family for the next 92 years. In the late 1880s the Pink family expanded the house, rebuilding the porch and adding Victorian bays. Near the turn of 20th century, the house was once again renovated, with the original pillars and front doors replaced by substitutes in the style of the Arts and Crafts movement that was popular at the time. These changes made the Pink House a unique building architecturally in Port Townsend. Because it was difficult to peg down as an example of a specific style, the house sat neglected for most of the latter half of the 20th century.

The City of Port Townsend purchased the Pink House in 1981 for the purpose of serving as an expansion to the adjacent Carnegie Library. Because of difficult economic times, the City lacked the funds to rebuild the dilapidated structure. In exchange for a complete restoration of the building, the City gave a long-term lease on the building to [Little and Little Construction](#). After a massive renovation, the building was leased out until 2003 when the lease expired, the City regained control of the building. It then served as the administration house for the local fire department. The library took over the house in 2007 and uses it to supplement the Carnegie Library. First floor program and meeting spaces and second floor offices give the library needed flexibility in offering services to the public.

In 2012 the Pink House underwent another renovation, this time focused on making the first floor interior spaces better suited for public programming and meetings. The project included interior wall removal and structure repairs, fireplace removal and chimney repairs, bathroom and kitchen renovations, new carpet, paint, flexible furniture and technology systems for presentations. 2018/19 saw the [restoration of the of the rock retaining wall](#) fronting Lawrence and Harrison Streets. Much care was taken with this project by reusing the historic rocks from the original wall that fallen over the years.

The Pink House is listed as a secondary building in the Port Townsend National Historic district. A secondary ranking indicates a building with moderate historical or architectural qualities which have

maintained good integrity. The Pink House has been a constant reminder to everyone who travels Lawrence Street of the origins of Port Townsend.

Currently the exterior of the Pink House is in dire need of repairs. The siding, soffits, roof, porches and trim all have reached their limits and are fading quickly in our damp climate. The library hopes to secure funding through grants, donations and City support to continue the legacy of the Pink House for future generations.

More on the library's website <https://ptpubliclibrary.org/library/page/history-charles-pink-house>

2014/2015 – Pink House and Carnegie room presentation and programming space creation. Work included new integrated projectors and podium, screens and speakers, wiring work and data.

2022 – Pink House new carpet downstairs, and new blackout curtains.

2022- Terrapin Architect completed siding and fascia assessment.

Outstanding project: Charles Pink House needs replacement siding, roof, gutters, fascia, and front porch. Also new exterior paint and roofing.

DRAFT

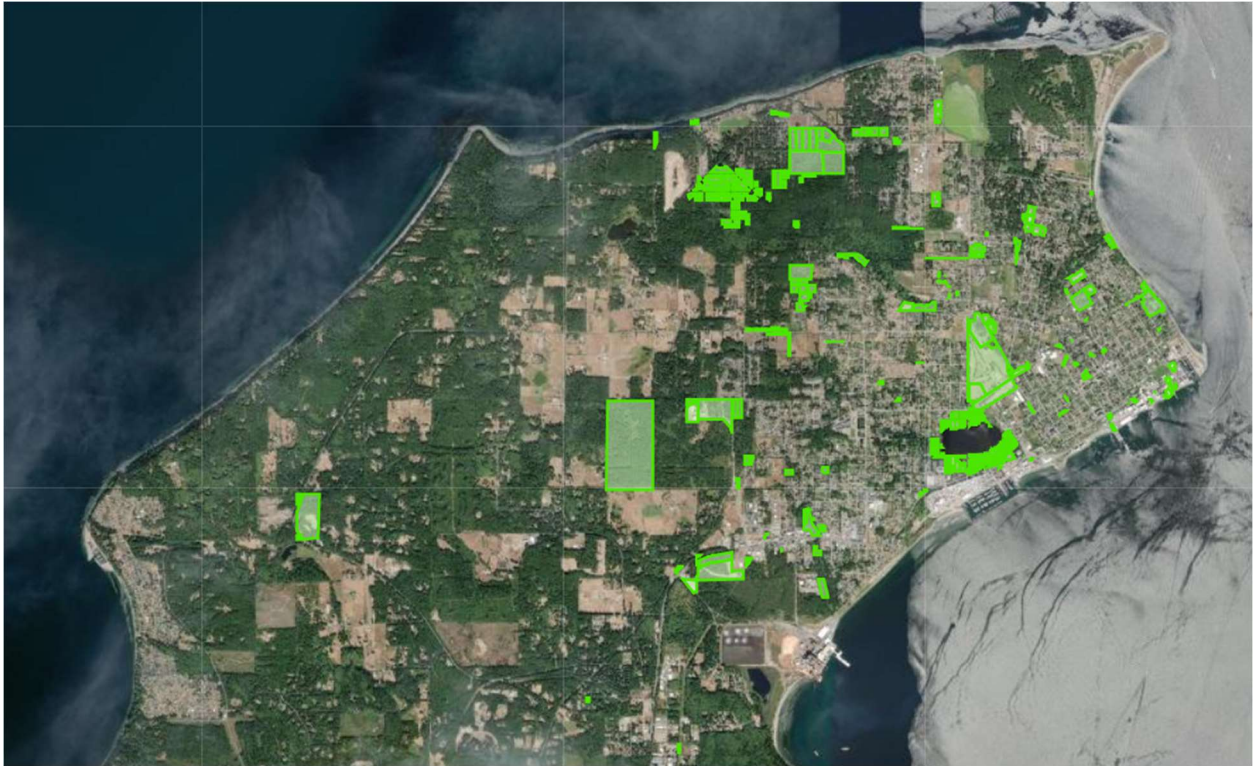


Public Works Shops- Owner City of Port Townsend

Located at 1818 Beach Street, this site houses the Public Works Department, Fleet Department, Storm Water and Admin offices. The Main Public Works Shop building features an attached open-air canopy, storage mezzanine, automotive lifts, mechanics shop, and storage area. The City shops was constructed in an old city gravel pit around 19___. The facilities are aging and in poor condition. Two modular units serve as office space. The City has explored in the past relocating City Shops to the Water Treatment Facility located on 20th Street. Relocation would allow for the property at the current location to be cleared on surpluses for housing or another use. No further plans have been developed, other than when the Water Treatment Facility was constructed, space was set aside for the possibility of relocating City shops. The next step in vetting a plan for relocation would be to do a schematic design process which would quantify the space needs and provide a rough layout of buildings while establishing an approximate cost estimate and ensuring feasibility.

DRAFT

City owned property



Caption from the City's Public Transportation Map Illustrating City Real Property Ownership

The City owns a considerable amount of property. Properties included as part of the City's park system are addressed in the parks section of this plan. Properties owned by utilities that have improvements on it are addressed in the respective utilities section of this plan. The remaining properties are included in this plan as an inventory. Because property represents generally a non-depreciating asset, it is a source of capital funds. Properties also carry liabilities of maintenance for weed control, vegetation management, and camping control. The City created an inventory of properties suitable for affordable housing as formalized in Resolutions 09-035, 10-024, and 15-018. A most recent acquisition of property was made with grant funding for housing and is included in the housing section of this plan.

Other properties remain in the City's inventory that are encumbered by critical areas or are isolated without formal access to utilities and roadways. An inventory identifying 157 properties was performed dating back to 1999. A current assessment of City property ownership identifying usable property and those that need to remain in open space would be of value to assist with stewardship of the public's resources.

Art

The City owns public art and also facilitates the display of art on loan. An inventory the City’s art collection is below. Installation of new art is generally funded by grants, through the community, or through the 1% for the arts program. Chapter 3.50 PTMC establishes a public arts policy for the visual, written, and performing arts. This chapter also establishes a funding source for the creation of art in the amount of 1% of the capitalized cost of the project. Chapter 3.50.030 defines exemptions and clarifications for how capital is determined. The primary factor impacting the amount of funds generated through this program is the exclusion of grants, utility projects, and repair projects. Eligible capital projects dedicate 1% of the capitalized costs to the art fund to be used for art or artwork as part of the projects. A potential source for increased funding for the arts is to include utility projects within the definition of capitalized costs.

Port Townsend also has a Creative District named by the Washington State Arts Commission in 2020. The Port Townsend Creative District encompasses Downtown, Uptown, and Fort Worden with the intent of supporting the creative economy.

The help steward the City’s art collection and participation in the arts, an Arts Commission was created through Chapter 3.50.050 PTMC. The Arts Commission's mission, as an appointed City Commission, is to facilitate public arts programs that enhance the cultural life of community residents. The Arts Commission promotes and encourages public programs to further the development and public awareness of and interest in the arts and acts in an advisory capacity to the City government in connection with the artistic and cultural development of the City. Members are selected based on their knowledge and expertise with respect to the performing, visual and literary arts.



In the PROS Plan the Port Townsend Arts Commission prepared a Public Art Plan adopted by the City Council in 2019. The plan serves as a guide to sites for their readiness and appropriateness to site art. Each site evaluated was rated based on: Readiness of location based on current zoning and development. Viability and appropriateness for public art. Each site was then rated either as a site ready within the short-term or long-term or as not recommended. Sites can be re-visited regularly. Of 70 survey sites, the Public Art Plan identifies 26 that are suitable in the short term. Beyond the site suitability each piece of art will come with its own set of requirements around infrastructure, safety, maintenance and security. The sites in the categories were not ranked in the plan. Below is a list of the sites that immediately overlap with the City’s Park inventory:
 Long-term: City Entrance Triangle Park III at Kearney/Sims Way Short Term: Chetzemoka Park Kah Tai Lagoon Nature Park Larry Scott Memorial Trail and Port Wetlands Mountain View Commons Port Townsend Golf Course Tyler Street Plaza



City of Port Townsend Public Art

Title	Artist	Location	Year	Maintenance Plan	Notes	WCIA schedule
<i>Boundary Markers for Puget Sound</i>	Sara Mall Johani	Taylor Street near Union Wharf	1996	Maintenance info provided in email from Dan Groussman on 2/11/22.		N
<i>Chief Chetzemoka</i>	Dick Brown	Golf course	1996	Made of bronze – refer to info for Georgia Gerber piece.	Artist passed away in 1998.	Y
City Hall railing	David Eisenhower (discs) and Steve Lopes (fabrication) based on Russell Jaqua design	Front lobby of City Hall	2005	Steve Lopes recommends carnauba paste wax (used in auto waxing) if needed.	David Eisenhower will look at railing and let the City know if any maintenance is required (May 2021).	Y
<i>Courting Guillemots</i>	Tony Angell	By the Northwest Maritime Center	2014	Contacted artist through website April 2021; no response yet.	Agreement for Commissioned Artwork dated May 12, 2014. Installed by Greenstone Landscaping (Aragorn Deane).	Y
<i>Galatea & Haller Fountain</i>	Mark Stevenson and David Eisenhower (1993 version); original artist unknown	Bottom of Taylor Street stairs on Washington Street	1993 (original version 1893)	No written plan. Maintained by City Parks Dept. Mark Stevenson provided general information on statute composition and water valve replacement in June 2021.	Emailed both artists June 2021; response from Mark.	Y
<i>Great Blue</i>	Matt Babcock	Taylor Street by Community Center	2014	City has maintenance plan from artist.	Clock repaired in 2021.	Y
<i>Leafwing</i>	Russell Jaqua	Larry Scott Trail near Boat Haven	2006	City has maintenance plan from Willene Jaqua McRae and Jim Garrett.		Y
<i>For Willene</i>	Russell Jaqua (installed	Visitors' Information Center	Installed in 2019	City has maintenance plan from Willene Jaqua McRae and Jim Garrett.	Donation agreement with Willene Jaqua	Y

	by Jim Garrett)	Plaza on Sims Way			McRae dated January 18, 2017 and Installation contract with Garrett Metals dated July 12, 2019.	
<i>Milestones : Stream of Consciousness</i>	Sara Mall Johani	Three locations on F Street; one on Discovery	2002	Maintenance info provided in email from Dan Groussman on 2/11/22.		N
<i>Quimper Coho</i>	Max Grover	Children's section of the library	2002	"Don't put it outside. Dust it."	May not meet criteria for public art in Public Art Policy.	N
<i>Salish Sea Circle</i>	Gerard Tsutakawa	Pope Marine Plaza	2011	Youtube video transcribed by Dan Groussman July 2021.	Agreement for Commissioned Artwork dated 2010	Y
<i>Two Cats from Clinton</i>	Georgia Gerber	Outside library entrance	1992	General information on bronze care provided by artist's husband, Randy Hudson.		N
Public art not owned by City						
Creative District art markers	Jonah Trople	Two downtown, two in Uptown, one at Fort Worden	2021	N/A	Commissioned, owned, and maintained by Port Townsend Main Street Program	N/A
Girl with the Wheel Barrow	Jim Davidson (mass produced)	Gateway Park	Installed by Soroptimists 2006	N/A	Considered a park memorial by City, not public art. Owned and maintained by the Soroptimists (License Agreement 2/26/07).	N/A
Heron weather vane	Russell Jaqua	Haines Place Park & Ride	1995	N/A	Commissioned by JTA through Port Townsend Arts Education Center; Park & Ride	N/A

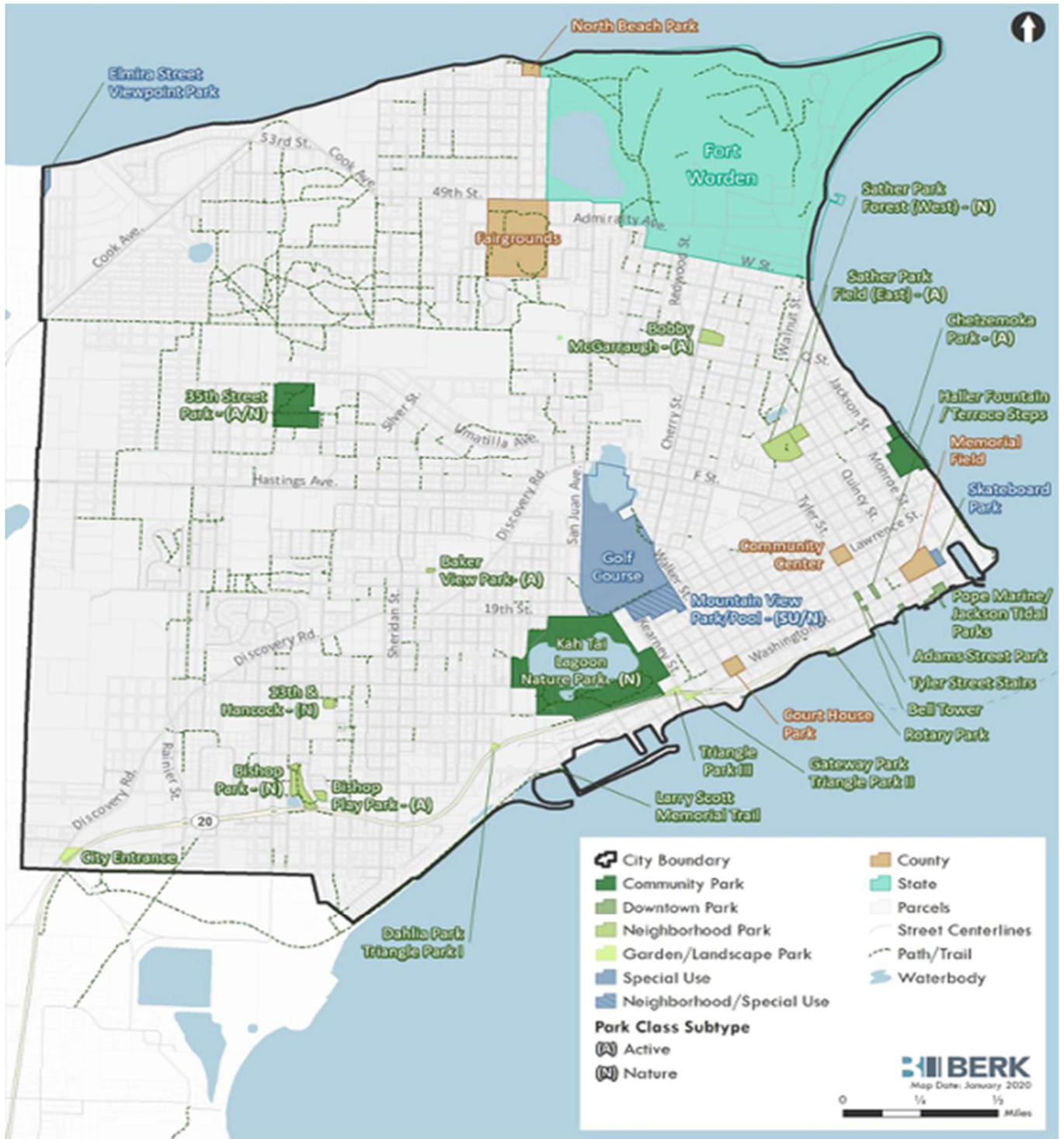
					facility designed by Yvonne Pepin Wakefield (according to Willene McRae)	
<i>Memory's Vault</i>	Richard Turner (poetry by Sam Hamill)	Fort Worden	1988	N/A	Owned by WA State Parks & Recreation Commission	N/A
Totem pole	Jamestown S'Klallam Tribe	NWMC (corner of Water & Monroe)	2019	N/A	Owned by the Maritime Center	N/A
Other City-Owned Art or Installations						
Kah Tai Community Tiles	Yvonne Pepin & community members	Kah Tai restrooms	1985			N
<i>Wave Viewing Gallery</i>		Covered deck structure behind Cotton Building			Formerly listed as public art along with <i>Tidal Clock</i> , which was deaccessioned and removed in 2011/2012.	Y

The anticipated capital improvements for the facilities section of this plan are as follows: Many placeholders are presented in this table as a facilities assessment is needed to more accurately define capital investment amounts and timing for each building.

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
Windows & Restroom Rehab	Grant, Bond, ARPA	100,000						100,000	
Facilities Strategic Management Plan	ARPA	75,000						75,000	
Upgrades Phase III, & Carpet 1,3 floor	ARPA	400,000						400,000	
								-	
Subtotal Funded		575,000	-	-	-	-	-	575,000	-
Unfunded									
Mountain View									
Mountain View Campus Assessment	Gen Fund, REET	30,000						30,000	
Campus Redevelopment	Gen Fund, Bond, Grant			10,000,000				10,000,000	
Mountain View Pool Roof Assessment	Gen Fund, REET	10,000						10,000	
Mountain View Pool Roof Replacement	Gen Fund, REET				200,000			200,000	
Mountain View Pool Liner Replacement	Gen Fund, REET				75,000			75,000	
Mountain View Boiler Pipe Replacement	Gen Fund, REET						1,000,000	1,000,000	
Parking Lot Resurfacing	Gen Fund, REET						150,000	150,000	
City Hall								-	
City Hall Phase Space Upgrades IV	Gen Fund, REET						500,000	500,000	
City Hall Elevator Replacement (1)	Gen Fund, REET			200,000				200,000	
City Hall Carpet	Gen Fund, REET	-							
Exterior Brick and Mortar Work	Gen Fund, REET					75,000		75,000	
City Hall Roof	Gen Fund, REET						250,000	250,000	
Library								-	
Charles Pink House Roof Assessment	Gen Fund							-	
Siding/Roof/Gutters/Porch Replacement	Gen Fund, REET		250,000					250,000	60,000
Library HVAC Upgrades	Gen Fund, REET					200,000		200,000	
Library Elevator Replacement (1)	Gen Fund, REET					200,000		200,000	
Pope Marine Building Siding	Gen Fund, REET			60,000				60,000	
Public Works Shops	Gen Fund, REET								
PW City Shop Pre-design	Gen Fund, REET				250,000			250,000	
PW City Shop Maintenance Buildings	Gen Fund, REET							-	15,000,000
Bell Tower Repairs/Painting	Gen Fund		15,000					15,000	
Cotton Building									
Cotton Building Roof Assessment	Gen Fund, REET		2,000					2,000	
Cotton Roof Replacement	Gen Fund, REET					75,000			
Cotton Sound Control	Gen Fund, REET			100,000				100,000	
Water Barn Repairs	Gen Fund, REET					100,000			
Land	Gen Fund, REET								
Art	Gen Fund, REET								
Energy Retrofits	Gen Fund, REET								
Subtotal Unfunded		40,000	267,000	10,360,000	525,000	650,000	1,900,000	13,567,000	15,060,000
Total Projects		615,000	267,000	10,360,000	525,000	650,000	1,900,000	14,142,000	15,060,000

Facilities (Buildings)

Parks and Recreation



The purpose of a capital facilities plan for parks is to identify priority investments to sustainably maintain safe and accessible parks throughout the City. In addition, it allows the City to accommodate projected population growth in accordance with the growth management act (GMA) of Washington State.

The City's Parks, Recreation and Open Space Plan (PROS plan) is used as a guide to identify and plan for these priorities. It is required to be updated every six years. The latest adoption was in March 2020. The Comprehensive Plan Capital Facilities Element provides a level of service for parks in two parts:

1. 7.6 acres/1000 population and
2. Local service standards for equitable access, distribution and function as outlined in the PROS plan.
 - A. Provide parks and recreation facilities within a 10-minute walk (approximately a half mile, 0.5) to reach over 90% of Port Townsend's population by 2036. Currently, based on the Trust For Public Land's Park score, about 68% of current Port Townsend residents are within a 10-minute walk of a park. This objective would increase the percentage of residents with equitable access over the Comprehensive Plan period.
 - B. Ensure parkland within a 10-minute walk meets minimum standards for the park classification.
 - C. Prioritize neighborhoods with higher concentrations of families with children or seniors living alone.
 - D. Target filling of gaps in central and western city limits by 2036

From the current identified gaps in the PROS plan, the following is a list of CFP projects that need to be prioritized.


1. Land Acquisition, development of parks: central and western Port Townsend.
2. Trail connections, open space connections, trail improvements:
 - a. Near Fairgrounds – 49th and San Juan Avenue
 - b. Discovery Road – West of Sheridan
 - c. SR20/Sims Way – West of Sheridan
 - d. Improvements at Lary Scott Trailhead and better wayfinding from ferry.
 - e. City Watershed – Connect to Olympic Discovery Trail
3. Improve amenities within trails
4. Kah Tai Lagoon Rehabilitation
5. Port Townsend Golf Course, Mountainview Commons concept planning and subsequent development.
6. Master Plan for 35th street park and subsequent development
7. Improvements at Bobby Mcgarraugh Park, including play and fitness, trails, restrooms, ADA, upgraded
8. Connected trail loop

Projects that provide capacity at existing parks, allowing more people to enjoy Port Townsend Parks include:

1. Improvements at Kah Tai Lagoon to increase passive recreation opportunities, improve existing facilities and conduct habitat restoration.
2. Improvements to picnic shelters, restrooms, and repairs to slope erosion at Chetzemoka Park.
3. Longer-term improvements across the system to improve parks consistent with concept plans or minimum classification standards.

Currently, the City has primarily funded its parks and recreation services through the Community Services Fund, which includes revenues from property taxes, sales taxes, utility taxes, and transfers from the General Fund. As the Community Services Fund also funds other City services, demand for resources is competitive and may be constrained in the future. To mitigate the risk of constrained resources on delivering parks and recreation services, the City is looking for ways to identify and pursue alternative parks and recreation funding sources.

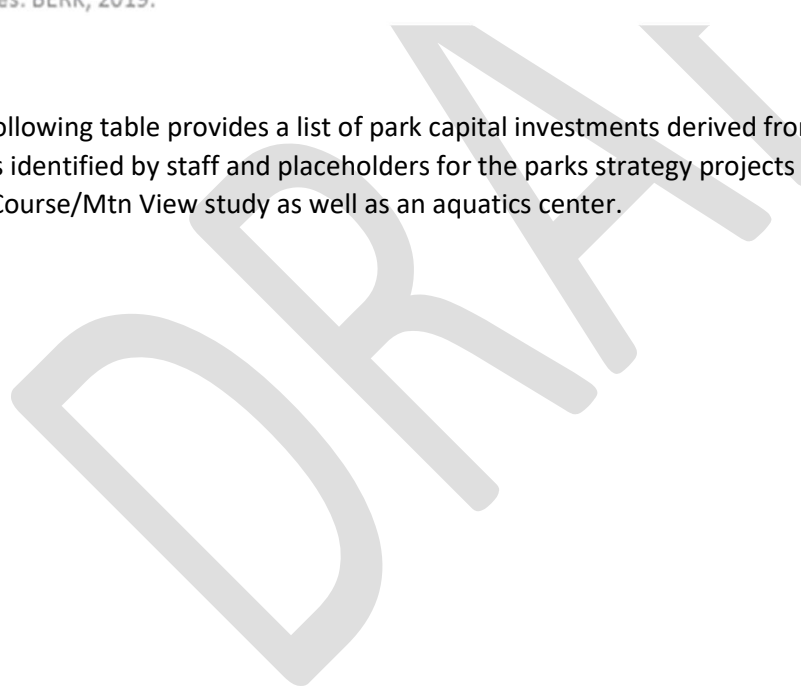
Funding Source	Magnitude	Feasibility	Flexibility	Notes
Current Available Options				
Real Estate Excise Tax	▲ \$100,000s	▼	▬	<i>capital only; currently earmarked for debt payment</i>
Motor Vehicle Fuel Tax	▼ \$1,000s	▼	▼	<i>paths and trails; currently used for transportation projects</i>
Utility Taxes	▲ \$100,000s	▼	▲	<i>politically unfeasible</i>
Property Tax from Fire District Annexation	▲ \$100,000s	▬	▬	<i>capital only (2012-2023; then unrestricted)</i>
Possible Future Options				
Grants	▲ \$100,000s	▲	▬	<i>often require matching funds</i>

Funding Source	Magnitude	Feasibility	Flexibility	Notes
Parks Impact Fees	 \$10,000s			<i>capital only; Council action required</i>
Metropolitan Parks District*	 \$1,000,000s			<i>vote required</i>
Parks Levy	 \$1,000,000s			<i>vote required</i>
Financing Options				
Parks and Open Space GO Debt	 \$1,000,000s			<i>vote required; capital only</i>

Notes: *An MPD could be formed for multiple purposes (construction and operate a pool; general parks functions) and within either the City or a combination of City and County. Financing options do not represent new revenue but are mechanisms to move money through time.

Sources: BERK, 2019.

The following table provides a list of park capital investments derived from the PROS plan along with needs identified by staff and placeholders for the parks strategy projects currently underway for the Golf Course/Mtn View study as well as an aquatics center.



PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
Chetzemoka Kitchen Shelter	ARPA, Donations	100,000						100,000	
Kah Tai Nature Park Redevelopment	RCO, REET	23,500	23,500					47,000	
Golf Course Master Plan	REET2	125,000						125,000	
Wellness Center (Pool)	RCO, REET, Bond,	30,000						30,000	
Subtotal Funded		278,500	23,500	-	-	-	-	302,000	-
Unfunded									
Wellness Center (Pool)	RCO, REET, Bond,		50,000	10,000,000				10,050,000	
Chetzemoka Park									
Chetzemoka Master Planning	Gen Fund		40,000						
Erosion and ADA Repairs	RCO, REET, Bond,							-	500,000
Chetzemoka Open Air Shelter Replacement	Gen Fund				100,000			100,000	
Restroom Replacement	Gen Fund			250,000				250,000	
Maintenance Shop Replacement	Gen Fund						300,000	300,000	
Bobby McGarraugh Park									
Bobby McGarraugh Park Master Plan	Gen Fund		25,000					25,000	
Bobby McGarraugh Park Revitalization	RCO, REET, Bond,			400,000				400,000	
Golf Course								-	
Reversioning and Redevelopment	RCO, REET, Bond,		2,000,000		2,000,000		2,000,000	6,000,000	
Adams Street Park Irrigation Replacement								-	
Bishop Park								-	
Bishop Park Master Planning	Gen Fund		25,000					25,000	
Redevelopment/ Sims Way	RCO, REET, Bond,				500,000			500,000	
Howards End Trail/ Wet Lands								-	
Howards End Master Planning	Gen Fund						25,000	25,000	
Howards End Redevelopment	RCO, REET, Bond,								200,000
Skate Park Resurfacing	Gen Fund							-	350,000
Tyler Street Stairs Railing Replacement	Gen Fund		20,000					20,000	
35th Street Park									
35th Street Park Master Planning	Gen Fund			25,000				25,000	
35th Street Redevelopment	RCO, REET, Bond,						300,000	300,000	
Landscape and Tree Removal	Gen Fund		50,000					50,000	
Dog Park Improvements	RCO, REET, Bond,				350,000				
Land/Park Aquisition Opportunity Fund	RCO, REET, Bond,		50,000	50,000	50,000	50,000	50,000	250,000	5,000,000
Buildable Lands & Open Space Plan	Gen Fund	50,000							
Subtotal Unfunded		-	2,260,000	10,725,000	3,000,000	50,000	2,675,000	18,320,000	6,050,000
Total Projects		278,500	2,283,500	10,725,000	3,000,000	50,000	2,675,000	18,622,000	6,050,000

Parks

Utilities

City utilities of wastewater, water, stormwater, and garbage collection are enterprise activities within the city structure. Enterprise funds must operate on a cost neutral basis. This means that rates are set to ensure that costs are covered. Part of covering costs, includes investment in capital infrastructure. Typically, utilities are infrastructure intensive such as with the Water Treatment Facility, Wastewater Treatment Plant, Compost Facility, and miles of pipe. Typically, the City adopts periodic updates to utility plans and follows up with rate studies to ensure that funding meets projected expenses. The rates are balanced with the needs to operate the system and invest in capital. The Capital investments included in this Capital Facilities Plan is based on the investments included and funded from adopted rates generated from rate studies.

Waste Collection Services

The City currently contracts with Olympic Disposal to provide waste collection services. A new contract went into place in 2020 and expires in 2030. The new contract includes rates that upgraded equipment and individual carts. The services include pickup of Trash, Recyclables, and Yard Waste. No specific capital improvements are included in this plan at this time. However, the City may want to consider the following topics concerning waste collections.

- The City currently leases Big Bellies for downtown at a cost of approximately \$25,000 per year. This lease includes maintenance and capital. Additional Big Bellies may be helpful in controlling trash overflows as they include a solar operated trash compactor within them.
- The end of Tyler Street at the foot of the Tyler Stairs is a problem area for waste collections. PT Main Street and businesses often complain about the look and congestion of multiple cans. The most effective solution would be to install a joint use trash compactor. This could be funded by the City, Waste Connections, and the business owners. Typically they are funded by the businesses. The cost for a compactor is on the order of \$150,000.
- The City has numerous garbage receptacles throughout town. These are unique and decorative and developed by a local foundry. These cans will need to be replaced or rehabilitated at some point. Staff estimates that there is at least 5 years of life remaining.
- Jefferson County is currently going through the process of planning for an upgrade to the existing transfer station on Jacob Miller Road or new transfer station at a different location. The city is a large user of this station and thus, there may be a request for city participation in funding the transfer station. This could come in a cash contribution or through our contracted tipping rate fees.

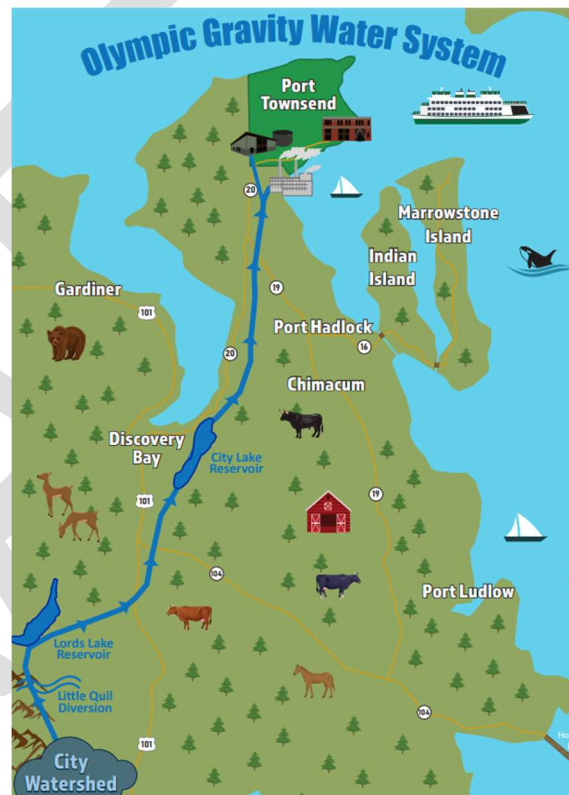
Olympic Gravity Water System

The OGWS, supplied by surface water diversions on the Big Quilcene and Little Quilcene Rivers, is the sole source of supply for the city of Port Townsend and the Port Townsend Paper Corporation. Thirty

miles of transmission pipeline deliver raw water to the city and paper mill via Lords Lake and City Lake Reservoirs. The city of Port Townsend and paper mill have a historical partnership dating back to 1928 with the mill being responsible for the operation and maintenance of the diversions, reservoirs and transmission system. Negotiations for a new 20-year water supply agreement in 2021 continued the mill's responsibility for the operation and maintenance of system but established a cost-of service approach to funding operations and maintenance of the Olympic Gravity Water System as well as funding capital replacement of the aging infrastructure. This arrangement is documented in a Water Supply Agreement between the City and the Port Townsend Paper Corporation.

The 30-mile transmission pipeline is by far the largest individual asset in the OGWS system and is approaching its expected end of useful life. Approximately one third of the pipeline is 94 years old while the remaining pipeline between 50-77 years old. Assessing useful remaining life is critical budgeting and planning purposes. A comprehensive pipeline condition assessment will be performed to determine the maximum useful life and replacement schedule. The pipeline also needs additional cathodic protection improvements to reduce corrosion and extend its life.

The water supply agreement established raw water rates for a five-year period beginning April 1, 2022. Rates are per thousand gallons of usage based on an analysis of the cost of service over a 20-year period. Cost of service includes a forward projection of operations, maintenance, and capital costs. Annual revenue from raw water consumption for the first five-year period was estimated to be \$4.5 million from the Mill and \$450,000 from the city's retail water system. The rate model will be updated every five years to establish rates for the following five-year period. The capital spending plan will be updated at the same time as the rate model. The rate model does not contemplate that the city will issue any OGWS debt in the next 20 years and that any capital costs will be paid from revenues received by the OGWS fund. In lieu of debt, the city will fund capital costs using the capital sinking fund approach to build OGWS reserves to an amount sufficient to fund the capital costs identified in the capital spending plan. The OGWS fund shall maintain a minimum balance of \$2,000,000 to provide for emergency repairs.



PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
Pipeline and Appurtenances									
Easement Survey Marking (2042)	Raw Water Rates							-	96,882
Vegetation clearing - contracted	Raw Water Rates	79,877						79,877	223,728
Road maintenance	Raw Water Rates							-	81,195
Culvert replacement (5 culverts per 5 years)	Raw Water Rates				29,264			29,264	121,294
Land swaps - easement right purchases (2051)	Raw Water Rates						249,338	249,338	
Air Valves and Boxes (25)	Raw Water Rates				146,322			146,322	
Pipeline Condition Assessment	Raw Water Rates	150,000	399,552					549,552	
Cathodic Protection	Raw Water Rates	154,428						154,428	
Phase 1 (High Pressure Sections)	Raw Water Rates					800,000	800,000	1,600,000	27,312,803
Steel Pipe Replacement (1928) Phase 2	Raw Water Rates							-	21,412,839
Install Drain Valve at Woodsman Gulch	Raw Water Rates	8,000							
Reservoirs									
Lords Lake Security Cameras	Raw Water Rates	1,800						1,800	
Lords Lake Seismic Assessment Carry Over	Grant, Raw Water Rates	75,000						75,000	
Lords Lake East Dam Rehabilitation	Grant, Raw Water Rates		200,000	200,000	4,448,177			4,848,177	
City Lake Fencing Replacement (2041)	Raw Water Rates							-	187,756
Lords Lake Fencing Replacement (2041)	Raw Water Rates							-	187,756
City Lake House and Outbuildings (2036)	Raw Water Rates							-	982,182
Diversions									
Replacement of Control Valve Building and Control Gate	Raw Water Rates	125,000						125,000	
Big Quilcene Diversion House and Buildings (2036)	Raw Water Rates							-	678,300
Equipment									
Tractor and Implement Replacement	Raw Water Rates	49,000						49,000	
Truck Replacement (3)	Raw Water Rates			148,000				148,000	
Spare Parts									
Pipe (4 sections 24" diameter, 1/4" thick, 20' length)	Raw Water Rates	22,962						22,962	
Pipe (4 sections 30" diameter, 1/4" thick, 20' length)	Raw Water Rates	34,454	57,416					91,870	
Subtotal Funded									
		700,521	656,969	348,000	4,623,763	800,000	1,049,338	8,170,591	51,284,735
Unfunded									
Develop Hydro Generator for Big Quilcene Residence		20,000							
Subtotal Unfunded									
		20,000							
Total Projects		720,521	656,969	348,000	4,623,763	800,000	1,049,338	8,170,591	51,284,735

Olympic Gravity Water System

Water

Periodically, the City adopts a water system plan update outlining the condition of the existing system and planning for the future consistent with the City's Comprehensive Plan. In this plan, a capital improvement plan is outlined to project for the capital needs of the system. The water system plan can be viewed on the City's website at <https://cityofpt.us/citycouncil/page/city-plans>. A general overview of the water system is as follows:

An ultrafiltration membrane filtration system with chlorine disinfection treats raw surface water to drinking standards. After treatment, a 5-million gallon reservoir and 1-million gallon standpipe provide required storage while serving different elevations zones within the service area. The city maintains approximately 110 miles of distribution pipelines delivering water to over 5100 service connections. In addition, the city maintains over 756 fire hydrants and 1800 valves as part of the distribution system.

The priority for Water Distribution capital improvements during this planning period will be the replacement of aging distribution system waterlines. Funding will be significantly less than what is ultimately needed for pipeline replacement at the end of anticipated useful life. Focusing main replacement activities on the sections of pipeline in the poorest condition and on those that are known to have substantial leakage can maintain the overall distribution system in a good serviceable condition.



Water utility revenues fully support capital infrastructure and operations of water treatment and distribution. Monthly base rates include a fixed operation and maintenance rate and a capital surcharge based on meter size for water service inside City limits. The capital surcharge was adopted to pay for a new water treatment facility and 5-million gallon reservoir, which cost more than \$24 million. Water service for customers outside the city limits is based on the same fees at a 20 percent higher rate. Utility rates vary on income level, meter size, type of service and are based on usage per 1,000 gallons.

The city also charges a water system development charge (SDC). The one-time new customer SDC is assessed based upon the customer's fair and equitable share of the general water facilities. The SDC is determined by multiplying the total number of equivalent residential units (ERUs) based on meter size for the service(s) to be installed. The city may allow deferral of payment of SDCs for a private or public nonprofit organization which is developing or constructing low-income single-family housing units for low-income individuals or families.

The financial health of a utility may be judged by employing four financial viability tests including operating cash reserves. Reserves must be greater than one eighth of annual operating expenses. According to the DOH Financial Viability Manual, operating expenses do not include debt or capital costs. The rate model shows the city expects to maintain a minimum of 60 days of operating expenses each year over the 2019-2028 planning period.

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
OGWS Master Water Meter Installation Carry Over	Rates	125,000						125,000	
Pacific & Spruce Carry Over	Rates							-	
Water Main Replacements & Upgrades	Rates	200,000	100,000	200,000	200,000	200,000	200,000	1,100,000	2,000,000
Standpipe Painting and Corrosion Protection	Rates	140,000	750,000					890,000	
Discovery Road Carry Over	Rates								
2023 Ford Ranger Adding New Vehicle	Rates	35,000						35,000	
Water Meter Replacement and Upgrades	Rates			438,247	321,437	321,437	321,437	1,402,560	321,437
Filter Membrane Replacement	Rates					328,687		328,687	
Master Water Plan Update	Rates						100,000	100,000	50,000
Subtotal Funded		500,000	850,000	638,247	521,437	850,125	621,437	3,981,247	2,371,437
Unfunded									
Solar Roof at Water Treatment Fac.	Grant				750,000				
Subtotal Unfunded		-	-	-	750,000	-	-	-	-
Total Projects		500,000	850,000	638,247	1,271,437	850,125	621,437	3,981,247	2,371,437

Water Distribution and Treatment

Wastewater

The City of Port Townsends wastewater handling involves 3 distinct areas. 1. Collection system, all the pump stations and pipes that transport sewage to the Treatment Plant. 2. The Wastewater Treatment Plant where the sewage gets treated and made safe to put back into the environment. 3. The Composting Facility where three waste streams (bio-solids, septage, and yard waste) are combined to make an extremely useful and beneficial product that we are able to sell to the public and use in many areas around the City.

A Few Places Around Town Where Our Compost Has Been Used



Our Current WWTP was constructed in the early 1990's and as a tribute to its designers, the people who built it, and the operators who have kept it going since, the facility has not had to have any major repairs and except for a new chlorine storage tank, we have not had to replace any of the major components that make up the Treatment Plant. It has done an exceptional job of living up to its design and potential, however, it is really starting to show its age. As pointed out in the Jacobs report and will show in the new sewer plan there are some big areas of the Plant that will need some attention very soon. When a treatment plant is designed it is designed for a 20-year life and we are currently beyond 30. One pressing area we need to look at very soon is our SCADA system, or electronic communication between different pieces of equipment, as you can imagine there have been a few changes in electronics since 1990 and new parts for our system are not being made so we must look at the used market to get repair parts for what we have. That market will end one day. Many of the original pumps and other equipment are still in use today, yet they are operating on borrowed time.



The Composting Facility was constructed at the same time as the WWTP. It was designed as a way for The City to manage its own bio-solids and be a place for Jefferson County to have the required place to manage septage that gets pumped in Jefferson County. The Compost facility has seen a few upgrades since it was built but it is also running on the original SCADA system and still has a lot of original equipment that needs to be looked at getting replaced.

The Wastewater System report history includes:

- 2000 General Sewer Plan
- 2009 Southwest Basin Sewer Study
- 2012 Mill Road Lift Station Study

- 2019 Jacobs “Port Townsend Condition Assessment Summary Report” 9/11/2019

An update to the general sewer plan is currently underway. The City hired an engineering firm (RH2 Engineering) to do the work of studying our current condition of the collection system, treatment facility, along with the Composting Facility. While this process is underway, the Washington State Department of Ecology has issued a new Nutrient General Wastewater NPDES discharge permit on dischargers to the Salish Sea. Work has been added to study the plant and figuring out optimization necessary to meet these new permit requirements. Another addition was Jefferson County also wanted to take an in-depth look at our ability to be able to increase the amount of septage that could be brought to and treated at the Compost Facility so, they gave us some additional funds to have RH2 look at that also. With the additional work we added to them RH2 is looking at completing the new sewer plan update by the end of 2023. This new and updated sewer plan will give a roadmap to work from for the next 20 years including anticipated new capital plan and rates. All the assessments that the Jacobs report listed will be done by RH2 as part of their looking into improvements and repairs that need to be done at the WWTP.

Kuhn St House:



Built in 1901 the Kuhn Street house known as the Wastewater Treatment Plant office building was an old two-story home that has been converted to serve as office space. Major renovations include heat pump replacement in 2019 and new roof was added in 2020. Outstanding repairs- Exterior decking needs replaced along with siding is showing signs of rot. Carpet and windows are also showing their age. The Kuhn St House is separated from the Wastewater Treatment Plant by a right of way. The right of way cannot be vacated as it accesses a shoreline of the State. The City may want to consider selling the Kuhn Street House as a source of capital for the sewer system and use the proceeds to purchase land nearby for future expansions. This question will be evaluated as part of the General Sewer Plan update.

Wastewater Collection

The city maintains more than seventy-seven miles of sanitary sewer lines, has 120 manholes, 6 lift stations, and 3 emergency generators.

The City’s maintenance program is intended to avoid or minimize problems that can occur in the system and to keep it running efficiently as possible. The city is responsible for the sewer main lines and the business/homeowner are responsible for their sewer service line, or side sewer. This runs from the main

line connection to the residence/business. Annual Maintenance: Each year, the Public Works crews clean approximately one-quarter of the City's sewer lines. Cleaning begins in the Fall and is completed by the end of November. Some of the lines are cleaned more frequently to keep them functioning properly. The sewer lines are cleaned with a cleaning nozzle that is propelled from one maintenance hole to the next using water under high pressure (1,500 to 2,000 PSI). The nozzle is then pulled back to the starting maintenance hole. As the nozzle is pulled back, water scours the inside of the sewer pipe. Any debris in the pipe is pulled back with the water. The debris is removed from the maintenance hole with a vacuum unit. If roots are found, they are cut with a root cutter. The city cleans and root cuts any problem areas one to two times per year. City sewer lines requiring a higher level of maintenance are cleaned annually or semi-annually. Much of the aging sewer lines are clay and are in need of replacing or relining. Sewer pipe retrofits can be done by using in-situ cast in place liners if done before the pipe collapses. The General Sewer Plan may recommend an annual investment in lining sewer pipes.

Given the General Sewer Plan is under development, this year plan includes placeholders for investments anticipated and based on information already gathered. Staff anticipates significant revisions to the Wastewater section of this plan next year when the rate study is completed.

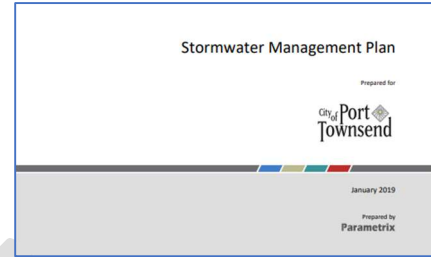
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PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
New Outfall	Rates, Loan	100,000	3,400,000					3,500,000	
Eng. Report for WWTP Upgrades	Rates		140,000					140,000	
General Wastewater (Annual)	Rates	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000	
Maintenance Holes	Rates	100,000	100,000	100,000	100,000	100,000	100,000	600,000	
Mill Road Lift Station	Rates, Grant		1,700,000					1,700,000	
Carry forward Discovery Road	Rates								
Carry forward for Gen. Sewer Plan	Rates	50,000						50,000	
Nutrient Study Carry Forward	Grant	15,000						15,000	
Additional Pickup	Rates	40,000							
Subtotal Funded		505,000	5,540,000	300,000	300,000	300,000	300,000	7,205,000	
Unfunded									
Pipe under Belt press replace	Rates		150,000					150,000	
Mill Road Lift Station	Grants, LFC		2,500,000						
New Influent PS Coating System	Rates			315,000				315,000	
Headworks Plastic Liner Repair	Rates			210,000				210,000	
Secondary Clarifier Mechanism Recoating	Rates			350,000				350,000	
Concrete Launder Coating	Rates			105,000				105,000	
Instrument Replacement	Rates		70,000					70,000	
PLC Replacement	Rates		630,000					630,000	
UPS Replacement	Rates		14,000					14,000	
VFD Replacement	Rates		105,000					105,000	
Flow Meter Replacement	Rates		14,000					14,000	
Arc Flash	Rates		42,000					42,000	
Non-Pot pump rebuild	Rates		40,000	40,000				80,000	
Emergency Generator for Monroe	Rates, FEMA				400,000				
Slip lining of main lines	Rates			300,000		300,000		600,000	3,000,000
Placeholder for WWTP Upgrades	Grants, Loan, Rates							-	
Nutrient System Upgrades	Rates							-	
Kuhn St. House Siding and Windows	Rates		60,000					60,000	
Kuhn St. House Deck	Rates		10,000					10,000	
WWTP expansion land purchase	Rates				1,200,000			1,200,000	
Sewer Trunkline extensions placeholder	Grant, Loan, LFC, LID		300,000	300,000		300,000		900,000	
Inflow removal (ie Lawrence ST)	Grant, Loan, Rates					750,000		750,000	5,000,000
COMPOST FACILITY									
Placeholder for expansion	Rates, SDC						1,500,000	1,500,000	
Placeholder for septic (Jeff Co.)	Jeff. Co., Fees						2,500,000	2,500,000	
Placeholder for Mech. Sys. Repl.	Rates						1,000,000	1,000,000	
Subtotal Unfunded		-	3,935,000	1,620,000	1,600,000	1,350,000	5,000,000	10,605,000	8,000,000
Total Projects		505,000	9,475,000	1,920,000	1,900,000	1,650,000	5,300,000	17,810,000	8,000,000

Wastewater Treatment and Sewer Collections

Stormwater

The City's stormwater system consist of a combination of stormwater collection pipes, roadside ditches, rain gardens, stormwater drainage corridors, and storage facilities such as Froggy Bottoms and Kah Tai Lagoon. A complete description of the City's stormwater system is included in the Stormwater Management Plan adopted in 2019.



The City's stormwater utility funds maintenance and operations of the stormwater system and just a small amount of capital. Several investments have been made recently utilizing economic development loans and grants. The Regional Stormwater Facility completed in 2021 receives reimbursement funding as development occurs in the Rainier Subarea. The reimbursements were established as mitigation fees by Ordinance 3267. The current rate for 2023 is \$1.26 per square foot of impervious area. These rates increase annually by the CPI.

Beginning in 2024, the City will become an NPDES Phase II community meaning the City will be required to be permitted under the General Permit for Western Washington. Complying with these permitting requirements will put additional strain on the stormwater utility. In 2023 a rate study and plan for compliance with the General Permit will need to be performed in preparation for the first NPDES permit cycle.



The following capital investments are based on estimates in the current rate study. The current rate study runs out in 2024. Unfunded estimates of future water quality grants are included based on funding becoming available associated with becoming an NPDES Phase II community.

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
General Stormwater Capital (Annual)	Rates	50,000	50,000	50,000	50,000	50,000	50,000	300,000	
Pacific and Spruce Carry Over	Rates							-	
Lawrence Carry Over	Rates								
2023 Banked Capacity projects storm portion	Rates	251,970							
Discovery Road Carry Over	Rates								
16th Sheridan to Landes	Rates		210,000					210,000	
Center Street	Rates					400,000		400,000	
Lawrence	Rates						850,000	850,000	
Basin Planning	Rates				50,000			50,000	
Capital Plan per Rate Model to 2039	Rates							-	2,200,000
								-	
Subtotal Funded		301,970	260,000	50,000	100,000	450,000	900,000	1,810,000	2,200,000
Unfunded									
Placeholder for Water Quality Imp.	Grants, Rates				500,000		500,000	1,000,000	2,000,000
								-	
Subtotal Unfunded		-	-	-	500,000	-	500,000	1,000,000	2,000,000
Total Projects		301,970	260,000	50,000	600,000	450,000	1,400,000	2,810,000	4,200,000

Stormwater

Transportation

The City's transportation system is one of the largest assets and liabilities in terms of infrastructure. Streets, Trails, and public right of ways serve numerous public purposes. Port Townsend has established values for right of way such as to support non-motorized interconnected networks through the non-motorized plan, open space, tree preservation, in addition to traditional uses for utilities and streets.

The City is in the process of developing a Comprehensive Streets Program intended to develop an investment strategy balancing the demands for investments in the Streets and right of way networks. Note, that unimproved trails are part of the City's Parks Plan and are considered recreational assets even though they are often used for transportation purposes. With the development of a Comprehensive Street program, the City anticipates identifying funding sources to make investments in the City's street system. The condition of the City's streets is very poor due to the lack of investments dating back to Initiative 695 in which transportation funding from the State was severely reduced.

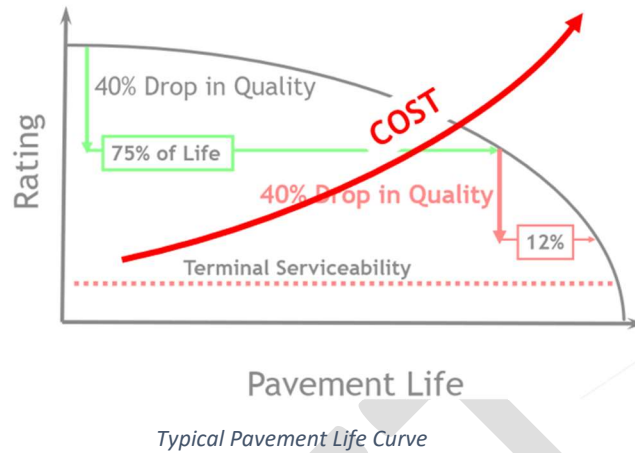
The Transportation Section is broken down into three sections to define how funding is typically allocated to streets.

Streets Maintenance

The city maintains over 81 centerline miles of streets in the City Limits as outlined below.

- City Streets (Excludes Fort Worden and Port, Includes Driveways in ROW): **98.18 Miles**
- City Streets (Excludes Fort Worden, Port & Driveways in ROW): **92.37 Miles**
- Paved Streets (Excludes Fort Worden and Port): **83.41 Miles**
- City Maintained Paved Streets (Excludes Fort Worden and Port): **77.85 Miles**
- Privately Maintained Paved Streets (Excludes Fort Worden and Port): **5.56 Miles**
- SR 20: **2.8 Miles**
- Gravel Streets (Excludes Fort Worden and Port, Includes Driveways in ROW): **14.77 Miles**
- City Maintained Gravel Streets (Excludes Fort Worden, Port & Driveways in ROW): **3.52 Miles**
- Total City Maintained Streets (Excludes Fort Worden, Port & Driveways in ROW): **81.37 Miles**

Maintenance of City Streets is generally not classified as capital as it includes pavement patching, vegetation control, striping, plowing, sweeping, signing, lighting and more. However, how the City maintains a street impacts capital investments in terms of rebuilding streets and performing major repairs which then become classified as capital and demand a much greater level of investment. The figure below illustrates how costs go up significantly at about a 40% drop in street quality or condition.



One of the purposes of the Comprehensive Streets Program is to review how the City maintains streets to lessen capital burdens later.

Presently all, street funding goes to the maintenance budget excluding a small portion going toward debt service.

Capital purchases that will support streets maintenance includes equipment purchases such as a 10 CY dump truck, a small roller for patching, and pavement hot box. These capital requests are in the 2023 budget proposal in the fleet section of the plan.

Pavement Rehabilitation and Preservation

Presently, the City does not have a sustainable funding program to perform preventative work on streets. The only work done on streets in the last few years has been associated with large grant funded projects such as Discovery Road. Pavement preservation includes practices such as chip seal, pavement overlays, shoulder and drainage repair. Pavement rehabilitation means that the street requires complete rebuilding or special treatments that are more expensive than pavement preservation.



This year's capital plan includes a place holder of \$1 million per year for pavement preservation and rehabilitation.

Street Improvements

Street improvements are defined as making improvements to the transportation system. These improvements may improve mobility, facilitate ADA accessibility, improve safety, and address aesthetics and stormwater runoff. The City is required by the State of Washington to submit annual a Six Year Transportation Improvement Plan (STIP). Street improvements are identified in this plan in order to be eligible for grant funding and to provide a long term outlook of the City’s transportation improvement needs. The STIP can be used to establish transportation minor needs such as pavement preservation and small improvements such as traffic calming in addition to larger road reconstruction projects such as Discovery Road. The Council adopts the STIP every July and therefore, it is included in this plan by reference.

The following table is a summary of all streets needs as adopted in the STIP and projected costs for pavement rehabilitation and preservation.

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
2023 Banked Cap. Street Repair	2023 Banked Capacity	868,000						868,000	
Discovery Road Carry Forward	Grants, REET, Loan, Storm							-	
Pacific and Spruce	2022 Banked Capacity	72,881						72,881	
9th St. Sidewalk	2022 Banked Capacity	212,500						212,500	
Lawrence ADA Upgrades	2022 Banked Capacity	55,000						55,000	
Discovery Rd Grant to Sheridan	HSIP	50,000	183,000					233,000	
Kearney Street Carry Forward	STP Federal Funds	426,400						426,400	
								-	
								-	
Subtotal Funded		1,684,781	183,000	-	-	-	-	1,867,781	-
Unfunded									
Annual Rehab. and Preservation	TBD, Prop. Tax, Gen. Fund		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	14,000,000
Six Year Trans. Imp. Plan	Grants, Gen. Fund,		300,000	1,070,000	1,824,000	1,874,000	81,809,000	86,877,000	
								-	
Subtotal Unfunded		-	1,300,000	2,070,000	2,824,000	2,874,000	82,809,000	91,877,000	14,000,000

Streets

Fleet (Equipment Repair and Replacement)

In July 1974, the Port Townsend City Council adopted Ordinance 1712 to establish an Equipment Repair and Replacement Fund (ER&R). The purpose of the fund is to maintain, repair & replace City vehicles and auxiliary equipment. The fund charges the appropriate department/fund annually based on expenses incurred two years prior for maintenance of equipment. The fund also charges depreciation for equipment based on an estimated life and replacement value to replacement of vehicles. By using the Equipment Rental Fund, the City developed an efficient, streamlined and coordinated method of dealing with vehicles and large pieces of equipment.

When equipment is up for replacement or equipment repair costs become too high, the fund generally has accumulated enough capital over its life to replace the equipment. Equipment may be purchased earlier or later than initially scheduled due to the specific circumstance surrounding the equipment. Equipment that is not replaced may incur additional repair expenditures, experience increased breakdowns causing delays and become a safety issue for the City.

The City of Port Townsends Fleet Maintenance Division maintains over 100 pieces of equipment for ten different departments. The Division provides multiple services including asset management, fleet replacement planning and purchasing, vehicle specification, used vehicle sales and maintenance. Repair work includes police cars, backhoes, dump trucks, pickups, mowers, portable equipment, welding and metal fabrication. The Division also conducts repairs back-up generators at several facilities. Replacement schedules for vehicles are influenced by industry standards, but are also based on other variables. Vehicles are also evaluated in replacement based on classes of standard replacement, such utility trucks (pickups) which are set up on a 15-year replacement schedule. The amount of replacement dollars invested is tracked by fund in order to prevent mixing of utility and general funds.

In 2019, the City made a significant change to the replacement portion of the ER&R fund by removing general fund vehicles from the replacement funding schedule. This move was made to save the General Fund operating costs of paying for vehicle replacement. A full description of the change is included on the City's website at this City Council presentation link:

https://cityofpt.granicus.com/MetaViewer.php?view_id=4&clip_id=1803&meta_id=159039

Given, general fund (ie police, parks, engineering, planning, facilities) do not have replacement dollars in the fund and are not saving for replacement, the City will need to generate large amounts of capital to replace these vehicles as one-time purchases. This approach is generally unsustainable in that large capital expenditures for fleet is challenging to budget.

Given the history of the fleet replacement policies, two tables have been created. The first table represents fleet capital within the replacement program and the second table provides fleet needs for departments outside of the fleet replacement program. It is noted that the replacement portion of the ER&R fund does not have enough capital for upcoming replacement needs and thus includes an unfunded section.

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
Streets									
2023 10yd Dump Truck Replacing #54	ERR	300,000						300,000	
2024 P/U 3/4Ton Replacing #45	ERR		40,000					40,000	
2027 IR Roller Replacing #41	ERR					60,000		60,000	
Replacing #52 10% Facilities	ERR		150,000					150,000	
Streets/Storm									
Grader Replacing #27	ERR			375,000				375,000	
2023 Street Sweeper Replacing #43A	ERR	425,000						425,000	
New Holland Mower Replacing #24	ERR						80,000	80,000	
Streets, Sewer, Storm									
2024 5yd Dump Truck #70	ERR		300,000					300,000	
2024 Ford Ranger Replacing #77	ERR		35,000					35,000	
2025 Ford Ranger Replacing #18	ERR			35,000				35,000	
Streets, Sewer, Storm and Water Distribution									
2028 Internationa Dump Replacing #46	ERR						300,000	300,000	
Miller Tilt Deck Trailer	ERR		40,000					40,000	
Water Distribution									
2023 P/U W/Service Body Replacing #61	ERR	60,000						60,000	
2024 Ford Ranger Replacing #88	ERR		35,000					35,000	
2025 Backhoe 310D Replacing #48	ERR			150,000				150,000	
Biosolids									
2024 Screen Replacing #128	ERR		275,000					275,000	
2024 F-150 Replacing #122	ERR		40,000					40,000	
2025 F-150 Replacing #55	ERR			40,000				40,000	
2027 Mixer	Biosolids					100,000		100,000	
2028 Loader Replacing #151	ERR						250,000	250,000	
2026 f-250 Replacing #22	ERR				36,000			36,000	
Water Quality									
2024 Ford Ranger Crew? Replacing #67	ERR		38,000					38,000	
2025 Ford Ranger Replacing #152	ERR			35,000				35,000	
Sewer Collections									
Sewer TV Trailer #10	ERR		\$ 33,407					\$ 33,407	
Subtotal Funded		785,000	986,407	635,000	36,000	160,000	630,000	2,932,407	-
Unfunded									
Truck 15 YD Box Replacing #122DT	ERR		\$ 350,000					\$ 350,000	
WD 2024 Vactor Replacing #42A	ERR		\$ 500,000					\$ 500,000	
Streets/Storm Kick off Broom	ERR		\$ 70,000					\$ 70,000	
S.S.S.WD 544G Loader Replacing #20	ERR		\$ 250,000					\$ 250,000	
Subtotal Unfunded		-	1,170,000	-	-	-	-	1,170,000	-
Total Projects		785,000	2,156,407	635,000	36,000	160,000	630,000	4,102,407	-

Vehicle Replacements Included in the ER&R fund

PROJECT NAME	Source of Funds	2,023	2,024	2,025	2,026	2,027	2,028	Total (2023-2028)	2029+
Funded									
(2) Police Cars	ARPA, Reserves	170,000						170,000	
Subtotal Funded		170,000	-	-	-	-	-	170,000	-
Unfunded									
Replacing #317 & #314	Reserves	150,000						150,000	
Replacing #321 & #328	Reserves		150,000					150,000	
(2) Police Cars Replacing #318 & 300	Reserves			150,000				150,000	
(2) Police Cars	Reserves				150,000			150,000	
(2) Police Cars	Reserves					150,000		150,000	
(2) Police Cars	Reserves						150,000	150,000	
Police Fusion Chief Car Replacing #322	Reserves			30,000				30,000	
Police Ford Ranger Replacing #324	Reserves	35,000						35,000	
Police SUV Tahoe Replacing #329	Reserves				100,000			100,000	
Police SUV Escape Replacing #327	Reserves						30,000	30,000	
Police Malibu Replacing #323	Reserves						30,000	30,000	
Parks F-150 Replacing #11	Reserves	35,000						35,000	
w/dump Replacing #131	Reserves	50,000						50,000	
Parks/Bio/Streets Kubota/Brush Hog	Reserves		10,000					10,000	
Parks Ford Ranger Replacing #19	Reserves				35,000			35,000	
Parks F-250 Replacing #306	Reserves		40,000					40,000	
PWA 2024 SUV or p/u Replacing #94	Reserves		32,000					32,000	
PWA Hybrid or EV Replacing E1	Reserves		30,000					30,000	
PWA Hybrid or EV Replacing E2	Reserves		30,000					30,000	
PWA Explorer Replacing #303	Reserves						40,000	40,000	
Facilities Ford Ranger Replacing #145	Reserves		35,000					35,000	
Facilities Ford Ranger Replacing #123	Reserves			35,000				35,000	
DSD Ford Ranger Replacing #101	Reserves	35,000						35,000	
Library Car? Replacing #119	Reserves		35,000					35,000	
Subtotal Unfunded		305,000	362,000	215,000	285,000	150,000	250,000	1,567,000	-
Total Projects		475,000	362,000	215,000	285,000	150,000	250,000	1,737,000	-

Fleet Needs with No Funding for Vehicles Outside of the ER&R fund

Information Technology

The purpose of the I.T. Equipment Rental & Replacement Fund (ITERRF) and the I.T. Operations & Maintenance Fund (ITOMF) is to manage replacement and maintenance funds to ensure sufficient monies are available when needed. The ITERRF and ITOMF are designated as Internal Service Funds with three major functions. The Replacement function supports the process to provide for replacement of assets. The Administration function supports asset and operations management. The operations function supports maintenance and intergovernmental activities.

During the budget process, the Information Technology Services Department will establish reserves for the replacement of assets.

1. Replacement charges are generally calculated based on the estimated cost of each equipment category, its useful life, and the anticipated replacement value. Replacement rates are sometimes adjusted for special purposes. Departments will be charged based on number of equipment. A calculation model shall be used to track each individual asset and determine the appropriate replacement charge.
2. Replacement rates may be adjusted when the useful life of an asset is changed, or the cost of the replacement asset is significantly higher or lower than the norm.
3. Assets acquired for service by means other than purchase (e.g. lease) will have a replacement rate established like a purchased asset and will require Finance approval for replacement at the time of acquisition.

The Finance Department and Information Technology Services Department will establish rates for various operational costs and services provided by the approved budget of the Information Technology Services Department. The ITOMF will be used to account for operations and maintenance charges.

1. ITOMF maintenance rates will be established to recover 100% of the actual direct and indirect costs (e.g. Salaries, operational expenses, etc.). Rates will be adjusted during the budget process and mid-year review based on the fund balance if revenue exceeds or is below needs.
2. Each department will be charged based on the number of pieces of I.T. equipment assigned to them in the ITERRF, along with an allocation for citywide shared equipment. The allocation will be calculated by the model.

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded		86,500	40,000	60,000	60,000	60,000	60,000	366,500	
ERP Upgrade, 4-5 year cycle	IT-ERR	70,000	70,000	70,000	70,000	70,000	70,000	420,000	
Upgrade Laserfiche	ARPA	25,000						25,000	
Upgrade SQL Server	ARPA	15,000						15,000	
								-	
Subtotal Funded	\$ -	196,500	110,000	130,000	130,000	130,000	130,000	826,500	-
Unfunded								-	
access points for City Hall		30,000						30,000	
big screen, upgrade recording equipment &		35,000	35,000					70,000	
Modernize stairwell switch room		50,000						50,000	
Subtotal Unfunded	\$ -	115,000	35,000	-	-	-	-	-	-
Total Projects	\$ -	311,500	145,000	130,000	130,000	130,000	130,000	826,500	-

Figure 1

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Housing, Economic Development, and the Environment

This section of the plan captures capital associated with infrastructure that is often part of a larger community and regional program. These projects are often partnership projects and tend to address the most pressing social issues a community faces based on local, state, national, and world wide conditions.

The Funded list includes Evans Vista, Sims Gateway and Boatyard Expansion, Cherry Street-Carmel Building housing project, buildable lands inventory, and technology upgrades for more timely permit processing.

Evans Vista is an area owned by the City southwest of Rainier Street and Sims Way that is intended to be a demonstration project of mixed-use housing and commercial with a range of affordability pricing. This project is both supported by the Comprehensive Plan Housing Element Implementation Strategy No. 8 and 9 as well as the Rainier Street Subarea Plan.

The Sims Gateway and Boatyard Expansion will modify the Sims Gateway subarea to achieve several goals: 1) improve electrical utility safety, 2) remove and replace nonnative tree species with a new native tree standard 3) increase size of Port of Port Townsend boatyard thus expanding economic opportunity. This project originates from the Comprehensive Plan's Implementation Strategy, which requires review and modification of existing subarea plans.

The City and the Homeward Bound Community Land Trust entered into an agreement to deliver affordable housing with the refurbishment of the Carmel building that was barged from Victoria, B.C., in 2017 to be a demonstration project as encouraged in the Comprehensive Plan. The City took out an \$834,000 bond in 2018 to fund engineering, design, permitting, and pre-construction costs and then authorized a loan to Homeward Bound with anticipated repayment funded partly by the rent of those units. The project was plagued with unanticipated challenges and Homeward Bound agreed to exit the project. [The City subsequently authorized the transfer of ownership](#) to another party, Bayside Housing, to complete the project. Work was underway to proceed with the transfer, including advancing a number of land use actions including but not limited to work on easements, right of way dedication and permit review. Due to rising costs of construction and labor, Bayside Housing determined they were not longer able to take the project on. Since that decision in June 2022, the City has been working through a number of possible options and scenarios. Those were debuted at the [City Council workshop](#) on August 8, 2022. More evaluation and work are underway and a final decision will be made by City Council in the coming months.

The Comprehensive Plan Housing Element Implementation Strategy directs the City to assess the need for a residential buildable lands inventory. While GMA does not require Port Townsend to conduct its residential BLI at this time, a local update would provide valuable data to inform next steps. Although there appears to be more than enough vacant residentially zoned land to accommodate forecast population and housing growth over the next 20 years, it is likely that there is not enough immediately buildable (or shovel-ready) land served with infrastructure. Lack of shovel-ready sites is particularly problematic for higher density single- and multi-family development at locations proximate to multi-modal transportation and close to the urban core. Matching the capacity of the truly buildable land supply to specific categories of owner and rental demand by income/price level is pivotal to determine

whether, where, and how much land should be designated for higher density and more affordable housing. The proposed 2023 budget and CFP identifies \$60,000 for this project in 2023.

In 2025, the City will be required to conduct a Periodic Update of its Comprehensive Plan. In 2023, the Department of Commerce will provide a formulaic grant of \$125,000 once the City can complete its periodic checklist and scope of work. This will not be enough to complete the project. Additional money will be needed, that may be sourced from ARPA, to resurrect a lost long-range planning position for an up to two-year term. The position would assist with the Comprehensive Plan Update, managing grants, and would support housing policy and other long range planning projects.

Finally, in 2022 the City made investment to support technology upgrades to transition to paperless permitting to enhance predictable timely processing, and to ensure predictability and capability during the COVID-19 lockdowns and social distancing requirements. The City used ARPA funds to purchase Blue Beam Revu licenses for staff to markup development documents as well as a laptop computer so that the building inspector can update project records while in the field. Monitors to assist with digital review were also purchased. In 2023, the City is interested in further improving permit processing by purchasing an Application Programming Interface that would merge Blue Beam markup with its Smartgov Permit database (where workflow, documents, fees, and status are stored on a project that can be reviewed internally and to a certain extent, externally. This automates some of the manual steps that occur now during project review. The funding would also be used for an inkjet printer so that the Building Inspector can post site notices on the fly without returning to the office.

The Unfunded list represents community and Council support for 2023 Strategic Workplan projects. Though currently unfunded, this list represents potential budget impacts so that the City can seek various revenue sources such as grants. The list also represents action items and projects identified in the City's Comprehensive Plan, subarea plans, and functional plans.

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Funded									
Evans Vista - Plan and Entitlements	Jeff. Co. ARPA	500,000						500,000	
Sims Way Gateway and Boatyard Exp.	PIF, REET	150,000						150,000	
Cherry Street - Carmel Building	Bond	100,000						100,000	
Buildable Lands Inventory	Gen Fund	60,000						60,000	60,000
2025 Comprehensive Plan Update	Grants, Gen Fund, ARPA	125,000	75,000	75,000				275,000	
Tech. upgrades: Timely permit processing	ARPA	8,400	20,000				10,000	38,400	20,000
Subtotal Funded	\$ -	943,400	95,000	75,000	-	-	10,000	1,123,400	80,000

Housing, Economic Development and Environment

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Unfunded								-	
Economic Development								-	
Downtown Restrooms	LTAC, Sewer			750,000				750,000	
Visitor Center Restroom	LTAC, Sewer						500,000	500,000	
Thayer Street - Wash. to Sims	LID						500,000	500,000	
Review and Modify subarea plans (CP Land Use Element Implementation Strategy No. 6).	Gen Fund					250,000		250,000	
Electric Vehicle Charging stations	Grants, LTAC					500,000		500,000	
Bikeshare and scooters	Grants, LTAC					250,000		250,000	
Water walk - Urban Waterfront Plan	Gen. Fund, Grants						100,000	100,000	50,000
Childcare Facility Resources Support	Partnerships						500,000	500,000	
Facade Improvement Grants	Grants, LID, Partnerships						1,000,000	1,000,000	
Wayfinding and interpretive heritage signage improvements (CP Econ. Dev Implementation Strategy)	Gen Fund, LTAC, Grants						250,000	250,000	25,000
Downtown Market Study in conjunction with Main Street Program	Partnerships						100,000	100,000	100,000
Downtown Parking Management Plan (CP Economic Development Implementation Strategy No. 2)	Gen Fund, Fees				500,000			500,000	
Creative District	Grants							-	
Olympic Discovery Trail extension across City owned property	Grants, Partnerships						5,000,000	5,000,000	
Evans Vista Development Marketing			25,000					25,000	
seasonal weekday public produce market at old ferry dock on Quincy Street							25,000	25,000	5,000
Parking structure feasibility study downtown - Urban Waterfront Plan							200,000	200,000	
Identify needs and cumulative impacts of private ferry proposals with adequate parking							50,000	50,000	
Place utilities underground downtown.				100,000				100,000	
								-	
Environmental								-	
Sea Level Rise Action Plan	Grants, Gen Fund		250,000					250,000	
Work with Port to obtain grant funding for stormwater, flood, and economic dev projects	Stormwater Util, Econ. Grant, Partnership						50,000	50,000	50,000
Larry Scott Realignment around Boat Haven	Gen fund, Grants, Partnerships						2,000,000	2,000,000	
Climate Action Committee Action Plan Support	Gen fund, Grants, Partnerships							-	
Marketing and Coordination with other entities (CP Economic Development Implementation Strategy No.	Gen fund, Grants, Partnerships						100,000	100,000	

PROJECT NAME	Source of Funds	2023	2024	2025	2026	2027	2028	Total (2023-2028)	2029+
Housing									
Surplus City property for affordable housing	Gen Fund		50,000		50,000		50,000	150,000	300,000
affordable housing and workforce with infrastructure	Grants, Gen Fund						500,000	500,000	500,000
Implementation of up to two Tax Increment Financing Districts	TIF						1,000,000	1,000,000	
Support a Community Housing Land Trust (CP Housing Element Implementation Strategy No. 4)	Gen Fund, grants			100,000		100,000	2,000,000	2,200,000	300,000
Audit and adjust zoning code, design standards and fees to accommodate a variety of housing types (CP Housing Element Implementation Strategy No. 2)	Gen Fund, grants	100,000		100,000		100,000		300,000	100,000
Update Housing Assessment, Update Housing Action Plan	Gen fund, grants		75,000				75,000	150,000	100,000
Review and Modify existing design criteria (CP Land Use Element Implementation Strategy No. 3)	Gen Fund, grants		25,000		50,000			75,000	50,000
Accept stock plans for middle housing, waive plan review fee	Gen Fund	15,000	15,000	15,000	15,000	15,000	15,000	90,000	100,000
Research and develop a housing incentive program for new development or renovation of existing buildings	Gen Fund, grants			100,000				100,000	50,000
Explore public-private renovation project for Historic District upper floors to accommodate live/work housing	Gen fund, grants			50,000			50,000	100,000	50,000
Open space density transfers (transfer development rights)	Gen fund, grants		25,000				25,000	50,000	25,000
Subtotal Unfunded	\$ -	115,000	465,000	1,215,000	615,000	1,215,000	14,090,000	17,715,000	1,805,000
Total Projects	\$ -	1,058,400	560,000	1,290,000	615,000	1,215,000	14,100,000	18,838,400	1,885,000

Housing, Economic Development and Environment

Housing									
Surplus City property for affordable housing	Gen Fund		50,000		50,000		50,000	150,000	300,000
affordable housing and workforce with infrastructure	grants, Gen Fund						500,000	500,000	500,000
Establishment of up to two Tax Increment Financing Districts	REET						500,000	500,000	
Support a Community Housing Land Trust (CP Housing Element Implementation Strategy No. 4)	Gen Fund, grants			100,000		100,000		200,000	300,000
Audit and adjust zoning code, design standards and fees to accomodate a variety of housing types (CP Housing Element Implementation Strategy No. 2)	Gen Fund, grants	100,000		100,000		100,000		300,000	100,000
Update Housing Assessment, Update Housing Action Plan	Gen fund, grants		75,000				75,000	150,000	100,000
Review and Modify existing design criteria (CP Land Use Element Implementation Strategy No. 3)	Gen Fund, grants		25,000		50,000			100,000	50,000
Accept stock plans for middle housing, waive plan review fee	Gen Fund	15,000	15,000	15,000	15,000	15,000	15,000	90,000	100,000
Research and develop a housing incentive program for new development or renovation of existing buildings	Gen Fund, grants			100,000				100,000	50,000
Explore public-private renovation project for Historic District upper floors to accomodate live/work housing	Gen fund, grants			50,000			50,000	100,000	50,000
Open space density transfers (transfer development rights)	Gen fund, grants		25,000				25,000	50,000	25,000
Subtotal Unfunded	\$ -	115,000	465,000	715,000	115,000	215,000	1,990,000	5,390,000	1,805,000
Total Projects	\$ -	1,058,400	560,000	790,000	115,000	215,000	2,000,000	6,238,000	1,885,000

Housing, Economic Development and Environment

Impact Fees

If the City were to implement impact fees, RCW requires tracking of impact fees and annual reporting. This section is a place holder in case impact fees are utilized in the future. An impact fee analysis was provided to the City Council on in December of 2021 while adjustments were being made to the water connection fees. The following table illustrates a comparison of impact fees to other cities. Impact fees can be a revenue source for growth related impacts to parks, transportation, fire, and school public services.

	Util. System Dev. Charges				Impact Fees				Total
	Water	Sewer	Local Fac. Charge	Storm	Transp.	Fire	Parks	Schools	
Olympia	\$ 4,433	\$ 9,860	\$ 6,418	\$ 1,440	\$ 3,662	\$ -	\$ 5,581	\$ 5,448	\$ 36,842
Port Orchard	\$ 11,571	\$ 12,122	\$ 5,569	\$ -	\$ 4,977	\$ -	\$ -	\$ 1,371	\$ 35,609
Mount Vernon	\$ 7,530	\$ 7,859	\$ -	\$ -	\$ 5,292	\$ -	\$ 855	\$ 9,421	\$ 30,957
Bend, OR	\$ 5,857	\$ 5,223	\$ -	\$ -	\$ 8,543	\$ -	\$ 8,867	\$ -	\$ 28,490
Poulsbo	\$ 4,802	\$ 10,965		\$ 1,323	\$ 5,324	\$ -	\$ 1,248	\$ -	\$ 23,661
Sequim	\$ 8,184	\$ 7,548	\$ -	\$ -	\$ 2,491	\$ -	\$ 2,210	\$ -	\$ 20,433
Lacy	\$ 5,449	\$ 8,143	\$ 6,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,674
Chelan	\$ 11,926	\$ 5,531	\$ 1,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,427
Wenatchee	\$ 600	\$ 3,710	\$ 6,389	\$ -	\$ 7,500	\$ -	\$ -	\$ -	\$ 18,199
Bremerton	\$ 6,291	\$ 7,342	\$ -	\$ 1,510	\$ -	\$ -	\$ -	\$ -	\$ 15,143
Port Townsend	\$ 4,494	\$ 3,758	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,252
Leavenworth	\$ 3,899	\$ 2,620	\$ -	\$ 1,034	\$ -	\$ -	\$ -	\$ -	\$ 7,554
Oak Harbor	\$ 3,081	\$ 1,680	\$ -	\$ -	\$ 907	\$ -	\$ -	\$ -	\$ 5,668
Port Angeles	\$ 2,260	\$ 2,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,520
If adjust for inflation at 3.2%									
Port Townsend 2015	\$ 4,494	\$ 3,758							\$ 8,252
Port Townsend 2022	\$ 5,603	\$ 4,685							\$ 10,288
Notes:									
Sequim include a 1.5 factor of facilities charges for outside the City Limits									
Wenatchee Local Facilities Charge applies only to pipe installed by the City for Sewer. Transp. Impact Fee is for a specific region of the City									
Chelan Local Facilities Charge depends on the location of connection									
Olympia Local Facilities charge is for the regional system.									

Conclusion

This year’s Capital Facilities Plan provides an attempt to look at the city holistically over time from a Capital improvement needs standpoint. The Capital Facilities Plan is a work in progress designed to coordinate with the adoption of the annual capital budget. The process of adoption is an iterative process to develop a comprehensive overview of capital needs in order to balance investments with available resources (revenue and staffing) as well as priorities.

Appendices

Appendix A: 2023 Capital Project Budget Sheets

Appendix B: Capital Facilities Plan Tables

Appendix C: Six Year Transportation Improvement Program