



## About the Capital Facilities Program and Process

### What are Capital Improvements?

Capital improvement projects deal with the purchase, construction, replacement, addition, or major repair of public facilities and major equipment. These projects differ from routine maintenance in that their cost is greater than \$30,000 and they have a useful life of more than one year. Examples may include, but are not limited to, buildings, streets, utility systems, bridges, parks, fire trucks, and heavy equipment.

### What is a Capital Facilities Program?

A Capital Facilities Program (CFP) is a multi-year plan used to identify and coordinate public facility and equipment needs in a way that maximizes the return to the community. This advance planning of all City projects helps the City Council, staff, and the public make choices based on rational decision-making rather than reacting to events as they occur.

Development of the CFP focuses on what facilities to build, where and when to build them, how much to spend, and what funding sources to use. This highly structured method takes into consideration other City and community plans, policies, goals and objectives, and includes an analysis of long-term overall City resources.

The first year of the CIP is called the Capital Budget. The Capital Budget is incorporated into the annual City Budget, which then appropriates the funds necessary to implement a capital improvement project.

### Why do we need a CFP?

A CFP allows the community, through its City Council, to take a critical look at itself and identify what is good, what could be improved, what might be needed in the future, and what other opportunities might exist. Without this comprehensive approach, consideration and approval of capital improvements results in short-range, uncoordinated decision-making. This usually wastes public funds because it fails to consider all the available information and often leads to poor project timing. Optimal capital planning provides a process that considers all possible projects at the same time and produces a planning record that balances projects, funding sources, and timing schedules. In addition, a CFP:

- Facilitates repair and replacement of existing items before they fail.
- Promotes efficiency by reducing scheduling problems.
- Safeguards against over investment in one public facility or service at the expense of others.
- Provides a framework to make decisions about growth and development of the community.
- Helps preserve existing property values.
- Provides a continuing process that minimizes the impact of turnover among elected and appointed officials.
- Focuses community attention on priority goals, needs, and capabilities.
- Helps distribute costs more equitably.
- Informs citizens about the community's overall needs and resources.
- Helps decision makers save time and avoid surprises.

### The CFP Process

The development and update of the CIP is an ongoing activity. It is part of the overall budgeting process since current year capital improvements are implemented through adoption of the City budget. Specific activities in the process are:

- 1. Timetables, Goals and Objectives.** At the onset of the budgeting process, the CFP update begins with formal budget planning discussions between the City Manager, department heads, and the City Council. A timetable is set that extends through development and final adoption of the budget, and a review is conducted re-establishing City goals and objectives through the next budget cycle.



2. **Taking Inventory and Developing Proposals.** The staff gathers information about all the City's capital facilities and equipment and assesses the condition of each. Construction, repair, replacement, and additions are considered and a list of proposed projects and equipment is developed.
3. **Public Participation.** In conjunction with the City staff monitoring inventory and proposal development, the public is invited to participate and submit capital improvement ideas.
4. **Conducting a Financial Analysis.** The staff conducts a financial analysis to examine historic and projected revenues and expenditures, and to estimate the City's cash flow and long-term financial condition. Present and future capital financing alternatives are identified and recommendations are prepared to match the type of funding most appropriate for specific kinds of capital improvements.
5. **Advisory Committee Evaluation of Proposals.** The list of proposals and the financial analysis is submitted to an advisory committee for evaluation. The committee is composed of the City Manager, City Council, and staff representatives who are assigned the task of evaluating proposals. Using criteria based on City policy, goals, and objectives, the committee prioritizes the proposals, integrates them with the appropriate funding sources, and submits a preliminary CIP for City Council and public review.
6. **City Council and Public Review/Adoption.** The City Council provides opportunity for public review and comment. Following incorporation of any changes, the City Council formally adopts the Plan. The first year of the Plan is adopted as the Capital Budget for incorporation into the City's next annual budget.

### **Citizen Involvement in the CFP Process**

The CFP process is an important public communication medium. It gives residents and businesses a clear and concrete view of the City's long-term direction for capital improvements and a better understanding of the City's ongoing need for stable revenue sources in order to fund large or multi-year capital projects.

The City's residents are encouraged to participate in the public hearing and comment process prior to adoption of the annual budget. The City also offers information about its plans, policies, goals, and objectives via its Internet web site ([www.cityofpa.us](http://www.cityofpa.us)). Citizens may also influence the Capital Improvement Program by participating in the electoral process.

### **Growth Management and the Capital Facilities Plan (CFP)**

A Capital Facility Plan (CFP) is required for counties and cities planning under the Washington State Growth Management Act (GMA). The basic objective of the GMA is to guide local governments in writing and implementing comprehensive plans in accordance with each community's values and vision of the future. Planning under the GMA will help the City meet the challenges of growth in an environmentally and fiscally sound manner.

The requirements for preparing a capital facilities element under the GMA changed the way comprehensive planning has generally been done in the City. Both the transportation and capital facilities elements reinforce the requirement that comprehensive plans, prepared according to the GMA, be realistic and implementable. Requirements include setting level of service standards, inventories and forecasts of existing and needed capital facilities, and six-year financing plans.

The Public Works Trust Fund requires that local governments have some type of CFP in order to be eligible for low-interest rates.

The City Council approved the six-year CFP in July 2006.



## 2007 Capital Improvement Program

### Summary

The 2007 capital program budget is an integral part of the overall City financial program and is included in the City operating budget document. The 2007 Capital Improvement Program amounts to \$29,778,310 and is comprised of general purpose, transportation, and utility programs.

The general-purpose element of the CIP consists of \$20,048,310 in general government projects. Of these projects, \$17,069,000 will be funded by sources such as grants, user fees, and other City funds. Of the City projects, \$2,312,310 is included in the 2007 operating budget requests, with additional operational support of \$467,000 from utilities and street funds and \$200,000 from Real Estate Excise Tax. The \$2,312,310 is a relocation of existing capital funds.

Included in the operating budget are the following major projects:

- \$165,000 for Sidewalk Improvements including:
  - \$40,000 for ADA Chirpers/Ramps
  - \$75,000 for Laurel St Pavers (Railroad to First)
  - \$50,000 for Sidewalk installations
- \$16,200,000 for 8<sup>th</sup> Street Bridges Construction
- \$520,000 for Street Projects including:
  - \$230,000 Overlay Program
  - \$90,000 Campbell Street
  - \$50,000 for Gravel road paving
- \$1,551,810 for Gateway/Multi-modal project
- \$100,000 Capital Improvement Administration projects including:
  - \$100,000 Residential Infrastructure Development (NICE program) (\$25,000 from General Reserves)
- \$40,000 Public Works Projects including:
  - \$40,000 Police Department Station Remodel
- \$42,500 for Parks Projects including:
  - \$42,500 for Fine Arts Center entrance

The utility or enterprise element of the Capital Improvement Program is comprised of the electric, water, wastewater, solid waste landfill, and stormwater programs. Combined, they total \$9,730,000. Utility rates and reserves, either directly through rates or through a Public Works Trust Loan, finances these projects in the amount of \$9,520,000. Additional funding from grants, (\$100,000) and intergovernmental charges (\$110,000) make up the remaining funding.

The projects listed in this budget are consistent with the approved Capital Facility Plan (CFP). The City's approach to Capital budgeting is financial in character. Over the years, the City has financed a substantial portion of its Capital Improvements Program through bonds, grants, and Public Works Improvement loans.

### Capital Facilities Plan Projections for 2007

Fund/Project	Cost	2007 Budget	Funding Source for 2007 Budget		
			Reserves/ Operating Budget	Grants & Contributions	Loans & Bonds
General Government	20,048,310	20,048,310	2,979,310	17,069,000	-
Electric Utility	160,000	160,000	160,000	-	-
Water	2,990,000	2,915,000	1,265,000	110,000	1,540,000
Wastewater	8,585,000	5,035,000	1,280,000	100,000	3,655,000
Stormwater	630,000	80,000	80,000	-	-
Solid Waste Landfill	2,570,000	1,540,000	1,540,000	-	-
<b>Total Capital Projects</b>	<b>34,983,310</b>	<b>29,778,310</b>	<b>7,304,310</b>	<b>17,279,000</b>	<b>5,195,000</b>

Note: Does not include Property Management, Lincoln Park, Senior Center Construction, and Closed Projects



**2006 Relationship to Operating Costs**

New capital facilities occasionally increase operational costs of ongoing government when they require additional personnel to manage, operate, and maintain them. The ability of ongoing revenue to support these costs varies significantly by the type of facility. In some cases, capital expenditures may actually decrease future maintenance costs when existing facilities are upgraded.

In the City of Port Angeles, new capital facilities associated with the electric, water, wastewater, solid waste, and stormwater operations are funded with user charges that generate sufficient revenue to pay for the new facility as well as support normal operational costs. There are also renovation needs in the enterprise programs that are funded from existing revenues.

**2006-2007 Governmental Fund Projects**

CFP #	PROJECT	TOTAL PROJECT COST	General Fund REVISED 2006	General Fund REQUESTED 2007
FR10-99	Fire Aerial Truck****	900,000	250,000	-
GG02-01	Laurel St. Pavers (Railroad to First)	630,000	-	75,000
GG02-05	Aerial Mapping	150,000	50,000	-
GG03-03	Infrastructure Development (NICE program)	750,000	25,000	25,000
N/A	Lauridsen Blvd Bridge Redesign	22,000	22,000	-
N/A	Olympic Discovery Trail Storm Repairs****	-	44,078	-
N/A	Shane Park Bollard System*****	-	21,000	-
PD02-05	Police Station/City Hall Addition- Study & Design	590,000	40,000	40,000
PD03-05	Camera Project for City Facilities	80,000	80,000	-
PK01-04	Front Street Corridor Streetscape	240,000	90,000	-
PK02-02	William Shore Pool Renovation	11,035,000	20,000	-
PK02-03	Erickson Park Restroom Improvements	120,000	120,000	-
PK02-06	Fine Arts Center Entrance Improvements	50,000	7,500	42,500
PK04-05	Olympic Discovery Trail (repairs & other)	-	20,000	-
PK07-02	Shane Park Renovation	340,000	25,000	-
PK08-02	Neighborhood Park Renovation (Elks Playfield)	215,000	30,000	-
PK09-02	City Pier Dredging & Piling Replacement	460,000	150,000	-
PK13-02	Skate Park	260,000	30,000	-
PK13-06	City Manager Remodel	40,000	40,000	-
PK14-06	Dry Creek Bridge & Trail	147,000	22,000	-
TR01-01	8th Street Bridge Replacement Design*	1,900,000	650,000	-
TR01-05	Gravel Road Paving	170,000	-	50,000
TR02-05	Cedar Street Retaining Wall Repair	390,000	220,000	-
TR03-04	Campbell Avenue - Mount Angeles to Porter**	50,000	110,000	-
TR03-05	8th Street Bridges Rails & Lights*	200,000	-	200,000
TR03-06	8th Street Bridge Repairs	-	50,000	-
TR04-05	Alley Paving	175,000	50,000	-
TR07-00	Park Avenue Sidewalk (Race - Liberty)	400,000	30,000	-
TR26-99	ADA Curb/Ramps/Chirpers	140,000	-	40,000
TR33-99	Peabody Street Reconstruction*	350,000	200,000	-
TR48-99	Multi-Modal Transportation Center (Gateway)	2,545,810	900,000	-
TR74-99	Sidewalk Program (Ongoing Projects)	225,000	-	50,000
	<b>Total Funding Approved</b>	<b>22,574,810</b>	<b>3,296,578</b>	<b>522,500</b>
2007 Projects not allocated but to be considered dependant upon funding availability on a case by case basis				
TR02-05	Cedar Street Retaining Wall Repair	20,000	-	20,000
PK14-06	Dry Creek Bridge & Trail	125,000	-	125,000
PK08-06	Ediz Hook Piling Replacement	55,000	-	55,000
PK03-04	Senior Center Expansion (transferr to fund 319)	60,000	-	60,000
PK01-05	Tennis Courts @ Erickson Playfeild	175,000	-	100,000
IT02-06	Replace Computer Room Fire Suppression System***	30,000	-	12,000
IT03-06	Replace Computer Power Cond/UPS Equipment***	60,000	-	24,000
IT04-06	Upgrade Computer Room Environmentals***	30,000	-	12,000
FR01-06	Public Safety Technology Plan	30,000	-	30,000
		<b>585,000</b>	<b>-</b>	<b>438,000</b>
	<b>Total Funding Requirements</b>	<b>23,159,810</b>	<b>3,296,578</b>	<b>960,500</b>

**2007 Governmental Funding Sources**

CFP #	PROJECT	2007 BUDGETED COST	2007 FUNDING SOURCE			
			CIP RESERVES	REET RESERVES	GRANTS & Contributions	Utility & Street SUPPORT
GG03-03	Infrastructure Development (NICE program)	100,000	25,000	-	-	75,000
GG02-01	Laurel St. Pavers (Railroad to First)	75,000	75,000	-	-	-
PD02-05	Police Station/City Hall Addition/Remodel	40,000	40,000	-	-	-
TR01-02	8th Street Bridge Construction	16,000,000	-	-	16,000,000	-
TR01-05	Gravel Road Paving	50,000	50,000	-	-	-
TR01-03	Street Paving/Overlay	230,000	-	-	-	230,000
TR03-04	Campbell Avenue Street Paving	90,000	-	-	-	90,000
TR03-05	8th Street Bridges Rails & Lights	200,000	-	200,000	-	-
TR26-99	ADA Curb/Ramps/Chirpers	40,000	40,000	-	-	-
TR48-99	Multi-Modal Transportation Center (Gateway)	2,545,810	1,551,810	-	994,000	-
TR74-99	Sidewalk Program (Ongoing Projects)	50,000	50,000	-	-	-
PK02-06	Fine Arts Center Entrance Improvements	42,500	42,500	-	-	-
	<b>Total approved funding requirements</b>	<b>19,463,310</b>	<b>1,874,310</b>	<b>200,000</b>	<b>16,994,000</b>	<b>395,000</b>
<i>2007 Projects not allocated but to be considered for funding dependant upon funding availability on a case by case basis</i>						
TR02-05	Cedar Street Retaining Wall Repair	20,000	20,000	-	-	-
PK14-06	Dry Creek Bridge & Trail	125,000	125,000	-	-	-
PK08-06	Ediz Hook Piling Replacement	55,000	55,000	-	-	-
PK03-04	Senior Center Expansion	60,000	60,000	-	-	-
PK01-05	Tennis Courts @ Erickson Playfeild	175,000	100,000	-	75,000	-
IT02-06	Replace Computer Room Fire Suppression System***	30,000	12,000	-	-	18,000
IT03-06	Replace Computer Power Cond/UPS Equipment***	60,000	24,000	-	-	36,000
IT04-06	Upgrade Computer Room Environmental***	30,000	12,000	-	-	18,000
FR01-06	Public Safety Technology Plan	30,000	30,000	-	-	-
	<i>Total unallocation/non-approved funding requirements</i>	<i>585,000</i>	<i>438,000</i>	<i>-</i>	<i>75,000</i>	<i>72,000</i>
	<b>Total of All Funding Requirements</b>	<b>20,048,310</b>				
	<b>Total of All Funding Sources</b>		<b>2,312,310</b>	<b>200,000</b>	<b>17,069,000</b>	<b>467,000</b>

Because general-purpose capital needs such as park improvements do not directly increase revenues, these costs are included in the planning for such facilities. Some operating costs may be mitigated to some degree by increases in charges for services. Maintenance impacts associated with these new capital facilities coincide with the completion of construction.

Beginning in 1999 and in each year since, the City Council has approved the transfer of funds from the General Fund Reserves, which have already been transferred to Capital Reserve Funds/surplus to the Capital Improvement Fund. The 2007 budget includes amounts designated to these projects from prior year reserves/surplus.

**City Funds**

Prior Year \$2,312,310

**Other Sources:**

REET 200,000  
 Grants 17,069,000  
 Utilities and Streets 467,000

**Total Funding for Governmental Projects \$ 20,048,310**

**Impact of Capital Improvement Projects on the Operating Budget**

All budgeted utility projects are constructed either to comply with mandatory federal requirements, such as environmental laws, or to replace current infrastructure. There is no additional revenue or maintenance costs estimated for these projects. These projects are financed from reserves and utility revenues.



Governmental projects are usually undertaken to replace or improve infrastructure (street projects) or to comply with new regulations (sidewalk improvements). The City is currently committed to an economic development program in order to improve the downtown area and increase tourism.

In 2007, Multi-Modal Transportation Center (Gateway) project promises to improve the downtown area. Funded by grants with a matching City portion, costs will be \$2,545,820 in 2007.

The City began a study in 2002 to determine the extent of funds needed and timing for the replacement of the 8th Street bridges. Even though the bridges have been maintained and repaired on an annual basis, they are aging. Load limits and structural conditions are such, that it is economically prudent to replace both bridges, which currently provide the major link between the City's east and west sides.

In 2006, bids were received on the 8th Street Bridges. Replacement bids were significantly over budget, which forced the City to revisit the steel design originally selected. It was decided to redesign the structures using concrete. Redesign was completed in 2006, and these new specifications will go to bid at the end of 2006. Estimated replacement costs remain at about \$20 million for design and construction.

Overall, with the exception of debt payments on existing loans, the impact on the operating and maintenance budget is estimated to be cost neutral.

**2006 Revised and 2007 Utility Projects**

Description of Project	Total Project Cost	Revised 2006 Budget	2007 Budget	2007 Funding Source				
				Reserves	Closure Post-closure	Bonds	PW Trust Loans*	Grants & Contributions
<b>Electric Utility Projects</b>								
Acquisition of PUD Electric Service	100,000	-	100,000	100,000	-	-	-	-
Elwha Underground Rebuild	820,000	270,000	-	-	-	-	-	-
Feeder Tie HWY 101, Cherry to Pine (design)	60,000	-	60,000	60,000	-	-	-	-
Upgrade Substation Relays	420,000	115,000	-	-	-	-	-	-
<b>Total Electric Utility Projects</b>	<b>1,400,000</b>	<b>385,000</b>	<b>160,000</b>	<b>160,000</b>	-	-	-	-
<b>Solid Waste Landfill Utility Projects</b>								
Directed Services	50,000	-	50,000	50,000	-	-	-	-
Landfill Bluff Stabilization	4,325,000	3,125,000	-	-	-	-	-	-
Landfill Closure & Closure Design	2,050,000	410,000	1,050,000	1,050,000	-	-	-	-
Permitting	90,000	-	90,000	90,000	-	-	-	-
Residual Handling Facility	380,000	30,000	350,000	350,000	-	-	-	-
Shoreline Design	60,000	60,000	-	-	-	-	-	-
Transfer Station	41,000	7,500	-	-	-	-	-	-
<b>Total Solid Waste Landfill Utility Projects</b>	<b>6,996,000</b>	<b>3,632,500</b>	<b>1,540,000</b>	<b>1,540,000</b>	-	-	-	-
<b>Water Utility Projects</b>								
Attorney for Mitigation	20,000	10,000	10,000	-	-	-	-	10,000
Directed Services	75,000	25,000	50,000	50,000	-	-	-	-
Downtown Watermains/Sidewalks Phase III	2,610,000	10,000	2,600,000	1,060,000	-	-	1,540,000	-
Dry Creek Water Agreement	150,000	-	150,000	150,000	-	-	-	-
Elwha Mitigation	100,000	-	100,000	-	-	-	-	100,000
UGA Water Customers	35,000	10,000	5,000	5,000	-	-	-	-
Vulnerability Study	235,000	25,000	-	-	-	-	-	-
<b>Total Water Utility Projects</b>	<b>3,225,000</b>	<b>80,000</b>	<b>2,915,000</b>	<b>1,265,000</b>	-	-	<b>1,540,000</b>	<b>110,000</b>
<b>Stormwater Utility Projects</b>								
City-wide Catch Basin Modifications	630,000	-	80,000	80,000	-	-	-	-
Lincoln Street Storm Drain (4th to 7th)	500,000	500,000	-	-	-	-	-	-
<b>Total Stormwater Utility Projects</b>	<b>1,130,000</b>	<b>500,000</b>	<b>80,000</b>	<b>80,000</b>	-	-	-	-
<b>Wastewater Utility Projects</b>								
Annual Replacements	675,000	-	100,000	100,000	-	-	-	-
CSO Professional Assistance	150,000	75,000	75,000	75,000	-	-	-	-
Directed Services	100,000	50,000	50,000	50,000	-	-	-	-
I & I CSO Reduction	250,000	150,000	100,000	-	-	-	-	100,000
New Force Main, Gravity Sewer (Francis St)	2,900,000	500,000	2,400,000	360,000	-	-	2,040,000	-
Park Avenue Sewer	250,000	250,000	-	-	-	-	-	-
Plant Headwaters Improvement	375,000	-	375,000	375,000	-	-	-	-
Stormwater Tank Purchase	4,100,000	-	1,900,000	285,000	-	-	1,615,000	-
Vortex Ring Mixer	35,000	-	35,000	35,000	-	-	-	-
<b>Total Wastewater Utility Projects</b>	<b>8,835,000</b>	<b>1,025,000</b>	<b>5,035,000</b>	<b>1,280,000</b>	-	-	<b>3,655,000</b>	<b>100,000</b>
<b>Total Capital Improvement Program-Utilities</b>	<b>21,586,000</b>	<b>5,622,500</b>	<b>9,730,000</b>	<b>4,325,000</b>	-	-	<b>5,195,000</b>	<b>210,000</b>

\*Includes amounts drawn down and held in reserve for these projects.

New Force Main received \$590,000 in 2006

Downtown Watermain received \$440,000 in 2004

CSO Reduction \$100K is being funded by grants



## Governmental Fund Projects

### ADA Curb Ramps/Chirpers (Citywide)

Project #: TR26-99

#### Project Description:

This Transportation project involves installing curb ramps and chirpers at various intersections.

#### Justification:

The American Disabilities Act (ADA) requires that sidewalks be usable by those confined to wheelchairs as well as the visually impaired.

#### Impact on Operating Budget:

The \$40,000 budgeted is funded by General Fund reserves.



### Neighborhood Infrastructure (NICE)

Project #: GG03-03

#### Justification:

Donation to general fund projects for improvement of neighborhood infrastructure.

#### Impact on Operating Budget:

This annual cost of \$100,000 is funded by General Fund Reserves of \$25,000, which, have already been transferred to Capital Reserve Funds; and \$75,000 is funded from utilities.

### Laurel Street Pavers (Railroad Avenue to 1st St.)

Project #: GG02-01

#### Project Description:

This project involves replacing the sidewalk on the west side of Laurel Street between Railroad Avenue and First Street with pavers to match the rest of the downtown area. This is being completed in conjunction with the utility water main replacement project.

#### Justification:

This section of street in the downtown area is the primary entrance from the waterfront and ferry landing. Currently, the west side of Laurel Street does not match the east side of the street, as well as the rest of the downtown area. This project will complete the downtown sidewalk replacement with pavers.

#### Impact on Operating Budget:

The \$75,000 budgeted is funded by General Fund Reserves, which have already been transferred to Capital Reserve Funds. The remaining \$555,000 comes from a public works trust loan and is tied to waterline replacements.



### **8th Street Bridge Rails and Lights TR03-05**

#### **Project Description:**

Add improved lighting and design to the final 8th Street Bridge replacement designs during construction of the bridges.

#### **Justification:**

Replacement of the 8th Street Bridges became a very important project when the structural rating of the bridges was reduced and load limits were placed on the bridges. These bridges provide the major east/west arterial link across town and is vital to all modes of transportation, especially emergency services. The City Council would like to enhance the bridge design by providing additional lighting and railing for improved safety and aesthetic appeal.

#### **Impact on Operating Budget:**

The City portion of funding is \$200,000, which will need to be transferred from Real Estate Excise Taxes.

### **8th Street Bridge Construction TR02-02**

#### **Project Description:**

Replacement of both 8th Street Bridges.

#### **Justification:**

Replacement of the 8th Street Bridges has become a very important project when the structural rating of the bridges was reduced and load limits placed on the bridges. These bridges provide the major east/west arterial link across town that is vital to all modes of transportation, and especially emergency services.

#### **Impact on Operating Budget:**

The city portion of the funding is \$0, with construction funding coming from grant money. The grants are limited at \$20 million, with the city expecting to use \$16 million in 2007. Any overage of costs may incur percentage penalties that the City will have to absorb in the future. Amendment or additional grant applications are being researched at this time.

### **Sidewalk Program TR74-99**

#### **Project Description:**

Add sidewalks for city resident's use.

#### **Justification:**

Create a safe and appealing way for citizens to walk in the city.

#### **Impact on Operating Budget:**

The City will transfer \$50,000 from General Fund Reserves each year for sidewalk installations.





### **Campbell Avenue Street Paving TR03094**

#### **Project Description:**

Paving Campbell Avenue.

#### **Justification:**

Water and Wastewater construction has torn up the Avenue, requiring a new surface be laid.

#### **Impact on Operating Budget:**

The City will transfer \$90,000 from utilities.

### **Gravel Road Paving TR01-05**

#### **Project Description:**

Pave gravel roads within the City.

#### **Justification:**

At the present time the street division is spending labor and materials to maintain gravel roads within the City. Pot-holes, wash boarding and dust are common complaints in these areas. These roads used to be on the edge of the City, but through the annexation of western areas, have come under the jurisdiction of the City of Port Angeles.

#### **Impact on Operating Budget:**

The City will transfer \$50,000 from the General Fund Reserves, which have already transferred to capital, as needed for road paving.



### **Gateway Multi-Modal TR48-99**

#### **Project Description:**

This transportation project involves designing and constructing the selected alternative from pre-design efforts. Downtown watermains and sidewalks are related to this project and qualify as matching funds. This also includes adding up to 100 parking spaces. Note: Clallam Transit is the lead agency on this project.

#### **Justification:**

This project is to improve and enhance the economy of the downtown and city in general. It is a match of public multi-agency and private partnerships to consolidate the transportation systems under one roof in the downtown area. The intent is to combine ferry, transit, vehicles, trail users, van tours, taxis and others in one coordinated transportation system using the transportation center as the hub and catalyst.

#### **Impact on Operating Budget:**

The City portion of funding is \$1,551,810, which has already been transferred from City Reserves in 2006. The 2007 cost is estimated at \$2,545,810, with \$994,000 coming from transportation grants.



**Police Station/City Hall Addition/Remodel  
PD02-05**

**Project Description:**

A study to review usage of City Hall, remodel and expansion of the Police station. To evaluate current and future expansion needs by the city.

**Justification:**

Inadequate evidence and property storage compromises criminal cases and can create significant liability for the police department. Inadequate space for file storage for finance and other departments creates finding documents difficult. Space in the police department is inadequate to fully meet federal legal requirements for temporary holding of offenders or suspects. Also needed is a secure interview space for adults and children.

**Impact on Operating Budget:**

General Fund Reserves will transfer \$40,000 in 2007; the remaining project cost will be reviewed after evaluation is received.

**Fine Arts Center Entrance  
PK02-06**

**Project Description:**

Improve entrance for aesthetics and safety.

**Justification:**

To improve traffic flow and safety.

**Impact on Operating Budget:**

General Fund Reserves transfer in the amount of \$42,500.

**Chip Overlay Program  
TR1-03**

**Project Description:**

Apply overlay to selected streets.

**Justification:**

To enhance the road quality and life of current city streets.

**Impact on Operating Budget:**

\$230,000 from Street Fund in 2007.

2007 projects not allocated, but considered on a case-by-case basis dependent upon funding availability:

- Cedar Street retaining wall repairs - \$20,000
- Dry Creek Bridge and Trail - \$125,000
- Ediz Hook piling replacement - \$55,000
- Senior Center expansion - \$60,000
- Tennis courts at Erickson Park - \$100,000
- Computer room projects (3) - \$48,000
- Public Safety Technology Plan - \$30,000



## Utility Projects

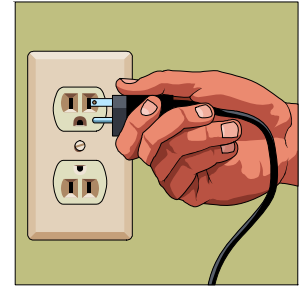
### Electric Projects

#### Acquisition of PUD Electric Service

Project #: CL03-02

#### Project Description:

Purchase of 4700 feet of single phase overhead and 2,500 feet of underground in order to serve 12 customers within the City limits who are currently served by the PUD.



#### Impact on Operating Budget:

The \$100,000 budgeted in 2007 for this project is funded from electric utility rates.

#### Feeder Tie HWY 101, Cherry to Pine St. Design

Project #: CL01-04

#### Project Description:

The project involves constructing a 12 kV feeder tie approximately 800 feet, along and across Hwy 101 from Laurel Feeder 1203 at Cherry Street to "A" Street Feeder 1203 at Pine Street.

#### Justification:

This project will provide contingency power for several hundred customers in case of loss of Laurel Substation or Laurel Feeder 1203. This will allow the reallocation of load between Laurel and "A" Street.

#### Impact on Operating Budget:

This project for \$60,000 is funded by electric utility rates.

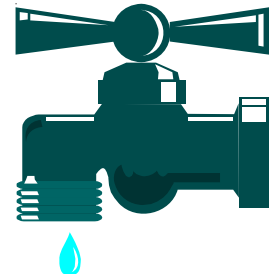
### Water Projects

#### Elwha Dam Mitigation and Attorney fees

Project #: unknown

#### Project Description:

Involves the oversight and preparation necessary to ensure safe removal of the Elwha Dam.



#### Justification:

The Elwha Dam, located in the Olympic National Park requires removal due to age and condition. This will return the park to its original condition.

#### Impact on Operating Budget:

The \$110,000 will be funded by an agreement with Olympic National Park to fund future impacts on the water flow.

### Directed Services

Project #: various

#### Project Description:

These projects add connections to new customers due to city growth; the work is performed through regular activities in operations.

#### Justification:

These expenses are necessary to connect new customers to city facilities.

#### Impact on Operating Budget:

The \$50,000 will be funded by water rates.



### Port Angeles Water Treatment Plant

**Project #: unknown**

**Project Description:**

In conjunction with the Elwha Dam removal project, the water treatment plant requires evaluation to ensure capacity can handle additional flows from the mountain.

**Justification:**

Required by NPDES permits.

**Impact on Operating Budget:**

The \$20,000 will be funded by water rates.

### Dry Creek Water Agreement

**Project Description:**

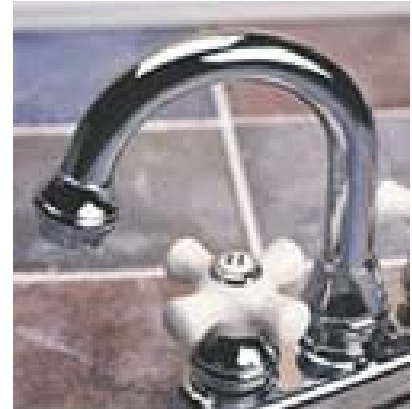
Purchase Dry Creek service area in the newly annexed portion of the City.

**Justification:**

To provide City water service to Wester Urban Growth Area customers.

**Impact on Operating Budget:**

\$150,000 from water rates.



### UGA Customers

**Project Description:**

Add water customer lines to the east of Port Angeles.

**Justification:**

Per agreement with PUD #1.

**Impact on Operating Budget:**

\$5,000 from water rates.

### Downtown Watermains / Phase III

**Project #: WT03-99**

**Project Description:**

Replacement of old watermains in the downtown area.

**Justification:**

This is the third phase of a project to replace a large portion of old watermains in the downtown area. This will lower maintenance and improve fire flow.

**Impact on Budget:**

\$1,540,000 will be drawn from an existing Public Works Trust Fund loan. \$1,060,000 will be funded from water rates.



## **II/CSO Reduction Professional Assistance Wastewater Department Assistance (City Wide)**

**Project #: WW26-99**

### **Project Description:**

This Wastewater Utility project involves the removal of roof drains and other inflow storm water sources from the sewer system.

### **Justification:**

As a requirement of the City's wastewater treatment plant operating permit, CSO's (combined sewer overflows) to the treatment plant need to be reduced.

### **Impact on Operating Budget:**

The \$100,000 budgeted in 2007 is funded by ecology grants.

## **New Force Main, Gravity Sewer from Francis**

**Project #: WW03-04**

### **Project Description:**

Replace existing force main from Pump Station #4 to WWTP with two new force mains. Also construct a gravity sewer main with baffles from the north end of Francis Street to the WWTP.

### **Justification:**

Existing force main is old and located in the tidal zone, contributing to the CSO. Baffles are a requirement of NPDES permit for the WWTP.

### **Impact on Operating Budget:**

The \$2,400,000 budgeted in 2007 is funded by wastewater bonds (\$2,040,000) and wastewater rates (\$360,000).

## **Annual Replacement**

**Project #: WW27-99**

### **Project Description:**

Bi-annual replacement of aging sewer lines.

### **Justification:**

Many sewer lines are at an age where failure becomes more frequent. This program replaces those lines on a non-emergency basis.

### **Impact on Operating Budget:**

The City will fund \$100,000 from wastewater rates.

## **Directed Services**

**Project #: various**

### **Project Description:**

These projects add connections to new customers due to city growth; the work is performed through regular activities in operations.

### **Justification:**

These expenses are necessary to connect new customers to city facilities.

### **Impact on Operating Budget:**

The \$50,000 will be funded by wastewater rates.





### **Stormwater Storage Tank**

**Project #: WW03-06**

#### **Project Description:**

Purchase large water storage tank located on old Rayonier Mill site.

#### **Justification:**

For future use in the collection of storm water, as mandated by law.

#### **Impact on Operating Budget:**

The City expects to fund \$285,000 through wastewater utility rates and \$1,615,000 through a Public Works Trust Fund loan.

### **CSO Professional Assistance**

**Project #: Various**

#### **Project Description:**

Hire professional engineers to evaluate and design various CSO projects.

#### **Justification:**

CSO projects are required by mandate.

#### **Impact on Budget:**

\$75,000 funding will come from wastewater rates.

### **Plant Headwaters Improvement**

**Project #: WW02-05**

#### **Project Description:**

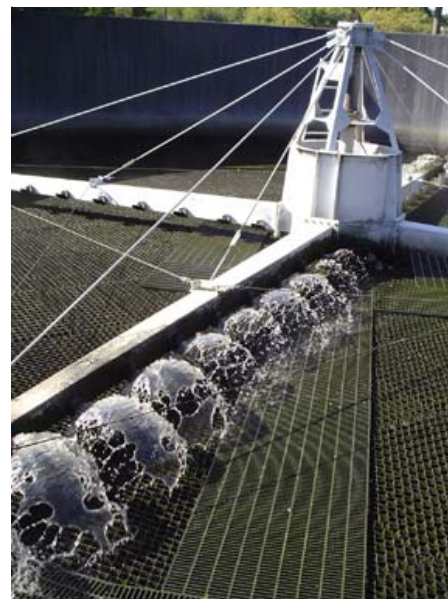
Installation of two fine screens and two wash presses at the Wastewater Treatment Plant.

#### **Justification:**

Plant residuals are passing to digesters causing build up and excess maintenance and down time. These improvements will reduce corrective operating maintenance.

#### **Impact on Budget:**

\$375,000 funding will come from wastewater rates.



### **Vortex Ring Mixer**

**Project #: WW07-04**

#### **Project Description:**

Install a vortex ring mixer to mix tank contents prior to belt pressing.

#### **Justification:**

Mixing is necessary to obtain full utilization of the storage tank, limit the polymer required, and keep cleanup within acceptable limits.

#### **Impact on Operating Budget:**

\$35,000 will be funded by wastewater rates.

**Landfill Closure Projects****Project #: SW02-03****Project Description:**

Obtain permitting for the closure of the landfill in 2007, and actual closure costs.

**Justification:**

The City plans to close the landfill in 2007. This requires additional permits. Closure is required by Federal Aviation Administration.

**Impact on Operating Budget:**

The \$1,140,000 for this year's project will be financed from Solid Waste closure funds. This includes \$90,000 for permits and \$1,050,000 for closure.

**Residual Handling Facility****Project #: SW01-05****Project Description:**

Includes conversion of PALF 2 wall and installation of Flo-Trend dewatering boxes.

**Justification:**

Required due to closure of open landfill to meet paint filter test.

**Impact on Operating Budget:**

The cost will be paid with Solid Waste Landfill reserves.

**Directed Services****Project #: Unknown****Project Description:**

Perform necessary functions at the transfer station.

**Justification:**

This funding allows for unforeseen project requirements.

**Impact on Operating Budget:**

\$50,000 for this year's project will be financed from Solid Waste reserves.

**Stormwater Improvements****City Catch Basin Modifications****Project #: DR02-99****Project Description:**

Annual replacement of existing catch basins.

**Justification:**

Improve drainage and prevent traffic issues.

**Impact on Operating Budget:**

\$80,000 from stormwater rates.

