City Council Special Meeting  
Waste Water Treatment Facility  
Tuesday, August 14, 2012, 6:00 p.m.  
City Hall – Council Chambers  

CALL TO ORDER  
Mayor Dudley called the meeting to order at 6:00 p.m.  

ROLL CALL  
Mayor Scott Dudley  
Larry Cort, Interim City Administrator  
Six Members of the Council,  
Rick Almberg  
Cathy Rosen, Public Works Director  
Jim Campbell  
Eric Johnston, City Engineer  
Tara Hizon  
Renée Recker, Executive Assistant to the Mayor  
Beth Munns  
Joel Servatius  
Bob Severns  

Councilmember Danny Paggao was absent from this meeting.  

ALSO IN ATTENDANCE  
Brian Matson, Carollo Engineers  
Sean Koorn, HDR Engineering, via Skype  

City Engineer Eric Johnston opened the meeting and talked about possible action this evening to proceed forward with a decision that affects the next generation. The City has been working toward this decision for three years now, and Mr. Johnston appreciated the opportunity to have been a part of this project. Mr. Johnston gave a history of the project and talked about the demonstration jars of water shown this evening and the documents provided for Council:  

- Inter-Office Memo from Steve Powers to Larry Cort  
- Inter-Office Memo from Doug Merriman to Mayor Dudley and Larry Cort  
- Memorandum from Reclamation Treatment Plant Staff  
- Public Forum Comments  
- Draft Resolutions 12-17, 12-18, and 12-19  
- This evening’s PowerPoint presentation (attached as Exhibit A)  

Mr. Johnston noted that Mr. Merriman’s memo talks about financial participation by the Navy and that Mr. Merriman worked with information available at the time and additional information will be shared with Mr. Merriman. Mr. Johnston had not broken cut the Navy share versus the City share. These numbers are useful as a comparative between site options based on costs known today. Mr. Johnston also spoke about Council's 2010 action which factored in all criteria, not just costs.
Brian Matson led the PowerPoint presentation with this agenda:
- Overview of Windjammer Vicinity MBR
- Overview of Crescent Harbor North AS
- Overview of Crescent Harbor North MBR
- Rate Analysis Update
- Public Comments Summary
- Schedule
- Questions

Sean Koen addressed the rate analysis update and review of WWTP funding assumptions:
Summary of the previous rate study, current project cost and revised funding assumptions, alternative funding options, additional outside funding opportunities, and a summary of funding alternatives.

The schedule for Council action and deadlines was reviewed with desired action this evening being the selection of a site for future planning and environmental review.

Final thoughts included:
- Alternatives are all technically viable
- Long-term alternative costs/rate impacts are similar
- Alternatives will all improve the environment
- What is the most sustainable alternative for Oak Harbor

The three resolutions were clarified:
- 12-17 MBR at Windjammer Park site
- 12-18 MBR at Crescent Harbor North site
- 12-19 AS at Crescent Harbor North site

Mayor Dudley called for public comments.

Duane Dillard, Oak Harbor. Mr. Dillard thanked the citizen committee - great job. Mr. Dillard then spoke with concern about the Crescent Harbor North site and its proximity to the Navy jet fuel line pipeline project. Mr. Dillard spoke in support of the Windjammer Park site which offers a central location for the whole community with future additions (community center or conference center, possible City Hall, library, etc.).

Sean Rafferty, Oak Harbor, Little League Board Member. Mr. Rafferty spoke with concern about the Windjammer Park site and asked that, if Bayshore Drive is re-done, a new ballfield facility be in place first. Do not forget our children. Mr. Rafferty also thought the Crescent Harbor site is not central to the City.

Jeff Trumbore, Oak Harbor, Member of the Citizens Committee. Mr. Trumbore felt that Council was presented with viable options: Windjammer Park has a higher potential for archaeological discovery, has different soil conditions than Crescent Harbor North, and a potential for rising water and high tides. Mr. Trumbore supported the Crescent Harbor North site because it can support other land uses and would not be as costly as the Windjammer Park site.

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Corky Bridgeford, Oak Harbor.  Mr. Bridgeford is a property owner at the Crescent Harbor North site.  Mr. Bridgeford spoke with concern about the Windjammer Park site and in support of the Crescent Harbor North site which offers more room, could act as a site for compostable solids which can be sold, could house a solid waste transfer station, and in the long-term, save the City some money although initial site costs are comparably the same.  

Mel Vance, Oak Harbor.  Mr. Vance spoke with concern about the choice of an AS process and plant if it has to be retrofitted or replaced in 50 years.  Mr. Vance supported MBR as a process but not the Windjammer Park location due to public concern.  Mr. Vance felt an opportunity had been missed in not offering a proposed site to the west or south.  

Helen Chatfield-Weeks, Oak Harbor.  Ms. Chatfield-Weeks felt this evening offered a well-presented and intelligent discussion and supported the Windjammer Park site.  Ms. Chatfield-Weeks added: Eric Johnston is a fine and intelligent engineer and thanked Mr. Johnston for his work on this project.  

JoAnn Hartley, Oak Harbor.  Ms. Hartley is a property owner at the Crescent Harbor North site.  Ms. Hartley felt that both sites were comparable but initially had concern with the Navy jet fuel line which is now not a concern to her.  Ms. Hartley spoke in support of the Crescent Harbor North site with MBR as the process and the lesser environmental impact to the riparian terrain and deer there.  

Ron Hancock, Oak Harbor.  Mr. Hancock spoke with concern about the impact of placing a plant in a waterfront park; there is only so much waterfront left.  Future generations will suffer or benefit from the quality of life we are giving them and Mr. Hancock did not think a plant at Windjammer Park would add to a pristine environment.  Mr. Hancock spoke in support of the Crescent Harbor North site and hoped for an aesthetically pleasing structure committed to a multi-use concept.  

There were no other public comments.  

BREAK  
Mayor Dudley called for a break at 7:20 p.m. and the meeting reconvened at 7:25 p.m.  

Council Discussion and Questions  
Discussion followed about the facility that would remain at Windjammer if Crescent Harbor North was chosen (a small footprint pump station; the rest of the RBC plant would be removed and the land returned to the park), the same question was asked of the Windjammer Park site (nothing, existing infrastructure would be removed and new infrastructure would be shifted to the site).  Discussion continued regarding rates in 2010 and rates in comparable cities, the need to acquire and annex the site for Crescent Harbor North (this is one of the assumptions; would not build otherwise), if either site favors grants or low interest loans based on the project choice (no), if rates will double over the next five years (yes), phasing and expansion at each of the sites, potential for archaeological discovery (more potential at Windjammer), and if there is risk regarding the Navy fuel line as mentioned by Ms. Hartley (not a greater risk).  Discussion followed about land acquisition and the process which protects the property owner, and if funds could be used for Bayshore (not usable; funds are for the WWTP only), and the intrusiveness/disruptiveness of the work to build a plant.  Discussion returned to soils at each site, and phasing,
Motion: Councilmember Almberg moved to adopt Resolution 12-18 to continue with the engineering for an MBR plant at Crescent Harbor North. The motion was seconded by Councilmember Munns.

Discussion continued about ancillary components of the sites, expansion availability for each site, the effect of the Windjammer Park site on the park, and the "moving parts" and elevation of the Crescent Harbor North site.

MEETING TIME EXTENSION
Motion: At 8:00 p.m., Councilmember Servatius moved to extend the meeting to 9:00 p.m. The motion was seconded by Councilmember Campbell and carried unanimously.

Discussion followed about the Navy and if the Navy had been contacted. Mr. Johnston noted that there has been regular discussion with counterparts at NASWI which included cost share. The Navy is prepared to begin their own feasibility study. Discussion continued about $93 million covering only the waste water facility portion and not the additional buildings (conference center, commercial space, etc.), a note that City has a better understanding of archaeological discovery, and the positive impact of a downtown facility which would create a destination.

Discussion returned to loss of park land, the 42-inch outfall, and the years it will take to add community buildings to the facility without losing enthusiasm or vision. Discussion followed about Mr. Trumbore's concern with a rise in sea level and the factor of saltwater intrusion (costs include a solid vertical but a consideration for sea level rise would be appropriate). Other discussion did not see that much park land being lost, possible berming for an amphitheatre, and a central location with Windjammer that benefits the community. Discussion returned to the Crescent Harbor North site, the choice of MBR over AS for that site, and the plant operators' support of Crescent Harbor North. Salmon recovery at Crescent Harbor North was discussed, how reclaimed water can be used, and that tonight's decision is on the plant and process, not the additional buildings.

Vote on the Motion: Councilmembers Almberg, Hizon, and Munns voted in favor of the motion. Councilmembers Campbell, Servatius, and Severns opposed; a 3:3 vote. Mayor Dudley broke the tie and opposed the motion due to costs. The motion was defeated.

Motion: Councilmember Campbell moved to approve Resolution 12-17. Councilmember Severns seconded the motion.

Councilmember Severns spoke to his second (as earlier stated by Councilmember Campbell and Councilmember Servatius) asking to build as little as possible in the existing Windjammer Park.

Clerk's Note: Resolution 12-17 called for the Windjammer Park Site using a membrane bioreactor process (MBR).
Friendly Amendment to the Motion:
Councilmember Almberg made a friendly amendment to include the condition that there is no net loss to Windjammer Park as a result of this project.

Mayor Dudley noted that this meeting is addressing only the site and process; this will come later and is premature.

Councilmember Almberg’s friendly amendment stood.

Mayor Dudley asked City Administrator Cort about modification of an existing resolution. Dr. Cort felt that Mr. Almberg’s amendment spoke to the existing footprint of the existing plant and stated it was difficult to imagine a site that would reduce the park itself. Discussion continued about encroachment on the auto dealerships, not removing land from public use, and no net loss to the surface area of public domain for the park noting removal of the existing plant opens up park area.

Second to the Friendly Amendment:
Councilmember Munns seconded the friendly amendment.

Discussion followed about other areas in this vicinity with note that the design charrette is reflected in the Windjammer Park site map and that this discussion could continue during the design phase. Mr. Matson talked about submission of the facilities plan to the Department of Ecology and that Ecology looks more to the process than the footprint; there is a defined footprint, but there is flexibility to modify the site.

Vote on the Friendly Amendment:
Councilmembers Almberg, Hizon, and Munns voted in favor of the friendly amendment. Councilmembers Campbell, Servatius, and Severns opposed; a 3:3 vote. Mayor Dudley broke the tie and opposed the friendly amendment. Mayor Dudley felt the City would gain park area. The motion was defeated.

Vote on the Original Motion:
The original motion to approve Resolution 12-17 carried unanimously.

Mayor Dudley thanked everyone, most importantly the public, and looked forward to the design process for the waste water treatment facility.

ADJOURN
The meeting adjourned at 8:30 p.m.

Connie T. Wheeler
City Clerk
Tonight's Agenda

- Overview of Windjammer Vicinity MBR
- Overview of Crescent Harbor North AS
- Overview of Crescent Harbor North MBR
- Rate Analysis Update
- Public Comments Summary
- Schedule
- Questions?
## Key Considerations
### Windjammer Vicinity MBR

<table>
<thead>
<tr>
<th>Consideration</th>
<th>Year 2012 Facilities</th>
<th>Phase 1 Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Project Cost</td>
<td>$85.5 million</td>
<td>$81.1 million</td>
</tr>
<tr>
<td>20-Year Net Present Value (NPV) of Annual O&amp;M&lt;sup&gt;[1]&lt;/sup&gt;</td>
<td>$20.3 million ($1.6 million/yr)</td>
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</tr>
<tr>
<td>Treated 20-Year M&lt;sup&gt;2&lt;/sup&gt;V</td>
<td>$112.8 million</td>
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</tr>
<tr>
<td>Ability to Phase</td>
<td>Phase 1 costs assume continued use of Septic Tank Lagoon for solids (high risk assumption)</td>
<td></td>
</tr>
<tr>
<td>Community Considerations</td>
<td>Potential benefits to Windjammer Vicinity open space and transportation</td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
1. O&M costs include power, chemicals, labor, equipment replacement, and solids handling.
Key Considerations
Crescent Harbor North AS

<table>
<thead>
<tr>
<th>Considerations</th>
<th>Year 2009 Facilities</th>
<th>Phase 1 Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Project Cost</td>
<td>$88.0 million</td>
<td>$76.0 million</td>
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<tr>
<td>20-Year Net Present Value (NPV) of Annual O&amp;M (1)</td>
<td>$20.9 million ($1.1 million/year)</td>
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<tr>
<td>Total 20-Year NPV</td>
<td>$100.9 million</td>
<td></td>
</tr>
<tr>
<td>Ability to Phase</td>
<td>Phase 1 costs assume laudal for nitrogen removal and filtration are delayed (moderate risk assumption)</td>
<td></td>
</tr>
<tr>
<td>Community Considerations</td>
<td>Potential benefits to regional utility services and transportation</td>
<td></td>
</tr>
</tbody>
</table>

(1) Operations & maintenance (O&M) costs include power, chemicals, labor, equipment replacement, solids handling, and maintenance of the pump stations and pipelines used to convey flow between Windjammer and Crescent Harbor North.

Crescent Harbor North Charrette Concept
Conceptual Plan View for MBR

Summary of Project Costs
Year 2030

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Cost, Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>WWTP</td>
<td>$293.8 M</td>
</tr>
<tr>
<td>Sewage Conveyance</td>
<td>$7.3 M</td>
</tr>
<tr>
<td>Effluent Discharge</td>
<td>$7.3 M</td>
</tr>
<tr>
<td>Windjammer MBR</td>
<td>$29.0 M</td>
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<tr>
<td>Crescent Harbor North AS</td>
<td>$11.5 M</td>
</tr>
<tr>
<td>Crescent Harbor North MBR</td>
<td>$11.5 M</td>
</tr>
<tr>
<td>Crescent Harbor North MBR</td>
<td>$11.5 M</td>
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</table>
### Key Considerations
**Crescent Harbor North MBR**

<table>
<thead>
<tr>
<th>Consideration</th>
<th>Year 2035 Facilities</th>
<th>Phase I Facilities</th>
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<tbody>
<tr>
<td>Estimated Project Cost</td>
<td>$99.5 million</td>
<td>–</td>
</tr>
<tr>
<td>20-Year Net Present Value (NPV) of Annual O&amp;M(1)</td>
<td>$22.4 million ($1.8 million/yr)</td>
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<tr>
<td>Total 20-Year NPV</td>
<td>$115.9 million</td>
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</tr>
<tr>
<td>Ability to Phase</td>
<td>Alternative does not allow for component performance, or conveyance phasing</td>
<td>–</td>
</tr>
<tr>
<td>Community Considerations</td>
<td>Potential benefits to regional utility services and transportation</td>
<td>–</td>
</tr>
</tbody>
</table>

**NOTES:**
1. Operations & Maintenance (O&M) costs include power, chemicals, labor, equipment replacement, solids handling, and maintenance of the pump stations and pipelines used to convey flow between Windjammer and Crescent Harbor North.

### Final Cost Comparison
**Total Project Cost**

<table>
<thead>
<tr>
<th></th>
<th>Year 2030 Cost</th>
<th>Phase I Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Windjammer MBR</td>
<td>$87.0 million</td>
<td>$70.0 million</td>
</tr>
<tr>
<td>Crescent Harbor North AB</td>
<td>$87.0 million</td>
<td>$70.0 million</td>
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<tr>
<td>Crescent Harbor North MBR</td>
<td>$87.0 million</td>
<td>$70.0 million</td>
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</table>

### Estimated O&M Cost Summary

<table>
<thead>
<tr>
<th></th>
<th>Windjammer MBR</th>
<th>Crescent Harbor North AB</th>
<th>Crescent Harbor North MBR</th>
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</thead>
<tbody>
<tr>
<td>Labor</td>
<td>$810,000</td>
<td>$810,000</td>
<td>$810,000</td>
</tr>
<tr>
<td>Power/electrical</td>
<td>$430,000</td>
<td>$280,000</td>
<td>$430,000</td>
</tr>
<tr>
<td>Equipment Replacement</td>
<td>$510,000</td>
<td>$470,000</td>
<td>$510,000</td>
</tr>
<tr>
<td>Chemicals</td>
<td>$50,000</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Solids Handling</td>
<td>$15,000</td>
<td>$90,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Subtotal WWTP</td>
<td>$1,615,000</td>
<td>$1,680,000</td>
<td>$1,610,000</td>
</tr>
<tr>
<td>Conveyance Power(2)</td>
<td>–</td>
<td>$130,000</td>
<td>$130,000</td>
</tr>
<tr>
<td>Conveyance O&amp;M(2)</td>
<td>–</td>
<td>$40,000</td>
<td>$40,000</td>
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<tr>
<td>Subtotal Conveyance</td>
<td>–</td>
<td>$170,000</td>
<td>$170,000</td>
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<tr>
<td>Total Annual</td>
<td>$1,615,000</td>
<td>$1,880,000</td>
<td>$1,750,000</td>
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</table>

**NOTES:**
1. Estimated costs for conveying raw sewage and effluent between Windjammer and Crescent Harbor North.
2. Costs include power, chemicals, labor, equipment replacement, solids handling, and maintenance of the pump stations and pipelines used to convey flow between Windjammer and Crescent Harbor North.
Final Cost Comparison
Estimated City Share

Estimated City Share

Rate Analysis Update

WWTP Funding Assumption Review

- 2010 rate study included assumptions for the WWTP funding
- Assumptions were conservative given the project was 5 plus years in the future
- Revised assumptions are conservative yet still reflect current conditions
- Question: How do the assumptions impact the adopted rate transition plan

8/14/2012
Summary of the Previous Rate Study Assumptions

- Wastewater Treatment Plant Upgrade cost of $70 million
- Rates are funding approximately $6.4 million
- Reserves are funding approximately $10 million
- Total revenue bond $53.7 million
  - Interest rate of 6.0% for 20 years
- Estimated annual debt service payment is approximately $4.7 million
- No additional outside funding for the upgrade.

Current Project Cost and Revised Funding Assumptions

- Wastewater Treatment Plant Upgrade cost estimates have increased to $93.5 million
- Activated sludge treatment plant would reduce rate impacts compared to MBR
  - Additional future costs may be necessary
- Alternative Options Considered Include:
  - Current long-term borrowing rates and terms
  - Navy contribution
- No additional outside funding has been included at this time
  - Low-interest loans
  - Grants

Summary of Alternative Funding Options

<table>
<thead>
<tr>
<th>ALTERNATIVE OPTIONS</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
<th>Option 4</th>
<th>Option 5</th>
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</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td>Interest Bond</td>
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<td>$70,000,000</td>
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<tr>
<td>Terms in Years</td>
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<td>30</td>
<td>30</td>
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<tr>
<td>Interest Rate</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
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<tr>
<td>Project Cost</td>
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<td>$70,000,000</td>
<td>$70,000,000</td>
<td>$70,000,000</td>
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<tr>
<td>Navy Contribution</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Renovation Cost</td>
<td>$0</td>
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<td>$0</td>
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<tr>
<td>Annual Revenue Bond</td>
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<td>$4,734,133</td>
<td>$4,734,133</td>
<td>$4,734,133</td>
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<tr>
<td>Total Revenue Bond</td>
<td>$4,734,133</td>
<td>$4,734,133</td>
<td>$4,734,133</td>
<td>$4,734,133</td>
<td>$4,734,133</td>
</tr>
</tbody>
</table>

Note: Option 3 (A and B) are the only alternatives that include additional outside funding, assuming a contribution from the Navy for treatment and conveyance.
Additional Outside Funding Opportunities

- Other additional funding the City will attempt to obtain:
  - Grants
  - Low-interest Loans
- Additional low interest loans or grants will reduce the rate impacts even further.

Project Cost of $70 million
Base Case Assumptions

Project Cost Comparison of $93.5 million
Project Cost Comparison of $23.6 million With Reduced Interest Rate, Extended Term & Navy Contribution

Note: Changed the interest rate for the revenue bond from 6.00% to 3.23%; changed the length of the term from 30 years to 20 years; assumes $7k.

Summary of Review Funding Alternatives

- Original funding assumptions were conservative given the time frame (i.e., 5 years out).
- Revising long-term funding assumptions are based on conservative market information
  - Rates will change over the next three years
- Revised funding assumptions are reasonable estimates of available funding opportunities
- Additional low interest loans or grants can reduce the rate impact even further
- Revised assumptions allow the City to maintain the proposed rate transition plan even with increased project costs

How does risk factor into the decision?
Public Comments
Received at July 31st Open House

- 8 written comments received:
  - 1 not in favor of either site
    - Expressed desire for reuse in lieu of marine discharge
  - 3 in favor of Crescent Harbor North AS (or MBR)
    - Not in favor of WWTP near Windjammer Park
  - 3 in favor of Windjammer Vicinity MBR
    - Incorporate community benefits (e.g. museum)
  - 1 suggested evaluating Windjammer Vicinity layouts
    - Reduce cost of facility by not burying tanks beneath Bayshore Drive

Schedule
RESOLUTION NO. 12-17

A RESOLUTION OF THE CITY OF OAK HARBOR DIRECTING THE EVALUATION OF POTENTIAL SITES FOR A FUTURE WASTEWATER TREATMENT FACILITY.

WHEREAS, the 2008 City of Oak Harbor Comprehensive Sewer Plan identifies the need for a new wastewater treatment facility to meet future growth needs and to replace aging and at-risk infrastructure; and

WHEREAS, recognizing that the City of Oak Harbor is connected to the pristine waters of Puget Sound, specifically Oak Harbor Bay and Crescent Harbor Bay, the City’s goal is to obtain the highest level of water quality practical while recognizing the limitations of the rate payers of the City to fund the improvements; and

WHEREAS, the City of Oak Harbor Capital Improvement Plan of 2010-2015 specifically lists the Wastewater Treatment Plant Facilities Plan as a prioritized public project to be undertaken within the capital improvement plan time period; and

WHEREAS, on August 4, 2010 the City Council authorized the Mayor to enter into a contract with Carollo, Inc. for development of the aforementioned Facilities Plan required by RCW 90.48.110 and Chapter 173-240 WAC for a new wastewater treatment facility; and

WHEREAS, public input was sought, received and considered on potential wastewater treatment plant locations resulting in the identification of 13 potential locations; and

WHEREAS, input from the U.S. NAVY was sought, received and considered on potential wastewater treatment plant locations; and

WHEREAS, public input was sought, received and considered on the evaluation criteria to be used; and

WHEREAS, input from various stakeholder groups including the U.S. Navy, the Washington State Department of Ecology, Washington State Department of Health, was sought and incorporated into the evaluation criteria; and

WHEREAS, based on input from the public, various stakeholder groups, technical staff, engineering professionals and City staff, four equally weighted categories, being Social, Technical, Environmental and Financial, were developed for the evaluation of all potential site locations, and

WHEREAS, the Social criteria are as follows: 1) Protect Public Health and Safety, 2) Preserve/Enhance Public Amenities, and 3) Minimize Neighborhood Impacts; and

WHEREAS, the Environmental criteria are as follows: 1) Produce Best Water Quality, 2) Protect Environmental Sensitive Areas, and 3) Minimize Carbon Footprint; and

WHEREAS, the Technical criteria are as follows: 1) Reliable Performance, 2) Ease of Construction, and 3) Overall System Efficiency; and

WHEREAS, the Financial criteria are as follows: 1) Low Capital Cost, 2) Low Life Cycle Cost, and 3) Protect Assets for Future Development; and

Resolution No. 12-17
Page 1 of 2
WHEREAS, as directed by City Council Resolution 11-07, the 13 candidate sites were narrowed to 5 candidate sites; and

WHEREAS, as directed by City Council Resolution 12-05, Carollo, Inc., has analyzed an additional site located north of Crescent Harbor Road and provided additional cost information and analysis on all sites and sought public input; and

WHEREAS, as directed by City Council Resolution 12-10, Carollo, Inc. acting on behalf of the City, has evaluated a site in the vicinity of Windjammer Park and the area referred to as Crescent Harbor North as potential sites with a membrane bioreactor process being considered at Windjammer Park with both activated sludge and a membrane bioreactor at Crescent Harbor North with an outfall to be located in Oak Harbor Bay; and

WHEREAS, as directed by City Council Resolution 12-10, Carollo, Inc. acting on behalf of the City has considered and analyzed the merits, costs, rate impacts, phasing plans and has presented said information to the City Council on July 31, 2012; and

WHEREAS, public input has been sought, received and incorporated in the analysis of the aforementioned sites;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Oak Harbor as follows:

1. Based on the analysis of the technical data, comparison of the evaluation criteria and all public comment received to date, the City Council has determined that Windjammer Park site using an membrane bioreactor process (MBR) best meets the needs of the City, and

2. That Carollo, Inc., in accordance with the existing contract and acting on behalf of the City and under the management of the Public Works Director, is directed to draft a facility plan and engineering report compliant with WAC-173-240 based on an MBR facility at the Windjammer Park site for consideration by the Council prior to the December 31, 2012 submittal deadline.

PASSED and approved by the City Council this 14th day of August, 2012.

THE CITY OF OAK HARBOR

Attest:

[Signature]

City Clerk

Approved as to Form:

[Signature]

City Attorney

Resolution No. 12-17
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