

City of Poulsbo, Washington

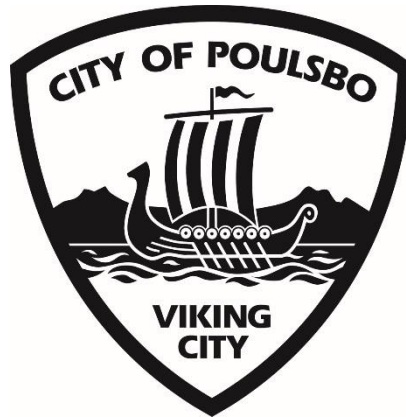


2019 – 2024 City Improvement Plan





City of Poulsbo, Washington



2019 – 2024 City Improvement Plan

MAYOR

Rebecca Erickson

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INTRODUCTION

The State of Washington Growth Management Act of 1990 (GMA) requires that the City of Poulsbo develop a Comprehensive Plan outlining its strategy with respect to land use, housing, capital facilities, utilities, public facilities and transportation. A key component of this plan is the City's Capital Facilities Plan (CFP). In addition to serving as an important planning tool, the CFP also places certain obligations on the City. First of all, the CFP is required to be a fully funded plan, identifying funding sources for all projects and expenditures included in the plan. Secondly, land use decisions which rely on future infrastructure improvements, impose an obligation on the City to complete the improvements within six years of development, provided the improvement has concurrency requirements.

The key detailed strategies and programs necessary to implement the CFP are outlined in the City Improvement Plan (CIP), which is a long-range study of financial wants, needs, expected revenues and policy intentions. The City Improvement Plan (CIP) communicates the City's six-year plan for capital construction and major acquisitions. The plan is consistent with the City's Mission Statement, Council goals, department priorities and service level standards necessary to maintain the safety and quality of life of our citizens.

The City's Mission Statement:

The City of Poulsbo is committed to managing the public's resources to promote community health, safety and welfare, and plan for the future to accommodate growth without burden while preserving our natural resources and enhancing those qualities that make our community unique and desirable.

Capital construction projects and major acquisitions in the CIP are divided into three categories: General Purpose, Transportation and Enterprise.

- **General Purpose** - Projects and improvements dealing with police, parks and recreation and the City's public buildings;
- **Transportation** - Projects dealing with vehicle and pedestrian transportation and, for the most part, duplicates our Transportation Improvement Plan (TIP); and,
- **Enterprise** - Projects associated with the City's utilities – Water, Sewer, Storm Water and Solid Waste.

COMPREHENSIVE PLAN

The state's Growth Management Act of 1990 requires all cities within counties planning under the Act adopt a Comprehensive Land Use Plan. Mandatory elements of the Comprehensive Plan are:

- Land use
- Housing
- Utilities
- Transportation
- Capital facilities

CAPITAL FACILITIES PLAN (CFP)

The Capital Facilities Plan (CFP) element of the Comprehensive Plan must include:

- An inventory of existing capital facilities owned by public entities showing the location and capacities of the capital facilities;
- A forecast of the future needs for such facilities;
- The proposed locations and capacities of expanded or new capital facilities;
- At least a six-year plan that will finance such capital facilities within projected funding capacities, which clearly identifies sources of public money for such purposes; and
- A reassessment of the land use element if probable funding falls short of meeting existing needs and to ensure the land use element, capital facilities element, and financing plan in the Capital Facilities Plan element are consistent.

CITY IMPROVEMENT PLAN (CIP)

The City Improvement Plan (CIP) is a long-range study of financial wants, needs, expected revenues and policy intentions. It is not a budget but provides facts, trends and suggestions for decision-makers. Its components are:

- | | |
|--------------------------|---------------------|
| • General Purpose | • Enterprise |
| Parks and Recreation | Water |
| Municipal Buildings | Sewer |
| Police | Solid Waste |
| • Transportation | Storm Drain |
| Roads | |
| Paths & Trails | |

The actual appropriation which represents the amount that will be used to implement a part of the City Improvement Plan in the coming years is the:

BIENNIAL CAPITAL BUDGET

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PROJECT PRIORITIZATION CRITERIA

Anticipated growth and development within the City is compared against existing facilities and infrastructure to ensure established level of service standards will continue to be met. If situations are identified where growth or development will degrade service levels, projects are identified to rectify the situation. In addition, the public, Council members or City staff may suggest specific capital facility projects or major purchases. In all cases, the suggestion is forwarded to the appropriate Council committee for review and for cost projections. A complete financial package was provided to City Council during a Council Workshop.

Since service level standards and criteria are different for each category of projects, the prioritization criteria are also different. The only consistent criteria is the furtherance of City Council established goals and objectives and implementation of Comprehensive Plan policies. The specific prioritization criteria for each category are listed below and a detailed description of the prioritization criteria is provided in the appendix. The department or fund, as appropriate, will determine the final project rankings, based on the prioritization criteria.

General Purpose Criteria

Legal Mandates	Project Feasibility
Health and Safety	GMA Compliance
Economic Development	Liability
Operation and Maintenance/Reliability	Other Impacts

Transportation Criteria

Safety	Economic Development
Mobility	O&M Cost Impact
Structural Condition	Legal Mandate
Multimodal/Intermodal	Relationship to Plans and Policies
Multi-Agency	Environmental Issues
Project Cost	Other Impacts

Enterprise Criteria

Legal or Contractual Mandate	Relationship to Other Project
Health and Safety	Relationship to Plans and Policies
Reliability and Efficiency	Project Costs
Environmental Issues	Number of Customers or Area Affected
Economic Development	Other Impacts

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FINANCING THE CIP

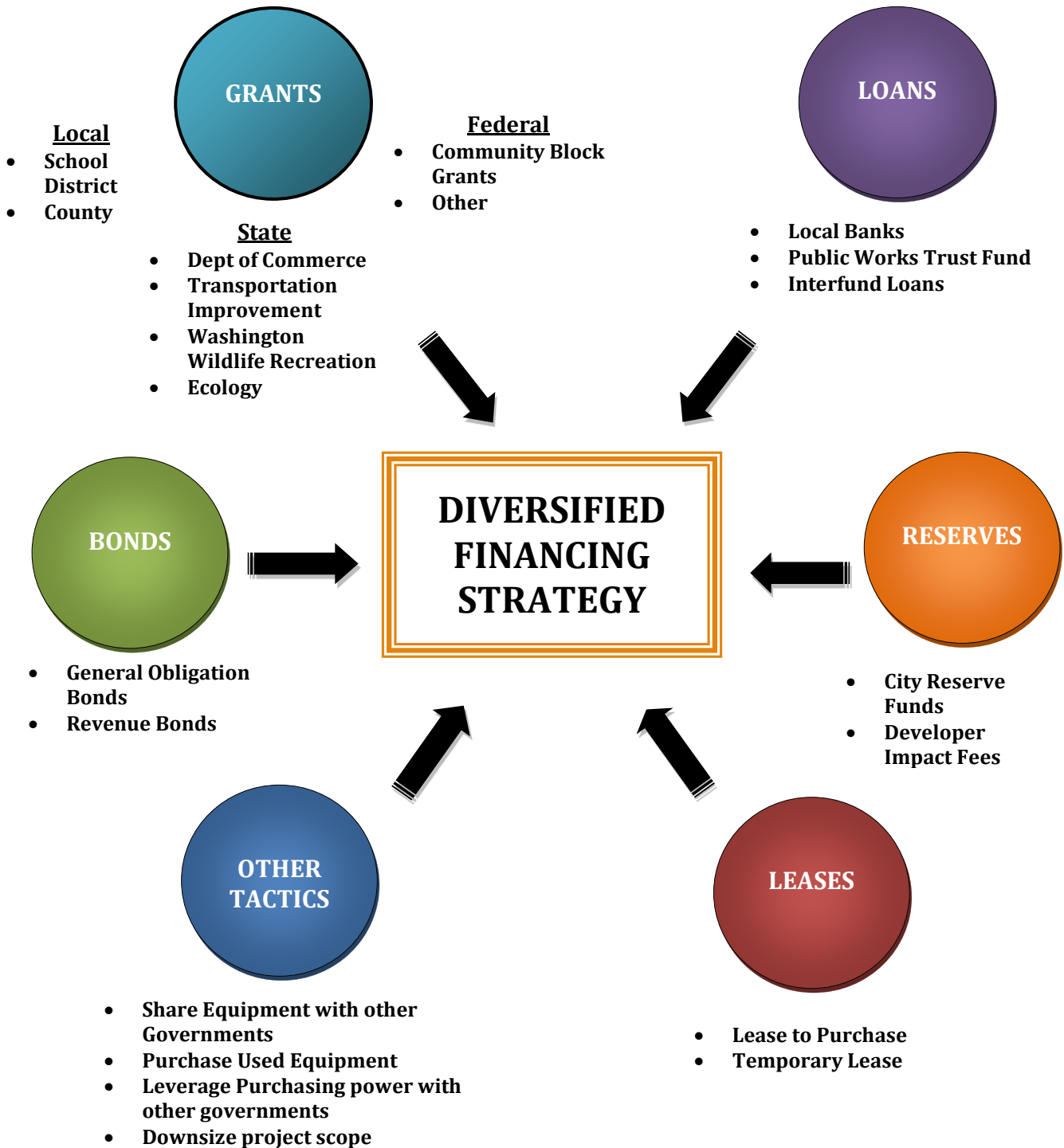
State and Federal mandates continue to impose financial burdens on the City. At the same time, recent funding constraints have left us with aging infrastructure (roadways, utility lines and municipal facilities), which require high maintenance and eventual replacement in the not-so-distant future. Looking ahead, the City needs to diversify its revenue base and attract new industry to our area, which requires investment in site development. Where development is allowed to proceed, the infrastructure improvement must occur to avoid a reduction in service level standards. Since development decisions can be predicated on future infrastructure improvements, all sources of project funding must be identified as part of the plan. Most of our current revenue sources are used to either cover operating expenses, provide for current debt payments or to build reserves. Therefore, very few new projects can be considered without looking for new funding sources.

In order to finance the CIP, the City has at its disposal a multitude of possible funding sources including taxes, utility rates, grants, impact fees, reserves and donations. The City also has the ability to raise taxes, existing utility rates or, in a few limited cases, impose new taxes to generate additional revenue. However, new taxes could be unpopular with our citizens so any decision to move in that direction will not be easy.

In addition, the City can issue bonds and use the proceeds to finance capital spending. However, when considering debt financing, the City is obligated to a fixed payment stream to pay off the debt. Therefore, the CIP addresses financing sources from the stand point of annual cash flow requirements and the summary of capital projects and funding sources lists projected annual funding obligations.

Finally, while certain capital facilities could be financed by voted bonds, there are limits to the City's total indebtedness without degrading our ability to receive a favorable bond rating. Page 9-11 contains a list of annual debt payments, bond retirement date and the overall debt limit available to the City. Over the course of the six-year focus period, some debt obligations will be repaid in full, thus freeing up funds to support new obligations.

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LONG-TERM DEBT OBLIGATIONS AND DEBT CAPACITY

As the demand for public sector investment and infrastructure continues to grow, the issuance of medium to long term debt has become an increasingly important component of state and local government capital programs. While the issuance of debt is frequently an appropriate method of financing capital projects, it also requires careful monitoring to ensure an erosion of the City's credit quality does not result. A decision to borrow money binds the City to a stream of debt service payments that can last as long as twenty-five years. It is therefore imperative the City consistently follow carefully developed debt management policies to ensure the City's credit quality and access to the tax-exempt and tax credit markets remains strong.

The implementation of the City's formal debt policies is an important component of the City's overall capital program. Formal debt policies send a clear message to credit analysts, underwriters and investors that the City is administering its debt program in a responsible manner and in compliance with its policies relative to debt management. The City of Poulsbo has received an underlying "AA" rating from Standard & Poors for its last General Obligation Bonds issue.

The two basic forms of long-term debt are general obligation issues which are backed by the full faith and credit (i.e. taxes) of the City, and revenue bonds which pledge revenues from a specific utility for repayment. The City of Poulsbo portfolio utilizes both general obligation and revenue debt to fund its operations. Under RCW 39.36.020(2), the public may vote to approve bond issues for general government in an amount not to exceed 2.5% of the City's assessed valuation. Within the 2.5% limit, the City Council may approve bond issues not to exceed 1.5% of the City's assessed valuation. Currently, the City's remaining debt capacity within the 2.5% limit is estimated at \$22,128,684. Under RCW 39.36.030(4), the public may also vote to approve park facilities and utility bond issues, each of which is also limited to 2.5% of the City's assessed valuation. Thus a total of 7.5% of the City's assessed valuation may be issued in bonds. All voted bonds require a 60% majority approval. To validate the election, the total votes cast must equal at least 40% of the total votes cast in the last general election.

Project	Type	Duration	Interest Rate	Amount Issued	Outstanding
City Hall 2009	Non Voted	2009 - 2033	1.4% - 5.5%	6,015,000	560,000
Park & Rec	Non Voted	2010 - 2030	3.78%	310,000	255,000
City Hall 2012	Non Voted	2012-2031	2%-3.5%	1,795,000	1,710,000
2003 LTGO Bond - refi 2012 City Hall	Non Voted	2012-2017	.4%-2%	660,000	195,000
2015 LTGO Bond	Non Voted	2015-2035	2% - 4%	7,320,000	7,210,000
				\$ 16,100,000	\$ 9,930,000
This Debt is controlled by assessed Valuation Debt Limits					
2015 Assessed Valuation \$ 1,282,347,366					
X 0.025	=	\$ 32,058,684	Limited for Combined Debt	Balance Available	\$ 22,128,684
X 0.015	=	\$ 19,235,210	Limited for Non-Voted Debt	Balance Available	\$ 9,305,210
Balance Available for Voted Debt				\$ 12,823,474	

BOND DEBT TO MATURITY						
General Obligation (GO)				Revenue Bonds		
Year	Principal	Interest	Total	Principal	Interest	Total
	-	-	-	-	-	-
2016	635,000	360,810	995,810	457,000	32,154	489,154
2017	655,000	343,020	998,020	475,000	16,388	491,388
2018	575,000	324,430	899,430	-	-	-
2019	595,000	306,141	901,141	-	-	-
2020	610,000	51,710	661,710	-	-	-
2021	630,000	48,810	678,810	-	-	-
2022	650,000	45,416	695,416	-	-	-
2023	680,000	41,835	721,835	-	-	-
2024	700,000	38,085	738,085	-	-	-
2025	740,000	33,963	773,963	-	-	-
2026	420,000	29,558	449,558	-	-	-
2027	430,000	24,975	454,975	-	-	-
2028	445,000	20,088	465,088	-	-	-
2029	465,000	15,000	480,000	-	-	-
2030	485,000	9,725	494,725	-	-	-
2031	485,000	4,725	489,725	-	-	-
2032	355,000	-	355,000	-	-	-
2033	375,000	-	375,000	-	-	-
TOTAL	9,930,000	1,698,290	11,628,290	932,000	48,542	980,542

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SOURCES OF FUNDING

RESERVES

Historically, whenever possible, the City of Poulsbo has utilized a “pay-as-you-go” approach to funding capital projects. To that end, several reserve accounts have been established.

Utility Reserves: The City transfers into the utility reserves an amount equal to 100% of the depreciation expense which allows the City to prolong the need to go out for debt on smaller projects, and be able to fund the entire project.

Police Reserves: These reserves are in place to purchase, or at least partially fund, large equipment purchases.

Street, Street Reserve and Park Reserve Funds: Of the City’s property taxes collected in the General Fund, the City will transfer approximately 26% into the Street Fund to fund maintenance and operations along with small street projects, approximately 4.3% into the Park Reserve Fund and approximately 8.6% into the Street Reserve Fund for capital projects and neighborhood street maintenance for 2017 and 2018. Park Impact Fees will transfer \$105,000 in 2017 and \$166,184 in 2018 to support specific park projects. Traffic Impact Fees will transfer \$1,220,000 in 2017 and \$550,000 in 2018 to support specific street projects. The City also uses the second one-quarter percent (1/4%) of the Real Estate Excise Tax (REET) for City streets and Debt Payments. The City will transfer the first one-quarter percent (1/4%) of REET plus an amount from reserves to the Debt Service Fund (204) to help fund the City Hall Debt Service.

BOND FINANCING

In 2003, the City went out for debt to fund the refinancing of the City Hall Morris property and three city transportation projects; Finn Hill Road, 10th Avenue and Caldart Avenue. In 2010, the City secured a \$2.0M Line of Credit Bond Anticipation Note intended to bridge the receipt of proceeds from the sale of property and/or issuance of bonds. These bonds were refunded with a bond issue in 2012. The debt payments for the combined 2012 City Hall debt are projected to be paid from General Fund dollars and REET revenue.

At the end of 2005, the City issued bonds for the purchase of a large parcel of land, civil site work and an architectural design contract for a new City Hall. In 2009, the City issued an additional \$6 million to fund the construction of the new City Hall. These bonds were refunded in 2015, thereby lowering the amount of interest paid. The debt payments for the 2015 LTGO debt are projected to be paid from General Fund dollars and REET.

In 2010, the City financed the \$310,000 purchase of the Park and Recreation building with a LOCAL certificate of participation with the State of Washington. These debt

payments are projected to be paid from the General Fund but funded by rental revenue from the building.

IMPACT FEES

As authorized by RCW 82.02.050, the City has enacted the collection of impact fees on new development activity. Consistent with the level of service standards and capital facilities needs identified in the City's Capital Facilities Plan, impact fees collected will provide a funding source, in conjunction with public and other funding sources, for capital improvement projects to the City's transportation and park system.

POTENTIAL NEW FUNDING

It is particularly important to consider new sources of funding that could support projects that would otherwise be funded through the City's General Fund including:

Hotel/Motel Tax: The City could use the additional amount remaining of the second 2% to fund projects that would qualify for this tax use (i.e. public bathrooms, cultural arts, etc.)

B & O Tax: The City is currently part of the minority of cities in the State of Washington that do not impose a business and occupation (B & O) tax. All cities are authorized to establish such a tax and doing so could generate additional dollars annually for capital projects.

Parking Fees: At this time, public parking in the City is provided at no cost. In the future, the City could establish parking fees to fund future parking improvements.

Transportation Benefit District (TBD): The City could form a Transportation Benefit District which raises revenue usually through vehicle license fees or sales taxes. This revenue may be used to support transportation projects such as improvements to roads, sidewalks and transportation demand management.

SUMMARY OF CAPITAL PROJECTS and FUNDING SOURCES
2017 - 2022 CIP BUDGET

General Purpose Projects								
<i>Projects</i>	<i>Prior Years</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>Total</i>
General/Municipal Facilities	\$ 2,456,955	\$ 645,000	\$ 3,500,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 10,601,955
Park Projects	4,535,630	385,000	1,101,184	860,000	171,500	-	-	7,053,314
Total General Purpose	\$ 6,992,585	\$ 1,030,000	\$ 4,601,184	\$ 4,860,000	\$ 171,500	\$ -	\$ -	\$ 17,655,269
<i>Funding</i>	<i>Prior Years</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>Total</i>
Grants	\$ 2,971,159	\$ 105,000	\$ 475,000	\$ 437,500	\$ 75,000	\$ -	\$ -	\$ 4,063,659
City Revenues	3,165,799	127,500	201,184	160,000	71,500	-	-	\$ 3,725,983
Non-Voted Debt	-	600,000	3,500,000	3,500,000	-	-	-	\$ 7,600,000
Lease/Sale	-	-	200,000	500,000	-	-	-	\$ 700,000
Donation/In-Kind	855,627	197,500	225,000	262,500	25,000	-	-	\$ 1,565,627
Total General Purpose	\$ 6,992,585	\$ 1,030,000	\$ 4,601,184	\$ 4,860,000	\$ 171,500	\$ -	\$ -	\$ 17,655,269

Transportation Projects								
<i>Projects</i>	<i>Prior Years</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>Total</i>
Streets Projects	\$ 2,944,392	\$ 1,970,000	\$ 6,461,000	\$ 4,660,000	\$ 522,000	\$ 2,595,000	\$ 360,000	\$ 19,512,392
Total Trans. Projects	\$ 2,944,392	\$ 1,970,000	\$ 6,461,000	\$ 4,660,000	\$ 522,000	\$ 2,595,000	\$ 360,000	\$ 19,512,392
								\$ -
<i>Funding</i>	<i>Prior Years</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>Total</i>
Grants	\$ 2,021,105	\$ 600,000	\$ 5,380,000	\$ 200,000	\$ 172,000	\$ 2,245,000	\$ 60,000	\$ 10,678,105
City Revenues	923,287	1,370,000	741,000	700,000	350,000	350,000	300,000	\$ 4,734,287
Non-Voted Debt	-	-	340,000	3,760,000	-	-	-	\$ 4,100,000
Total Trans. Projects	\$ 2,944,392	\$ 1,970,000	\$ 6,461,000	\$ 4,660,000	\$ 522,000	\$ 2,595,000	\$ 360,000	\$ 19,512,392

Enterprise Projects								
<i>Projects</i>	<i>Prior Years</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>Total</i>
Sewer Projects	\$ 6,361,859	\$ 8,091,671	\$ 6,349,000	\$ 598,300	\$ 1,570,000	\$ 6,540,000	\$ 551,620	\$ 30,062,450
Water Projects	275,000	1,575,000	970,000	500,000	800,000	800,000	400,000	\$ 5,320,000
Storm Drain	414,242	1,373,000	1,930,300	2,010,000	1,284,000	2,034,000	90,000	\$ 9,135,542
Total Enterprise Projects	\$ 7,051,101	\$ 11,039,671	\$ 9,249,300	\$ 3,108,300	\$ 3,654,000	\$ 9,374,000	\$ 1,041,620	\$ 44,517,992
								-
<i>Funding</i>	<i>Prior Years</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>Total</i>
Grants	\$ 333,505	\$ 640,000	\$ 1,375,000	\$ 1,475,000	\$ 958,000	\$ 1,530,000	\$ 90,000	\$ 6,401,505
City Revenues	2,135,066	5,399,671	2,874,300	1,508,300	1,231,000	1,634,000	951,620	\$ 15,733,957
County	-	-	-	125,000	125,000	-	-	\$ 250,000
Non-Voted Debt	4,582,530	5,000,000	5,000,000	-	1,340,000	6,210,000	-	\$ 22,132,530
Total Enterprise Projects	\$ 7,051,101	\$ 11,039,671	\$ 9,249,300	\$ 3,108,300	\$ 3,654,000	\$ 9,374,000	\$ 1,041,620	\$ 44,517,992

Total Projects	16,988,078	14,039,671	20,311,484	12,628,300	4,347,500	11,969,000	1,401,620	\$ 81,685,653
Total Funding	16,988,078	14,039,671	20,311,484	12,628,300	4,347,500	11,969,000	1,401,620	\$ 81,685,653

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GENERAL PURPOSE PROGRAM





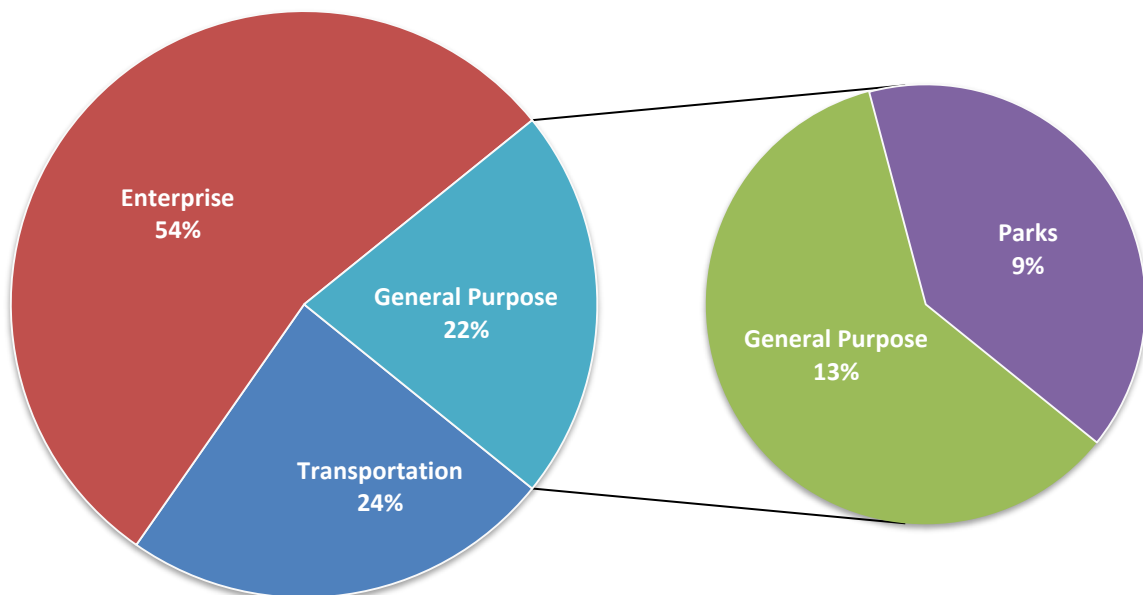
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GENERAL PURPOSE PROGRAM

The General Purpose Program element of the City Improvement Plan comprises Parks & Recreation and General Government projects. Combined, they represent \$17,655,269 or 22% of the \$81,685,653 City Improvement Plan.

Of this 22%, many are Parks & Recreation projects that rely heavily on grant funding and will be phased out over the next several years. The largest General Government project is a new Public Works Complex, with design beginning in 2016 and construction slated to start in 2018. The new facility should be fully operational in the fall of 2019.

General Purpose Expenditures



CITY IMPROVEMENT PLAN PROGRAM	AMOUNT
General Purpose	\$ 17,655,269
Transportation	\$ 19,512,392
Enterprise	\$ 44,517,992
TOTAL CAPITAL PROGRAM	\$ 81,685,653

2017 - 2022 GENERAL PURPOSE CAPITAL IMPROVEMENTS

Page #	Project Name	Prior Years Costs	2017 Project Cost	2018 Project Cost	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	Total Project Cost
	GENERAL PROJECTS / MUNICIPAL FACILITIES								
9-19	Library Roof Replacement		45,000						45,000
	7-City/Utility Reserves		22,500						22,500
	13-Donation/In-Kind		22,500						22,500
9-20	PW Complex Relocation	2,456,955	600,000	3,500,000	4,000,000				10,556,955
	2-State Grants	441,015							441,015
	6-Non-Voted Bonds		600,000	3,500,000	3,500,000				7,600,000
	7- City/Utility Reserves	2,015,940							2,015,940
	11-Sale of City Property				500,000				500,000
	Total Municipal Facility Capital Projects	\$ 2,456,955	\$ 645,000	\$ 3,500,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 10,601,955
	Total Municipal Facility Capital Funding Sources	\$ 2,456,955	\$ 645,000	\$ 3,500,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 10,601,955
	2-State Grants	441,015							441,015
	6- Non-Voted Bonds		600,000	3,500,000	3,500,000				7,600,000
	7 - City/Utility Reserves	2,015,940	22,500						2,038,440
	11 - Sale of City Property				500,000				500,000
	13 - Donation/In-Kind		22,500						22,500

Project Name: Library Roof Replacement

Project Description

Budget:	\$45,000	Purpose:	General Purpose
Location:	Library Lincoln Rd	Project Manager:	Mike Lund
Description:	The Library's roof is older and in need of replacement.		
Justification:	The existing roof at the Library is at the end of its useful life and needs to be replaced		

Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves			22,500						22,500
8	City Impact Fees									
13	Donation/In-Kind			22,500						22,500
	Total			45,000						45,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction			40,000						40,000
	Management			5,000						5,000
	Total			45,000						45,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

[illegible]

Project Name: Public Works Facility Relocation**Project Description**

Budget: \$10,556,955 **Purpose:** General Purpose

Location: N. Viking Road **Project Manager:** Andrzej Kasiniak, P.E.

Description: Relocation of the Public Works complex.

Justification: Upgrade the PW facilities (poor condition, drainage problems) and relocate to area where there is less conflict with nearby public uses. The first Phase of the project began in 2012 with the site work for the Solid Waste Transfer Station. This Phase continued through 2014/2015 with construction of a Decant Facility. In 2015 the City initiated the design phase. The design phase included: site plan, conceptual design of new administration building, shops and vehicle storage. In 2016 the City decided to implement the project in three phases: Phase I in 2018 - Buildings and Civil Work. Phase II in Spring/Summer 2019 - Plumbing, HVAC, Electrical inside Buildings, Phase III in Fall 2019 - Furniture and Equipment. (\$600,000 additional land, Civil Work \$2,000,000, Metal Buildings \$1,500,000, Tenant Improvements \$3,000,000, Furniture, Tools & Equipment \$500,000, Design, Permitting, Contract Administration \$500,000).

Start Date: 2010**Completion Date:** 2019**Capital Funding****Sources of Funding**

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds			600,000	3,500,000	3,500,000				7,600,000
7	City/Utility Reserves	1,748,344	267,596							2,015,940
8	DOE Grant	441,015								441,015
11	Sale of City Property					500,000				500,000
	Total	2,189,359	267,596	600,000	3,500,000	4,000,000				10,556,955

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design	296,652	100,000							396,652
	Land/ Right of Way	1,100,000		600,000						1,700,000
	Construction	772,707	167,596		3,350,000	3,850,000				8,140,303
	Management	20,000			150,000	150,000				320,000
	Total	2,189,359	267,596	600,000	3,500,000	4,000,000				10,556,955

Estimated Impact on Future Operating Budgets**Notes:** Anticipated yearly debt payments

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Operating									
	Debt				205,000	500,000	500,000	500,000	500,000	2,205,000
	Total				205,000	500,000	500,000	500,000	500,000	2,205,000

2017 - 2022 GENERAL PURPOSE CAPITAL IMPROVEMENTS (continued)

Page #	Project Name	Prior Years Costs	2017 Project Cost	2018 Project Cost	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	Total Project Cost
	PARK PROJECTS								
9-22	Centennial Park	885,308			250,000	111,500			1,246,808
	2-State Grants				150,000	50,000			200,000
	7-City/Utility Reserves	239,308			25,000	25,000			289,308
	8 - City Impact Fees	46,000			75,000	36,500			157,500
	10-Real Estate Excise Tax	600,000							600,000
9-23	MIW Waterfront Park Benches		45,000						45,000
	8 - City Impact Fees		45,000						45,000
9-24	MIW Waterfront Park Restrooms	100,000		200,000					300,000
	7-City/Utility Reserves	50,000							50,000
	8 - City Impact Fees	50,000							50,000
	11-Sale of City Property			200,000					200,000
9-25	Morrow Manor Park	115,000	135,000	416,184					666,184
	2-State Grants		25,000	250,000					275,000
	7-City/Utility Reserves	65,000							65,000
	8 - City Impact Fees	50,000	10,000	166,184					226,184
	13-Donation/In-Kind		100,000						100,000
9-26	Nelson Park Playground		25,000						25,000
	8 - City Impact Fees		25,000						25,000
9-27	Poulsbo Fish Park Restoration	3,535,322	180,000	460,000	285,000	60,000			4,520,322
	1-Federal Grants	150,000							150,000
	2-State Grants	2,380,144	80,000	225,000	137,500	25,000			2,847,644
	7-City/Utility Reserves	149,551	25,000	10,000	10,000	10,000			204,551
	13-Donation/In-Kind	855,627	75,000	225,000	137,500	25,000			1,318,127
9-28	Poulsbo Skate Park			25,000	325,000				350,000
	2-State Grants				150,000				150,000
	7-City/Utility Reserves			25,000	50,000				75,000
	13-Donation/In-Kind				125,000				125,000
	Total Park and Recreation Projects	\$ 4,535,630	\$ 385,000	\$ 1,101,184	\$ 860,000	\$ 171,500	\$ -	\$ -	\$ 7,053,314
	Total Park and Recreation Capital Funding Sources	\$ 4,535,630	\$ 385,000	\$ 1,101,184	\$ 860,000	\$ 171,500	\$ -	\$ -	\$ 7,053,314
	1 - Federal Grants	150,000							150,000
	2 - State Grants	2,380,144	105,000	475,000	437,500	75,000			3,472,644
	7 - City/Utility Reserves	453,859	25,000	35,000	85,000	35,000			633,859
	8 - City Impact Fees	96,000	80,000	166,184	75,000	36,500			453,684
	10 - Real Estate Excise Tax	600,000							600,000
	11-Sale of City Property			200,000					200,000
	13 - Donation/In-Kind	855,627	175,000	225,000	262,500	25,000			1,543,127

Project Name: Centennial Park

Project Description

Budget:	\$1,246,808	Purpose:	Parks
Location:	Corner of 7th and Iverson	Project Manager:	Mary McCluskey
Description:	<p>The 2.5 acre parcel, located at the corner of 7th Avenue and Iverson Street, was purchased in 2000 by the City for future offices. Because Dogfish Creek runs through the property and subsequent Critical Areas Ordinance guidelines, building new structures on this site may not be feasible. It was retained as an urban park because of its proximity to shopping, medical offices, the library, and public transportation. A master plan was completed in 2007 and development began in 2008 with clearing and the installation of the Centennial sculpture. Phase 2 included more development including picnic tables, landscaping and a bridge over the creek. Additional master planning to include the former Public Works property will help determine its highest and best use. A joint venture in tandem with the Engineering Department and the Dogfish Creek Restoration Project may enhance stormwater possibilities near the creek. The City will apply for an RCO (Recreation and Conservation Office) grant in 2018, with funding available in 2019. The grant will be WWRP/Local Parks or Habitat Restoration category, which requires a 50% match. The RCO grants are available every two years, and remain the best State source for public park projects. Centennial Park improvements will be a good project for these funds.</p>		
Justification:	In the center of the city; connectivity to other public services; a nice, urban setting.		
Start Date:	2000	Completion Date:	2020

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants					150,000	50,000			200,000
7	City/Utility Reserves	214,308	25,000			25,000	25,000			289,308
8	City Impact Fees	46,000				75,000	36,500			157,500
10	Real Estate Excise Tax	600,000								600,000
	Total	860,308	25,000			250,000	111,500			1,246,808

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design	53,930	25,000							78,930
	Land/ Right of Way	600,000				100,000				700,000
	Construction	201,378				140,000	106,500			447,878
	Management	5,000				10,000	5,000			20,000
	Total	860,308	25,000			250,000	111,500			1,246,808

Estimated Impact on Future Operating Budgets

Notes: Limited maintenance impact on future operating budgets.

[illegible]

Project Name: Muriel Iverson Williams Waterfront Park Benches

Project Description

Budget:	\$45,000	Purpose:	Parks
Location:	MIW Waterfront Park	Project Manager:	Mary McCluskey
Description:	The City installed 10 benches in front of the Austin - Kvelstad Pavilion in 2015, and these have been well received. Additional benches are needed to support events and performances at the pavilion.		
Justification:	The current concrete posts in front of the Austin-Kvelstad Pavilion are outdated and uncomfortable. If these concrete posts are removed, there will be room to add 14-15 benches in front of the pavilion.		
Start Date:	2017	Completion Date:	2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
7	City/Utility Reserves									
8	City Impact Fees			45,000						45,000
13	Donation									
	Total			45,000						45,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction			42,000					42,000	
	Management			3,000					3,000	
	Total			45,000					45,000	

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets

[illegible]

Project Name: Muriel Iverson Williams Waterfront Park Restrooms

Project Description

Budget:	\$300,000	Purpose:	Parks
Location:	MIW Waterfront Park	Project Manager:	Mary McCluskey
Description:	The restrooms at the Waterfront Park are aging and are in disrepair. Many complaints have been made about the look of these restrooms. The building is sound but needs paint; the inside will need to be gutted. Design is scheduled to begin in 2016 with majority of Construction expected in 2018 utilizing proceeds from sale of Old City Hall.		
Justification:	This park is the focal point for the city, serving residents and tourists throughout the year. There are no other public restrooms in downtown Poulso.		
Start Date:	2016	Completion Date:	2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
7	City/Utility Reserves		50,000							50,000
11	Sale of City Property				200,000					200,000
13	City Impact Fees		50,000							50,000
	Total		100,000		200,000					300,000

Capital Costs

		Prior Years	Current	Six-Year Plan						Total Costs
			2016	2017	2018	2019	2020	2021	2022	
	Planning & Design		20,000							20,000
	Land/ Right of Way									
	Construction		80,000		200,000					280,000
	Management									
	Total		100,000		200,000					300,000

Estimated Impact on Future Operating Budgets

Notes:

[illegible]

Project Name: **Morrow Manor Park**

Project Description

Budget: \$666,184 **Purpose:** Parks

Location: Corner of Noll and Mesford Sts. **Project Manager:** Mary McCluskey

Description: This 1.2 acre passive park will be built around the natural landscape using existing trees and fauna. Plans call for benches, playground equipment, games tables, trails, and a shared use path. The City applied for an RCO (Recreation and Conservation Office) grant in 2016, with funding available in 2017-2020. The grant is under WWRP/Local Parks category, which requires a 50% match. This is the largest funding source under WWRP, and this project is highly qualified to fit into this category. The RCO grants are available every two years, and remain the best State source for public park projects.

Justification: Residential building permits along the Noll Road corridor are increasing over the next five years, and parks will be needed for these residents. The park land has been donated by the Poulsbo-NK Rotary Club Foundation to be used as a public park in perpetuity. They will be building four "supportive" housing units on the adjacent parcel.

Start Date: 2014 **Completion Date:** 2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants			25,000	250,000					275,000
3	County									
7	City/Utility Reserves	11,852	53,148							65,000
8	City Impact Fees		50,000	10,000	166,184					226,184
13	Donation/In-Kind			100,000						100,000
	Total	11,852	103,148	135,000	416,184					666,184

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design	11,852	103,148	25,000	5,000					145,000
	Land/ Right of Way			100,000						100,000
	Construction				403,684					403,684
	Management			10,000	7,500					17,500
	Total	11,852	103,148	135,000	416,184					666,184

Estimated Impact on Future Operating Budgets

Notes: Limited maintenance impact on future operating budgets.

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Operating			500	500	1,000	1,000	1,000	1,000	5,000
	Debt									
	Total			500	500	1,000	1,000	1,000	1,000	5,000

Project Name: Poulsbo's Fish Park

Project Description

Budget: \$4,520,322

Purpose:	Parks
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Location: 288 NW Lindvig Way

Project Manager: Mary McCluskey

Description: Poulso's Fish Park is a nature park in the middle of a growing, urban city. This project began in 2002 with the purchase of the original 13.36 acres using mostly grant funding. The development has been done using city dollars, grant money, and a plethora of community and volunteer support. A citizen's steering committee plans and fundraises for the project. Community support has seen the original purchase turn into 40.07 acres; a wonderful place to enjoy the wildlife, walk the gravel trails, view on-site artwork and interpretive signage, listen to educational programs at the amphitheater, and experience nature. The City applied for an RCO (Recreation and Conservation Office) grant in 2016, with funding available in 2017-2020. The grant is under the Aquatics Lands Enhancement Account (ALEA), which requires a 50% match. Since 2002, the City has received three prior RCO grants for Fish Park. All RCO grants are available every two years, and remain the best State source for public park projects. This phase of Poulso's Fish Park will include restoration, park development, trails, and a pedestrian link to the isolated "Lord" property along the shoreline.

Justification: This park provides planned public access and environmental stewardship of a nature area in the city. Much of the work on-site has been completed because of generous donations, community support and city funds.

Start Date: 2002

Completion Date: 2020

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants	150,000								150,000
2	State Grants	2,364,144	16,000	80,000	225,000	137,500	25,000			2,847,644
3	County									
7	City/Utility Reserves	139,551	10,000	25,000	10,000	10,000	10,000			204,551
8	City Impact Fees									
13	Donation/InKind	855,627		75,000	225,000	137,500	25,000			1,318,127
	Total	3,509,322	26,000	180,000	460,000	285,000	60,000			4,520,322

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design	107,000		35,000	25,000	20,000	10,000			197,000
	Land/ Right of Way	1,339,709								1,339,709
	Construction	1,971,113	23,000	140,000	415,000	257,500	45,000			2,851,613
	Management	91,500	3,000	5,000	20,000	7,500	5,000			132,000
	Total	3,509,322	26,000	180,000	460,000	285,000	60,000			4,520,322

Estimated Impact on Future Operating Budgets

Notes: Limited maintenance impact on future operating budgets.

[illegible]

Project Name: Poulsbo Skate Park**Project Description**

Budget: \$350,000 **Purpose:** Parks

Location: Unknown **Project Manager:** Mary McCluskey

Description: A new Skate Park in Poulsbo would be used by residents and visitors alike. The park would be 6,000-10,000 sq feet in size, and should be located in an open area of the city that is easy to access. A local non profit organization would be involved in fundraising and design work would involve the community. The City will apply for an RCO (Recreation and Conservation Office) grant in 2018, with funding available in 2019. The grant will be under the WWRP/Local Parks category, which requires a 50% match. The RCO grants are available every two years, and remain the best State source for public park projects. The City has received 12 RCO grants in the past 30 years.

Justification: The wood-ramp Skate Park feature at Raab Park needs to be renovated and/or replaced due to age and condition. Comments in the 2015 Park Recreation and Open Space community survey showed that people want a skate park and more park amenities.

Start Date: 2018 **Completion Date:** 2019

Capital Funding**Sources of Funding**

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants					150,000				150,000
3	County									
7	City/Utility Reserves				25,000	50,000				75,000
8	City Impact Fees									-
13	Donation					125,000				125,000
	Total				25,000	325,000				350,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design				25,000					25,000
	Land/ Right of Way									
	Construction					300,000				300,000
	Management					25,000				25,000
	Total				25,000	325,000				350,000

Estimated Impact on Future Operating Budgets

Notes: Limited maintenance impact on future operating budgets.

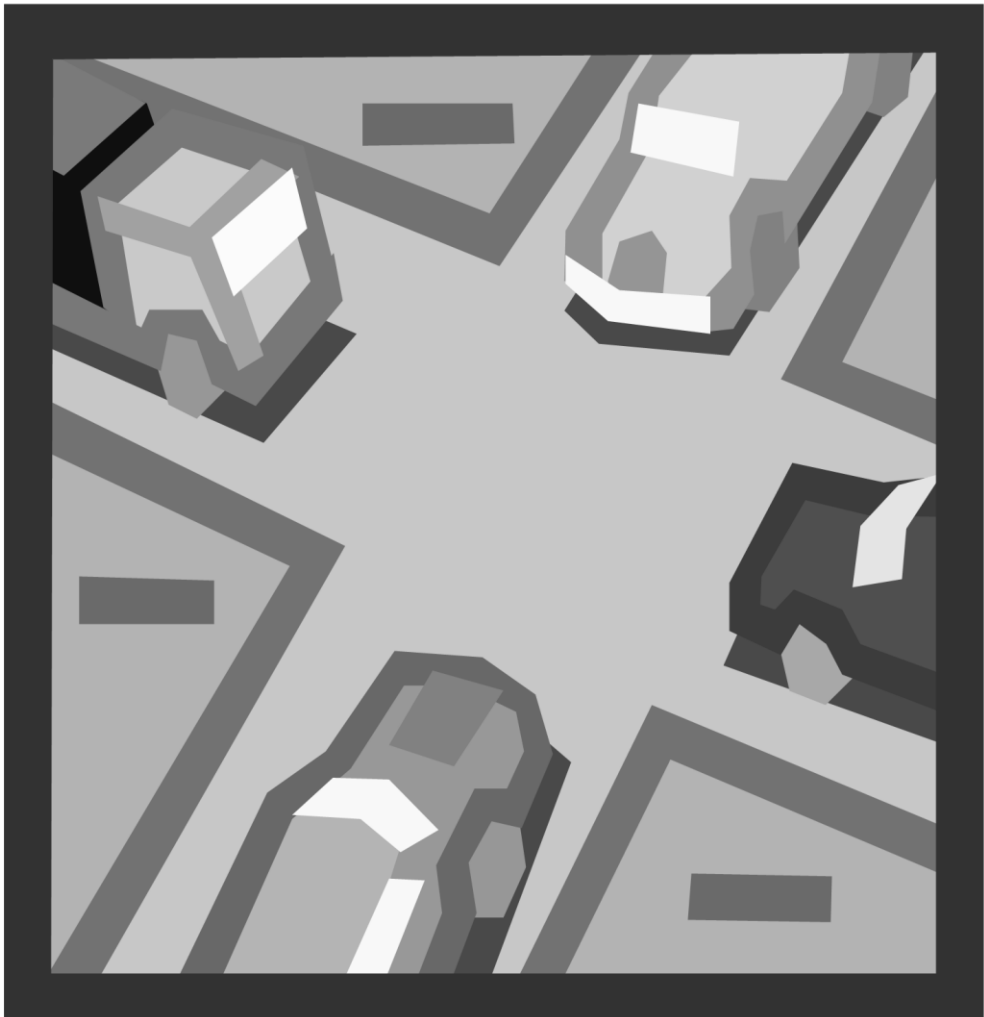
		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Operating					500	500	500	500	2,000
	Debt									
	Total					500	500	500	500	2,000

CITY OF POULSBO

2017 - 2022 CITY IMPROVEMENT PLAN

TRANSPORTATION PROGRAM



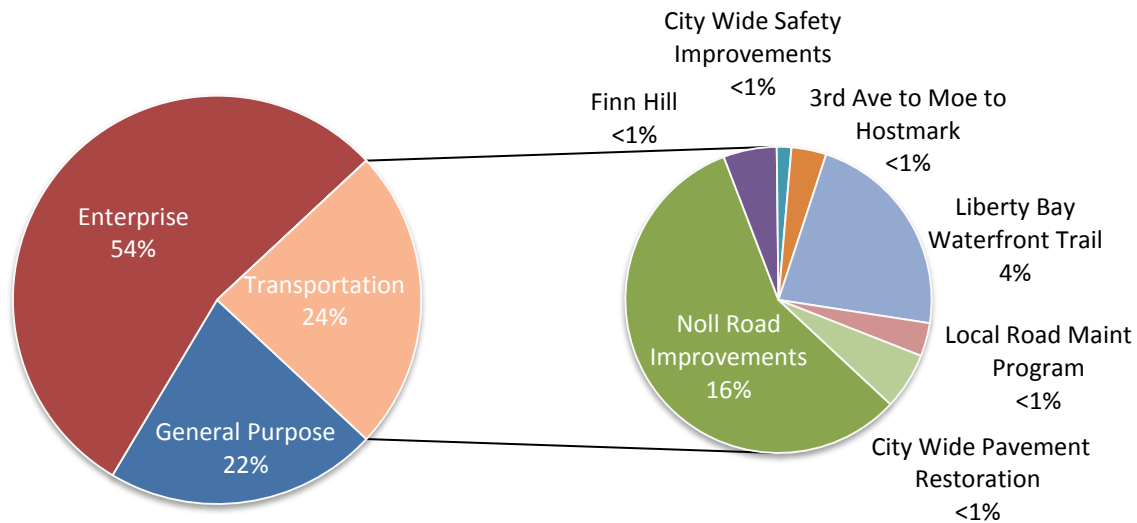


CITY OF POULSBO
2017-2022 City Improvement Plan

TRANSPORTATION PROGRAM

The Transportation Program element of the City Improvement Plan comprises all vehicle and pedestrian transportation projects including roadways, alleys, sidewalks and traffic lighting/signals. The transportation projects will help traffic flow through the city and enhance pedestrian safety with new sidewalks. Combined they represent \$19,512,392 or 24% of the \$81,685,653 City Improvement Plan. The projects listed in the Transportation Program are projects from the Transportation Improvement Plan (TIP) that have established and available funding.

Transportation Expenditures



CITY IMPROVEMENT PLAN PROGRAM	AMOUNT
General Purpose	\$ 17,655,269
Transportation	\$ 19,512,392
Enterprise	\$ 44,517,992
TOTAL CAPITAL PROGRAM	\$ 81,685,653

2017 - 2022 TRANSPORTATION CAPITAL IMPROVEMENTS

Page #	Project Name	Prior Years Costs	2017 Project Cost	2018 Project Cost	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	Total Project Cost
	STREET PROJECTS								
9-33	City-wide Pavement Restoration Program	345,000		341,000					686,000
	1-Federal Grants	300,000		300,000					600,000
	7-City/Utility Reserves	45,000		41,000					86,000
9-34	City-wide Safety Improvements			50,000	250,000				300,000
	2 - State Grants				200,000				200,000
	8-City Impact Fees			50,000	50,000				100,000
9-35	Finn Hill Rd Reconstruction	150,000	950,000						1,100,000
	2 - State Grants		500,000						500,000
	8-City Impact Fees	150,000	450,000						600,000
9-36	Liberty Bay Waterfront Trail	350,000	120,000	3,900,000					4,370,000
	1-Federal Grants	250,000							250,000
	2-State Grants		100,000	3,900,000					4,000,000
	7-City/Utility Reserves	100,000							100,000
	8-City Impact Fees		20,000						20,000
9-37	Local Neighborhood Road Maintenance Program	268,000	150,000	150,000	150,000	150,000	150,000	150,000	1,168,000
	7-City/Utility Reserves	268,000	150,000	150,000	150,000	150,000	150,000	150,000	1,168,000
9-38	Noll Road Improvements - Phase III	1,831,392	750,000	2,020,000	4,260,000	252,000	1,845,000	210,000	11,168,392
	1-Federal Grants	1,456,106		1,180,000			1,245,000		3,881,106
	2 - State Grants	15,000				72,000	500,000	60,000	647,000
	6-Non-Voted Bonds			340,000	3,760,000				4,100,000
	7-City/Utility Reserves	125,000							125,000
	8-City Impact Fees	235,286	750,000	500,000	500,000	180,000	100,000	150,000	2,415,286
9-39	3rd Ave (Moe to Hostmark)					120,000	600,000		720,000
	1-Federal Grants					100,000	500,000		600,000
	7-City/Utility Reserves					20,000	100,000		120,000
	Total Transportation Capital Projects	\$ 2,944,392	\$ 1,970,000	\$ 6,461,000	\$ 4,660,000	\$ 522,000	\$ 2,595,000	\$ 360,000	\$ 19,512,392
	Total Transportation Capital Funding Sources	\$ 2,944,392	\$ 1,970,000	\$ 6,461,000	\$ 4,660,000	\$ 522,000	\$ 2,595,000	\$ 360,000	\$ 19,512,392
	1 - Federal Grants	2,006,105		1,480,000		100,000	1,745,000		5,331,105
	2 - State Grants	15,000	600,000	3,900,000	200,000	72,000	500,000	60,000	5,347,000
	6-Non-Voted Bonds			340,000	3,760,000				4,100,000
	7 - City/Utility Reserves	538,001	150,000	191,000	150,000	170,000	250,000	150,000	1,599,001
	8-City Impact Fees	385,286	1,220,000	550,000	550,000	180,000	100,000	150,000	3,135,286

Project Name: City-wide Pavement Restoration Program

Project Description

Budget:	\$686,000	Purpose:	Transportation
Location:	Hostmark St	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project is designed to restore the existing city streets and will include the following elements: pavement repairs, pavement overlay and striping, as well as ADA improvements. In 2016 funding is allocated for Hostmark Street. The location for the 2018 funding will be selected at a later time.		
Justification:	The project will improve safety and reduce street maintenance cost. The project is financed by the Pavement Restoration Program.		

Start Date: on-going **Completion Date:** on-going

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants		300,000		300,000					600,000
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves		45,000		41,000					86,000
8	City Impact Fees									
	Total		345,000		341,000					686,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design		20,000		20,000					40,000
	Land/ Right of Way									
	Construction		305,000		301,000					606,000
	Management		20,000		20,000					40,000
	Total		345,000		341,000					686,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

[illegible]

Project Name: City-wide Safety Improvements

Project Description

Budget:	\$300,000	Purpose:	Transportation
Location:	4th Ave North	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will construct approximately 800 linear feet of missing sidewalks along the Westside of 4th Ave.		
Justification:	The project will improve pedestrian safety.		
Start Date:	2018	Completion Date:	2019

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants					200,000				200,000
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves									
8	City Impact Fees				50,000	50,000				100,000
	Total				50,000	250,000				300,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design				50,000					50,000
	Land/ Right of Way									
	Construction					230,000				230,000
	Management					20,000				20,000
	Total				50,000	250,000				300,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

[illegible]

Project Name: Finn Hill Road Reconstruction

Project Description

Budget:	\$1,100,000	Purpose:	Transportation
Location:	Finn Hill	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project includes pedestrian & bicycle improvements along the north side of Finn Hill. Olhava Funding - \$450,000 (Olhava SEPA Mitigations), TIB Grant - \$500,000		
Justification:	The project will increase roadway capacity and improve safety.		
Start Date:	2016	Completion Date:	2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants			500,000						500,000
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves									
8	City Impact Fees		150,000	450,000						600,000
	Total		150,000	950,000						1,100,000

Capital Costs

		Prior Years	Current	Six-Year Plan						Total Costs
			2016	2017	2018	2019	2020	2021	2022	
	Planning & Design		150,000							150,000
	Land/ Right of Way									
	Construction			890,000						890,000
	Management			60,000						60,000
	Total		150,000	950,000						1,100,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

[illegible]

Project Name: Liberty Bay Waterfront Trail - Phase I

Project Description

Budget: \$4,370,000 **Purpose:** Transportation
Location: Anderson Parkway/ Fish Park **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will create a pedestrian/bicycle trail along the shoreline from Legion Park to Liberty Bay Auto dealership. Funding - \$4,000,000 (Earmarked in State Budget)
Justification: The project will enhance pedestrian connectivity between Anderson Parkway and Fish Park.
Start Date: 2011 **Completion Date:** 2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants	110,450	139,550							250,000
2	State Grants			100,000	3,900,000					4,000,000
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves	21,942	78,058							100,000
8	City Impact Fees			20,000						20,000
	Total	132,392	217,608	120,000	3,900,000					4,370,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design	132,392	217,608	20,000						370,000
	Land/ Right of Way			100,000						100,000
	Construction				3,700,000					3,700,000
	Management				200,000					200,000
	Total	132,392	217,608	120,000	3,900,000					4,370,000

Estimated Impact on Future Operating Budgets

Notes: There will be minimal additional maintenance to keep the trail clean and landscaped.

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Operating					500	500	500		1,500
	Debt									
	Total					500	500	500		1,500

Project Name: Local Neighborhood Road Maintenance Program

Project Description

Budget:	\$150,000/year	Purpose:	Transportation
Location:	City Wide	Project Manager:	Andrzej Kasiniak
Description:	The annual road maintenance program identifies activities that preserve the local roads including pavement repairs and pavement overlays.		
Justification:	The goal is to provide the highest possible level of service with available resources.		
Start Date:	on-going	Completion Date:	on-going

Capital Funding

Sources of Funding

[illegible]

Capital Costs

[illegible]

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

[illegible]

Project Name: Noll Road Improvements Phase III**Project Description**

Budget: \$11,168,392

Location: Noll Road

Description: The project as a whole extends from SR 305 to Lincoln Rd along a new alignment as shown on the City Transportation Plan. This project will be implemented in several phases. The following is the project description as a whole to include both Transportation and Storm; however, the acquisition of Right of Way is strictly Transportation only.
The Design Phase will be funded 70% by Streets and 30% by Storm (catch basin and detention systems). The Storm Drain portion is responsible for collecting storm water run off from the roadway prism thus protecting private property, as well as treating the run off before it enters waters of the state.
30% of the design is already complete and the City will begin right of way acquisition in 2016. The Construction cost will also be split between Streets and Storm, with % amount to be determined as design progresses further. Construction will be divided into three or more phases – the South Segment, Middle Segment, and North Segment:
The South Segment will be advertised in 2017/18 and include approximately 3600 LF of new roadway from SR305 to Noll Road at Storhoff; construction of this segment will take place in 2018/19. Grant funding for this segment has been secured through the FHWA 2017/2018 Funding Cycle and a \$3.4M grant (13.5% match, \$461,700.) The remainder of the 2018/19 construction funding will come from Traffic Impact Fees \$1M and a General Purpose Bond \$4.1 M. City staff will continue to pursue state construction grants to reduce bond requirements.
The Middle Segment and North Segments will begin design in 2020 and construction in 2021/22 to be completed by 2027. These segments will be funded by FHWA/STP, TIB, and CITY TIF over the next 10 years. The City has been successful in obtaining grant funds from these sources for past similar projects; therefore these funds are reasonably assured.

Purpose: Transportation

Project Manager: Diane Lenius, P.E.

Justification: The project will increase roadway capacity and improve safety.

Start Date: 2014

Completion Date: 2027

Capital Funding**Sources of Funding**

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants	56,106	1,400,000		1,180,000			1,245,000		3,881,106
2	State Grants	15,000					72,000	500,000	60,000	647,000
3	County									
4	PWTF									
6	Non-Voted Bonds				340,000	3,760,000				4,100,000
7	City/Utility Reserves	125,000								125,000
8	City Impact Fees	15,286	220,000	750,000	500,000	500,000	180,000	100,000	150,000	2,415,286
	Total	211,392	1,620,000	750,000	2,020,000	4,260,000	252,000	1,845,000	210,000	11,168,392

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design	211,392		675,000			252,000		210,000	1,348,392
	Land/ Right of Way		1,620,000							1,620,000
	Construction				1,710,000	3,950,000		1,660,500		7,320,500
	Management			75,000	310,000	310,000		184,500		879,500
	Total	211,392	1,620,000	750,000	2,020,000	4,260,000	252,000	1,845,000	210,000	11,168,392

Estimated Impact on Future Operating Budgets

Notes: Anticipated yearly debt payments

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Operating									
	Debt				302,000	302,000	302,000	302,000	302,000	1,510,000
	Total				302,000	302,000	302,000	302,000	302,000	1,510,000

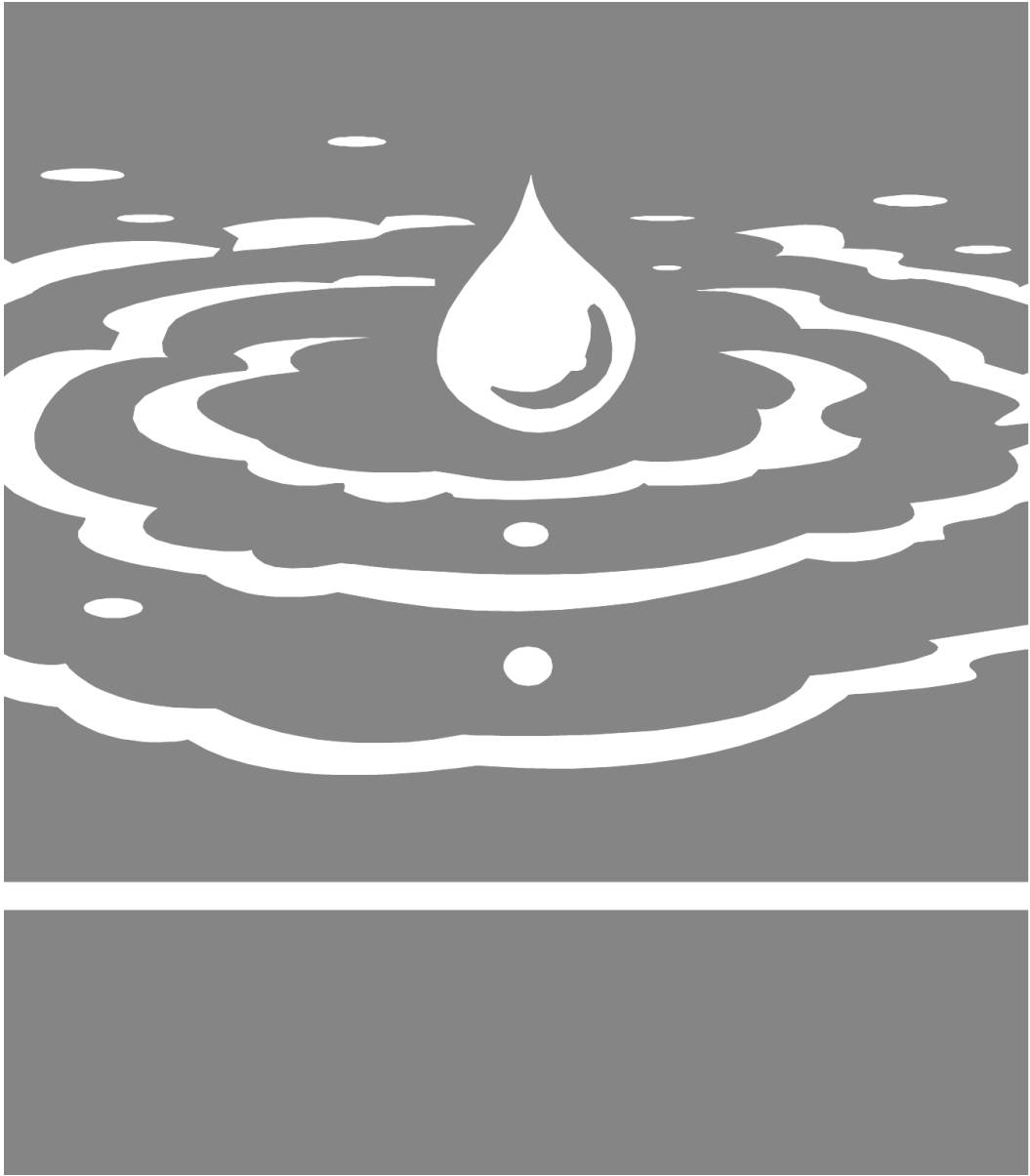


CITY OF POULSBO

2017-2022 CITY IMPROVEMENT PLAN

ENTERPRISE PROGRAM



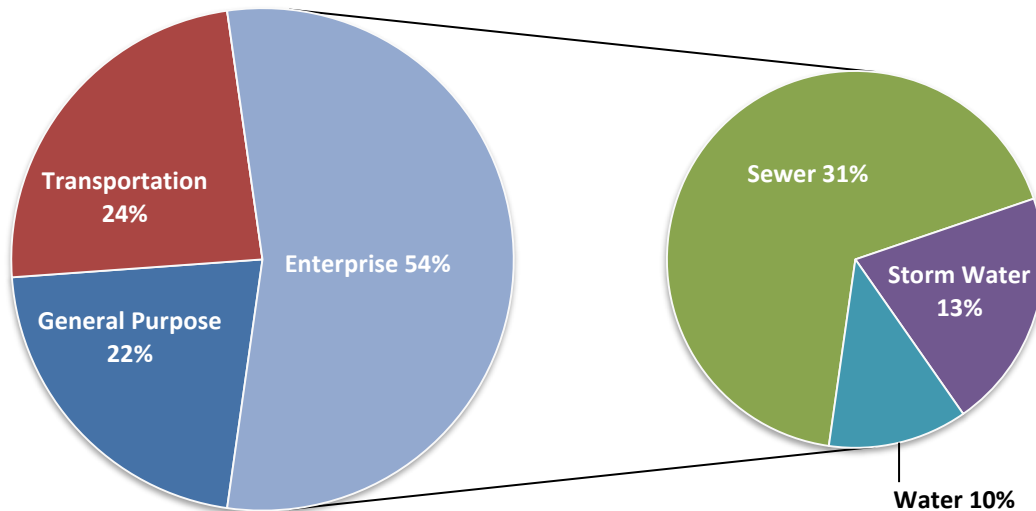


CITY OF POULSBO
2017 - 2022 City Improvement Plan

ENTERPRISE PROGRAM

The Enterprise Program element of the City Improvement Plan comprises Water, Wastewater, Solid Waste and Storm Water Utility Programs. Combined, they represent \$44,517,992 or 54% of the \$81,685,653 City Improvement Plan. Funding for the Enterprise projects will come from the individual utility's reserve funds or by issuing debt supported by the rate payers of the utility.

Enterprise Expenditures



CITY IMPROVEMENT PLAN PROGRAM	AMOUNT
General Purpose	\$ 17,655,269
Transportation	\$ 19,512,392
Enterprise	\$ 44,517,992
TOTAL CAPITAL PROGRAM	\$ 81,685,653

2017 - 2022 ENTERPRISE CAPITAL IMPROVEMENTS (Sewer)

Page #	Project Name	Prior Years Costs	2017 Project Cost	2018 Project Cost	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	Total Project Cost
	SEWER PROJECTS								
9-45	Annual Inflow Reduction Program	200,000	90,000	180,000	180,000	180,000	180,000	180,000	1,190,000
9-46	Annual Pump Rehab		50,000	50,000	50,000	50,000	50,000	50,000	300,000
9-47	Applewood Pump Station			100,000					100,000
9-48	Harrison Force Main Replacement	6,329	283,671						290,000
9-49	Kitsap County Campus Buildings							221,620	221,620
9-50	Kitsap County Capital Facilities Charge for CK Plant	5,380,530	133,000	133,000					5,646,530
9-51	Kitsap County Johnson Road Metering Station		450,000						450,000
9-52	Kitsap County Lemolo Force Main Capacity		350,000			1,140,000	3,600,000		5,090,000
9-53	Kitsap County Lemolo Siphon Phase 2		200,000	300,000					500,000
9-54	Kitsap County Pump Station #16 & 67 Replacement			5,000,000					5,000,000
9-55	Kitsap County Screw Press				158,300				158,300
9-56	Kitsap County Sewer Plant Upgrade		5,000,000						5,000,000
9-57	Kitsap County Ultra Violet			316,000					316,000
9-58	Liberty Bay Pump Station Improvements	300,000	360,000						660,000
9-59	Noll Road Sewer Improvements			20,000	210,000				230,000
9-60	Old Town Sewer Upgrades						100,000	100,000	200,000
9-61	Poulsbo Village Pump Station Upgrades	300,000	500,000						800,000
9-62	SR305 Force Main Extension					200,000	2,610,000		2,810,000
9-63	Storage Facility at Sol Vei and SR 305		500,000						500,000
9-64	Water Meter Replacement	175,000	175,000	250,000					600,000
	Total Sewer Capital Projects	\$ 6,361,859	\$ 8,091,671	\$ 6,349,000	\$ 598,300	\$ 1,570,000	\$ 6,540,000	\$ 551,620	\$ 30,062,450
	Total Sewer Capital Funding Sources	\$ 6,361,859	\$ 8,091,671	\$ 6,349,000	\$ 598,300	\$ 1,570,000	\$ 6,540,000	\$ 551,620	\$ 30,062,450
	4-PWTF	267,000							267,000
	6-Non-Voted Bonds	4,315,530	5,000,000	5,000,000		1,340,000	6,210,000		21,865,530
	7-Sewer Reserves	1,779,329	3,091,671	1,349,000	598,300	230,000	330,000	551,620	7,929,920

Project Name: Annual Pump Rehab

Project Description

Budget:	\$300,000	Purpose:	Sewer
Location:	City Wide	Project Manager:	Mike Lund
Description:	Future upgrades to aging pumpstations		
Justification:	Existing stations are at capacity and aging equipment		

Start Date: 2017 **Completion Date:** 2022

Capital Funding

Sources of Funding

[illegible]

Capital Costs

[illegible]

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Applewood Pump Station

Project Description

Budget:	\$100,000	Purpose:	Sewer
Location:	21180 Pugh Rd NE	Project Manager:	Mike Lund
Description:	Rehabilitate the 20 year old pump station		
Justification:	Rehabilitate and refurbish existing pump station		

Start Date: 2018 **Completion Date:** 2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves				100,000					100,000
	Total				100,000					100,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design				10,000					10,000
	Land/ Right of Way									
	Construction				90,000					90,000
	Management									
	Total				100,000					100,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Harrison Force Main Replacement

Project Description

Budget:	\$290,000	Purpose:	Sewer
Location:	Fjord Drive	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The current force main along Harrison is located along the beach line and the conditions are deteriorating. This project will replace the sanitary sewer line and move along a new alignment. To save on funding, this project will be combined with the sewer main repairs along Fjord Drive.		
Justification:	The existing Force Main has reached its useful life.		

Start Date: 2015 **Completion Date:** 2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves	6,329		283,671						290,000
	Total	6,329		283,671						290,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design	6,329		33,671						40,000
	Land/ Right of Way									
	Construction			230,000						230,000
	Management			20,000						20,000
	Total	6,329		283,671						290,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: *Kitsap County* Campus Buildings

Project Description

Budget:	\$221,620	Purpose:	Sewer
Location:	Brownsville	Project Manager:	Andrzej Kasiniak, P.E.
Description:	In 2022 Kitsap County is planning to start the design phase of the CKTP Campus Buildings Project. The full design cost is estimated at \$1.4M of which the City's portion is approximately 16%.		
Justification:	Kitsap County contract requirement.		
Start Date:	2022	Completion Date:	2022

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves								221,620	221,620
	Total								221,620	221,620

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction								221,620	221,620
	Management									
	Total								221,620	221,620

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: *Kitsap County Capital Facilities Charge for CK Plant*

Project Description

Budget:	\$5,646,530	Purpose:	Sewer
Location:	CK Treatment Plant	Project Manager:	Andrzej Kasiniak, P.E.
Description:	City's capital contribution to the Central Kitsap treatment plant as required by contract with Kitsap County. The existing \$133,000 annual capital cost for prior plant improvements will expire in 2018.		
Justification:	Kitsap County contract requirement.		

Start Date: 2010 **Completion Date:** 2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF	267,000								267,000
6	Non-Voted Bonds	4,315,530								4,315,530
7	City/Utility Reserves	665,000	133,000	133,000	133,000					1,064,000
	Total	5,247,530	133,000	133,000	133,000					5,646,530

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction	5,247,530	133,000	133,000	133,000					5,646,530
	Management									
	Total	5,247,530	133,000	133,000	133,000					5,646,530

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: *Kitsap County Johnson Road Metering Station*

Project Description

Budget:	\$450,000	Purpose:	Sewer
Location:	Johnson Road	Project Manager:	Kitsap County
Description:	Replace existing metering station		

Justification: Existing station cannot record above 2.5 MGD. Will be replaced with new metering station that can record up to 4 MGD.

Start Date: 2017 **Completion Date:** 2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves			450,000						450,000
	Total			450,000						450,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction			440,000						440,000
	Management			10,000						10,000
	Total			450,000						450,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: *Kitsap County Lemolo Force Main Replacement (Capacity)*

Project Description

Budget: \$5,090,000 **Purpose:** Sewer
Location: Lemolo Beach **Project Manager:** Andrzej Kasiniak, P.E.
Description: Kitsap County will replace the existing forcemain between the Chlorination Station and Lemolo Beach. City will purchase and demo an existing home in 2017 to ready for this replacement project. Project Cost Estimate is \$5,090,000. To fund this project the City of Poulsbo will use utility reserves of \$350,000 and will issue a 20 year bond in the amount of \$4,740,000 at 5% interest. The estimated monthly payment of the bond is \$350,000 per year beginning in 2019.
Justification: Kitsap County contract requirement.
Start Date: 2017 **Completion Date:** 2019

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds						1,140,000	3,600,000		4,740,000
7	City/Utility Reserves			350,000						350,000
	Total			350,000			1,140,000	3,600,000		5,090,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design						500,000			500,000
	Land/ Right of Way									
	Construction			350,000			640,000	3,420,000		4,410,000
	Management							180,000		180,000
	Total			350,000			1,140,000	3,600,000		5,090,000

Estimated Impact on Future Operating Budgets

Notes: Anticipated Yearly Debt Payments

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Operating									
	Debt						350,000	350,000	350,000	1,050,000
	Total						350,000	350,000	350,000	1,050,000

Project Name: *Kitsap County Pump Station #16 & 67 Replacement*

Project Description

Budget: \$5,000,000 **Purpose:** Sewer
Location: Keyport **Project Manager:** Andrzej Kasiniak, P.E.
Description: Kitsap County will reroute flows to PS 67 and remove PS 16 in 2016/17. The estimated costs of these projects is \$5.0 Million. The city will issue bonds to finance the City's portion of these projects. The first payment is anticipated in 2018.

Justification: Kitsap County contract requirement.

Start Date: 2018 **Completion Date:** 2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds				5,000,000					5,000,000
7	City/Utility Reserves									
	Total				5,000,000					5,000,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction				4,750,000					4,750,000
	Management				250,000					250,000
	Total				5,000,000					5,000,000

Estimated Impact on Future Operating Budgets

Notes: Anticipated yearly debt payments

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Operating									
	Debt				368,000	368,000	368,000	368,000	368,000	1,840,000
	Total				368,000	368,000	368,000	368,000	368,000	1,840,000

Project Name: *Kitsap County* Screw Press

Project Description

Budget:	\$158,300	Purpose:	Sewer
Location:	Brownsville	Project Manager:	Andrzej Kasiniak, P.E.
Description:	Project will provide redundancy in solids dewatering system. New screw press will be more efficient and will produce drier biosolids. The old equipment will be kept for redundancy.		

Justification: Kitsap County contract requirement.

Start Date: 2019 **Completion Date:** 2019

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves					158,300				158,300
	Total					158,300				158,300

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction					158,300				158,300
	Management									
	Total					158,300				158,300

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: *Kitsap County* Sewer Plant Upgrade

Project Description

Budget:	\$5,000,000	Purpose:	Sewer
Location:	Brownsville	Project Manager:	Andrzej Kasiniak, P.E.
Description:	In 2015/16 Kitsap County is upgrading the Sanitary Sewer Treatment Plant in Brownsville. The estimated cost for upgrades is over \$30,000,000. The City share is 0.95 Million Gallons Per Day(MGD)/6.0 MGD or 15.8%. To fund this project the City will issue 20 year bonds in the amount of \$5,000,000. The estimated payments of the bond is \$368,000 per year beginning in 2017.		
Justification:	Kitsap County contract requirement.		
Start Date:	2016	Completion Date:	2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds			5,000,000						5,000,000
7	City/Utility Reserves									
	Total			5,000,000						5,000,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction			5,000,000						5,000,000
	Management									
	Total			5,000,000						5,000,000

Estimated Impact on Future Operating Budgets

Notes: Anticipated yearly debt payments

[illegible]

Project Name: Liberty Bay Pump Station Improvements

Project Description

Budget:	\$660,000	Purpose:	Sewer
Location:	Viking Avenue	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will include rehabilitation and upgrade of the Liberty Bay wastewater pump station (electrical panel, controls, pumps and site piping).		
Justification:	The existing infrastructure is aged and the pump station is at capacity. Upgrade of the pump station is required in order to ensure reliability and replace aged infrastructure and appurtenances.		

Start Date: 2015 **Completion Date:** 2017

Capital Funding

Sources of Funding

	Prior Years	Current 2016	Six-Year Plan						Total
			2017	2018	2019	2020	2021	2022	
Federal Grants									
State Grants									
County									
PWTF									
Non-Voted Bonds									
City/Utility Reserves	16,203	283,797	360,000						660,000
Total	16,203	283,797	360,000						660,000

Capital Costs

	Prior Years	Current 2016	Six-Year Plan						Total
			2017	2018	2019	2020	2021	2022	
Planning & Design	16,203	70,000							86,203
Land/ Right of Way									
Construction		200,000	342,000						542,000
Management		13,797	18,000						31,797
Total	16,203	283,797	360,000						660,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Noll Road Sewer Improvements

Project Description

Budget:	\$230,000	Purpose:	Sewer
Location:	Noll Road	Project Manager:	Diane Lenius, P.E.
Description:	Future sewer system improvements associated with the City's Noll Road Improvements project		
Justification:	The City will be making required sewer system improvements associated with the City's Noll Road Improvements project		

Start Date: 2018 **Completion Date:** 2019

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves				20,000	210,000				230,000
	Total				20,000	210,000				230,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design				20,000					20,000
	Land/ Right of Way									
	Construction					200,000				200,000
	Management					10,000				10,000
	Total				20,000	210,000				230,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Old Town Sewer Upgrades

Project Description

Budget:	\$200,000	Purpose:	Sewer
Location:	Old Town area	Project Manager:	Andrzej Kasiniak, P.E.
Description:	Upgrades to sewer connections in the old town area. To be done in conjunction with the Old Town water main replacements.		
Justification:	Replace and upgrade the sewer connections during the Water main replacement in the Old Town area.		
Start Date:	2021	Completion Date:	2022

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves							100,000	100,000	200,000
	Total							100,000	100,000	200,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction							95,000	95,000	190,000
	Management							5,000	5,000	10,000
	Total							100,000	100,000	200,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Poulsbo Village Pump Station Upgrade

Project Description

Budget:	\$800,000	Purpose:	Sewer
Location:	Poulsbo Village	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will include rehabilitation and upgrade of the Poulsbo Village wastewater pump station (electrical panel, controls, submersible pumps and site piping).		
Justification:	The existing infrastructure is aged and the pump station is at capacity. Upgrade of the pump station is required in order to ensure reliability and replace aged infrastructure and appurtenances.		
Start Date:	2015	Completion Date:	2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves	15,420	284,580	500,000						800,000
	Total	15,420	284,580	500,000						800,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design	15,420	90,000							105,420
	Land/ Right of Way									
	Construction		189,580	475,000						664,580
	Management		5,000	25,000						30,000
	Total	15,420	284,580	500,000						800,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: SR305 Force Main Extension

Project Description

Budget: \$2,810,000 **Purpose:** Sewer
Location: SR 305 **Project Manager:** Andrzej Kasiniak, P.E.
Description: The project will extend the existing force main from Tollefson to the Kitsap County chlorination station (4800 lf). To fund this project the City will issue 20 year bonds in the amount of \$2,810,000 at 5% interest annually. The estimated payment of the bond is \$221,000 per year beginning in 2020.
Justification: Prevent overflows and increase the system capacity.
Start Date: 2019 **Completion Date:** 2020

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds						200,000	2,610,000		2,810,000
7	City/Utility Reserves									
	Total						200,000	2,610,000		2,810,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction						190,000	2,480,000		2,670,000
	Management						10,000	130,000		140,000
	Total						200,000	2,610,000		2,810,000

Estimated Impact on Future Operating Budgets

Notes: Anticipated yearly debt payments

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Operating									
	Debt							221,000	221,000	221,000
	Total							221,000	221,000	221,000

Project Name: Storage Facility at Sol Vei & SR 305

Project Description

Budget:	\$500,000	Purpose:	Sewer
Location:	Sol Vei-SR 305	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will provide a detention tank to catch overflow at Sol Vei and SR 305.		
Justification:	2015 and 2016 had sewer overflow at Sol Vei and Hwy 305. This will catch all overflow during high use events.		
Start Date:	2017	Completion Date:	2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves			500,000						500,000
	Total			500,000						500,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design			90,000						90,000
	Land/ Right of Way									
	Construction			400,000						400,000
	Management			10,000						10,000
	Total			500,000						500,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

2017 - 2022 ENTERPRISE CAPITAL IMPROVEMENTS (Water)

Page #	Project Name	Prior Years Costs	2017 Project Cost	2018 Project Cost	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	Total Project Cost
	WATER PROJECTS								
9-66	Caldart Main		300,000						300,000
9-67	Finn Hill Tank Painting							200,000	200,000
9-68	Fjord Street Main Replacement		170,000						170,000
9-69	Front Street Water Main Replacement						250,000		250,000
9-70	Hostmark Pipe						200,000		200,000
9-71	Noll Road Water Improvements	20,000		220,000	150,000				390,000
9-72	Old Town Water Main Replacement						350,000		350,000
9-73	Olhava Tank Painting							200,000	200,000
9-74	Raab Tank & Booster	80,000	850,000						930,000
9-75	SR305 Crossing				200,000				200,000
9-76	Water Meter Replacement	175,000	175,000	250,000					600,000
9-77	Westside Well - Treatment for Manganese				150,000	800,000			950,000
9-78	Wilderness Tank Retrofit		80,000	500,000					580,000
	Total Water Capital Projects	\$ 275,000	\$ 1,575,000	\$ 970,000	\$ 500,000	\$ 800,000	\$ 800,000	\$ 400,000	\$ 5,320,000
	Total Water Capital Funding Sources	\$ 275,000	\$ 1,575,000	\$ 970,000	\$ 500,000	\$ 800,000	\$ 800,000	\$ 400,000	\$ 5,320,000
	7-Water Reserves	275,000	1,575,000	970,000	500,000	800,000	800,000	400,000	5,320,000

Project Name: Finn Hill Tank Painting

Project Description

Budget:	\$200,000	Purpose:	Water
Location:	Finn Hill	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The City plans to recoat the Finn Hill Water Tank in 2022.		
Justification:	Periodic coating needs to be applied to protect the structure from damage.		
Start Date:	2022	Completion Date:	2022

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves								200,000	200,000
	Total								200,000	200,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction								190,000	190,000
	Management								10,000	10,000
	Total								200,000	200,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Fjord Street Main Replacement

Project Description

Budget:	\$170,000	Purpose:	Water
Location:	Old Town Area	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The project will replace the undersized water main along Fjord Street between Hostmark and Harrison.		
Justification:	The project will improve the fire flow in Old Town Area.		
Start Date:	2017	Completion Date:	2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves			170,000						170,000
	Total			170,000						170,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design			10,000						10,000
	Land/ Right of Way									
	Construction			160,000						160,000
	Management									
	Total			170,000						170,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Front Street Water Main Replacement

Project Description

Budget:	\$250,000	Purpose:	Water
Location:	Front Street	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The project will replace the "old" Cast Iron water main with a Ductile Iron water main along Front Street between Jensen and 4th Ave		
Justification:	The existing main is "old" and needs to be replaced		
Start Date:	2021	Completion Date:	2021

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves							250,000		250,000
	Total							250,000		250,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design							20,000		20,000
	Land/ Right of Way									
	Construction							220,000		220,000
	Management							10,000		10,000
	Total							250,000		250,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Hostmark Pipe

Project Description

Budget:	\$200,000	Purpose:	Water
Location:	Hostmark Street	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project extends the new 12" distribution main from SR 305 crossing to Front St.		
Justification:	This new connection better serves the lower system with a 12" distribution main. The current pipe runs through the woods and is undersized.		
Start Date:	2021	Completion Date:	2021

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves							200,000		200,000
	Total							200,000		200,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design							20,000		20,000
	Land/ Right of Way									
	Construction							170,000		170,000
	Management							10,000		10,000
	Total							200,000		200,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Noll Road Water Improvements

Project Description

Budget:	\$390,000	Purpose:	Water
Location:	Noll Road	Project Manager:	Diane Lenius, P.E.
Description:	Future water system improvements associated with the City's Noll Road project		
Justification:	The City will be making required water system improvements associated with the City's Noll Road Improvements construction.		

Start Date: 2016 **Completion Date:** 2019

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves		20,000		220,000	150,000				390,000
	Total		20,000		220,000	150,000				390,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design		20,000							20,000
	Land/ Right of Way									
	Construction				210,000	140,000				350,000
	Management				10,000	10,000				20,000
	Total		20,000		220,000	150,000				390,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Olhava Tank Painting

Project Description

Budget:	\$200,000	Purpose:	Water
Location:	Olhava	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The City plans to recoat the Olhava Water Tank in 2022.		
Justification:	Periodic coating needs to be applied to protect the structure from damage.		
Start Date:	2022	Completion Date:	2022

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves								200,000	200,000
	Total								200,000	200,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction								190,000	190,000
	Management								10,000	10,000
	Total								200,000	200,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Raab Tank & Booster Station

Project Description

Budget:	\$930,000	Purpose:	Water
Location:	Raab Park/Wilderness Park	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will construct a new booster station at the Wilderness Park reservoir site. The booster station will consist of three 750 gpm pumps, integrated control systems, standby generator, and an automatic transfer switch. This project will replace the existing 150K gallon tank with a 300K gallon tank.		
Justification:	The project will eliminate the storage deficiency in the East High zone and it will provide redundancy to the Pugh and Lincoln wells. The existing tank is old and does not meet seismic design standards.		
Start Date:	2016	Completion Date:	2017

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves		80,000	850,000						930,000
	Total		80,000	850,000						930,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design		70,000	20,000						90,000
	Land/ Right of Way									
	Construction			770,000						770,000
	Management		10,000	60,000						70,000
	Total		80,000	850,000						930,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: West Side Well Treatment for Manganese**Project Description**

Budget: \$950,000 **Purpose:** Water
Location: Westside Well **Project Manager:** Andrzej Kasiniak, P.E.
Description: This project will install a treatment facility at the existing Westside Well site. Water quality reports have indicated a high manganese content in the raw water (.085 mg/L manganese).
Justification: A treatment facility would reduce the manganese content in the water. Department of Health guidelines call for a maximum content of .05 mg/L.
Start Date: 2019 **Completion Date:** 2020

Capital Funding**Sources of Funding**

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
5	Voted Bonds									
7	City/Utility Reserves					150,000	800,000			950,000
	Total					150,000	800,000			950,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design					150,000				150,000
	Land/ Right of Way									
	Construction						750,000			750,000
	Management						50,000			50,000
	Total					150,000	800,000			950,000

Estimated Impact on Future Operating Budgets

Notes: It is anticipated there will be limited budget impact in 2019 and 2020.

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Operating					5,000	5,000			10,000
	Debt									
	Total					5,000	5,000			10,000

Project Name: Wilderness Tank Retrofit

Project Description

Budget:	\$580,000	Purpose:	Water
Location	Wilderness Park	Project Manager:	Andrzej Kasiniak, P.E.
Description:	Project will retrofit and paint the 1M gallon tank located in Wilderness Park.		
Justification:	The existing tank is old and it does not meet seismic design standards.		
Start Date:	2017	Completion Date:	2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
5	Voted Bonds									
7	City/Utility Reserves			80,000	500,000					580,000
	Total			80,000	500,000					580,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
	Planning & Design			80,000						80,000
	Land/ Right of Way									
	Construction				480,000					480,000
	Management				20,000					20,000
	Total			80,000	500,000					580,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

2017 - 2022 ENTERPRISE CAPITAL IMPROVEMENTS (Storm)

Page #	Project Name	Prior Years Costs	2017 Project Cost	2018 Project Cost	2019 Project Cost	2020 Project Cost	2021 Project Cost	2022 Project Cost	Total Project Cost
	STORM DRAIN PROJECTS								
9-80	American Legion Park Outfall Repair				120,000				120,000
9-81	Deer Run Pond Retrofit					16,000	184,000		200,000
9-82	Dogfish Creek Restoration	38,144	30,000	250,000		500,000	500,000		1,318,144
9-83	8th Ave Culvert Replacement				150,000	150,000			300,000
9-84	Fjord Dr Storm Drain		206,000						206,000
9-85	Fjord Dr Stormwater Quality Treatment Improvements			70,300					70,300
9-86	Forest Rock Hills (SR 305) Outfall						75,000		75,000
9-87	Glenn Haven Storm Drain Replacement					10,000	120,000		130,000
9-88	Liberty Rd (SR 305) Outfall			40,000					40,000
9-89	Noll Road Improvements Phase III	333,505	240,000	1,000,000	1,000,000	108,000	1,155,000	90,000	3,926,505
9-90	Norrland Drainage Ditch Replacement		57,000						57,000
9-91	Poulsbo Creek Outfall		40,000	250,000					290,000
9-92	Ridgewood/Kevos Pond - Replace Storm Drains	42,593		20,000	240,000				302,593
9-93	7th Avenue Regional Detention Facility			50,000					50,000
9-94	West Poulsbo Waterfront Park		800,000	250,000	500,000	500,000			2,050,000
	Total Storm Drain Capital Projects	\$ 414,242	\$ 1,373,000	\$ 1,930,300	\$ 2,010,000	\$ 1,284,000	\$ 2,034,000	\$ 90,000	\$ 9,135,542
	Total Storm Drain Capital Funding Sources	\$ 414,242	\$ 1,373,000	\$ 1,930,300	\$ 2,010,000	\$ 1,284,000	\$ 2,034,000	\$ 90,000	\$ 9,135,542
	1-Federal Grants	333,505	240,000	1,000,000	1,000,000		1,155,000		3,728,505
	2-State Grants		400,000	375,000	475,000	958,000	375,000	90,000	2,673,000
	3-County				125,000	125,000			250,000
	7-Storm Drain Reserves	80,737	733,000	555,300	410,000	201,000	504,000		2,484,037

Project Name: American Legion Park Outfall Repair

Project Description

Budget:	\$120,000	Purpose:	Storm Drain
Location:	American Legion Park	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The stormwater outfall located at the north end of American Legion Park is in jeopardy of failing due to slope erosion. This project will replace the outfall and stabilize the bank.		
Justification:	The bank has eroded and several large trees have fallen into Liberty Bay. The edge of the bank is now about 3 feet from the last manhole. The loss of another tree and further bank erosion could cause the manhole to tip into Liberty Bay resulting in damage to the outfall, erosion, and further loss of park land.		
Start Date:	2019	Completion Date:	2019

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves					120,000				120,000
	Total					120,000				120,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design					20,000				20,000
	Land/ Right of Way									
	Construction					100,000				100,000
	Management									
	Total					120,000				120,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Deer Run Pond Retrofit

Project Description

Budget:	\$200,000	Purpose:	Storm Drain
Location:	Deer Run Subdivision	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The project will increase the stormwater treatment from the Deer Run development to Ecology standards by replacing the existing failing bioswale with a compost amended bioswale with high flow scour protection. The detention pond will be enhanced to promote better stormwater pollutant removal.		
Justification:	The existing facility was built in 1995 and according to the current standards is undersized and allows high stormwater flows to scour out and deposit the removed stormwater pollutants to Bjorgen Creek. The existing detention pond causes short circuiting and poor stormwater pollutant retention.		

Start Date: 2020 **Completion Date:** 2021

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves						16,000	184,000		200,000
	Total						16,000	184,000		200,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design						16,000			16,000
	Land/ Right of Way									
	Construction							153,000		153,000
	Management							31,000		31,000
	Total						16,000	184,000		200,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Dogfish Creek (South Fork) Restoration

Project Description

Budget:	\$1,318,144	Purpose:	Storm Drain
Location:	South Fork of Dogfish Creek	Project Manager:	Andrzej Kasiniak, P.E.
Description:	<p>This project will consist of concept plan development to define restoration and stormwater treatment elements and costs and better position the project for future grant funding. This project will reduce flooding, improve water quality and improve fish habitat. This project will consist of restoring 525-ft of degraded stream and 36,750 sf riparian buffer between 8th Avenue and Centennial Park. The project will construct bioretention facilities to treat run-off from the existing Public Works site and portions of Lincoln Road, 8th Avenue, 7th Avenue and Iverson Street. The existing detention pond at the Poulsbo Library will be retrofit into a treatment wetland, and a new treatment wetland would be constructed for runoff from SR305 and portions of adjacent commercial development. This project will replace the existing undersized 24-in diameter pipe under 8th Avenue with a new 12-ft wide concrete box culvert. Project funding will consist of a combination of state habitat restoration and stormwater retrofit grant programs. The project is currently the highest ranked stormwater related habitat restoration project in Kitsap County under the Puget Sound Partnership (PSP) Near Term Action Plan (NTAP). The NTAP has been developed by the PSP as a regional tool to guide prioritization of project funding. This project is therefore positioned as one of the regions top funding priorities. Stormwater retrofit project funding from the Department of Ecology is also considered highly probable given that the project is the top ranked implementation action under the City's recently completed TMDL Implementation Plan, which was prepared as an extension of Ecology's Liberty Bay TMDL Plan.</p>		
Justification:	<p>The South Fork Dogfish Creek restoration project requires grant funding for implementation. A concept design needs to be developed in order to verify costs, property requirements and permitting needs. This planning project will define these elements and better position the project to obtain grant funding. The South Fork of Dogfish Creek downstream of 8th Avenue frequently floods due to upstream erosion that has resulted in channel aggradation, which creates a shallow and flat channel that is not able to convey peak flows. The stream routinely overflows its banks onto the Public Works property and the Poulsbo Village Shopping Center. The culvert under 8th Avenue is too small and can flood, especially when partially blocked with sediment. Heavy brush and debris restricts flow and salmon migration in sections through Centennial Park. Treatment of stormwater from this basin was identified as a high priority in the Liberty Bay TMDL Plan and the 2016 Stormwater Comprehensive Plan.</p>		

Start Date: 2011 **Completion Date:** 2021

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants				187,500		375,000	375,000		937,500
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves	5,144	33,000	30,000	62,500		125,000	125,000		380,644
	Total	5,144	33,000	30,000	250,000		500,000	500,000		1,318,144

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design	5,144	33,000	30,000	230,000					298,144
	Land/ Right of Way									
	Construction						480,000	480,000		960,000
	Management				20,000		20,000	20,000		60,000
	Total	5,144	33,000	30,000	250,000		500,000	500,000		1,318,144

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Fjord Dr. NE Stormwater Quality Treatment Improvements

Project Description

Budget:	\$70,300	Purpose:	Storm Drain
Location:	Fjord Drive NE	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The project will increase the stormwater treatment from a 600-foot section of Lemolo Drive to Ecology standards with a Modular Wetland System treatment device and additional stormwater piping.		
Justification:	There are no existing water quality facilities along Lemolo Dr. and Fjord Dr which outfalls directly to Liberty Bay. The proposed project will meet Enhanced Water Quality Treatment Standards to the existing outfalls which are located in smelt spawning areas.		

Start Date: 2018 **Completion Date:** 2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves				70,300					70,300
	Total				70,300					70,300

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design				6,000					6,000
	Land/ Right of Way									
	Construction				52,600					52,600
	Management				11,700					11,700
	Total				70,300					70,300

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Forest Rock Hills (SR305) Outfall

Project Description

Budget:	\$75,000	Purpose:	Storm Drain
Location:	Forest Rock Hills intersection at SR305	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will allieviate localized flooding and improve water quality by retrofitting an existing swale and outfall.		
Justification:	The existing swale and outfall are plugged with accumulated sediment which causes periodic back up and overflow. This project will evaluate storm system conditions to determine repair options, and construct necessary improvements.		
Start Date:	2021	Completion Date:	2021

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves							75,000		75,000
	Total							75,000		75,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design		.					10,000		10,000
	Land/ Right of Way									
	Construction									
	Management							65,000		65,000
	Total							75,000		75,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Glenn Haven Storm Drain Replacement

Project Description

Budget:	\$130,000	Purpose:	Storm Drain
Location:	Glenn Haven from Mesford to the Outfall at Wilderness View Development	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The project is replacing 700 linear feet of old 12"Corrugated Metal Pipe storm pipe from Mesford that flows down Glenn Haven to Wilderness View along with the required asphalt repair work.		
Justification:	The existing pipe is old CMP. The pipe is rusted away. Initial camera inspections show the bottom of the pipe is completely disintegrated. This pipe carries the storm flows from the Ridgewood Development as well as the upper portion of Mesford.		

Start Date: 2020 **Completion Date:** 2021

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves						10,000	120,000		130,000
	Total						10,000	120,000		130,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design						10,000			10,000
	Land/ Right of Way									
	Construction							110,000		110,000
	Management							10,000		10,000
	Total						10,000	120,000		130,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Liberty Rd (SR 305) Outfall

Project Description

Budget:	\$40,000	Purpose:	Storm Drain
Location:	10th Ave.	Project Manager:	Andrzej Kasiniak, P.E.
Description:	This project will help improve stormwater collection and conveyance near the Poulsbo Fire Station, which periodically floods.		
Justification:	An intermitten stream near the project location periodically exceeds the capacity of the culvert under 10th Avenue resulting in overflows. This project will evaluate storm system conditions to determine repair options, and construct necessary improvements.		
Start Date:	2018	Completion Date:	2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves				40,000					40,000
	Total				40,000					40,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design		.		8,000					8,000
	Land/ Right of Way									
	Construction				32,000					32,000
	Management									
	Total				40,000					40,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Noll Road Improvements Phase III

Project Description

Budget:	\$3,926,505	Purpose:	Storm Drain
Location:	Noll Road	Project Manager:	Diane Lenius, P.E.
Description:	<p>The project as a whole extends from SR 305 to Lincoln Rd along a new alignment as shown on the City Transportation Plan. This project will be implemented in several phases. The following is the project description as a whole to include both Transportation and Storm; however, the acquisition of Right of Way is strictly Transportation only.</p> <p>The Design Phase will be funded 70% by Streets and 30% by Storm (catch basin and detention systems). The Storm Drain portion is responsible for collecting storm water run off from the roadway prism thus protecting private property, as well as treating the run off before it enters waters of the state.</p> <p>30% of the design is already complete and the City will begin right of way acquisition in 2016. The Construction cost will also be split between Streets and Storm, with % amount to be determined as design progresses further. Construction will be divided into three or more phases – the South Segment, Middle Segment, and North Segment:</p> <p>The South Segment will be advertised in 2017/18 and include approximately 3600 LF of new roadway from SR305 to Noll Road at Storhoff; construction of this segment will take place in 2018/19. Grant funding for this segment has been secured through the FHWA 2017/2018 Funding Cycle and a \$3.4M grant (13.5% match, \$461,700.) The remainder of the 2018/19 construction funding will come from Traffic Impact Fees \$1M and a General Purpose Bond \$4.1 M. City staff will continue to pursue state construction grants to reduce bond requirements.</p> <p>The Middle Segment and North Segments will begin design in 2020 and construction in 2021/22 to be completed by 2027. These segments will be funded by FHWA/STP, TIB, and CITY TIF over the next 10 years. The City has been successful in obtaining grant funds from these sources for past similar projects; therefore these funds are reasonably assured.</p>		
Justification:	The project will increase roadway capacity and improve safety.		
Start Date:	2014	Completion Date:	2022

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants	56,005	277,500	240,000	1,000,000	1,000,000		1,155,000		3,728,505
2	State Grants						108,000		90,000	198,000
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves									
8	City Impact Fees									
	Total	56,005	277,500	240,000	1,000,000	1,000,000	108,000	1,155,000	90,000	3,926,505

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design	56,005	277,500	240,000			108,000		90,000	771,505
	Land/ Right of Way									
	Construction				900,000	900,000		1,039,500		2,839,500
	Management				100,000	100,000		115,500		315,500
	Total	56,005	277,500	240,000	1,000,000	1,000,000	108,000	1,155,000	90,000	3,926,505

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budget.

[illegible]

Project Name: Norrland Drainage Ditch Replacement

Project Description

Budget:	\$57,000	Purpose:	Storm Drain
Location:	Norrland Ct.	Project Manager:	Andrzej Kasiniak, P.E.
Description:	Two storm drains discharge to an open ditch that flows through the back yards of 3 homes. This project will replace the ditch with 90 linear feet of 18" diameter PVC and install two catch basins.		
Justification:	The drainage ditch was originally designed to carry flow from the drainage channel north of Lincoln Road. A detention structure was placed in Lincoln Road and discharged to the ditch. This caused the control structure in the Norrland cul-de-sac to back up into the yards and flood at least one of the crawl spaces. The control structure has not been opened to minimize the problem. This project cannot be accomplished until the Wendy Way storm main is increased to 18".		
Start Date:	2017	Completion Date:	2017

Capital Funding

Sources of Funding

Sources of Funding										
		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves			57,000						57,000
	Total			57,000						57,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design									
	Land/ Right of Way									
	Construction			57,000						57,000
	Management									
	Total			57,000						57,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: Poulsbo Creek Outfall

Project Description

Budget:	\$290,000	Purpose:	Storm Drain
Location:	Fjord Drive - near the Yacht Club	Project Manager:	Andrzej Kasiniak, P.E.
Description:	The existing outfall pipe for Poulsbo Creek at the Poulsbo Yacht Club is corroded and has collapsed in places. This project will replace the corroded metal splash pad and outfall pipe with concrete splash pad and energy dissipater. The existing culvert will be lined from the outfall to Lions Park and new catch basin control structure will be installed. The project will also install habitat features at the outfall channel for mitigation, and will convert the existing ditch on Fjord Drive to a bioretention swale.		
Justification:	The existing outfall pipe for Poulsbo Creek at the Poulsbo Yacht Club is corroded and has collapsed in places. The outfall is a corrugated metal pipe that has reached it's useful life and is in need of replacement. Rip rap armoring around the outfall has started to collapse. The outfall must be replaced in order to stabilize the shoreline and prevent future damage.		

Start Date: 2017 **Completion Date:** 2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves			40,000	250,000					290,000
	Total			40,000	250,000					290,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design			40,000						40,000
	Land/ Right of Way									
	Construction				230,000					230,000
	Management				20,000					20,000
	Total			40,000	250,000					290,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: 7th Avenue Regional Detention Facility

Project Description

Budget:	\$50,000	Purpose:	Storm Drain
Location:	7th Avenue at SR305	Project Manager:	Andrzej Kasiniak, P.E.

Description: The Poulsbo Village and 7th Avenue basin is largely developed and discharges untreated stormwater to the South Fork of Dogfish Creek. This project would develop preliminary design and permits for a regional treatment facility for the basin consisting of a detention pond and high performance media filter or constructed wetland. It would also evaluate modifications to the existing conveyance system and costs to acquire property needed to support construction of the facility.

Justification: The 7th Avenue/Poulsbo Village basin is one of the largest paved drainage basins in the City that has no storm detention or water quality treatment. Treatment of stormwater from this basin was identified as a high priority in the Liberty Bay TMDL Plan and the 2016 Stormwater Comprehensive Plan. The regional facility will address water quality and habitat needs as well as support re-development efforts in the basin. Preliminary design must be done to confirm engineering feasibility, cost effectiveness and to position the project for future grant funding.

Start Date: 2018 **Completion Date:** 2018

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants									
3	County									
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves				50,000					50,000
	Total				50,000					50,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design				50,000					50,000
	Land/ Right of Way									
	Construction									
	Management									
	Total				50,000					50,000

Estimated Impact on Future Operating Budgets

Notes: There will be no additional impact on future operating budgets.

[illegible]

Project Name: West Poulsbo Waterfront Park

Project Description

Budget:	\$2,050,000	Purpose:	Storm Drain
Location:	South Central Viking Avenue corridor	Project Manager:	Andrzej Kasiniak, P.E.
Description:	<p>The South Central Viking Avenue basin discharges untreated stormwater from a relatively large impervious area. This project will construct a regional treatment facility for the 60-acre urban basin consisting of bioretention, high performance media filter and a constructed wetland. It will also improve capacity of the conveyance system. The project includes acquisition of a 3-acre waterfront property for the site of a future stormwater park. Project funding is a combination of state recreation grants (for land acquisition), and state stormwater retrofit grants for design and construction. Land acquisition funding is considered reasonably high probability given the site is the top acquisition priority in the City's Park and Open Space Plan, and the site's urban water access potential, which is a high priority for state recreation funding. Grant funding for design and construction via a retrofit grant from Ecology is also considered likely since the project is the number 2 priority in the City's recently completed TMDL Implementation Plan. The City has obtained grant funding on 7 consecutive retrofit grant applications submitted over the past 10 years and has established an excellent project delivery track record with the state funding agency. Future grant funding for this high priority project is therefore considered highly probable.</p>		
Justification:	<p>Viking Avenue is one of the largest paved drainage basins in the City, it currently does not have adequate storm drain treatment. Treatment of stormwater from this basin was identified as a high priority in the Liberty Bay TMDL Plan and the 2016 Stormwater Comprehensive Plan.</p>		

Start Date: 2017 **Completion Date:** 2020

Capital Funding

Sources of Funding

		Prior Years	Current 2016	Six-Year Plan						Total
				2017	2018	2019	2020	2021	2022	
1	Federal Grants									
2	State Grants			400,000	187,500	375,000	375,000			1,337,500
3	County					125,000	125,000			250,000
4	PWTF									
6	Non-Voted Bonds									
7	City/Utility Reserves			400,000	62,500					462,500
	Total			800,000	250,000	500,000	500,000			2,050,000

Capital Costs

		Prior Years	Current 2016	Six-Year Plan						Total Costs
				2017	2018	2019	2020	2021	2022	
	Planning & Design				230,000					230,000
	Land/ Right of Way			750,000						750,000
	Construction					480,000	480,000			960,000
	Management			50,000	20,000	20,000	20,000			110,000
	Total			800,000	250,000	500,000	500,000			2,050,000

Estimated Impact on Future Operating Budgets


Notes: There will be no additional impact on future operating budgets.

[illegible]

CITY OF POULSBO

2017 – 2022 CITY IMPROVEMENT PLAN

APPENDIX

 <div>City of Poulsbo Legislative Policy</div>	
Title: Capital Improvement Policy	Page Number: 1 of 2
Department: Finance Department	Effective Date: July 21, 1999
Revised Date: New	Revised by: Finance/Admin Committee

PURPOSE

Poulsbo's city government is accountable for a considerable investment in buildings, parks, roads, sewers, equipment and other capital investments. The preservation, maintenance, and future improvement of these facilities are a primary responsibility of the City. Planning and implementing sound capital improvement policies and programs today will help the City avoid emergencies and major costs in the future.

POLICY

A capital project is defined as a project of a nonrecurring nature with a cost of \$15,000 or more and estimated service life of 10 years or more.

GUIDELINES

- A. Annually, a six-year capital improvements program will be developed analyzing all anticipated capital projects by year and identifying associated funding sources. The plan will contain projections of how the city will perform over the six-year period in relation to policy targets.
- B. The first year of the six-year capital improvements program will be used as the basis for formal fiscal year appropriations during the annual budget process. The capital improvement program will incorporate in its projections of expenditures and funding sources any amounts relating to previous year's appropriations but which have yet to be expended.
- C. The city will maintain a capital projects approval and monitoring committee composed of the City Engineer, Planning Director, Park and Recreation Director, Finance Director and the Committee Chairs from the Public Works, Community Services and the Finance/Admin Council Committees to meet quarterly and review the progress on all outstanding projects as well as to revise spending projections.

- D. The City Improvement Plan will be prepared and updated annually.
- E. The City Council will designate annual ongoing funding levels for each of the major project categories within the City Improvement Plan.
- F. Financial analysis of funding sources will be conducted for all proposed capital improvements.
- G. An annual Capital Budget will be developed and adopted by the City Council as part of the annual budget.
- H. The City Improvement Plan will be consistent with the Capital Facilities Element of the Comprehensive Plan.

REVISION CRITERIA

Each year during the Budget Process the Finance/Admin Committee will review Legislative Policies and recommend to Council any appropriate changes.

City of Poulsbo Debt Policy

SECTION I – INTRODUCTION & GUIDING PRINCIPLES

Purpose and Overview

The Debt Policy for the City of Poulsbo is established to help ensure that all debt is issued both prudently and cost effectively. The Debt Policy sets forth comprehensive guidelines for the issuance and management of all financings of the City Council. Adherence to the policy is essential to ensure that the Council maintains a sound debt position and protects the credit quality of its obligations.

Capital Planning:

The City shall integrate its debt issuance with its Capital Improvement Program (CIP) spending to ensure that planned financing conforms to policy targets regarding the level and composition of outstanding debt. This planning considers the long-term horizon, paying particular attention to financing priorities, capital outlays and competing projects. Long term borrowing shall be confined to the acquisition and/or construction of capital improvements and shall not be used to fund operating or maintenance costs. For all capital projects under consideration, the City shall set aside sufficient revenue from operations to fund ongoing normal maintenance needs and to provide reserves for periodic replacement and renewal. The issuance of debt to fund operating deficits is not permitted.

Legal Governing Principles

In the issuance and management of debt, the City shall comply with the state constitution and with all other legal requirements imposed by federal, state, and local rules and regulations, as applicable.

- State Statutes – The City may contract indebtedness as provided for by RCW 35A.40.090. General Obligation indebtedness is subject to the limitations on indebtedness provided for in RCW 39.36.020(2)(b) and Article VIII of the Washington State Constitution. Bonds evidencing such indebtedness shall be issued and sold in accordance with chapter 39.46.
- Federal Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by federal rules and regulations including the Internal Revenue Code of 1986, as amended; the Treasury Department regulations there under; and the Securities Acts of 1933 and 1934.
- Local Rules and Regulations – The City shall issue and manage debt in accordance with the limitations and constraints imposed by local rules and regulations.

Roles & Responsibilities

The City Council shall:

- Approve indebtedness;
- Approve appointment of independent financial advisor and bond counsel;
- Approve the Debt Policy;
- Approve budgets sufficient to provide for the timely payment of principal and interest on all debt; and
- In consultation with the City's General Counsel, financial advisor, and bond counsel, shall determine the most appropriate instrument for a proposed bond sale.

The Finance Director in consultation with the Finance Committee, the Mayor and full Council shall:

- Assume primary responsibility for debt management
- Provide for the issuance of debt at the lowest possible cost and risk;
- Determine the available debt capacity;
- Provide for the issuance of debt at appropriate intervals and in reasonable amounts as required to fund approved capital expenditures;
- Recommend to the City Council the manner of sale of debt;
- Monitor opportunities to refund debt and recommend such refunding as appropriate.
- Comply with all Internal Revenue Service (IRS), Securities and Exchange (SEC), and Municipal Securities Rulemaking Board (MSRB) rules and regulations governing the issuance of debt.
- Provide for the timely payment of principal and interest on all debt and ensure that the fiscal agent receives funds for payment of debt service on or before the payment date;
- Provide for and participate in the preparation and review of offering documents;
- Comply with all terms, conditions and disclosure required by the legal documents governing the debt issued;
- Submit to the City Council all recommendations to issue debt;
- Distribute to appropriate repositories information regarding financial condition and affairs at such times and in the form required by law, regulation and general practice, including Rule 15c2-12 regarding continuing disclosure;
- Provide for the distribution of pertinent information to rating agencies; and
- Apply and promote prudent fiscal practices.

Ethical Standards Governing Conduct

The members of the City staff, the Mayor and the City Council will adhere to the standards of conduct as stipulated by the Public Disclosure Act, RCW 42.17 and Ethics in Public Service, RCW 42.52.

SECTION II – PROFESSIONAL SERVICES

Professional Services

The City's Finance Department shall be responsible for the solicitation and selection of professional services that are required to administer the City's debt.

- Bond Counsel – With the exception of debt issued by the State, all debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all city and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt.
- Financial Advisor – A Financial Advisor may be used to assist in the issuance of the City's debt. The Financial Advisor will provide the City with the objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring of market opportunities, structuring and pricing of debt, and preparing official statements of disclosure.

- Underwriters – An Underwriter will be used for all debt issued in a negotiated sale method. The Underwriter is responsible for purchasing negotiated debt and reselling the debt to investors.
- Fiscal Agent – A fiscal agent will be used to provide accurate and timely securities processing and timely payment to bondholders. As provided under RCW 43.80, the City will use the Fiscal Agent that is determined by the State.
- Professional Service providers may be selected through a competitive selection process conducted by the Finance Director in consultation with the Finance Committee and Legal Counsel; the City Council shall approve the most qualified financial advisor/underwriter and bond counsel.
- These services shall be regularly monitored by the Finance Director.

SECTION III – DEBT STRUCTURE

Types of Debt Instruments:

The City may utilize several types of municipal debt obligations to finance long-term capital projects. Subject to the approval of City Council, the City is authorized to sell:

- **Unlimited Tax General Obligation Bonds** – The City shall use Unlimited Tax General Obligation Bonds, also known as “Voted General Obligation Bonds” as permitted under RCW 35A.40.090 for the purpose of general purpose, open space and parks, and utility infrastructure. Voted issues are limited to capital purposes only. Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating and maintenance costs associated with the project. UTGO Bonds are payable from excess tax levies and are subject to the assent of 60% of the voters at an election to be held for that purpose.
- **Limited Tax General Obligation Bonds** – A Limited-Tax General Obligation debt (LTGO), also known as “Non-Voted General Obligation Debt”, requires the City to levy a property tax sufficient to meet its debt service obligations but only up to a statutory limit. The City shall use Limited Tax General Obligation (LTGO) Bonds as permitted under RCW 35A.40.090 for general capital purposes only. General Obligation debt is backed by the full faith and credit of the City and is payable from General Fund reserves and taxes collected by the City. LTGO Bonds will only be issued if:
 - A project requires funding not available from alternative sources;
 - Matching fund monies are available which may be lost if not applied for in a timely manner; or,
 - Emergency conditions exist.
- **Revenue Bonds** – The City shall use Revenue Bonds as permitted under RCW 35A.40.090 for the purpose of financing construction or improvements to facilities of enterprise systems operated by the City in accordance with the Capital Improvement Plan. No taxing power or general fund pledge is provided as security.
- **Special Assessment/Local Improvement District Bonds** – The City shall use Special Assessment Bonds as permitted under RCW 35A.40.090 for the purpose of assuring the greatest degree of public equity in place of general obligation bond where possible. Local Improvement District (LID) Bonds represent debt that is repaid by the property owners who specifically benefit from the capital improvements through annual assessments paid to the City. LID’s are formed by the City Council

after a majority of property owners agree to the assessment. No taxing power or general fund pledge is provided as security, and LID Bonds are not subject to statutory debt limitations. The debt is backed by the value of the property within the district and an LID Guaranty Fund, as required by State Law.

- **Short Term Debt** – The City shall use short term debt as permitted under RCW 39.50, for the purpose of meeting any lawful purpose of the municipal corporation, including the immediate financing needs of a project for which long term funding has been secured but not yet received. The City may use inter-fund loans rather than outside debt instruments to meet short-term cash flow needs for the project. Inter-fund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of the funds will not impact the fund's current operations. All inter-fund loans will be subject to Council approval and will bear interest at prevailing rates.
- **Leases** – The City is authorized to enter into capital leases under 35A.40.090 RCW, subject to the approval of City Council.
- **Public Works Trust Fund Loans** – The City shall use Public Works Trust Fund Loans as provided under RCW 43.155 for the purpose of repairing, replacing or creating domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste/recycling facilities and bridges.
- **Local Option Capital Asset Lending (LOCAL) Program Debt** – The City is authorized to enter into a financing contract with the Office of the State Treasurer under RCW 39.94, for the purpose of financing equipment and capital needs through the State Treasurer's Office subject to existing debt limitations and financing considerations. The LOCAL Program is an expanded version of the state agency lease/purchase program that allows the pooling of funding into larger offerings of securities.

SECTION IV – TRANSACTION SPECIFIC POLICIES

Method of Sale - The City shall evaluate the best method of sale for each proposed bond issue.

1. **Competitive Bid Method** – Any competitive sale of the City's debt will require the approval of City Council. City debt issued on a competitive bid basis will be sold to the bidder proposing the lowest true interest cost to the City.
2. **Negotiated Bid Method** – When a negotiated sale is deemed advisable (in consultation with the Mayor and City Council) the Finance Director shall negotiate the most competitive pricing on debt issues and broker commissions in order to ensure the best value to the City.
 - If debt is sold on a negotiated basis, the negotiations of terms and conditions shall include, but not be limited to, prices, interest rates, underwriting or remarketing fees and commissions.
 - The City, with the assistance of its Financial Advisor, shall evaluate the terms offered by the underwriting team. Evaluations of prices, interest rates, fees and commissions

shall include prevailing terms and conditions in the marketplace for comparable issuers.

- No debt issue will be sold on a negotiated basis without an independent financial advisor.
3. The City shall use refunding bonds in accordance with the Refunding Bond Act, RCW 39.53. Unless otherwise justified, the City will refinance debt to achieve true savings as market opportunities arise. Refunding debt shall never be used for the purpose of avoiding debt service obligations. A target 5% cost savings (discounted to its present value) over the remainder of the debt must be demonstrated for any “advance refunding”, unless otherwise justified. The City, in consultation with its Financial Advisor, may approve a “current refunding” transaction of an existing debt issue if the refunding demonstrates a positive present value savings over the remaining life of the debt.
 4. With Council approval, interim financing of capital projects may be secured from the debt financing marketplace or from other funds through an inter-fund loan as appropriate in the circumstances.
 5. When issuing debt, the City shall strive to use special assessment, revenue or other self supporting bonds in lieu of general obligation bonds.

Limitations on Debt Issuance

1. The City shall remain in compliance with all debt limitations. As part of the annual budgeting process, a current summary of outstanding debt and compliance targets is prepared. The City shall observe the following limitations on debt issuance:
 - **General Obligation** – 2.5% of Assessed Value (RCW 39.36.020(2)(b))
 - **Non-Voted: 1.5%**
 - **Voted: 2.5%**
 - **Open Space and Park Facilities** – 2.5% of Assessed Value (RCW 39.36.020(4))
2. Debt payments shall not extend beyond the estimated useful life of the project being financed. The City shall keep the average maturity of general obligations bonds at or below 20 years, unless special circumstances arise warranting the need to extend the debt schedule.
3. Debt Limit Target: The City shall not exceed 90% of the legal debt limits from above.

Debt Structuring Practices

The following terms shall be applied to the City’s debt transactions, as appropriate. Individual terms may change as dictated by the marketplace or the unique qualities of the transaction.

- **Maturity** –The City shall issue debt with an average life less than or equal to the average life of the assets being financed. Unless otherwise stated in law, the final maturity of the debt shall be no longer than 40 years (RCW 39.46.110).
- **Debt Service Structure** – Unless otherwise justified, debt service should be structured on a level basis. Refunding bonds should be structured to produce equal savings by fiscal year. Unless otherwise justified, debt shall not have capitalized interest. If appropriate, debt service reserve funds may be used for revenue bonds.

- **Price Structure** – The City’s long-term debt may include par, discount, and premium bonds. Discount and premium bonds must be demonstrated to be advantageous relative to par bond structures, given market conditions.
- **Call Provisions** – For each transaction, the City shall evaluate the costs and benefits of call provisions. In general, the City shall opt for the shortest possible optional call consistent with optimal pricing.
- **Bond Insurance** – For each transaction, the City shall evaluate the costs and benefits of bond insurance or other credit enhancements. Any credit enhancement purchases by the City shall be competitively priced.
- **Tax-exemption** – Unless otherwise justified and deemed necessary, the City shall issue its debt on a tax-exempt basis.
- **Reimbursement resolution** – Must be adopted by City Council if the project hard costs are advanced prior to the bond sale.

SECTION V – COMMUNICATION

It is the policy of the City to remain as transparent as possible. The City shall manage relationships with the rating analysts assigned to the City’s credit, using both informal and formal methods to disseminate information.

- The City’s Comprehensive Financial Report (CAFR) shall be the primary vehicle for compliance with continuing disclosure requirements. The CAFR may be supplemented with additional documentation as required. Each year included in the CAFR, the City will report its compliance with debt targets and the goals of this Debt Management Policy.
- The City will issue a material event notice in accordance with provisions of SEC Rule 15c2-12. Prior to issuance of any material event, the Finance Director will discuss the materiality of any event with the Mayor, City Attorney and designated Council members, to ensure equal, timely and appropriate disclosure to the marketplace.
- The City shall seek to maintain and improve its current bond rating.

SECTION VI - COMPLIANCE

Investment of Proceeds

The City shall comply with all applicable Federal, State and contractual restrictions regarding the investment of bond proceeds. This includes compliance with restrictions on the types of investment securities allowed, restrictions on the allowable yield of invested funds as well as restrictions on the time period over which some of the proceeds may be invested.

Arbitrage Liability Management

Due to the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the City shall solicit the advice of bond counsel and other qualified experts about

arbitrage rebate calculations. The City shall, when deemed necessary or required, contract with a third party for preparation of the arbitrage rebate calculation.

The City shall maintain an internal system for tracking expenditure of bond proceeds and investment earnings by opening a separate account in the state pool. The expenditure of bond proceeds shall be tracked in the financial system by issue. Investments may be pooled for financial accounting purposes and for investment purposes. When investment of bond proceeds are co-mingled with other investments, the City shall adhere to IRS rules on accounting allocations.

Bond Users Clearinghouse

The City shall ensure that the Bond Users Clearinghouse receives municipal bond information for all debt sold as provided by RCW 39.44.200 – 39.44.240 and WAC 365-130.

Legal Covenants

The City shall comply with all covenants and conditions contained in governing law and any legal documents entered into at the time of a bond offering.

Periodic Policy Review

At a minimum, the debt policy will be reviewed and updated every five years.