

2020 Preliminary Budget City of Gig Harbor

10-02-19

COVER ART

Since 1984, the Peninsula Art League, a non-profit artist's organization, has sponsored the Gig Harbor Arts Festival. A competition for their annual event poster features the work of a local student. Proceeds from the festival fund scholarships for local artists.

In honor of the League's work and the work of the winning student, this artwork is featured on the cover of the City's biennial budget summary this year. The tradition began with the first poster in 2001 and continues each year.

This year's cover artwork was created by Sofia Kasteler, now a Senior at Gig Harbor High School. The theme represents the active sea life in Puget Sound as is named "Crab on Rocks."

CITY OFFICIALS

ELECTED

MAYOR

Kit Kuhn

COUNCILMEMBERS

Jeni Woock
Bob Himes
Jim Franich
Spencer Hutchins
Ken Malich
Michael Perrow
Spencer Abersold

APPOINTED

MUNICIPAL COURT JUDGE
CITY ATTORNEY

Zenon Olbertz
Daniel P. Kenny

MANAGEMENT STAFF

CITY ADMINISTRATOR

Vacant

POLICE CHIEF

Kelly Busey

PUBLIC WORKS DIRECTOR

Jeff Langhelm

COMMUNITY DEVELOPMENT DIRECTOR

Katrina Knutson

FINANCE DIRECTOR

David Rodenbach

INFORMATION SYSTEMS MANAGER

Kay Johnson

BUILDING & FIRE SAFETY DIRECTOR

Paul Rice

CITY CLERK

Molly Towslee

COURT ADMINISTRATOR

Stacy Colberg

TOURISM & COMMUNICATIONS DIRECTOR

Mimi Jansen (Interim)

HUMAN RESOURCES MANAGER

Kameil Borders

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Mayor's Message

PERSONNEL CHANGES

These proposed changes in personnel are described in greater detail in the departmental and fund narratives.

Reclassifications

Laborer (1 FTE) The Parks Laborer portion supports the increasing workload required to maintain parks. This is reclassifying from Temporary to Permanent.

Additional Positions (total annual increase of 2.0 FTEs)

Laborer (Street Sweeper) (1 FTE) The Parks Laborer portion supports the increasing workload required to maintain parks and streetscapes.

Laborer (1FTE) Wastewater Operating.

Salary Range Adjustments

The City is not planning a cost of living increase for 2020.

Salary and Benefit Allocations

The city allocates salaries and benefits for certain positions to several different funds and departments depending on the job duties of that position. For example, a position may be allocated to the funds as follows: General – 50%, Street Operating – 10%, Water Operating – 15%, Wastewater Operating – 15% and Storm Operating – 10%.

2020 CAPITAL PROJECT HIGHLIGHTS

1. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center. **\$220,000; Pages 124 #1, 148 #2, 219 #1 and 223 #1.**
2. **Stinson Avenue Pavement Overlay (Grandview to Rosedale).** Complete the design, permitting, and construction along Stinson Avenue between Rosedale Street and Pioneer Way. **\$750,000; Page 124 #2.**
3. **Stinson / Rosedale Roundabout.** Complete the design, permitting, right-of-way acquisition, and construction of a roundabout. **\$750,000; Page 124 #3.**
4. **Stinson / Harborview Intersection Improvements.** Complete the design, permitting and right-of-way acquisition, and construction of intersection improvements. **\$1,330,000 (\$1,000,000 TIB grant, \$250,000 HBZ) Page 124 #4.**
5. **38th Avenue Improvement Project – Phase 1A.** Complete the design, permitting and construction street corridor improvements along 38th Avenue consisting of bike lanes, sidewalk, planter strip and pedestrian lighting on the east side between the City limits and Briarwood Lane. **\$750,000; Page 124 #5.**
6. **Mid-Block Rapid-Flash Beacon Crosswalk System.** Purchase and install a pedestrian crosswalk at 50th St Ct. Improve access to Veterans Memorial Park. **\$25,000. Page 125 #6.**
7. **Judson Street One-Way.** Conceptual design, permitting and cost estimating for modification of Judson St. to a one-way street between Stanich Ln and Soundview Dr. **\$70,000; Page 125 #7.**
8. **Prentice Ave. and Fennimore St. 1/2-Width Roadway Improvement – Design and Permitting.** Complete the design and permitting associated roadway corridor improvements along portions of Prentice Ave. and Fennimore St. **\$190,000; Page 125 #9.**
9. **Burnham Drive and Harborview Drive 1/2-Width Roadway Improvements – Design and Permitting.** Complete the design and permitting associated of roadway corridor improvements along portions of Burnham Drive (between Harborview Dr. and Harbor Hill Dr.) and Harborview Drive (between Austin St. and Burnham Dr.) where gaps exist. **\$225,000 Page 125 #10.**
10. **Harbor History Museum Driveway Entrance Revision.** Revise the sidewalk and driveway grade at the entrance to the Harbor History Museum. **\$33,000; Page 125 #11.**
11. **Austin Estuary Park Honor Symbol.** In conjunction with the Puyallup Tribe of Indians, the Gig Harbor Kiwanis Foundation, and the City's Arts Commission, the City Council awarded a contract in 2019 for the placement of an "honor symbol"

in Austin Estuary Park to acknowledge the importance of the Tribe as the original residents of Gig Harbor. **\$75,000; Page 144 #1.**

12. **Gig Harbor Sports Complex Phase 1: Design, Permitting, Phase 1A Construction.** This is a multi-year, multi-phased project. Visioning was conducted in 2015 and a Master Plan was approved in 2018. Two RCO Grants totaling \$550,000 have been awarded. This project includes monetary support from local partners. **\$25,000; Page 148 #1.**
13. **Eddon Boat Park – Brick House Rehabilitation.** Rehabilitate the historic Eddon Residence. **\$330,000; Page 148 #5.**
14. **Pump Track Construction.** Construct a pump track at a location determined through the design and permitting process. This assumes any existing playground equipment remains as-is. **\$150,000. Page 148 #6.**
15. **Veteran’s Memorial Park Play Structure.** Consistent with the existing adopted Park Plan for Veteran’s Memorial Park, seek partners to fund the installation of an additional play structure. **\$250,000; Page 149 #9.**
16. **Masonic Lodge Building Improvements.** Construct building improvements to the main floor to make it accessible and functional for use as a community space. **\$350,000; Page 149 #10.**
17. **Replacement of Lift Station #6 (Ryan Street).** Verify right-of-way and complete final design and permitting for the replacement pump station at the existing site. **\$700,000; Page 208 #1.**
18. **Rehabilitation of Lift Station #1 (Crescent Creek Park).** Replace existing pumps, electrical and mechanical equipment and coat wet well. **\$115,000; Page 208 #2.**
19. **Lift Station 12 Rehabilitation Design.** Lift Station 12 will be 31 years old in 2020 and transfers over 1/3 of the City’s sewage. The station’s structural, mechanical and electrical systems require repair or replacement. **\$300,000; Page 208 #5.**
20. **Public Works Shop – Decant Facility.** Design, permitting, and construction of a new decant facility to be constructed on existing City property for the Public Works Operations Center. **\$115,000; Page 219 #2**
21. **Storm Pipe Slip Lining.** Perform the slip lining of two storm pipes in the City right of way due to failed pipe connections. **\$120,000; Page 219 #3.**
22. **Emergency Water Intertie – Canterwood Blvd.** Install an intertie along Canterwood Blvd between St. Anthony’s hospital and Baker Way to provide a redundant water source in the event of an emergency. **\$420,000; Page 223 #2.**
23. **Gig Harbor North Well (No. 9) Design and Permitting.** Re-initiate the development of a new well source in Gig Harbor North associated with a previous water right permit application. **\$200,000; Page 223 #4.**

1. BUDGET SUMMARY

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AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, ADOPTING THE 2020 ANNUAL BUDGET; ESTABLISHING APPROPRIATIONS OF FUNDS FOR THE 2020 FISCAL YEAR; TRANSMITTING BUDGET COPIES TO THE STATE; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Mayor of the City of Gig Harbor, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of the monies required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of the City for the 2020 fiscal year; and

WHEREAS, the City of Gig Harbor published notice that the Gig Harbor City Council would meet on November 14, 2019 and November 25, 2019 at 5:30 p.m., in the Gig Harbor Council Chambers for the purpose of providing the public an opportunity to be heard on the proposed budget for the 2020 fiscal year and to adopt the budget; and

WHEREAS, the City Council did meet at the dates and times so specified, and heard testimony of interested citizens and taxpayers; and

WHEREAS, the 2020 proposed biennial budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Gig Harbor for the purposes set forth in the budget, and the estimated expenditures set forth in the budget being all necessary to carry on the government of Gig Harbor for the 2020 fiscal year; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Budget Adopted. The budget for the City of Gig Harbor, Washington, for the 2020 fiscal year, on file with the City Clerk, is hereby adopted in its final form and content.

Section 2. Funds Appropriated. Estimated resources, including beginning fund balances, for each separate fund of the City of Gig Harbor, and aggregate total for all funds combined, for the 2020 fiscal year are set forth in summary form below, and are hereby appropriated for expenditure during the 2019 fiscal year as set follows:

2019 BUDGET APPROPRIATIONS

FUND / DEPARTMENT		AMOUNT
001	GENERAL GOVERNMENT	
01	Non-Departmental	\$6,135,079
02	Legislative	72,400
03	Municipal Court	527,950
04	Administrative / Financial / Legal	2,044,955
06	Police	4,158,600
14	Community Development	2,346,385
15	Park Operating	1,366,115
16	Buildings	385,877
19	Ending Fund Balance	2,702,846
TOTAL GENERAL FUND - 001		\$19,740,207
101	STREET OPERATING	2,486,389
102	STREET CAPITAL	4,420,339
105	DRUG INVESTIGATION STATE	8,346
106	DRUG INVESTIGATION FEDERAL	15,149
107	HOTEL / MOTEL FUND	1,106,846
108	PUBLIC ART CAPITAL PROJECTS	93,915
109	PARK DEVELOPMENT FUND	1,680,391
110	CIVIC CENTER DEBT RESERVE	1,616,754
111	STRATEGIC RESERVE	1,804,855
112	EQUIPMENT REPLACEMENT RESERVE	443,025
208	LTGO BOND REDEMPTION	2,537,247
211	UTGO BOND REDEMPTION	554,720
301	CAPITAL DEVELOPMENT FUND	856,394
305	GENERAL GOVT. CAPITAL IMPROVEMENT	1,873,382
309	IMPACT TRUST FEE	2,966,138
310	HOSPITAL BENEFIT ZONE REVENUE	5,049,881
401	WATER OPERATING	3,486,861
402	SEWER OPERATING	7,278,597
403	SHORECREST RESERVE	204,166
407	UTILITY RESERVE	1,458,164
408	UTILITY BOND REDEMPTION FUND	3,084,579
410	SEWER CAPITAL CONSTRUCTION	11,390,196
411	STORM SEWER OPERATING	2,526,528
412	STORM SEWER CAPITAL	1,415,694
420	WATER CAPITAL ASSETS	5,293,203
TOTAL ALL FUNDS		\$83,391,956

Section 3. Salary Schedule. Attachment "A" is adopted as the 2020 personnel salary schedule for all employees.

Section 4. Transmittal. The City Clerk is directed to transmit a certified copy of the 2019 budget hereby adopted to the Division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

Section 5. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance

Section 6. Effective Date. This ordinance shall be in force and take effect five (5) days after its publication according to law.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a regular meeting of the council held on this ____ day of November, 2019.

CITY OF GIG HARBOR

Mayor Kit Kuhn

ATTEST/AUTHENTICATED:

Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

Angela G. Summerfield

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.

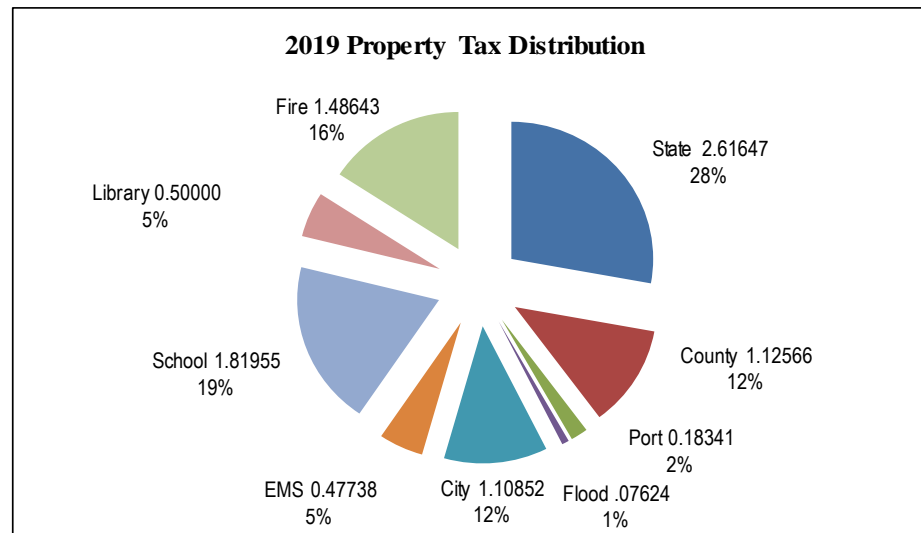
Attachment A

POSITION	2020 RANGE	
	Minimum	Maximum
City Administrator	11,767	14,709
Chief of Police	10,111	12,639
Community Development Director	9,480	11,850
Public Works Director	9,480	11,850
Finance Director	9,377	11,722
City Engineer	8,247	10,309
Information Systems Manager	8,247	10,309
Police Lieutenant	8,211	10,264
Building & Fire Safety Director	7,896	9,870
Senior Engineer	7,445	9,307
Parks Manager	7,322	9,153
Police Sergeant	7,857	8,990
City Clerk	7,157	8,947
Tourism & Communications Director	7,142	8,928
Court Administrator	7,088	8,860
Public Works Superintendent	7,051	8,814
Wastewater Treatment Plant Supervisor	7,051	8,814
Associate Engineer/Project Engineer	6,885	8,607
Senior Accountant	6,868	8,585
Senior Planner*	6,864	8,580
Human Resources Manager	6,732	8,415
Assistant Building Official/Fire Marshal	6,476	8,095
Field Supervisor	6,069	7,587
Construction Supervisor	6,069	7,587
Assistant City Clerk/Open Gov't Administrator	6,105	7,632
Police Officer	5,717	7,147
Senior WWTP Operator	5,714	7,143
Payroll/Benefits Administrator	5,576	6,970
Associate Planner*	5,492	6,865
Construction Inspector	5,358	6,698
Planning / Building Inspector	5,358	6,698
Executive Assistant	5,278	6,598
Mechanic	5,181	6,477
Wastewater Treatment Plant Operator	5,112	6,390
Engineering Technician	5,070	6,338
Building Maintenance Technician	5,029	6,287
Information Systems Assistant	4,960	6,200
WWTP Collection System Tech II	4,781	5,977
Maintenance Technician	3,841	5,977
Assistant Planner*	4,766	5,958
Permit Coordinator	4,766	5,958
Community Service Officer	4,724	5,905
Finance Technician	4,647	5,809
Utility Billing Technician	4,647	5,809
Planning Technician	4,623	5,779
Building Assistant	4,519	5,649
Planning Assistant	4,519	5,649
Public Works Assistant	4,519	5,649
Administrative Assistant	4,325	5,407
Lead Court Clerk	4,324	5,405
Human Resources Assistant	4,175	5,219
Police Services Specialist	3,908	4,885
Court Clerk	3,855	4,819
Custodian	3,841	4,802
Public Works Clerk	3,839	4,799
Planning/Building Clerk	3,839	4,799
Laborer	3,648	4,560

* *Planner Classification Series*

PROPERTY TAX HISTORY

Year of Collection	Assessed Valuation	% Increase from prior year	New Construction	Annexed Property	Statutory Limit	Regular Property Tax Levied	Regular Rate/\$1,000 Assessed Value	Excess Property Tax (Voted)	Voted Rate/\$1,000 Assessed Value	Total Rate/\$100 Assessed Value	Population
2019	2,945,118,187	9.82%	115,074,931	-	-	-	-	300,000	0.1123	0.1123	10,770
2018	2,681,847,608	16.74%	184,948,604	-	2,751,453	2,751,453	1.0260	300,000	0.1123	1.1382	10,320
2017	2,297,364,845	16.40%	96,468,604	-	2,536,013	2,536,013	1.1039	300,000	0.1312	1.2351	9,560
2016	1,973,717,595	6.21%	62,122,312	-	2,404,765	2,404,765	1.2184	300,000	0.1526	1.3710	9,065
2015	1,858,377,519	8.87%	58,215,373	-	2,318,381	2,318,381	1.2475	300,000	0.1626	1.4102	8,555
2014	1,706,920,083	3.32%	29,662,688	-	2,207,695	2,207,695	1.2934	250,000	0.1480	1.4413	7,985
2013	1,652,017,762	-6.93%	41,515,643	-	2,323,520	2,323,520	1.4065	250,000	0.1540	1.5604	7,670
2012	1,775,067,329	-7.24%	25,388,148	-	2,315,501	2,285,574	1.2876	250,000	0.1418	1.4294	7,340
2011	1,913,676,160	-7.37%	25,321,152	-	1,979,125	1,960,146	1.0243	250,000	0.1314	1.1557	7,200
2010	2,065,862,608	4.98%	85,679,173	90,565,939	1,936,280	1,915,808	0.9274	250,000	0.1217	1.0491	7,126
2009	1,967,770,378	15.33%	130,865,054	-	1,757,674	1,737,590	0.8830	250,000	0.1277	1.0107	6,910
2008	1,706,193,620	45.54%	71,073,437	31,614,500	1,752,934	1,598,969	0.9372	250,000	0.1474	1.1248	6,780
2007	1,456,487,257	43.08%	18,861,901	2,657,500	1,483,819	1,481,386	1.0183	300,000	0.2074	1.2425	6,765
2006	1,167,739,135	26.07%	21,840,086	-	1,454,601	1,447,247	1.2394	258,000	0.2225	1.4618	6,765
2005	1,010,574,497	9.31%	22,521,939	3,879,395	1,403,379	1,400,330	1.3884	-	-	1.3884	6,680



2020 Organizational Chart

* Contracted Position

THE BUDGET AND BUDGET PROCESS

The budget is the legal authority to obligate public funds. It also provides policy direction by the City Council to the staff and community as well as a financial plan for the upcoming year.

Preparation of the annual budget involves every city official and employee. Each member of the city team has the opportunity and responsibility to contribute suggestions for projects and processes that would improve the city or use the city's resources more efficiently. Budget preparation can sometimes be difficult, time consuming and even frustrating, yet in the end, valuable and rewarding. The end result is a collaborative, comprehensive set of plans and policy directives for the management of the city's activities and resources for the coming fiscal period and beyond.

The budget provides four functions:

1. The budget as a policy document

Budget and financial policies provide guidelines for the City's elected officials and staff to use in making sound financial decisions. These policies help ensure that the City's basic functions are maintained and the Mayor and City Council's vision for the community is achieved.

Decisions made during the budget process and documented herein reflect the general principles or plans that guide the actions taken for the future. The budget links desired goals and objectives - obtained from the city's comprehensive plan and previous budgetary six-year goals - and policy direction to the actual day-to-day activities of the city staff.

Budget and financial policy objectives

Gig Harbor's budget and financial policies are intended to provide a framework for the financial planning and management of the city. These policies are intended to provide a level of protection for the citizens and their tax dollars by establishing financial practices that are conservative, responsible, accountable, and savings-oriented. Most of these policies represent long-standing policies, procedures and practices that are already in practice and have worked well for the city. These policies express the following goals:

- Preserve financial assets in order to meet normal operating expenses, planned future obligations and to adjust to changes in the service requirements of the community;
- Take advantage of strategic opportunities as they arise;
- Operate water, sewer and storm utilities in a fiscally sound manner;
- Maintain existing infrastructure and capital assets in good repair, working order and condition;
- Provide insulation from fiscal crisis, revenue fluctuations, general economic disruption, and other contingencies; and
- Maintain a strong credit rating thus ensuring lower cost financing when needed. A sound credit rating also demonstrates to taxpayers that the city is well managed and

follows financially sound business practices.

Due to Gig Harbor's finite revenue base and the limited potential for future revenue growth, the City must prioritize its services in order to maintain the most important services should revenues become constrained. The following services are considered priorities in the following order:

- Public Life, Health and Safety: police; fire and emergency medical services (provided by Pierce County Fire District 5); emergency preparedness; building inspections; traffic control; water, sewer, storm drainage.
- Legal Mandates: Accounting/auditing/financial reporting; land-use planning; environmental regulations.
- City Facilities and Property: Maintenance of park land; buildings; streets and right of way; and equipment.
- Other City Council and Community goals.

In keeping with the above goals and priorities, the following budget policies have been established.

Budgeting

- The budget process will be scheduled and coordinated so that major policy issues are identified for City Council review and discussion at least two months prior to budget approval. Doing so will allow adequate time for public input and analysis of options.
- The City Council will utilize its vision, goals, and the *Comprehensive Plan* as the framework for adopting the annual budget.
- To facilitate openness and public participation, the budget approval process will include noticed public hearings, Council study sessions that are open to the public, and multiple opportunities for public comment. The Mayor's proposed budget will be posted on the City's web page soon after it is made available to the City Council. The Mayor, City Council, City Administrator, and department heads will be available to respond to public inquiries and comments concerning the proposed budget.
- The budget shall balance recurring operating expenses to recurring operating revenue.
- Revenues shall be conservatively estimated and based upon the best information available.
- When appropriate, user charges and fees should reflect the full cost of providing the related service or the percentage of total service cost as determined by the city.
- One-time revenues are non-recurring in nature, and therefore, shall not be relied upon to fund regular operating budgets for ongoing programs. Cash balances in excess of the amount required to maintain reserves may be used to fund one-time or non-recurring costs.
- Enterprise funds will be self-supporting through user rates and charges.

Multi-Year Forecast

Each year the City will update expenditure and revenue forecasts for the next six years. The purpose of this forecast is to determine the long-term sustainability of operational and capital programs given limited revenue streams and resources. A multi-year forecast also facilitates budget decisions and strategic planning that go beyond annual budget horizon.

The six-year forecast shall be presented to the Council Finance & Safety Committee prior to September each year. The forecast shall include General, Street Operating and Capital, Park Development, Water, Sewer and Storm funds.

Debt

- The City will only sell bonds for lasting capital projects and property acquisitions and not for funding ongoing operations.
- The maturity date for debt will not exceed the reasonable expected useful life of the asset or project so financed.
- The City will strive toward net operating revenues of an enterprise fund (water, sewer, or storm, for example) at 1.5 times (or more) the annual debt service requirements.
- Long-term borrowing (both general obligation and revenue) will only be used for capital improvements that cannot be financed from current revenues.
- The impact of proposed capital improvements on the operating budget shall be considered when deciding whether such projects are feasible.

In deciding whether to issue debt, the City should ask and answer the following questions:

- Alternative Funding Sources. Are there alternate sources of funding available that can be used to minimize the level of debt or avoid debt completely?
- Cost of Money. Given current interest rates and projected price inflation (or deflation) of construction materials and labor, does it make sense to issue bonds now or save up the funds and pay for the project in full in a future year?
- Revenue Source. Will the annual debt be serviced with a dedicated, stable revenue source for the full term of the bond? For example, if the City is going to fund its debt service payments with real estate excise tax (REET), is the City developing its annual REET projections with cyclical housing market downturns in mind?

Capital Projects and Purchases

Capital projects, from roads to parks to utilities, are among the core purposes of City government. The preservation, maintenance, retro-fitting, and eventual replacement of the City's capital infrastructure must be a top priority of the City. In City budgeting, there is constant tension between funding operating programs and capital projects and

acquisitions. It is vital that neither be ignored and that operating programs do not, over time, crowd out funding for the capital projects that are needed to preserve the City's core infrastructure and carry out essential functions.

The City should update its capital facilities element of the Comprehensive Plan annually. Using the Capital Facilities Element as a basis, the City should plan for and include capital projects in its multi-year financial forecasts.

- Capital projects that preserve existing infrastructure should take a higher priority over acquiring or constructing new assets. Preservation and/or replacement of capital infrastructure assets should be a high priority in the City's annual budgeting and multi-year financial forecasting.
- When planning for and financing capital projects and acquisitions, ongoing maintenance and operation of new facilities should be built into the financing plan.
- The City's capital improvement plans should account for and include future growth. Growth-related capital projects should, when possible, be funded with impact fees, developer contributions, grants, and other outside sources.
- The City should depreciate its capital assets according to generally accepted accounting principles and plan for capital replacements accordingly.

Financial Compliance and Reporting

- The accounting system will maintain records on a basis consistent with generally accepted accounting standards for local government accounting and the State of Washington Budgeting, Accounting, and Reporting Systems.
- The City's financial policies, practices, and reporting will comply with State and Federal regulations and will be subject to an annual audit by the State Auditor's Office.
- The City's Finance Director will provide a quarterly financial report to the Mayor and City Council. This report will include information required in GHMC 3.01
- On at least a monthly basis, the Finance Director and City Administrator will review year-to-date revenues by source and expenditures by department. This monthly review will also include:
 - Analysis and explanations of revenue and expenditure trends and projections, including deviations from trends and projections;
 - Identification of one-time and/or cyclical revenues and expenditures (the construction component of sales tax on a large project, for example); and
 - Study and examination of economic trends on all levels (local, regional, etc.).

Fund Balances

- The City will maintain General Fund and Street Operating Fund undesignated balances equal to 60 days of average daily operating expenditures.
- Because budgeted capital projects are established with a contingency amount, non-enterprise capital project funds (street capital and park capital, for example) are not required to maintain an undesignated fund balance. However, pro-rata

contributions from developers for future public projects must be identified and accounted for either as reserved fund balance or a current year expense in the affected capital fund.

- Fund balances in enterprise funds shall be maintained at levels established through rate studies or at levels equal to a target of 60 days of operations and maintenance expenses that are necessary to meet operating, capital, and contingency requirements.
- Balances in other funds will comply with State law and/or debt service requirements.

Reserve Funds

This budget includes three distinct reserve funds (aside from reserve funds required for bond issues): Civic Center Debt Reserve Fund, Strategic Reserve Fund, and Equipment Replacement Reserve Fund. The Civic Center Debt Reserve Fund has been in place and accumulating since 2002, and the other two were newly established in 2011. The purposes and policies of these three reserve funds are described as follows:

Civic Center Debt Reserve Fund. The purpose of this fund is to build up a balance large enough to retire all or a significant portion of the Civic Center debt several years prior to maturity in 2026. The Civic Center bonds will be callable in 2020, at which time the City Council may wish to retire all or a portion of the bonds, depending on the accumulated balance in the reserve fund, cost of money at the time, and/or other priorities.

Strategic Reserve Fund. Establishing a Strategic Reserve fund allows the City to 1) take advantage of strategic opportunities as they arise (key land purchases or matching funds for capital grants, for example); and 2) insulate the City from revenue fluctuations, economic downturns (i.e., “rainy days”), and other contingencies such as:

- Emergencies and disasters
- Uninsured losses
- Tax refunds

The “rainy day” portion of the Strategic Reserve fund is limited by RCW 35a.33.145 to \$0.375 per \$1,000 of assessed valuation. The target balance for the “strategic” portion of this fund is \$3,000,000.

The City may use General Fund operating revenues and undesignated fund balances to build up this fund. Each budget cycle, the City Council will establish a target amount for this fund based on a percentage of operating expenditures or some other method at the City Council’s discretion. If drawn down, the Strategic Reserve Fund should be replenished back to the targeted amount within three years. Spending from this fund shall not be done without City Council authorization.

Equipment Replacement Reserve Fund. Establishing a fund by which to save for significant purchases levels out the financial peaks and valleys that come from owning vehicles and equipment. This fund is not intended to be an equipment rental fund, nor is

it intended to fully fund equipment or vehicle purchases at the time of acquisition. Rather, this fund is intended to establish a reserve that will fund at least a portion of vehicles and equipment as they are replaced, thereby reducing the expenditure spikes that can otherwise occur. Only the General Fund will contribute to this Fund. Enterprise Funds will pay for their share of equipment and vehicles on a pay-as-you-go basis, as established and planned for in the utility rate studies. As part of the City's multi-year financial forecasting, the City Administrator will recommend a target amount for this Fund over multiple years, based on projected equipment and vehicle needs and life spans. Each year the City Council, at its discretion, will add to and/or spend from this fund, based on the needs of the City. No spending from this fund will be authorized without City Council approval. In extenuating and difficult financial times, the City Council may delay vehicle and equipment purchases and transfer money from this fund back into the General Fund.

2. The budget as a financial plan

Financial planning is the most basic aspect of the budget and is a requirement of state law. The budget must be adopted as a balanced budget and must be in place prior to the expenditure of any city funds. The budget is the legal authority to expend public monies and controls those expenditures by limiting the amount of the appropriation at either the fund or department level. Revenues and beginning fund balances are estimated to determine resources available in each fund. Council and staff expenditure requests, other commitments such as debt service requirements, and desired ending fund balances are balanced against available resources to determine department and fund appropriations.

3. The budget as an operational guide

The functions and/or goals of each department and fund are described in the following sections, along with the objectives planned for the current biennium to perform those functions and meet those goals. To the extent practical, an estimate of the amount of expenditure or staff time to accomplish the objective is noted in the narratives. The expenditures are then summarized by department, fund and for the city as a whole. This process assists in maintaining an understanding of the various operations of the city and how they relate to each other and to the attainment of the policy issues and goals of the City Council.

4. The budget as a communication device

The budget provides a unique opportunity to allow and encourage public review of city operations. The budget document describes the activities of the city, the reason or cause for those activities and future implications. The budget process invites individual citizens to provide direct input to the budget. Citizens are always welcome to discuss problems, desires and opportunities with the Mayor, City Council and staff. These discussions frequently lead to budget objectives. Additionally, the city holds two public hearings on the budget and another on revenue sources where the public is formally invited to participate in the budget process. The preliminary budget is available to the public throughout the budget process.

Basis of the budget

The budget is prepared on the modified accrual basis of accounting. This is substantially the same as the cash basis of accounting with the following significant exceptions: 1. Revenues are recognized when they are "measurable and available" which may be before they are collected; and, 2. Expenditures are recognized when the liability is incurred (i.e. when an item is purchased or a service is performed), rather than when payment is made.

The annual financial report of the city is prepared on the same basis for the governmental fund types (the general fund, special revenue funds and debt service funds). The budget can be directly compared to the operating reports in the annual financial report for these funds. The enterprise or proprietary funds are also budgeted on the modified accrual basis, but report on the accrual basis in the annual report. Therefore, the budget for these funds is not directly comparable to the annual report. The primary differences of the accrual basis are 1. Revenues are recognized when earned; 2. Collection of assessment principal is recognized as a reduction in receivables rather than as revenue; 3. Depreciation of capital assets is recognized as an expense; 4. Acquisition of capital assets is recognized as an increase in assets rather than as an expenditure; and, 5. Payment of debt principal is recognized as a decrease in liabilities rather than as an expenditure.

While these differences may be confusing, the basis for budgeting is consistent with state law and is practical both for preparing and managing the budget. The basis for reporting is consistent with generally accepted accounting principles (GAAP) and facilitates the management of the enterprise funds as self-supporting business-like entities.

BUDGET CALENDAR

Washington city budget procedures are mandated by Chapter 35A.33 RCW. These mandates are incorporated into the procedures described below:

- May - The Mayor submits notice to department directors to file budget narratives (functions, goals, objectives, performance measures, and staffing requests). Department directors solicit suggestions from and conduct discussions with their staff. Completed narratives and forms are returned to Finance Department.
- June - The Mayor submits notice to department directors to file budget requests and forms for funding levels and requests.
- August - Department directors return appropriation requests, revenue estimates, and forms, and meet with Mayor to discuss budget requests and review department objectives/programs.
- September – The Mayor proposes the preliminary budget. The Mayor and City Council may hold a retreat to establish priorities for the upcoming budget.
- October 1 - The Mayor submits the proposed budget to the City Council. This budget is based on priorities established by the Council and estimates provided by city departments during the preceding months, prioritized and balanced with revenue estimates made by the finance director.
- October 21 & 22 - The Council holds budget study sessions.
- November 12 & 25 - The Council conducts public hearings on the proposed budget.
- Prior to December 31 - The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget.

The budget is available to the public throughout the entire process.

The budget is adopted at the department level in the General Fund and at the fund level in all other funds. Any unexpended appropriation balances lapse at year end. Any changes in staffing levels or composition and significant capital expenditures must also be included in this budget document or be specifically approved by council motion.

Amending the budget

The Mayor, City Administrator and Finance Director are authorized to transfer budget amounts between categories within funds or general fund departments; however, any revisions that alter the total expenditures of a department or fund, or affect the number of authorized employee positions or salary ranges must be approved by the City Council. When the City Council determines that it is in the best interest of the city to increase or decrease the appropriation for a particular fund, it may do so by ordinance approved by one more than the majority of the City Council.

BUDGET DOCUMENT ORGANIZATION

Following this summary is a section for each fund and department that includes a description of function, narratives of goals, objectives, capital outlay, and schedules of staff adjustments, revenues and expenditures, as appropriate.

Description of function: The description of function defines the fund or department's purpose and ongoing responsibilities.

Narrative of goals: The narrative of goals describes long-range accomplishments which the fund or department plans to achieve over a five to six-year period.

Narrative of objectives: The narrative of objectives describes more immediate targets that can be accomplished within the biennium. These may be isolated projects or steps toward fulfilling a long-term goal. Routine procedures accomplishing the department's function are generally not included.

Narrative of capital outlay: The narrative of capital outlay lists all significant capital purchases unless adequately described under objectives.

Staff adjustments: The staff adjustments schedule explains any additions, deletions or reclassification of positions.

Resource and expenditure schedules summarize the sources and uses of funds that accomplish these functions, goals, and objectives. The schedules are broken down by type of resource or use and show comparative amounts for 2015 and 2016. The General Fund section includes a schedule of budgeted and actual expenditures by department.

REVENUE ANALYSIS

Economic assumptions

General fund revenues are expected to come in about \$900,000 short of 2018 revenues and 2019 budget of \$15.2 million. Total resources (beginning balance plus revenues) still look to finish about \$600,000 over budget due to a larger than planned for beginning fund balance. Also, 2019 general fund expenditures are expected to come in \$1.5 million below budget and \$1.7 million as compared to 2018 expenditures. Based on these expectations, the budgeted beginning fund balance for the general fund is \$5.1 million.

The slight pause in revenues is caused by a decrease in permit activity. Permit revenues have dropped by \$500,000 in 2019 as compared to 2018. We do not expect that trend to continue into 2020.

The local economy is still running quite strong. The housing market remains strong and appears to be growing stronger. Sales tax receipts are looking to come in at about 2018 levels and development activity in the city is certainly not slowing down.

The June 2019 Washington economic forecast expects:

- 2.2% Washington employment growth this year
- Employment growth to average 1.2% per year in 2020 through 2023
- Nominal personal income growth in 2020 through 2023 averages 4.9% per
- 43,700 housing units authorized by building permits this year and permits to average 41,900 in 2020 through 2023
- Seattle inflation to fall from 3.2% last year to 2.8% in 2019. We expect inflation to slow further to an average rate of 2.1% per year through the remainder of the forecast.

Based on the solid state economic report from June, the City's 2020 budget is built on the expectation of two and one-half percent growth in revenues and 3% inflation for expenditures.

Revenue Summary

The major sources of revenue for the city's major funds are as follows:

Fund	Description	2020 Budget	% of Total Revenue
General fund	Sales tax	7,060,961	28.4%
	Property tax	3,041,080	12.2%
	Utility tax & franchise fees	1,949,411	7.8%
	Permit fees	1,139,822	4.6%
Street Operating fund	General fund transfer	1,750,000	7.0%
Water Operating fund	Customer charges	2,634,781	10.6%
Sewer Operating fund	Customer charges	6,143,007	24.7%
Storm Operating fund	Customer charges	1,120,389	4.5%

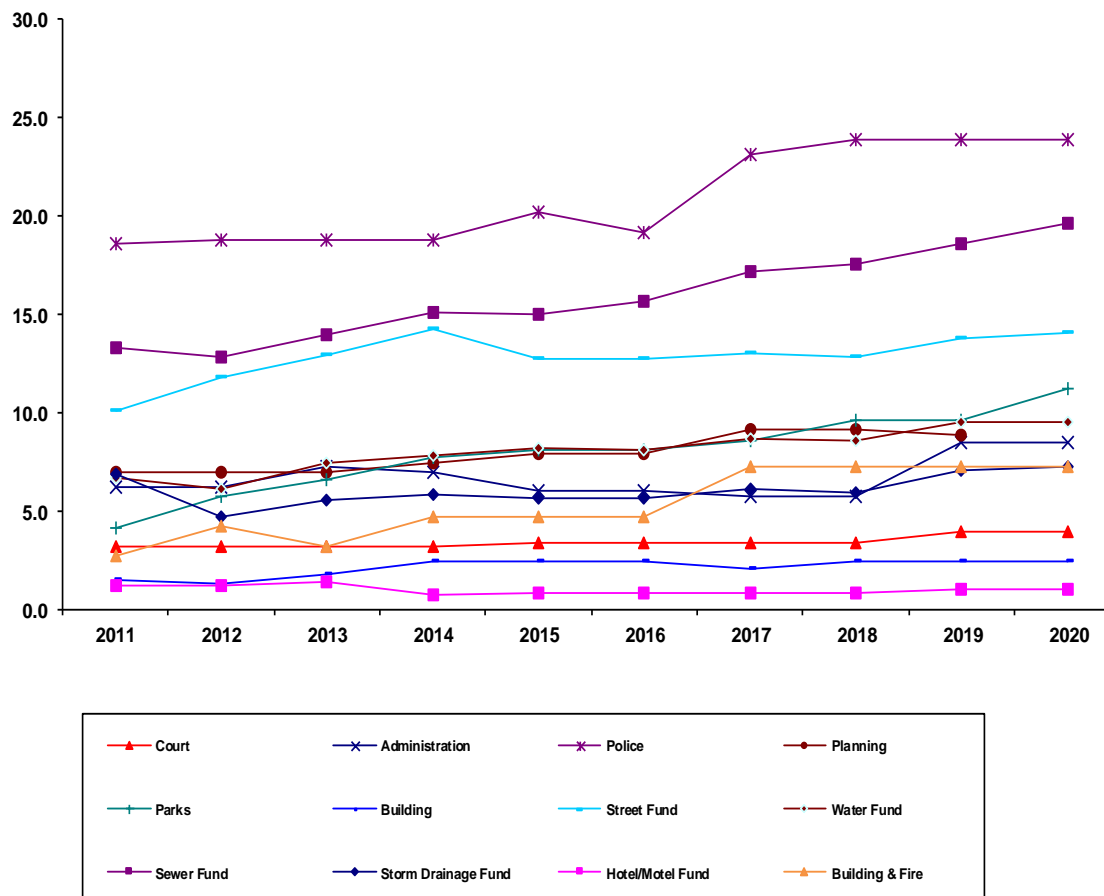
City of Gig Harbor
2020 Annual Budget

All Funds

Proposed Budgeted Staffing Levels
(In Full Time Equivalents)

General Fund By Department:	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Court	3.2	3.2	3.2	3.2	3.4	3.4	3.4	3.4	4.0	4.0
Administration	6.2	6.2	7.3	7.0	6.1	6.1	5.8	5.8	8.5	8.5
Police	18.6	18.8	18.8	18.8	20.2	19.2	23.2	23.9	23.9	23.9
Building & Fire	2.8	4.3	3.3	4.8	4.8	4.8	7.3	7.3	7.3	7.3
Planning	7.0	7.0	7.0	7.5	7.9	7.9	9.2	9.2	8.9	8.9
Parks	4.2	5.8	6.6	7.8	8.2	8.2	8.6	9.6	9.7	11.3
Building	1.5	1.4	1.9	2.5	2.5	2.5	2.1	2.5	2.5	2.5
Total General Fund	43.3	46.5	47.9	51.4	53.4	51.9	59.4	61.5	64.7	66.3
Hotel/Motel Fund	1.3	1.3	1.5	0.8	0.9	0.9	0.9	0.9	1.1	1.1
Street Fund	10.1	11.8	13.0	14.3	12.7	12.8	13.1	12.9	13.8	14.0
Water Fund	6.7	6.2	7.4	7.8	8.2	8.1	8.7	8.6	9.5	9.5
Sewer Fund	13.3	12.9	13.9	15.1	15.0	15.7	17.2	17.6	18.6	19.6
Storm Drainage Fund	6.9	4.8	5.6	5.8	5.7	5.6	6.2	6.0	7.1	7.3
Total Budgeted Staffing	81.6	83.4	89.3	95.2	95.9	95.0	105.4	107.4	114.8	117.8

Budgeted Staffing Levels



Estimate of Ending Fund Balance by Fund Type

This table shows the 2020 budgeted ending fund balances for each fund type.

2020					
Fund Type	Beginning Balance	Revenues	Expenditures	Transfers In (Out)	Ending Balance
General	\$ 5,118,909	\$ 14,585,573	\$ 11,562,789	\$(5,454,275)	\$ 2,687,418
Special Revenue	11,974,186	6,401,883	8,399,312	2,927,689	12,904,446
Debt Service	260,791	304,590	1,850,956	1,606,036	320,461
Enterprise	19,349,449	13,304,187	12,609,557	920,550	20,964,629
Total	\$ 36,703,335	\$ 34,596,233	\$ 34,422,614	\$ -	\$36,876,954

MUNICIPAL DEBT**General Obligation Debt**

General Obligation (GO) bonds are direct obligations of the city for which its full faith and credit is pledged. Under RCW 39.36.020, the public may vote to approve bond issues for general government purposes in an amount not to exceed 2.5% of the assessed valuation. Within the 2.5% limit, the City Council may approve bond issues (or other types of debt, including lease-purchase contracts) without a vote. These non-voted, or councilmanic, GO bonds may not exceed 1.5% of the city's assessed valuation.

Under RCW 39.36.030, the public may also vote to approve bond issues for utilities or park facilities, each of which is limited to 2.5% of the city's assessed valuation. GO bonds may be issued up to a maximum of 7.5% of the city's assessed valuation. 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.

Principal and interest payments on GO bonds, as well as the resources to pay them are accounted for in Debt Service Funds. Debt service for voted bond issues is funded with special (excess) property tax levies. Debt service for councilmanic bonds is funded with transfers of general revenues from the General Fund to the Debt Service Fund.

2020 Municipal Debt Capacity					
Assessed Valuation = 2,255,638,457 (as of September 9, 2019)					
Debt Type	Councilmanic (Non-voted)	Councilmanic & Voted	Utility Voted	Parks Voted	Total
Limit - percentage	1.5%	2.5%	2.5%	2.5%	7.5%
Limit - Amount	\$ 33,834,577	\$ 56,390,961	\$ 56,390,961	\$ 56,390,961	\$ 169,172,884
outstanding debt @ 1/1/2019	6,947,871	6,947,871	-	1,997,000	8,944,871
Available Capacity	\$ 26,886,706	\$ 49,443,090	\$ 56,390,961	\$ 54,393,961	\$ 160,228,013

Revenue Debt

Revenue debt is issued for the acquisition of utility facilities and is backed by system revenues. In 2018 outstanding revenue debt is as follows:

- In 2008 the city received a \$10 million Public Works Trust Fund loan. This is a 20-year loan carrying a 0.5 percent interest rate with final payment due July 1, 2028. Average annual principal and interest payments for the remaining years of this loan are about \$546,000.
- In June 2010 the city issued Water/Sewer revenue bonds in the amount of \$6,035,000. These bonds were issued to fund completion of the waste water treatment plant and to replace certain aging water mains in the city's water system. Responsibility for the debt service on the bonds is: Water – 31 percent and Sewer – 69 percent. The bonds are Build America Bonds (BABs). This means that the

city receives a 35 percent subsidy on the interest payments over the life of the bonds. Average annual net debt service (net of BAB subsidy) over the remaining life of the bonds is \$431,000.

- In August 2010 the city issued Water/Sewer revenue bonds in the amount of \$8,190,000 finance construction of the waste water treatment plant outfall extension. The bonds are split between Build America Bonds (BABs) - \$5,580,000 and tax-free revenue bonds - \$2,610,000. Average annual net debt service over the remaining life of the bonds is \$594,000 (BABs) and \$432,000 (tax free revenue bonds).
- In 2012 the city received a \$4,845,850 Public Works Trust Fund loan. This is a 20-year loan carrying a 0.25 percent interest rate with final payment due June 1, 2032. Average annual principal and interest payments for the remaining years of this loan are about \$281,100.

State law does not limit revenue debt. It is limited by the bond covenants which are contained in the bond's enabling ordinance. The primary requirement is that "net revenue" of the water and sewer utilities (utility revenue less utility maintenance and operation costs, plus collection of connection fees) must be at least 125% of the succeeding year's debt service.

The following table is a calculation of the city's net revenue and debt coverage as budgeted for 2020. It is important to note that the budgeted revenues include connection fees, which can fluctuate greatly from year to year.

Parity Debt Service Coverage City of Gig Harbor Water and Sewer Utility

	<u>2020</u>
Operating revenues:	
Charges for sales and services:	
Water sales	\$ 2,634,781
Sewer charges	6,123,007
Connection fees	2,176,000
Other fees and charges	186,056
Utility taxes	353,679
Total operating revenues	<u>11,473,523</u>
Operating expenses:	
Operations and maintenance	4,070,529
Administration	1,994,945
Utility taxes	194,506
Total operating expenses	<u>6,259,980</u>
Operating income (loss)	<u>5,213,543</u>
Nonoperating revenues (expenses):	
Investment interest revenue	212,710
Miscellaneous non-operating revenue	2,000
Total nonoperating revenues (expenses)	<u>214,710</u>
Revenue Available for Debt Service	<u>\$ 5,428,253</u>
 Maximum principal and interest due in succeeding years	 \$ 1,727,500
Coverage	3.14x
 Maximum with Junior Lien Obligations	 \$ 2,590,000
Coverage with Junior Lien	2.10x

City of Gig Harbor
2020 Annual Budget

All Funds

Expenditures By Fund

	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
General Fund	20,234,519	19,587,792	18,000,632	18,583,723	19,740,207
Special Revenue Funds					
Street Operating	3,238,207	2,428,042	3,351,347	2,964,944	2,486,379
Street Capital	8,125,090	7,264,794	3,501,827	2,071,529	4,420,339
Drug Investigation State	8,411	8,638	6,849	8,678	8,346
Drug Investigation Federal	19,436	17,992	16,446	16,610	15,149
Hotel - Motel	852,414	957,173	939,595	1,061,622	1,106,846
Public Art Capital Projects	89,106	100,977	131,610	123,665	93,915
Park Development	3,690,977	9,142,800	4,011,045	1,873,480	1,680,391
Civic Center Debt Res.	1,519,353	1,547,645	1,859,260	1,585,053	1,616,754
Strategic Reserve	662,933	751,140	513,579	514,564	1,804,855
Equipment Repl. Res.	273,888	329,073	321,788	385,319	443,025
Capital Development	1,770,448	2,186,975	897,994	1,088,861	856,394
Capital Improvement	1,632,547	1,995,771	1,827,106	1,981,233	1,873,382
Impact Fee Trust	3,805,035	2,778,843	1,805,652	2,620,283	2,966,138
Hospital Benefit Zone Revenue	6,272,478	6,537,273	3,493,030	3,487,926	5,049,881
Total Special Revenue	31,960,323	36,047,136	22,677,128	19,783,767	24,421,794
Debt Service Funds					
LTGO Bond Redemption	1,425,830	4,019,782	2,557,747	2,568,163	2,537,247
UTGO Bond Redemption	443,439	480,999	518,890	516,551	554,720
Total Debt Service	1,869,269	4,500,781	3,076,637	3,084,714	3,091,967
Total General Gov.	54,064,111	60,135,709	43,754,397	41,452,204	47,253,968
Enterprise Funds					
Water Operating	3,569,734	4,006,543	3,682,274	4,452,359	3,486,861
Sewer Operating	7,456,075	8,327,780	7,170,599	9,616,349	7,278,597
Shorecrest Reserve	170,246	162,812	180,544	183,736	204,166
Utility Reserve	1,514,928	1,542,719	1,554,090	1,579,573	1,458,164
Utility Bond Redemption	9,231,407	2,708,750	3,150,733	2,929,961	3,084,579
Sewer Capital Const.	9,752,816	8,844,742	10,844,866	10,713,064	11,390,196
Storm Sewer Operating	2,317,763	2,610,617	2,502,773	2,880,519	2,526,528
Storm Sewer Capital	1,162,243	1,300,951	2,471,662	2,203,255	1,415,694
Water Capital Assets	6,450,091	6,368,640	5,672,921	8,026,507	5,293,203
Total Enterprise	41,625,303	35,873,554	37,230,462	42,585,323	36,137,988
Total Expenditures	\$ 95,689,413	\$ 96,009,262	\$ 80,984,861	\$ 84,037,527	\$ 83,391,956

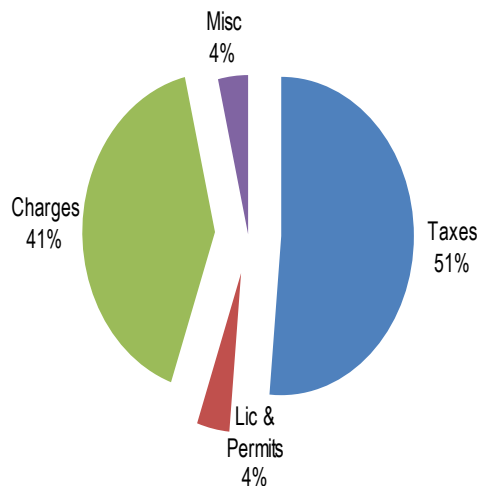
City of Gig Harbor
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All Funds

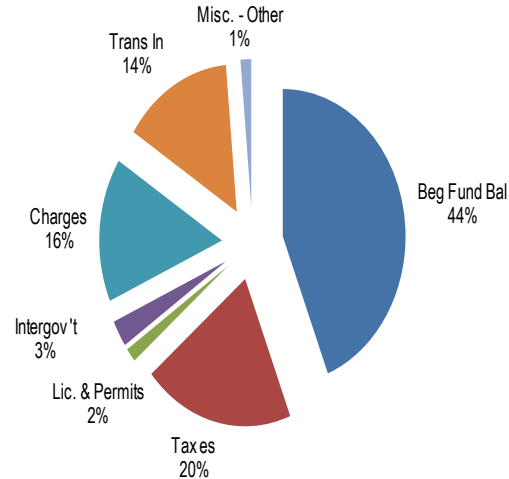
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning Fund Balance	\$ 32,198,009	\$ 37,568,758	\$ 31,753,141	\$ 36,583,857	\$ 36,703,335
Taxes	\$ 15,722,101	\$ 16,615,477	\$ 16,431,044	\$ 16,151,843	\$ 16,540,130
Licenses & Permits	\$ 2,059,068	\$ 1,737,236	\$ 1,803,839	\$ 1,218,618	\$ 1,275,408
Intergov't Revenues	\$ 4,411,274	\$ 4,987,832	\$ 2,480,321	\$ 1,369,586	\$ 2,425,925
Charges For Services	\$ 14,206,197	\$ 13,953,494	\$ 13,232,374	\$ 12,630,316	\$ 13,181,052
Fines & Forfeits	\$ 128,545	\$ 155,421	\$ 150,500	\$ 194,332	\$ 199,111
Miscellaneous	\$ 1,044,868	\$ 1,422,436	\$ 2,182,054	\$ 1,153,737	\$ 974,607
Transfers In	\$ 18,830,057	\$ 16,611,131	\$ 12,034,920	\$ 13,797,247	\$ 12,092,388
Other	\$ 7,089,295	\$ 2,957,478	\$ 916,666	\$ 937,991	\$ -
Total Revenues	63,491,405	58,440,505	49,231,718	47,453,670	46,688,621
Total Resources	\$ 95,689,414	\$ 96,009,263	\$ 80,984,859	\$ 84,037,527	\$ 83,391,956

2020 Budget Operating Revenues



2020 Total Resources



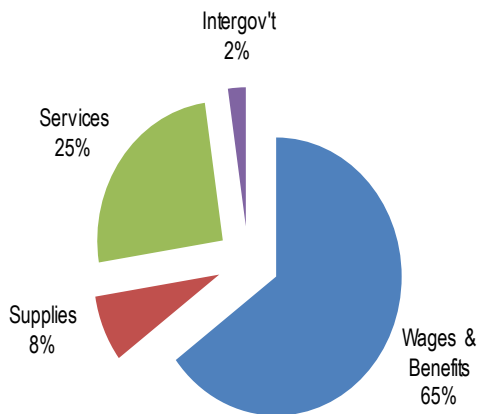
City of Gig Harbor
2020 Annual Budget

All Funds

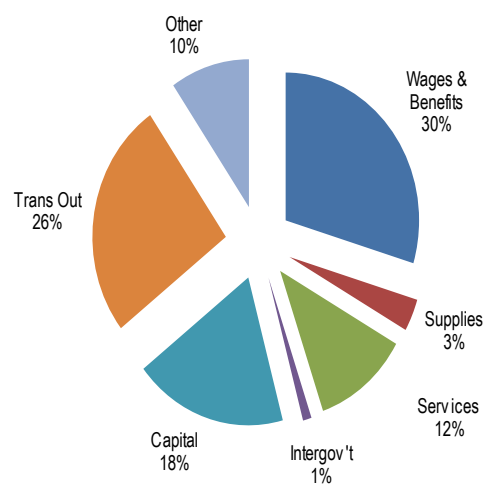
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 8,386,170	\$ 9,011,029	\$ 9,884,600	\$ 8,789,591	\$ 9,504,950
Benefits	3,795,943	3,592,399	4,609,764	3,522,315	4,299,774
Supplies	1,137,353	1,305,003	1,652,564	1,601,320	1,644,309
Services	5,007,694	4,944,193	5,607,101	5,236,144	5,382,310
Intergov't charges	701,900	678,583	726,411	605,792	488,006
Capital expenditures	16,614,389	13,740,606	12,015,933	7,897,511	8,637,186
Transfers out	18,578,323	19,366,770	12,034,920	13,298,503	12,092,388
Other	3,898,884	6,787,381	6,366,293	6,383,016	4,466,079
Total expenditures	58,120,656	59,425,964	52,897,586	47,334,192	46,515,002
Ending fund balance	37,568,758	36,583,299	28,087,273	36,703,335	36,876,954
Total uses	\$ 95,689,414	\$ 96,009,263	\$ 80,984,859	\$ 84,037,527	\$ 83,391,956

2020 Budget Operating Expenditures



2020 Total Uses



2. GENERAL FUND

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**GENERAL FUND
DESCRIPTION OF FUNCTION**

The General Fund is the general operating fund of the city. It accounts for all financial resources and transactions except those that are required to be accounted for in another fund.

Resources include sales, property, utility and other taxes, fees from various permits, licenses and user charges, and shared revenues, grants and entitlements from the State of Washington.

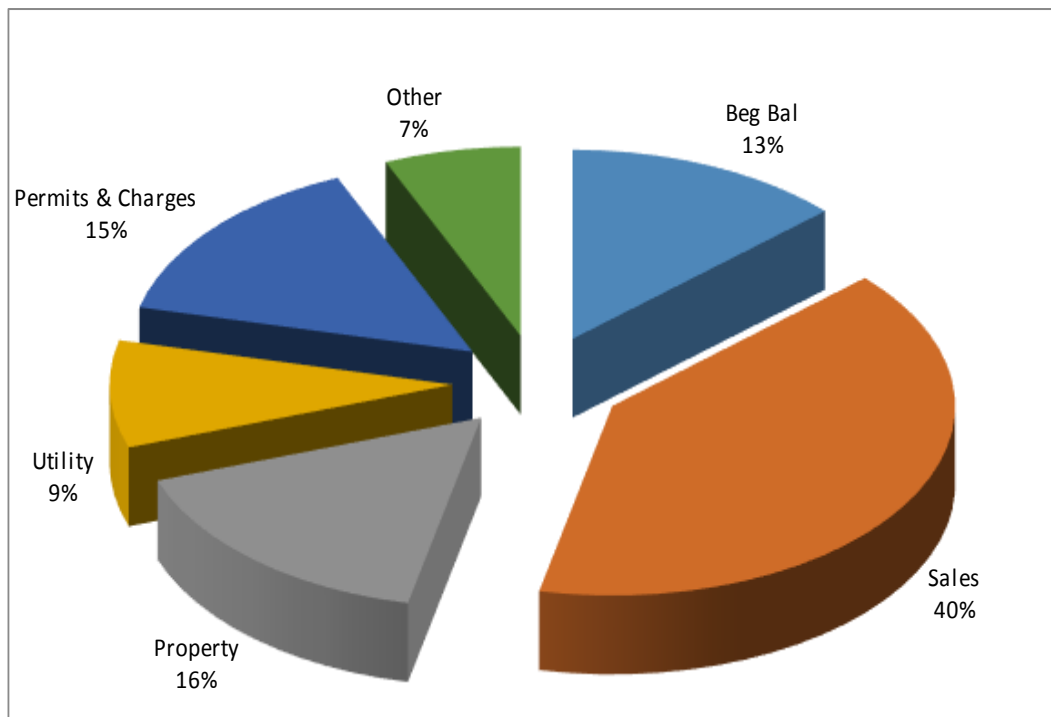
Most of the activities included in the City of Gig Harbor's General Fund are departmentalized and include legislative, municipal court, police, development services, parks, and overall administration. Other miscellaneous expenditures are included in the "non-departmental" department of the General Fund.

The General Fund accounts for 21 percent of 2020 appropriations and more than half of the city's employees and budgeted salaries and benefits.

The General Fund also provides general city resources to other funds in the form of operating transfers.

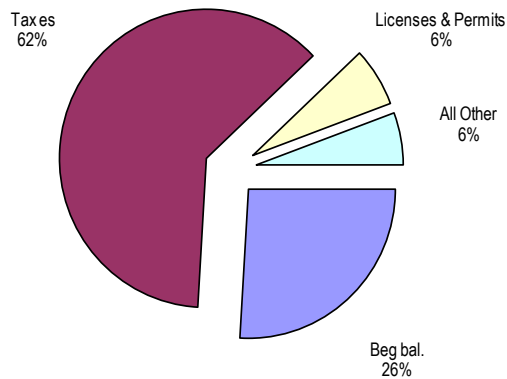
General Fund Resource Summary

	2019 Estimate	2020 Budget	2020 Change
Beginning Fund Balance	\$ 4,390,629	\$ 5,118,909	\$ 728,280
Taxes			
Sales	6,888,742	7,060,961	172,219
Property	2,924,115	3,041,080	116,965
Utility	1,670,846	1,695,546	24,700
Other Taxes	432,195	442,999	10,804
Total Taxes	11,915,898	12,240,586	324,688
Licenses and Permits	1,203,618	1,260,408	56,790
Intergovernmental	172,427	176,738	4,311
Charges for Services	378,560	388,023	9,463
Fines and Forfeits	194,255	199,111	4,856
Miscellaneous	313,397	320,707	7,310
Other	14,939	35,725	20,786
Total General Fund Revenues	\$ 14,193,094	\$ 14,621,298	\$ 428,204
Total General Fund Resources	\$ 18,583,723	\$ 19,740,207	\$ 1,156,484

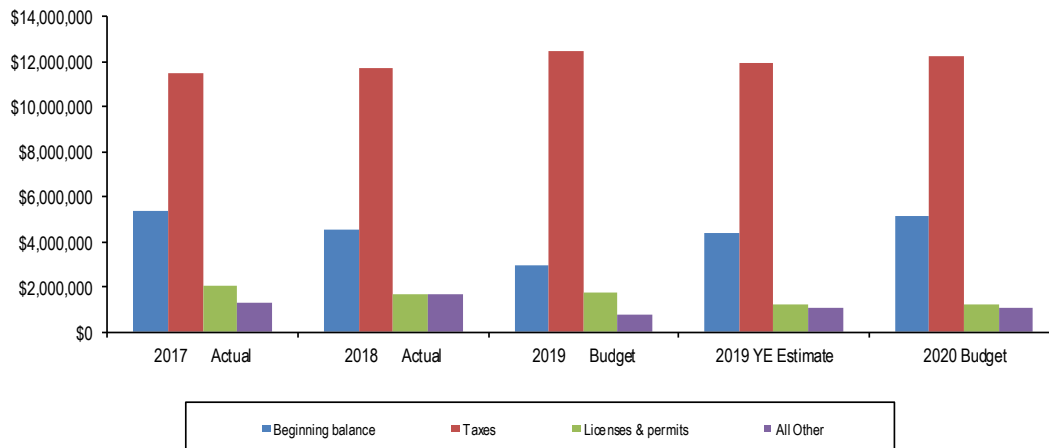


Category	Resources				
	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 5,367,514	\$ 4,528,723	\$ 2,946,473	\$ 4,390,629	\$ 5,118,909
Taxes	11,513,090	11,686,583	12,445,811	11,915,898	12,240,586
Licenses & permits	2,039,471	1,715,326	1,783,839	1,203,618	1,260,408
Intergov't revenues	186,834	191,278	178,706	172,427	176,738
Charges for services	302,066	272,588	273,659	378,560	388,023
Fines & forfeits	128,545	155,421	150,500	194,255	199,111
Miscellaneous	321,419	316,248	221,644	313,397	320,707
Transfers In	16,205	575,000	-	-	35,725
Other	359,375	146,625	-	14,939	-
Total Revenues	14,867,005	15,059,069	15,054,159	14,193,094	14,621,298
Total Resources	\$ 20,234,519	\$ 19,587,792	\$ 18,000,632	\$ 18,583,723	\$ 19,740,207

2020 Budget



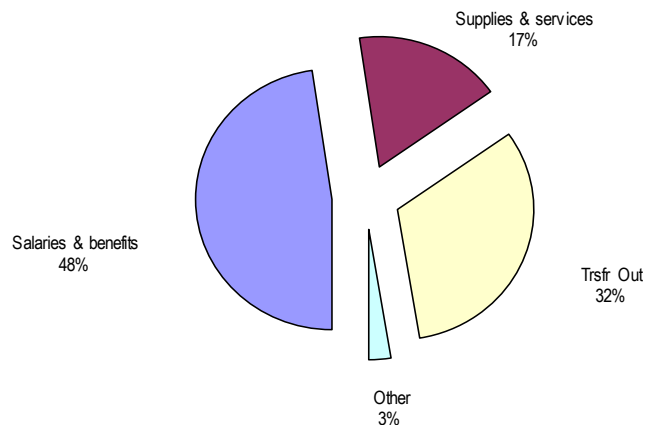
General Fund Resources



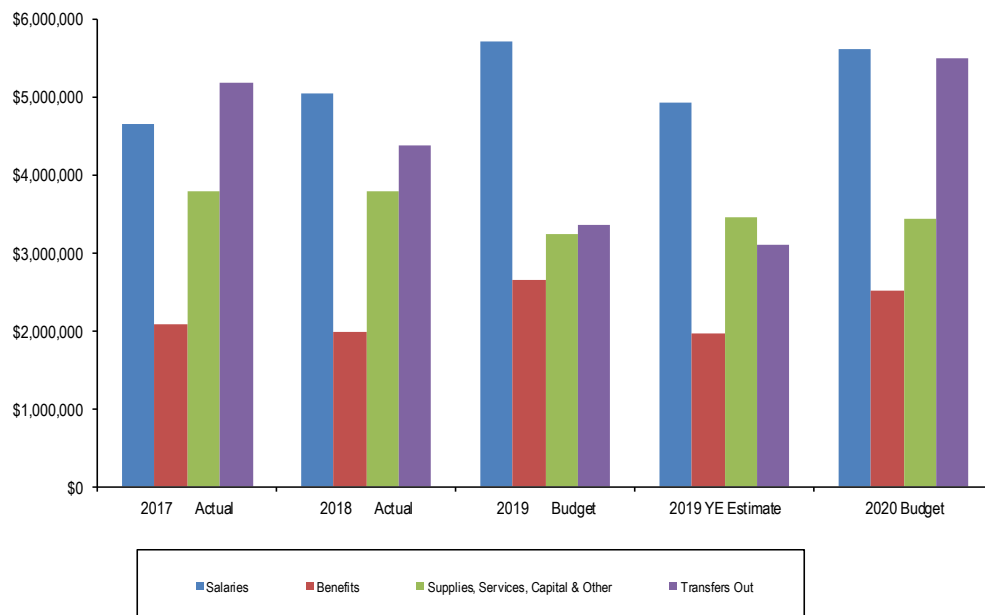
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 4,649,479	\$ 5,041,737	\$ 5,711,300	\$ 4,930,895	\$ 5,609,100
Benefits	2,087,810	1,993,265	2,653,960	1,966,193	2,520,260
Supplies	338,680	374,611	476,367	396,691	503,554
Services	2,504,825	2,967,707	2,178,067	2,480,105	2,484,163
Intergov't charges	401,741	370,708	456,112	386,870	275,000
Capital expenditures	537,210	74,354	135,401	197,060	170,712
Transfers Out	5,186,051	4,374,781	3,354,498	3,107,000	5,490,000
Total	15,705,796	15,197,163	14,965,705	13,464,814	17,052,789
Ending balance	4,528,723	4,390,629	3,034,927	5,118,909	2,687,418
Total uses	\$ 20,234,519	\$ 19,587,792	\$ 18,000,632	\$ 18,583,723	\$ 19,740,207

2020 Budget



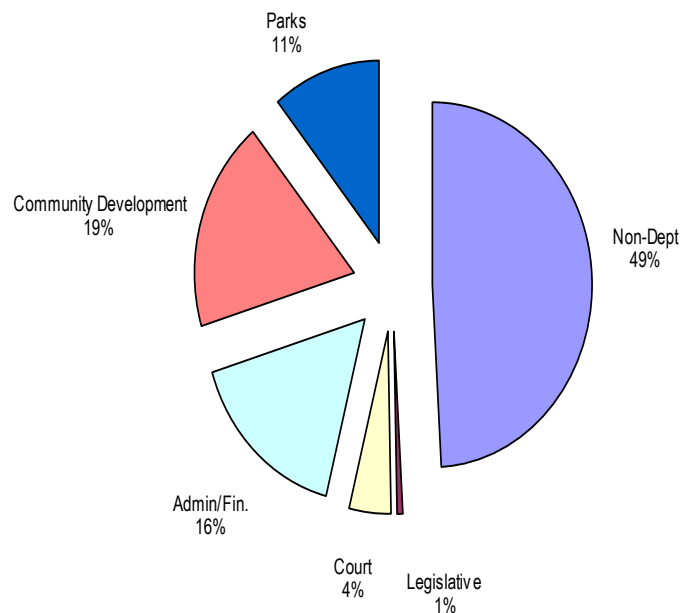
General Fund Expenditures



Departmental Expenditures

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Non-Departmental	\$5,872,222	\$ 5,012,279	\$ 4,074,598	\$ 3,833,376	\$ 6,135,079
Legislative	64,785	67,751	78,344	69,953	72,400
Municipal Court	434,840	438,717	534,400	474,413	527,950
Admin/Finance	1,639,315	1,721,908	1,778,727	1,679,627	2,044,955
Police	4,160,642	3,773,962	4,372,839	3,660,940	4,174,028
Community Development	2,052,259	2,036,798	2,324,660	2,055,379	2,346,385
Parks & Recreation	1,151,343	1,246,304	1,439,162	1,340,975	1,366,115
Building	330,390	899,444	362,975	350,151	385,877
Total	15,705,796	15,197,163	14,965,705	13,464,814	17,052,789
Ending balance	4,528,723	4,390,629	3,034,927	5,118,909	2,687,418
Total uses	\$ 20,234,519	\$ 19,587,792	\$ 18,000,632	\$ 18,583,723	\$ 19,740,207

2020 Budget



NON-DEPARTMENTAL DESCRIPTION OF FUNCTION

General government expenditures that are not associated with a specific department are accounted for in the non-departmental department. Transfers of general government resources to other funds represent the largest portion of these expenditures. Also included are payments for property and liability insurance and the annual audit.

NARRATIVE OF OBJECTIVES

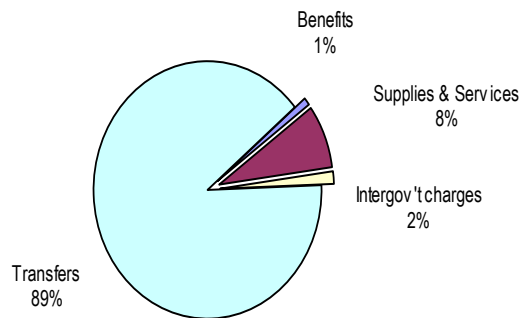
1. **Legislative.** The county auditor's office charges the city for voter registration and election services. **\$45,000.**
2. **Financial.** The annual audit performed by the state auditor's office: **\$50,000.** Insurance for General Governmental activities: **\$349,249.**
3. **Employee benefits.** Payments for LEOFF I retiree costs, workers' compensation and unemployment benefits for former employees. **\$49,100.**
4. **Unemployment benefits.** The city is self-insured; therefore, unemployment benefit claims are fully funded by the city. Summer hires and temporary employees are also entitled to unemployment. **\$20,000.**
5. **Fire inspections.** Continue to work with Fire District No. 5 to operate the annual fire prevention inspection program. **\$150,000.**
6. **Operating transfers out.** General fund transfers to other funds for 2020 are as follows:

Fund	Amount
Street Operating	\$1,750,000
Street Capital	850,000
Park Development	640,000
LTGO Debt	900,000
Strategic Reserve	1,280,000
Equipment Reserve	50,000
Public Art	20,000

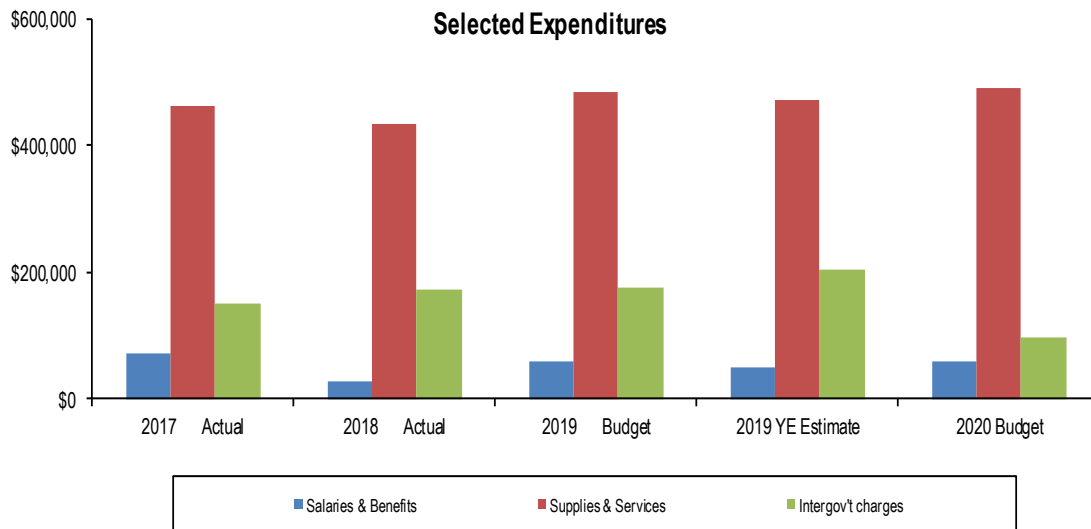
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	73,620	29,330	60,639	48,749	59,100
Supplies	13,144	24,068	18,388	15,000	15,000
Services	450,079	410,557	464,961	457,767	474,479
Intergov't charges	149,328	173,543	176,112	204,860	96,500
Transfers	5,186,051	4,374,781	3,354,498	3,107,000	5,490,000
Total	\$ 5,872,222	\$ 5,012,279	\$ 4,074,598	\$ 3,833,376	\$ 6,135,079

2020 Budget



Selected Expenditures



LEGISLATIVE DESCRIPTION OF FUNCTION

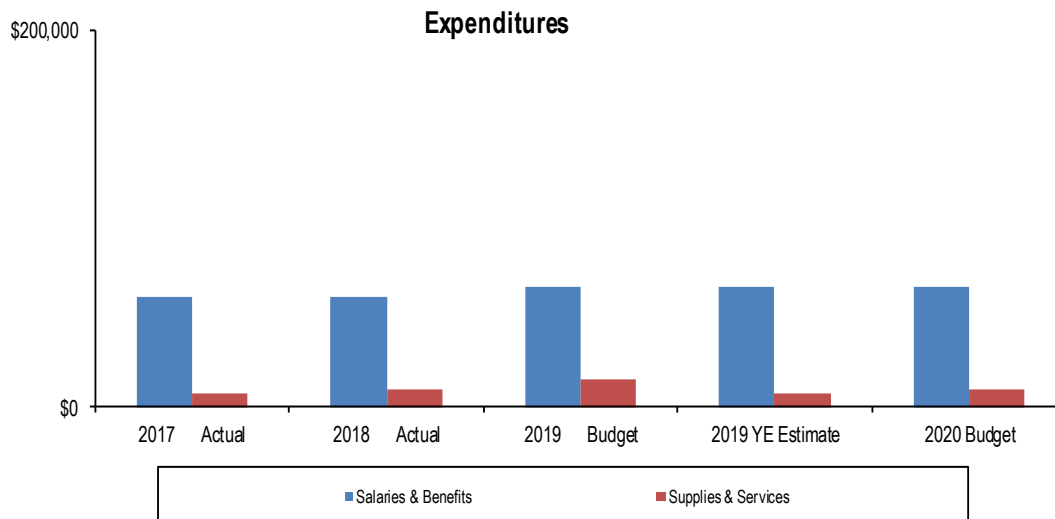
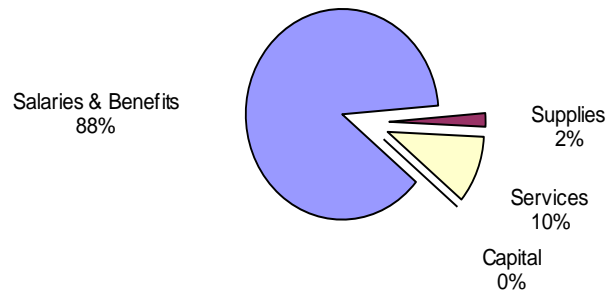
The Legislative Department accounts for the activities of the City Council. These activities include:

1. Sets the overall policy for the city.
2. Approves the city budget.
3. Organizes and regulates the internal affairs of the City Council.
4. Fixes compensation of city employees and establishes civil service/merit systems and retirement systems.
5. Adopts ordinances relating to the good government of the city.
6. Exercises powers of eminent domain, borrowing, taxation, the grant of franchises, and other duties.
7. Performs the duties and responsibilities prescribed under Title 35A RCW and adopts long-range goals and objectives within a funding mechanism ensuring efficient and effective government.

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 53,950	\$ 54,600	\$ 58,800	\$ 58,800	\$ 58,800
Benefits	4,169	4,217	4,544	4,541	4,600
Supplies	2,191	1,348	3,000	1,500	1,500
Services	4,475	7,586	12,000	5,112	7,500
Total expenditures	\$ 64,785	\$ 67,751	\$ 78,344	\$ 69,953	\$ 72,400

2020 Budget



JUDICIAL – MUNICIPAL COURT
DESCRIPTION OF FUNCTION

Gig Harbor Municipal Court is committed to high quality service and strives to conduct business in a manner that balances effectiveness, efficiency, and productivity, and instills public trust and confidence by efficiently utilizing all court resources.

1. **Customer Service.** Provide access to justice and service to the public, attorneys, litigants, victims, law enforcement, etc. Process public records requests in accordance with court rules. Process and file all legal documents, pleadings, and evidence timely and in accordance to court rules. Assist customers with procedural questions both at the counter and via telephone.
2. **File Criminal and Infraction Citations.** File both paper and electronic criminal citations and civil infractions received from law enforcement and/or the prosecuting attorney within 48 hours. Compile case filing documentation including, but not limited to, arraignment hearing dates, accounts receivable information, victim information, and counsel information.
3. **Jury Management.** Obtain and manage master jury pool data from Superior Court. Summon jury pool three weeks prior to scheduled jury trial. Screen individual juror requests for excuse from service with timely confirmation by phone.
4. **Create and Maintain Case Files.** Create case files that are well marked, labeled, and organized according to set procedures. Close case files and follow archiving and retention rules. Aggressively manage case flow to ensure timely prosecution/resolution of cases, give prompt attention to infraction case flow for timely processing to the Department of Licensing, and track outstanding monies with the use of collections where warranted.
5. **Courtroom Bailiff.** Serve as bailiff and clerk by recording proceedings through data entry, written minute entries, and audio recording. Maintain court records regarding new hearing date, reasons for continuance, objections of counsel, release conditions, orders and dispositions. Operate audio system and troubleshoot malfunctions.
6. **Case Management.** Process warrants and probation compliance reports daily. Monitor and identify non-compliance issues such as law violations and treatment attendance, and delinquent legal financial obligations. Screen and process applications for Interstate Compact Transfer.
7. **Manage Trust Account Funds.** Perform monthly reconciliation of trust account through use of bail/bond summary reports. Monthly review of bail pending summary to confirm bail is posted and to ensure bail is returned properly and timely.

8. **Manage Payment Plans and Collections Accounts.** Weekly review court scheduled time-payment accounts for compliance as well as cases eligible for collections.
9. **Financial Reconciliations.** Perform daily reconciliation of receipted court payments received in person, by mail, and by credit card with city finance department. Reconcile court checking account monthly.
10. **Monthly Financial Reports.** Prepare and submit to the city finance department all monthly court financial reports for in-house audit review.
11. **Domestic Violence Kiosk.** Assist individuals at the domestic violence kiosk who are in need of a temporary protection order. This assistance should not extend beyond providing general information and help with the computer.
12. **Administer Community Service Program.** Direct eligible defendants to the Building & Maintenance Department for community service on the campus of the Gig Harbor Civic Center. These qualified defendants will perform minimal labor tasks including, but not limited to, sweeping, pulling weeds, general garden maintenance, police car washing, vacuuming, dusting, and recycling and garbage service. The program will continue to be supervised by the Building Maintenance Supervisor and Police Department under strict guidelines.
13. **Maintain Court Webpage.** Maintain the court's webpage on the city website on a regular basis to provide additional access to justice and up-to-date information about court officers, court procedures, forms, legislative updates, domestic violence, collections, inmates, and public records.

JUDICIAL – MUNICIPAL COURT
NARRATIVE OF GOALS 2020 – 2025

1. **Technology Improvement.** Use up-to-date technology to achieve greater efficiency and quality in an integrated way to effectively manage court business, inform and educate the public, provide additional access to justice, and improve public trust and confidence.
2. **Joint Service Programs.** Promote and implement joint service programs with the other local courts and Peninsula School District to better assist the citizens of Gig Harbor. Collaborate with other courts to improve access to justice and utilize shared resources and common goals. Continue the emergency and disaster COOP agreement with surrounding courts.
3. **Continue Community Outreach Program.** Continue to work with local schools to provide a working knowledge of the judicial system as presented through classroom visits, and mock trial projects. Continue to utilize student volunteers and interns with local high schools and colleges. Increase public awareness of the court by speaking at local engagements.
4. **Improve Customer Service.** Provide more interactive services via the internet. Translate court documents, forms, and orders into Spanish and Russian.
5. **Maintain Court Records.** Maintain all court records in an efficient manner and provide accessibility to the public. Continue to scan post-conviction court records for electronic records retention and destroy paper version of closed court files, administrative records, and financial records, thereby reducing the need for paper storage.

**JUDICIAL – MUNICIPAL COURT
NARRATIVE OF OBJECTIVES 2020**

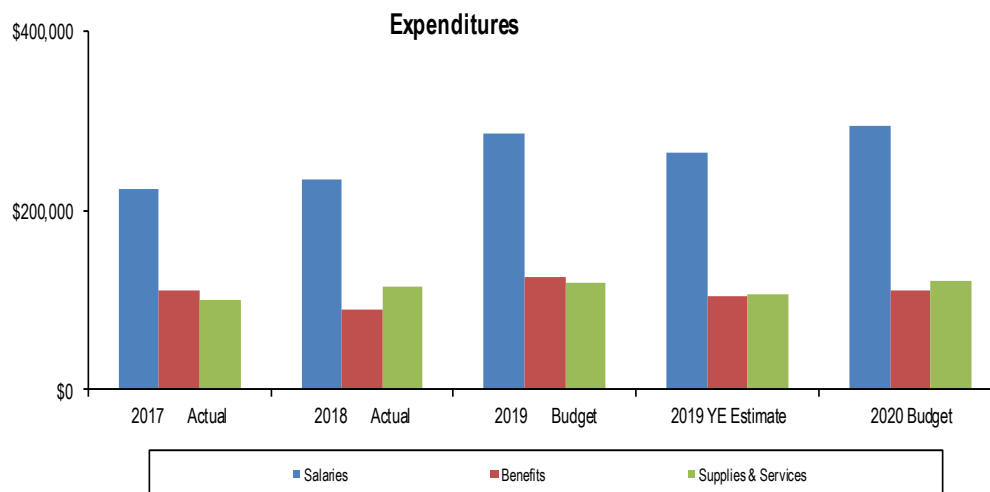
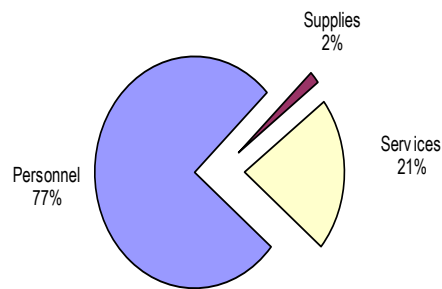
**COURT
CAPITAL OUTLAY 2020**

Total capital outlay is -0-

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 224,536	\$ 234,134	\$ 287,000	\$ 263,808	\$ 295,100
Benefits	110,085	89,839	126,900	104,561	110,350
Supplies	7,558	3,971	9,500	9,000	9,000
Services	92,661	110,773	111,000	97,044	113,500
Total expenditures	\$ 434,840	\$ 438,717	\$ 534,400	\$ 474,413	\$ 527,950

2020 Budget



ADMINISTRATION DESCRIPTION OF FUNCTION

Administration

The City Administrator is responsible to the Mayor for implementing city policies, statutes, and goals through the directing the daily operations and capital projects of the City. The City Administrator also assists the Mayor and Council in developing policies and legislation. Intergovernmental relations, economic development, community information (neighborhood meetings, web page, informational publications, etc.), human resources, and general research and analysis are also part of the City Administrator's office.

City Clerk's Office

Support of City Council, the public and internal customers. The City Clerk's office is dedicated to the needs of our public and internal customers by providing them with quality services in a timely, positive, professional, and cooperative manner. Responsibilities of the City Clerk and Open Government Administrator / Assistant City Clerk include: management of the city's official records, public records requests and disclosure, City Council support including agenda development, packets and preparation of official minutes, public noticing, risk and claims management, legal noticing, compliance with public records retention, recording of legal documents, boards and committees' memberships, and business licensing. In addition, the Open Government Administrator / Assistant City Clerk takes the lead on the development, implementation, and management of various programs and policies regarding the Open Government Initiative. This classification is distinguished by the degree and level of contact with the vendor, staff, the public, elected officials, and community leaders.

Human Resources

Human Resources is committed to making the City of Gig Harbor an employer of choice by creating and maintaining an inclusive work environment where all employees are engaged, learning and growing, which will attract and retain the most talented diverse workgroups to serve the residents of Gig Harbor. As a strategic partner, Human Resources will support the changing needs of the City and model exceptional public service, stewardship, integrity, innovation and a commitment to employees and residents. Responsibilities include: ensuring compliance with all federal, state and local laws and regulations, equal employment opportunity compliance, policy development, plan and implement management objectives to achieve business goals, strategic planning, negotiate and administer collective bargaining agreements, provides consultation to resolve formal and informal complaints and/or disciplinary matters, job classification and compensation, recruitment and selection, pre-employment testing and background checks, wage/ salary/benefit administration, onboarding, health and safety, OSHA, management training and development, labor relations, employee relations, performance management, retention and separation, verification of employment, FMLA, ADA, workers compensation, unemployment and all associated mandated reporting and documentation. Human Resources also manages the following required programs: DOT

drug and alcohol testing, Commute Trip Reduction, Employee Wellness, Title VI, RMSA-U online training, audiology testing, and HR records management. The Human Resources Manager is the Civil Service Secretary/Chief Examiner for the Civil Service Commission.

Information Systems

Information Technology Management. I.T. governs the policies, processes, practices and tools used to align the most appropriate and cost-effective technology infrastructure. Information Services manages, acquires, develops, tests and deploys applications, data, hardware, and software resources. The primary focus is to retain 100% uptime for resource availability.

Information Technology Procurement. Responsible for the procurement of all computer related hardware, software, telephony, licenses and coordination of city-wide system conversions and compatibility with industry standards. Performs the surplus of expired and obsolete computer related equipment and software through strict accounting and environmental principles. Negotiates contracts and multiyear maintenance agreements with vendors such as Centurylink, DELL, Netmotion, SouthSound911, Verizon, and CISCO for City acquisitions, upgrades and services. Maintains proper licensing protocols comprised of Microsoft's and Adobe's volume licensing agreements with Washington State's Department of Enterprise Services.

Telephony Services. I.T. handles all administrative, financial and contractual functions of all telephony products and services for all city departments. I.T. manages contractual costs as related to Telephony Services and G.I.S.

Confidential Data & FBI audits. Works in conjunction with SouthSound911 to utilize the Computer Aided Dispatch (CAD) records/case management system in accordance with CJIS FBI security auditing standards. Acquires and utilizes up-to-date information across associative agencies and works in conjunction with Washington State Patrol for NCIC and WACIC (National and Washington State criminal access records). Security is maintained in a two-fold fashion with separate internet routings to the IGN cloud and two-factor login authentication for Police Department personnel.

Technical Liaison. I.T. performs as technical liaison for all City departments in the coordination of vendor services for networked applications and/or systems and database topologies.

Purchasing. I.T. performs all purchasing functions for all city departments for anything technology or telephony related.

**ADMINISTRATION
NARRATIVE OF GOALS 2020 – 2025**

Administration

1. Foster citizen involvement and engage the public through neighborhood meetings, surveys, website, informational publications, and other methods of communication.
2. Measure, evaluate and improve customer service and business processes through all departments of the city.
3. Promote economic development by 1) proactively attracting business growth in commercially zoned areas that will create environmentally sound, well-compensated jobs for local residents; 2) supporting existing businesses through quality infrastructure, events, and business friendly regulations that maintain the quality and character of the Harbor; 3) coordinate with and leverage the time and resources of the Gig Harbor Chamber of Commerce, Downtown Waterfront Alliance and other agencies to attract and retain businesses in the city.
4. Research, review, and assess grant opportunities for the city.
5. Maintain quality personnel systems through up-to-date personnel regulations, effective recruitment practices and tools, competitive total compensation, and collaborative labor relations.
6. Ensure employees are given the resources, leadership, and direction they need to do their jobs effectively and efficiently.
7. Facilitate and direct the development of the capital improvement program in order to keep up with growth as well as existing infrastructure needs within the constraints of our capacities.
8. Support downtown businesses in developing a comprehensive downtown traffic and parking strategy.

City Clerk's Office

1. Provide quality support for the Mayor, City Council, City Administrator's office, and public and internal customers.
2. Provide citizens open access to information through the city's website and other web-based hosting services that meets basic open data standards. Continue to find ways to share public documents via the city's website.
3. Ensure timely, comprehensive responses to public records requests. Meet documentation standards set by state.
4. Maintain effective risk and claims management programs.
5. Administer records management program.

6. Compliance for business licensing.
7. Complete mission critical functions for department.

Human Resources

1. **Customer Service.** Provide exceptional customer service to all residents, employees, elected officials, and stakeholders through positive and effective communication strategies by creating a communication plan and updating all standard outgoing email communication to applicants.
2. **Policies and Procedures.** Complete and implement the personnel regulations and policies update; and develop an information systems policy (use of electronic communications, internet, use of social media, etc.).
3. **Workforce Development.** Collaborate with community and educational partners to develop and enhance individual or group capabilities by gathering data on the City's workforce, performance management, recruitment strategies and develop a citywide internship program to facilitate succession planning for the anticipated 25% of the city workforce retirement eligibility and to address on-going seasonal employee requirements.
4. **Training and Development.** Design and deliver employee training and development; assist departments to identify employee goals that align with City's current and future needs; ensure compliance and track required training.
5. **Wellness.** Expand the existing Employee Wellness Program to increase employee involvement beyond the minimum requirements. Continue to earn the AWC Well City designation annually, which will retain the 2% medical premium reduction earned for our Well City designation.

Information Systems

1. Create and maintain technology policies applicable to current legislation and improvements in technology.
2. Continue to evaluate hardware, software and services, moving the city away from dependency of on-premise hardware or software thereby avoiding obsolescence. Eliminating hardware and implementing SaaS (software as a service), subscription-based platforms. No software or hardware to purchase, install or maintain thereby reducing workload on a small and frequently overburdened I.T. department.
3. Facilitate department-level cloud service vendor upgrades by managing a functional level of operation through attrition of desktop hardware and/or software and the functional level of drivers, security patches and flash bios. Maintain Microsoft operating system and office application patching to keep current.

4. Increase Mobile applications and soft-phone interface facilitating the ability to work anywhere.
5. Maintain records retention by exporting email data and data files associated with an exiting employee.
6. Maintain a high level of help desk functionality in assistance to users. Maintain a high level of user security from active to inactive and deletion and changing of passwords.
7. Maintain a high level of security as warranted by the FBI and new technology policy adoption.
8. Strive for a goal of 100% uptime for all services.

**ADMINISTRATION
NARRATIVE OF OBJECTIVES 2020**

Administration

1. **Legal Department.** Study whether to create a legal department to include a City Attorney and Assistant City Attorney to have in house legal services including prosecution of court cases or remain with the current legal model.
2. **Policies and Procedures.** Complete and implement the personnel policies update; develop and/or update other administrative procedures, including a purchasing policy, travel policy, accident prevention policy, and information systems policy (use electronic communications, internet, etc.).
3. **Economic Development.** Support local businesses by engaging the appropriate stake holders and assessing the needs of the various economic and employment centers in the city. Some recommended components of the economic development strategy are as follows:
 - Downtown Waterfront Alliance. Provide limited funding for the Gig Harbor Downtown Waterfront Alliance and its continued activities to promote downtown businesses. **\$25,000**
 - Chamber of Commerce. Continue involvement with the Gig Harbor Chamber of Commerce, including City representation on the Chamber Board of Directors and also maintaining the City's membership in the Chamber. **\$550**
 - Downtown Traffic and Parking Strategy. Support downtown businesses in developing a downtown traffic and parking strategy. (See Public Works budget detail).
4. **State and Federal Lobbying Efforts.** In accordance with the city, state and federal legislation agendas, carry on state and federal lobbying efforts to advocate for capital project funding as well as legislation that would benefit the city.

Maintain contract with a lobbying firm at the state level. **\$40,000**

Continue the federal lobbying contract through December 31, 2020. **\$60,000**
5. **State and Federal Grants.** Continue to seek, pursue, and apply for state and federal grants, as well as grants from the non-profit and private sectors on a balanced basis according to our capacity to complete such grants.
6. **Capital Improvement Plan.** Implement and further develop the capital improvement plan for streets, parks, and utilities.

7. **Gig Harbor North.** Continue to implement the Harbor Hill development agreement. Work with Olympic Property Group and other property owners to promote and realize more shopping, commercial, recreational, and residential opportunities.
8. **Potential Downtown Development.** Work to respond to and implement any downtown development agreements council approves.

City Clerk's Office

1. **Public Records Requests.** Continue to facilitate the appropriate and timely response to the increasing volume of public records requests in order to be more open, accountable, and responsive to citizens. **January – December.**
2. **Open Government Program.** Continue to implement an open data portal. Open data can facilitate government transparency, accountability, and public participation. **January – December.**
3. **Claims Recovery.** Continue an aggressive approach for reimbursement of costs for damage to city property. **January – December.**
4. **Risk Management.** Continue the Employee Safety Committee as required by the Accident Prevention Policy adopted in 2011. Work with all departments to address concerns and solutions. The goal is to prevent employee and citizen injury and property damage. **January - December.**
5. **Records Program.** Work for continued compliance with document and electronic records retention and ways to facilitate record retrieval through the Records Management Committee. **January – December.**

Human Resources

1. **Personnel Regulations.** Update the 2007 Personnel Regulations (Employee Handbook) with current best practices and maintain yearly updates as legislation and regulations change.
2. **Compensation/Classification Study.** Initiate salary survey of employee wage rates and total compensation package; identify benchmark cities and positions by working with a professional consultant to determine the scope and analysis compensation/classification study process.
3. **Benefits.** Review and evaluate benefit plan options.
4. **Drug and Alcohol Program.** Continue to effectively manage the City's drug and alcohol program, ensuring adherence to Federal Motor Carrier and Department of Transportation regulations and guidelines.
5. **Compliance Training.** Ensure employee compliance by tracking employee mandatory training; attend human resources training to ensure interpretation, compliance and best practices regarding new laws and regulations **January - December.**

6. **AWC Well City Designation.** Retain the City's 2% discount on health benefits premium costs. **January - December.**

Information Systems

1. **Information Technology Policies.** Complete revision and update of all policies pertaining to use of Information Technology. Adjust all policies to latest legislation and technology implementation.
2. **Upgrade Operating Systems.** Complete final replacement of obsolete 32-bit operating systems on our network which will not support box drive (such as the council computer). Migrate PC's to Windows 10 operating system with new purchases.
3. **Cell/Smartphone department auditing.** Implement a city-wide policy for de minimus use in addition to edit the personnel regulation addressing use. Perform random audits by department for adherence.
4. **Password Security.** Continue forced password changes every 90 days for both police and city personnel in compliance with FBI standards.
5. **Internet Use.** Internet monitoring for acceptable use policy.

**ADMINISTRATION
CAPITAL OUTLAY 2020**

Information Systems

1. **PC replacement for departments.** Forced obsolescence Microsoft. Windows 7 (the predominant operating system on our PC's) will no longer be support after January 14th, 2020. \$15,000 (identified and addressed by the specific departments – this is addressed in each department's budget).
2. **Licensing upgrades for PCs that are upgradeable.** Upgradeable PCs Windows 7 to Windows 10. \$7000 for licensing. (as identified and addressed by the specific departments – this is addressed in each department's budget).
3. **IBM MaaS360** is a mobile device management plat-form. The web portal enables the management and security of all computer related devices as well as providing application provisioning, downloading and installation management. It combines content filtering, internet tracking and remote deskside assistance using Team-viewer. 155 licenses for departments for all computer related devices (smartphones, desktops, laptops, tablets) \$9,500 annually, includes tax.

Total I.T. Capital Outlay is \$9,500
(items 1 & 2 reference only)

FINANCE

DESCRIPTION OF FUNCTION

Finance

The Finance Department is responsible for managing the city's financial resources. This involves keeping the books and managing taxpayers' money from the time it is collected until it is spent on programs funded by the City Council. The Finance Department provides the following services for city government:

1. **Cash management.** Receive and deposit monies into the city's bank accounts; record and reconcile all receipts to bank statements; contract with financial institutions for banking services; ensure the unimpeded inflow of monies to the city's bank accounts and the timely outflow of monies to vendors, claimants and employees; and effectively invest the city's short-term cash reserves.
2. **Investments.** Invest the city's temporary cash reserves in accordance with the city's investment policy, which provides emphasis on safety and liquidity. Maintain the official records of ownership and accounting for investment transactions.
3. **Debt management.** Provide financing recommendations and services to the City Council, which is responsible for the authorization and issuance of all debt. Administer the city's debt program by providing financing for capital projects through the sale of bonds or arranging other long-term financing; refinancing existing bonds when sufficient debt service savings can be achieved; and monitor city compliance with federal tax code and bond covenants.
4. **Budget preparation and administration.** Prepare the annual budget and provide budgetary reports to the City Council, City Administrator and departments throughout the year.
5. **Accounting services.** Prepare the city's annual financial reports and manage the city's financial accounting system; provide departmental accounting support; process accounts payable and audit vouchers; prepare utility billing invoices; monitor grant expenditures and prepare grant reimbursement requests, local improvement district accounting; monitor city revenue sources; fixed asset accounting; and maintain the city's internal control systems.

FINANCE
NARRATIVE OF GOALS 2020 - 2025

Finance

1. **Explore Automated/Electronic Processing Alternatives.** Advances in technology and vendor offerings continuously present new opportunities for financial transaction processing and records storage. Research available options to boost efficiencies in the following areas:

- Cash Receipting – investigate systems for electronic check-processing services, allowing for same day deposits, as well as the latest in online customer bill pay options.
- Accounts Payable – utilize electronic ACH payments wherever practical; explore options for scanned financial records storage.

Implement systems which produce increased efficiencies, relieve workloads, provide more accessibility, and reduce costs. **2020-2025.**

2. **Coordinate the budget and the capital improvement plan.** Combining a realistic capital improvement plan with a long-range forecast of revenue and expenditure trends will change the budget process from an annual snapshot to a continually evolving projection. It will also facilitate the dedication of current resources to future projects through the accumulation of reserves or the dedication of future resources to current projects through the issuance of debt. **2020-2025.**
3. **Indirect Cost Allocation.** Review and possibly refine the city's indirect cost allocation plan in order to equitably distribute costs among benefitted departments. **2020-2025.**

FINANCE
NARRATIVE OF OBJECTIVES 2020

1. **Rental property revenues and expenditures.** Prepare schedules for each rental property detailing operating revenues and expenditures.
2. **General ledger.** Reconcile general ledger and utility billing systems.
3. **Credit card fees.** Consider an increase in the surcharge that the city currently charges for non-utility credit card payments.
4. **Excise tax reporting.** Develop a new template for reporting and paying the city's monthly tax liabilities to the Washington State Department of Revenue.

FINANCE

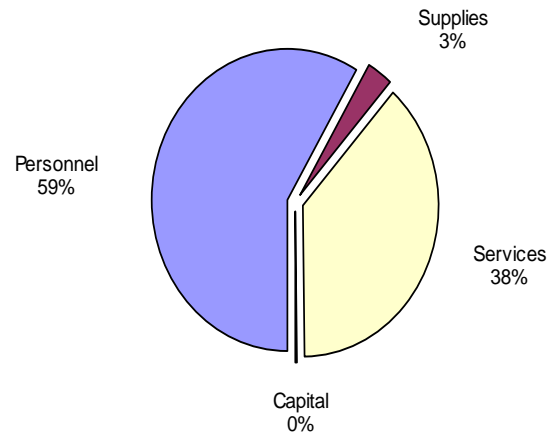
CAPITAL OUTLAY 2020

Total Capital Outlay is \$0.

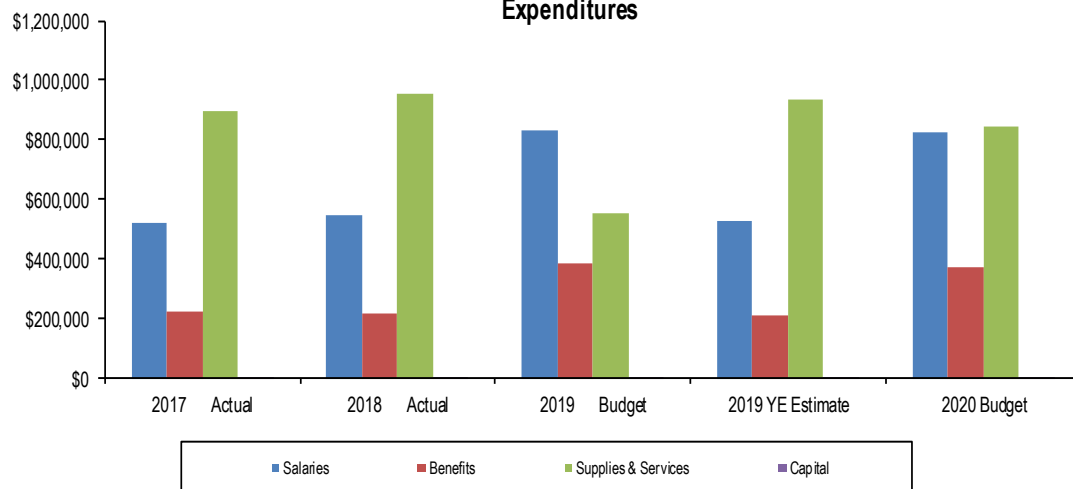
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 518,793	\$ 550,053	\$ 832,800	\$ 530,040	\$ 824,200
Benefits	222,045	214,606	384,900	210,227	371,800
Supplies	25,778	31,741	56,418	22,680	62,700
Services	867,824	922,912	499,929	914,620	782,255
Capital expenditures	4,875	2,596	4,680	2,060	4,000
Total expenditures	\$ 1,639,315	\$ 1,721,908	\$ 1,778,727	\$ 1,679,627	\$ 2,044,955

2020 Budget



Expenditures



POLICE

DESCRIPTION OF FUNCTION

Our mission: To continually provide exceptional law enforcement services to our citizens, always looking for ways to improve our performance through strong partnerships with our community.

ADMINISTRATION

The Administration Section is headed by the **Chief of Police** who is assisted by a **Lieutenant**. This unit is tasked with providing leadership, direction and support to the agency. This includes short and long-range planning and forecasting, policy development and enforcement, resource acquisition, responsible budget formulation and administration, operational planning and employee development through ongoing training and performance reviews. Additionally, two **Police Services Specialists** provide support services which include information management, retention and dissemination and the provision of direct citizen services such as general inquiries, fingerprinting, background checks, and the issuance of concealed pistol licenses. Property room operations fall within the scope of the Administration Section. A **Community Services Officer** (CSO) is assigned to the police department two days per week and is responsible for property room functions and public outreach.

OPERATIONS

The Operations Section is responsible for the majority of direct police services throughout the city. This includes uniformed patrol, traffic enforcement, drug investigations, and other community support duties. The patrol function provides police visibility, responds to calls for service, interacts collaboratively with citizens, and performs the initial investigation of crimes. As staffing allows, **bicycle** and **motorcycle patrols** are utilized to add another dimension to the patrol function serving as an excellent public interaction tool when assigned to business areas or other locations with high volumes of pedestrian traffic and specific traffic problems. Four **sergeants** provide field supervision of the operations personnel while also performing patrol and administrative duties.

INVESTIGATIONS

The Investigations Section is currently staffed by two **detectives** who report to the Lieutenant. This section is responsible for follow-up of cases beyond the normal responses by the patrol personnel.

MARINE SERVICES UNIT

The city is responsible for ensuring the safety of navigable waters within our jurisdiction and to provide boating safety education. The Marine Services Unit (MSU) is an additional

police service provided through scheduled patrols during periods of high boating traffic and on an as-needed basis to achieve this mission. The MSU is utilized primarily throughout the summer months but is available at other times for emergency response or special events. Per a Memorandum of Understanding (MOU) with the Washington State Parks and Recreation Department, the MSU is also involved in boating safety education throughout the year. Statewide vessel registration fees which are distributed to the city via Pierce County and boating safety grants as available help cover a portion of MSU costs. Additionally, a Federal Assistance Grant is usually available to supplement operational costs. The MSU is also tasked with the enforcement of derelict vessel laws in all of Gig Harbor. Ninety percent of the potential costs incurred in the removal of abandoned or derelict vessels is reimbursed from the State Derelict Vessel Fund via the Department of Natural Resources. The remaining ten percent of costs can come in the form of in-kind services.

VOLUNTEER PROGRAMS

The police department is supported by two volunteer programs. The **Citizens Offering Police Support** (C.O.P.S.) program includes 10 adult citizen volunteers who act as a force multiplier by performing duties otherwise accomplished by paid personnel, such as taking evidence to various state crime labs, assisting with front office administrative duties, organizing community activities, and performing disabled parking enforcement. Additionally, these volunteers offer organizational support for events like the Citizens Academy and National Night Out.

Our **Police Explorers** are teen volunteers who receive training in police work in exchange for supporting the department with various community activities, such as National Night Out, Maritime Gig parade, and several overnight security details.

POLICE NARRATIVE OF GOALS 2020

Our Vision: To provide the best possible public safety service to our community.

1. **Implement new and continually update departmental policies.** Complete the implementation of a comprehensive policy manual, train personnel to standards and seek to maintain currency of policies and procedures. Several updated policies have been implemented and the remainder of the manual is near completion. **Ongoing.**
2. **Deploy staffing in most efficient means.** The 2017-18 budget authorized the police department to expand by four positions to a total of 21 sworn (fully-commissioned) officers. The department has not reached that level of staffing and currently is staffed by 19 sworn officers. These positions are still highly needed. In the interim, alternative patrol schedules have been implemented to maximize personnel coverage and keep overtime to the lowest level possible. As the budget allows, increasing staffing to the maximum authorized is essential to meet the needs of the growing community. **Ongoing.**
3. **Maintain positive community relations through partnerships and community outreach.** The Gig Harbor Police Department enjoys overwhelming community support. This has been achieved through a track record of providing excellent customer service and engaging in proactive crime prevention efforts. Members of the department interact with the community through public presentations, speaking engagements, involvement with organizations and businesses within the community, neighborhood events, and sponsoring a popular Citizens Police Academy. Additionally, the police department sponsors a nationally-recognized National Night Out event that brings officers in touch with community members in a casual environment. Our social media platforms have blossomed into a beneficial two-way communication with our citizens. **Ongoing.**
4. **Maintain a well-trained and prepared police force.** Increasing mandatory training requirements have diverted some potential training time and resources toward those obligations. Officers have an ongoing need to maintain levels of proficiency that keep them and members of the public safe. The availability of more training to address increasingly complicated investigations, meet more stringent legal requirements, and utilize current technology is necessary to keep pace with these trends. The police department specifically targets training that is of direct mutual benefit to the department and the career development of the officer while being fiscally responsible. To that end, the department seeks to host more training classes from outside vendors or organizations which often results in free training for our personnel. **Ongoing.**
5. **Keep Gig Harbor a relatively low crime community.** Gig Harbor has seen only a minor increase in crime as the population and business communities grow rapidly (*"Crime in Washington 2018"* – WASPC, 2019). Violent crime is at a proportionately

lower rate than most every community in Pierce County. The primary goal of the police department is to keep measurable crime at a low rate of occurrence as measured by a corrected population ratio and to instill a sense of confidence by the members of the public that Gig Harbor remains a safe city in which to live and work. **Ongoing.**

6. **Increase case clearance rate.** The Gig Harbor Police Department maintains a documented case clearance rate (i.e. cases closed with arrest, solved, unfounded, etc.) slightly higher than the county average, however certain administrative changes can help increase this rate. Continual analysis of case paperwork flow in cooperation with the South Sound 911 records management system being utilized should help improve this area. **Ongoing.**

POLICE
NARRATIVE OF OBJECTIVES 2020
Mayor & Department Supported Objectives

1. **Improve emergency response capabilities through partnerships with other agencies.** Sharing resources and expertise with other public safety agencies will remain a priority, including upgrading and adding additional emergency response equipment. Opportunities to participate in regional training and Incident Management consortiums will ensure that our staff will receive the most cost effective and up-to-date training and exposure to emergency response. We have been successful in obtaining grant-funded equipment for the partial outfitting of our Mobile Emergency Command Center (MECC) and are entering into a partnership with Pierce County Fire District 5 to make this unit fully operational. Additional equipment (radio) is needed (budgeted, but not spent in 2019). **\$7,500.**
2. **Seek grants and other outside funding options.** Research and secure funding sources outside normal city revenue sources to support police department initiatives. We regularly receive grant reimbursement money from sources such as the Washington State Traffic Safety Commission, Department of Justice, Washington State Parks, RMSA, Washington Department of Natural Resources and more. This money is returned to the City General Fund. **Ongoing.**
3. **Provide financial support for the community youth programs.** Each year, a portion of Motor Vehicle Excise Tax funds is returned to the city for distribution to local youth programs that assist at-risk youth. Historically, this money is divided between the YMCA and the Boys and Girls Club. **\$4,000 - Ongoing.**
4. **Partnership with Pierce County DEM.** Continue our financial support to Pierce County DEM to ensure we continue our collaborative relationship. Pierce County DEM assists with our Emergency Management Response Plan among other tasks. The cost is based on a fee of \$0.85 per capita. **\$9,155.**
5. **KGHP Radio.** Continue our financial contribution to our local KGHP radio station in return for public service announcements and emergency warnings and notifications. **\$3,000.**
6. **Fund the provision of specialized services from the Pierce County Sheriff's Department (PCSD).** This special services contract allows the Gig Harbor Police Department unlimited access to the PCSO Special Weapons and Tactics (SWAT), Investigative and Forensic Unit, as well as the dive team. We will look to add the Officer-Involved Shooting Team services as part of this contract. **\$16,198.**

7. **Continue to contract dispatch and radio services through South Sound 911 and the Combined Communications Network.** The police department contracts with South Sound 911 from all emergency telephone answering and police dispatching services, as well as information technology and records management services. We also receive nighttime law enforcement records support through this agency. 2020 represents a 4% decrease in costs for contracting with South Sound 911. Additionally, in 2015, the police department was required to migrate to a new digital 700mHz radio system that is owned by the Combined Communications Network (CCN - a consortium of Pierce County Department of Emergency Management and Pierce Transit). An estimate of \$21,168 for CCN radio access fees was used in this projection. **\$259,248.**
8. **Taser lease.** The department entered into a leasing agreement with our Taser provider in 2018 to reduce ongoing expenses of purchasing outdated or non-functioning Tasers. This is the third installment of our lease/purchase plan. **\$2,800.**

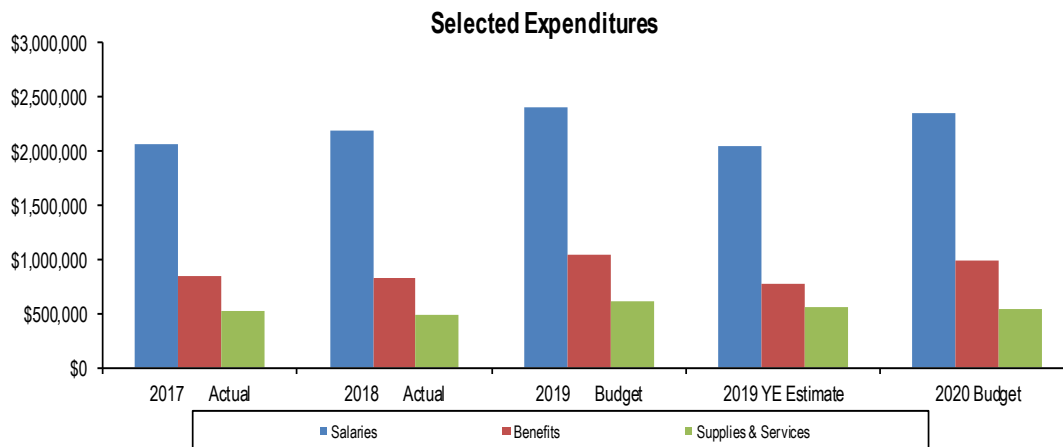
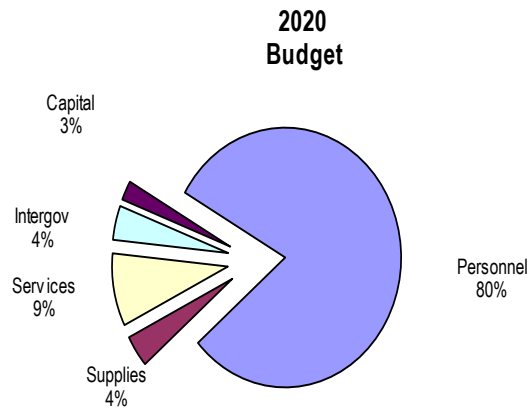
POLICE CAPITAL OUTLAY 2020

1. **Complete implementation of Body Worn Camera (BWC) program.** Three additional BWC systems are required to ensure that each patrol officer is equipped with a functional system (Budgeted in 2019, not spent due to contract negotiations). **\$16,950.**
2. **Replace one patrol vehicle.** One 2010 patrol car has reached the end of its service life. It has over 131,000 miles and has an extensive maintenance record within the past two years. City mechanics recommended replacement in 2019. Much of the equipment from the existing vehicle (e.g. radio, lights) can be used on replacement vehicle. **\$45,000.**
3. **Computers.** Virtually all computers and some tablets in use by the police department utilize the Windows 7 operating system. Per City Information Services, these computers will not be supported in 2020 and will not be compliant with FBI standards. This would result in the need to replace 4 desktop computers (\$1000/ea.) and 5 laptops (\$5228/ea. with extended warranty and mounting equipment). Upgrade licenses to a current operating system can be applied to ten department computers in lieu of replacing them (\$141/ea.). Additionally, the Chief of Police could improve productivity with a small wi-fi based laptop (e.g. Surface) (\$1600). **\$33,150.**
4. **In-Car Fingerprint Scanners.** In late 2019, the Gig Harbor Police Department will participate in a pilot program to test in-car fingerprint scanners to help determine the identity of people who do not have identification and/or are evasive about their identity. Presumed successful, the department would purchase four fingerprint scanners to be deployed among all four patrol squads. Cost would include an annual maintenance fee (payable to King County, the system administrator) of \$190 per unit. **\$5,360.**
5. **Bicycles.** Our current patrol bicycles are approximately 20 years old and are heavily worn. Additionally, they are quite heavy and hard to use on the Cushman Trail. To more effectively patrol our trails, shopping centers, and apartment complexes, four new bicycles would be required. These bicycles are lighter and feature a less complicated gearing system to reduce ongoing maintenance costs. Cost includes five new helmets, a tool repair kit, and some needed accessories. **\$9,378.**

Total Capital Outlay is \$109,838

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 2,061,678	\$ 2,181,530	\$ 2,405,900	\$ 2,045,299	\$ 2,357,000
Benefits	851,453	833,464	1,040,852	774,932	992,600
Supplies	129,171	138,028	188,711	187,880	165,761
Services	394,846	356,371	422,230	371,819	378,730
Intergov't charges	252,413	197,165	280,000	182,010	178,500
Capital expenditures	471,081	67,404	35,146	99,000	101,437
Total expenditures	\$ 4,160,642	\$ 3,773,962	\$ 4,372,839	\$ 3,660,940	\$ 4,174,028



PLANNING DIVISION (Community Development)
DESCRIPTION OF FUNCTION

1. **Professional policy guidance.** Provide professional policy guidance to the Mayor, City Council, Planning and Building Committee, Planning Commission, Design Review Board and other city departments on all matters related to land use and long-range comprehensive planning within the city and its unincorporated urban growth area (UGA).
2. **Community planning activities.** Provide direction for community planning efforts, including the downtown and shoreline planning efforts, economic and community development, future capital facility needs and facilitation of community participation in city planning efforts.
3. **Land use permit process.** Administer the City of Gig Harbor's land use permit process. Including all private-party applications and public capital improvements.
4. **Hearing Examiner.** Provide administrative services for the office of the Hearing Examiner. Prepare staff reports for hearings.
5. **Urban growth area project review.** Review applications and environmental assessment reports on projects within unincorporated Pierce County lying within the city's urban growth area in order to provide comment on the impacts and recommended mitigation measures to the Pierce County Department of Planning and Land Services.
6. **Development Agreements.** Administer the process for review of development agreements related to land use permits.
7. **Long Range Planning.** Review and update city land use development codes and maps, as appropriate. Update the Gig Harbor Municipal Code to reflect changes in state law.
8. **Annexation guidance.** Provide guidance to landowners or interest groups who desire to annex unincorporated areas into the City of Gig Harbor, consistent with state law and the city's annexation policy. This includes conducting the required census of newly annexed areas and the submittal of data to the Office of Financial Management. Census for large areas will typically be contracted out to a professional team.
9. **Code enforcement.** Provide enforcement of the city's land-use development, environmental and nuisance codes in a fair, equitable and timely manner.
10. **Inter-governmental relations.** Act as liaison between city, county, regional, state, tribal and federal governmental organizations and agencies, representing the interests of the City of Gig Harbor and its citizens. This includes continued involvement in inter-jurisdictional coordination under the Growth Management

Act through participation and attendance at the Growth Management Coordinating Committee meetings, appropriate Puget Sound Regional Council committee meetings, and participation in the West Central Local Integrating Organization's salmon restoration planning efforts for WRIA 15.

11. **Annual population changes.** Annually evaluate and inventory population changes within the city and its urban growth area. Provide data to the state Office of Financial Management (OFM) and provide maps of annexed areas to the U. S. Census Bureau. **April.**
12. **Capital facility planning.** Work with the Public Works and Finance Departments to identify capital facility needs and funding mechanisms. As necessary, prepare amendments to the Capital Facilities Element for adoption with annual budget. **Annually.**
13. **Land use fees.** Review land use fees to determine if they are current. **Annually.**
14. **Historic Preservation.** Continue to implement the Certified Local Government (CLG) program under the Washington State Department of Archaeology and Preservation (DAHP) to identify, evaluate, designate and protect designated historic resources within the boundaries of the City of Gig Harbor for future generations including the implementation of special valuations, a property tax incentive, as provided in Chapter 84.26 RCW.
15. **Grants.** Track, apply for, and administer local, state, and federal grants specific to Planning's functions.

**PLANNING
NARRATIVE OF GOALS 2020-2025**

1. **Annual Comprehensive Plan update.** Annually consider public amendments needed to respond to changes in law, policy direction from City Council, and City infrastructure needs. Review privately initiated amendments through the bi-annual docket process. **Annually.**
2. **Implementation of Comprehensive Plan.** Continue to review and analyze the municipal code to ensure the Goals and Policies of the Comprehensive Plan are being implemented and effective. **Ongoing.**
3. **Evaluation of population changes.** Submit development activity to Pierce County in preparation of future buildable lands reports, additionally work with Washington State Office of Financial Management reporting annual growth in order to have an accurate June 1 population assumption. **Annually.**
4. **Public involvement in the implementation of development regulations.** Explore new methods of encouraging and educating citizen and neighborhood groups so they may provide constructive input during comment periods. Develop a public outreach and engagement program which could include off-site Planning 101 presentations and focused topic seminars at the Civic Center. Continued use of www.gigharborplanning.com, bulk mailing companies, and email notification programs such as Constant Contact will allow more interested parties to find out about planning activities. **Ongoing.**
5. **Client relationships.** Continue to improve overall client relationship performance respective to permit application consultation, code familiarization, permit review and inspection services. Participate in refining permit-tracking processes to provide greater oversight and implementation of central permit coordination. Improve the efficiency of front counter assistance relative to the provision of accurate responses to inquiries and the receiving and organizing of permit applications. Update existing client assistance memos and develop additional client assistance memos on typical permit types and common planning questions. Consider electronic plan submittal and review as a way to increase efficiency in the permit review process. **Ongoing.**
6. **Future capital facility needs projections.** The planning staff will work closely with the Public Works and Finance departments to develop projections for needed capital facilities and financing mechanisms. If amendments to the Capital Facilities Element are necessary, planning will facilitate the processing of the amendment along with the adoption of the biennial budget. **Ongoing.**
7. **Coordinate and communicate with Puget Sound Regional Council (PSRC), Pierce County, and regional land use planners.** Continue to increase coordination and communication with Puget Sound Regional Council, Pierce County, and regional land use planners to assist in addressing issues relative to the City of Gig Harbor. Actively participate in the update to the multicounty planning

policies (VISION 2050) with the Pierce County Growth Management Coordinating Committee and Regional Staff Committee of PSRC. Continue with the development of a joint planning agreement between the City Council and Pierce County Council that will address coordination of permit review for properties within the City's associated Urban Growth Area, annexation via interlocal agreement for Urban Growth Areas surrounded by 60% of city jurisdiction. **Ongoing.**

8. **Code Enforcement.** Maintain integrity of development regulations through fair, equitable and reasonable enforcement of city standards. Code enforcement is centralized into one part-time code enforcement officer to handle nuisance, critical area, land use, shoreline, clearing and grading, dirty water and work-without-permit complaints for the Planning, Building/Fire Safety and Public Works departments. Along with responding to complaints, activities will include education to citizens, business owners and land owners on code requirements. **Ongoing.**
9. **Certified Local Government Program.** Continue to implement the CLG program under DAHP. Revitalization of historic downtowns and adaptive reuse of historic districts and buildings conserves resources, uses existing infrastructure, generates local jobs and purchasing, supports small business development and heritage tourism and enhances quality of life and community character. **Ongoing.**
10. **Shoreline Management Plan.** Continue to implement the city's shoreline master program consistent with the state Shoreline Management Act and the permitting and enforcement procedures set forth in WAC 173-27. Review and update the master program consistent with the requirements of WAC 173-26-090.
11. **Responsible and Balanced Growth.** Ensure growth is responsible and balanced for the City of Gig Harbor, requiring future growth to pay for its fair share of impacts. Continuation of 2018 Residential Moratorium.
12. **Housing Affordability.** Continue to implement the state guidance to ensure adequate housing is available for all income, age, and ability levels. A Housing Needs Assessment is required by the City's Comprehensive Plan Goal 6.4.3 by 2020.

**PLANNING
NARRATIVE OF OBJECTIVES 2020**

1. **Annual Comprehensive Plan Amendments.** Review and process public annual amendment docket items and bi-annual private amendment docket items. Amendments for each annual docket are due by the end of June the preceding year. **Annually.**
2. **Process improvements.** Continue to develop text amendments, standard operating procedures, and client assistance memos which increase permit processing efficiency and improve customer service. **Ongoing.**
3. **Land Use Text Amendments.** Respond to State and Federal legislation. Process private-party and city requested text amendments initiated by the City Council. Review the Planning Commission's work program annually with the City Council. As necessary, reduce the frequency of Planning Commission meetings to once a month to provide staff and the commission adequate time to prepare for and review the active text amendments. **Ongoing.**
4. **Balance long-range and current planning tasks.** Balance tasks to maintain and improve upon permit processing timelines as permit volume continue increasing. **Ongoing.**
5. **FEMA Special Flood Hazard Area Regulations.** Continue working with the City's consultant and FEMA staff to prepare an approach for habitat assessment review of development projects within the Special Flood Hazard Area. Under FEMA required regulations, almost all projects within the defined area must complete a habitat assessment to show that the project will not affect or will not likely adversely affect endangered species. Currently, the review is conducted on a project-by-project basis, with each project paying an average of between \$2,000 and \$5,000 in consultant fees to prepare the assessment. The City is working with FEMA to conduct a programmatic habitat assessment or making other code amendments that could ease the financial and time burden for smaller projects. Draft regulations are currently under review by FEMA staff with the city awaiting a response from that agency regarding their position on the proposal. **\$10,000.**
6. **Residential Performance Standards.** Continue the review of performance standards related to residential zones and uses that were identified as part of the 2018 Residential Moratorium.
7. **Housing Affordability.** Hire a consultant to conduct a Housing Needs Assessment in coordination with the local housing authority. The needs assessment to include; analysis of housing needs for City residents based on age and special need; An estimate of housing needs by income group; and policy recommendations to increase rental affordability. In addition to the housing needs assessment, consider

amendments to the Comprehensive Plan and GHMC to include best management practices for housing affordability in order to increase supply near services. **\$30,000.**

8. **PC/UGA Coordination.** Work in coordination with Pierce County Planning and Public Works to protect and enhance development within the Associated Urban Growth Areas, utilizing the findings from the Annexation Feasibility Study. **Ongoing.**
9. **Shoreline Master Program Update.** Work in coordination with Department of Ecology staff per the requirements of WAC 173-26-090 to complete the periodic review and update of the city's shoreline master program.
10. **Historic Preservation/CLG.** Review and process applications for listing on the Gig Harbor Local Register, including the review and processing of Certificates of Appropriateness for alterations and rehabilitations of listed properties. Work in coordination with the applicant and DRB. **Ongoing.**
11. **Annexation Feasibility Study.** Hire a consultant to assess the feasibility of annexing the 13 different UGA areas identified in the Comprehensive plan. Both Pierce County and Puget Sound Regional Council desire the City to annex all our affiliated UGA areas by 2030. A feasibility study would help the City prioritize areas for annexation as well as identify issues and opportunities for each area (fire flow/taxes/incompatible uses/infrastructure needs/form of annexation). **\$50,000.**
12. **Downtown Parking Study.** Hire a consultant to prepare an in-depth, user friendly downtown parking Study. The parking study will analyze current parking conditions and conditions with future projected build out. The parking study will provide policy and code recommendations for Mayor and City Council consideration. **\$30,000.**
13. **Judson Area Neighborhood Plan.** Hire a consultant to create a Neighborhood Plan for the Downtown Judson Area. Plan would gather input from stakeholders and property owners to establish a vision, goals and implementing measures for future development. **\$20,000.**

PLANNING
CAPITAL OUTLAY 2020

Purchase 5 replacement computers as directed by Information Systems Manager.
\$6,000 January - September.

Total Capital Outlay is \$6,000

BUILDING & FIRE SAFETY
DESCRIPTION OF FUNCTION

1. **Policy guidance.** Advise City officials on policy matters related to building construction, fire and life safety, and code enforcement.
2. **Community activities.** Promote community health and safety by providing information and education on matters related to building construction; fire and life safety.
3. **Construction permitting/code compliance.** Advance safety and durability in the City's built environment through review, permitting, inspection, approval and enforcement of all work regulated under GHMC Title 15.
4. **Fire prevention.** Reduce hostile fires through fire code enforcement, fire/explosion investigation, and inspection of commercial occupancies.
5. **Intra/inter-jurisdictional cooperation.** Promote coordination between departments by participating in pre-application conferences and reviewing land use, annexation, and civil construction proposals.
6. **City Facilities.** Conduct annual fire code inspections of all City facilities.
7. **Historic structure codes.** Promote preservation of the city's heritage and sustainable development through the adoption and application of codes addressing the unique aspects of historic structures.

**BUILDING & FIRE SAFETY
NARRATIVE OF GOALS 2020-2025**

1. **Maintain up-to-date construction codes.** Uphold public safety and support a healthy construction industry through maintenance of up-to-date construction codes; enabling clear, consistent, and predictable application of code provisions. **2020.**
2. **Refine the use of information technology in the plan review and inspection programs.** Increase efficiency by using information technology to review and revise plans; access the land information system, codes, and technical information in the field; and facilitate information sharing both internally with staff, and with customers at their project sites. **2020.**
3. **Enhance on-demand access to building/fire safety information.** Provide the public with 24/7 expanded access to codes, permitting, construction technology, and other pertinent information through the building and fire safety web page with appropriate resource links. **2020.**
4. **Maintain a comprehensive fire code compliance program.** Assure public safety and favorable insurance rates by maintaining, within budgetary limitations, a fire code compliance program consistent with GHMC Title 15 and Washington Survey and Rating Bureau requirements. **2020.**

**BUILDING & FIRE SAFETY
NARRATIVE OF OBJECTIVES 2020**

1. **Maintain staff competency, professionalism and certifications.** Maintain staff competency, professionalism, and certifications through participation in training, code update courses and other relevant professional development opportunities. **December.**
2. **Provide fire inspection and investigation programs.** Provide for inspection of work done under fire code construction and operational permits issued by the City, and for fire investigations compliant with state law. **December.**
3. **Update informational handouts related to department activities and procedures.** Update existing and create new informational materials related to department activities, policy and procedures making such information available in various media formats. **December.**
4. **Fully develop the SmartGov Portal and Dashboard for permit management and data reporting.** With the transition from Interlocking to SmartGov, complete the implementation and testing of the SmartGov Portal and computer program and provide additional reporting capability from the permit tracking system. **December.**
5. **Enhance electronic plan review program.** Electronic plan review is now an option across all Community Services Departments. The Building Department has taken the lead to maintain an efficient and effective system; providing training, guidance and integration across the Departments. These practices will be further vetted and refined during the coming year. **December.**

**BUILDING & FIRE SAFETY
CAPITAL OUTLAY 2020**

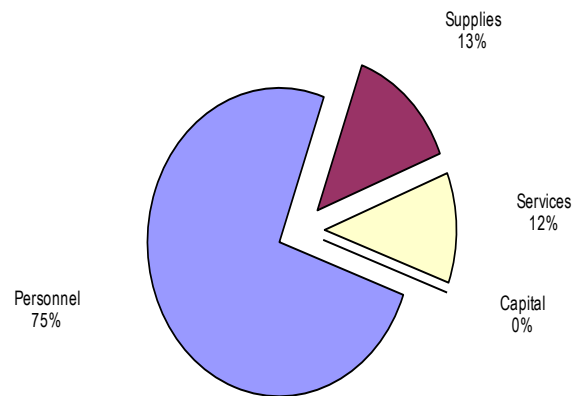
Purchase 1 replacement computer as directed by Information Systems Manager.
\$1,000 January - September.

Total Capital Outlay is \$1,000

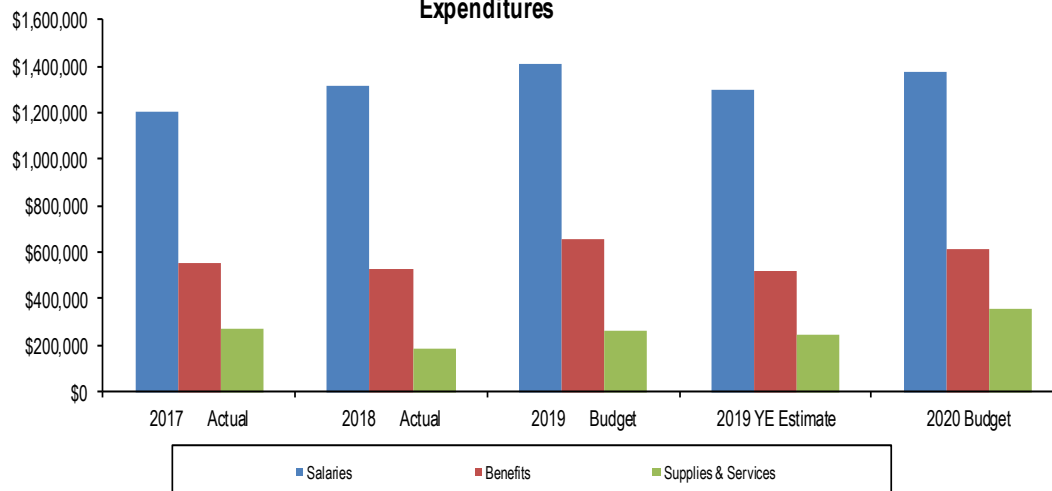
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 1,202,839	\$ 1,319,003	\$ 1,406,400	\$ 1,295,231	\$ 1,372,600
Benefits	551,149	529,138	652,750	518,995	615,300
Supplies	38,498	24,603	43,850	33,976	51,638
Services	235,785	164,054	221,660	207,177	306,847
Capital expenditures	23,988	-	-	-	-
Total expenditures	\$ 2,052,259	\$ 2,036,798	\$ 2,324,660	\$ 2,055,379	\$ 2,346,385

2020 Budget



Expenditures



PUBLIC WORKS DEPARTMENT

DESCRIPTION OF FUNCTION

The Public Works Department is responsible for a wide variety of infrastructure services to the public. Primarily, this involves streets, storm drains, potable water, waste water, parks and recreation, building maintenance, and lighthouse maintenance. These services are generally provided by five divisions – Administration, Parks Development, Operations, Engineering and Wastewater. Below is a more detailed description of each section’s function under the Public Works umbrella.

Administration

The administration function of the Public Works Department has many roles including budget development, management of the City’s right of way and properties, consistency in capital planning, and a central clearing house for interaction with the City Administration, City Council, and the public. The Public Works Department budget totaled more than \$50 million in appropriations for 2020. This budget spans more than 15 funds and accounts for almost two-thirds of the City’s entire budget.

Part of administration is Geographic Information Systems (GIS) for the entire city. The GIS functions include gathering, storing, managing, displaying, and analyzing the City’s geospatial data. This data primarily includes Public Works data such as infrastructure and utilities, engineering designs, asset management, work order tracking, and citizen reporting. Data from other City departments includes layers related the City’s Planning Department and public safety layers related to the Police Department. Data is developed by the City to support and update City codes, plans, budget, and standards, or is obtained from public, capital and private development funded projects. The GIS is organized in centralized databases and that data is available to City employees and the public through the administration of mobile and web-based mapping applications. The GIS coordinates data updates with the various City departments to ensure data accuracy and is also responsible for providing maps to each of the City’s departments in support of reports, permits, and notifications. The GIS also works with the Tourism and Communications department to update informational City maps.

Parks Development

The Parks Development Division is responsible for providing a variety of quality outdoor recreational opportunities and facilities for the citizens of Gig Harbor and visitors. Staff provides services for acquisition, development, planning, maintenance, cleaning, repair and enhancement of over 134 acres of parkland and 8.45 miles of trails. Park development is prioritized through the adopted Parks, Recreation, and Open Space Plan and assists the City in meeting Growth Management Act goals and is implemented through the annual budget process. The 2016 adopted PROS Plan identifies specific recommendations to meet the needs of our growing community over the course of the next twenty years.

Parks Development is also responsible for managing the City's rental facilities, property leases, aquatics leases, and parks-related memorandums of understandings.

Operations

City of Gig Harbor Operations Division is responsible for the maintenance of the city's infrastructure including roads, storm drain, parks, water utility, building maintenance, and city-owned equipment.

1. **Streets.** The Streets Division is a general fund function that is responsible for the upkeep of all municipal roadways. This responsibility includes: planning and constructing capital improvements for future growth, right-of-way mowing, street sweeping, vegetation control, asphalt and concrete repair (roads and sidewalks), crosswalk and other pavement markings and striping, street name and regulatory signs and miscellaneous duties that impact the city roadways.
2. **Storm Water.** The storm and surface water management function in an enterprise fund that is responsible for the upkeep of all municipal owned drainage conveyances that collect and discharge surface and storm water. This responsibility includes: roadside ditch cleaning, shoulder grading, catch basin and storm detention pond inspection/cleaning, street and driveway culvert inspection/cleaning, and other miscellaneous duties to help prevent or reduce flooding and protect the environment.
3. **Water.** The Water Division is an enterprise fund that is primarily responsible for water supply and distribution. This responsibility includes: planning and constructing capital improvements for future growth, collecting and testing water samples to ensure water quality, maintaining pumps and electrical motors, fire hydrant repair, and pipe repair. This function also provides meter installation and repairs services, operates and maintains the automated supervisor control and data acquisition (SCADA) system and other miscellaneous duties that help us provide safe drinking water to our customers.
4. **Parks.** The Parks Division is a general fund function that is responsible for the development, repair and maintenance of all city owned parks in the City of Gig Harbor. This responsibility includes: park master planning, exterior facility maintenance and repair, landscape maintenance including the roundabouts and streetscapes. This activity also provides special support services such as upkeep of flower baskets and planters during the spring and summer months, and other miscellaneous duties that keep the city parks functioning efficiently and effectively.
5. **Fleet.** The Fleet Management function is supported by various city funds and is responsible for the maintenance of all light and heavy-duty vehicles and off-road equipment owned and operated by the city. This responsibility includes acquisition of new city vehicles and the resale of city vehicles that have reached the end of their useful life. This function also manages the purchasing, storing and distribution of fuels and automotive parts, contract and vendor management and other fleet related duties that support city operations.
6. **Gig Harbor Lighthouse.** The lighthouse function that is responsible for the repair

and maintenance of the Gig Harbor lighthouse.

7. **Building Maintenance.** Building maintenance is a general fund function that supports the operation and maintenance of two City general-use buildings (Civic Center at 3510 Grandview Street and Visitor's Center at 3125 Judson Street).

Engineering

Engineering is considered a General Fund division of Public Works that is also supported by other Public Works funds. The narrative of goals for Engineering are shown in this section of the budget. However, the narrative of objectives for Engineering has been incorporated into the narrative of objectives for the various other fund sections of this budget. Engineering is primarily responsible for carrying out city infrastructure improvements and review of public, city capital, and private developer funded development projects. This includes various permit reviews of all development that affects public infrastructure. Engineering also implements city-wide studies in order to identify and implement improvements to infrastructure as well as performing long-range infrastructure planning duties. Engineering comprises capital improvement and development review functions. Engineering also provides support, engineering, permit and project management services to all the various divisions of the Public Works Department. Engineering also works closely with other city departments, elected officials, and the public to ensure that our infrastructure is designed and installed properly and that it meets all local, state, and federal standards and guidelines. Engineering over the years has established a partnered and effective interlocal agency partnerships with other local and state agencies including; Pierce County, Washington State Department of Transportation, Washington State Department of Fish and Wildlife, Washington State Public Works Board, Washington State Transportation Improvement Board and the Department of Ecology.

Wastewater

The Wastewater Division is an enterprise fund that is primarily responsible for collecting and treating wastewater. This wastewater, which is generated from residences, businesses and other users, is collected and safely conveyed to the city's wastewater treatment facility for treatment then treated and discharged in a safe, efficient and environmentally sound manner in accordance with permit requirements. This function is also responsible for planning and constructing capital improvements for future growth, annual inspections and cleaning of wastewater main lines, wastewater manhole inspection and cleaning, general system operation, wastewater pump stations maintenance, and bio-solids hauling and disposal.

PUBLIC WORKS NARRATIVE OF GOALS 2020 – 2025

Administration

GIS Standards. GIS is a fundamental shift in the way data will be managed in the City. A Standard Operating Procedure for obtaining, managing, and updating GIS will be developed. **2020 – 2025.**

GIS Asset Mapping. Create a database of City assets and utilities. Complete preliminary mapping of City assets and utilities. **2020 – 2025.**

GIS Mapping Applications. Develop and implement a web-based viewer that will be available to City staff and to the public. **2020 – 2025.**

Operations

Generally, the long-range goals for the Operations Division are summarized under the Narrative of Goals within each of the parks, streets, water, storm water, and building maintenance sections of this budget document. However, one common goal for the Operations Division that spans four funds is the new Public Works Operations Center. This goal is outlined below.

1. **Public Works Operations Center Site Plan and Building Design and Construction.** The existing Public Works Shop building was constructed in 1983 when the facility housed four employees and their equipment. Since 1983 the City has increased many fold in number of assets Public Works operates and maintains. In 2018 the Public Works Operations Division now houses 21 employees and more employees will be needed in the next few years. The current shop building is woefully inadequate to house the current and future employees and the technology demands required to be efficient and effective. The City needs to replace the antiquated maintenance facility with a functional facility to include provisions for meeting space, modern technology, additional staff parking, sewer connection, administrative functions, staff areas, sign shop, decant facility, waste recycling and fleet maintenance. **2020 – 2025.**

Engineering

1. **Implementation of Comprehensive Plan.** As financially feasible, construct the identified water, storm, wastewater, parks, and transportation improvements specified within the city's comprehensive plan and associated utility planning documents. **2020 - 2025.**
2. **Public Works Standards.** Periodically update the water, storm, wastewater, parks, and transportation elements of the Public Works Standards as needed.

2019 – 2024.

3. **Development review.** Review plans for and perform construction inspection of the public portion of private development projects to ensure they meet the city's standards. **2020 - 2025.**
4. **Transportation Improvement Plan.** Develop and implement the annual update to the Six-Year Transportation Improvement Program, consistent with the Comprehensive Transportation Plan. **2020 - 2025.**
5. **Interagency Partnerships.** Maintain the established partnerships and develop additional partnerships with other local and federal agencies. **2020 - 2025.**
6. **ADA transition Plan.** Implement and update the transition plan to address citizen concerns as well as Federal mandates. **2020 - 2025.**
7. **Grants.** Track, apply for, and administer local, state, and federal grants. Examples include the various state RCO grants, salmon recovery/environmental grants (SRFB, nearshore, PC salmon fund, conservation futures, etc.), federal grants & appropriations (EPA, STAG, Dept. of Interior, HUD-EDI, etc.), various state grants (Urban Vitality, DNR, DOE, CTED, etc.). **2020 - 2025.**

Wastewater

Long-range goals are summarized under the Narrative of Goals within the wastewater sections of this budget document.

**PUBLIC WORKS
NARRATIVE OF OBJECTIVES 2020**

Plan, construct, and maintain city infrastructure. See specific list of objectives summarized within the city's park, street, water, building maintenance, wastewater and storm water sections of the budget.

**PUBLIC WORKS
CAPITAL OUTLAY 2020**

Operations – see Parks, Street, Water, and Storm sections for a detailed description of capital outlay.

Engineering – see Parks, Street, Water, Wastewater and Storm sections for a detailed description of capital outlay.

Wastewater - see Wastewater section for detailed description of capital outlay.

PARKS DIVISION - OPERATING
DESCRIPTION OF FUNCTION

The Parks Operating Division is responsible for providing a variety of quality outdoor recreational opportunities and facilities for the citizens of Gig Harbor and visitors. Staff provides services for acquisition, development, planning, maintenance, and enhancement of over 134 acres of park land and 8.45 miles of trails. The Division addresses on-going maintenance and repair of support facilities, including 11 restrooms, 60 garbage cans, recycling receptacles, 24 dog bag dispensers, as well as inventory and testing of city-owned backflow devices.

The Division also implements and supports aesthetic, functional, and seasonal features along city arterials and pedestrian corridors such as the hanging flower baskets and banners. The program also provides and coordinates funding and support from community partners for the Maritime Gig Festival, weekly concerts and outdoor movies at Skansie Brothers Park during the summer months, annual tree lighting ceremony, and other community events utilizing city facilities.

**PARKS DIVISION - OPERATING
NARRATIVE OF GOALS 2020 - 2025**

1. **Park recycling program.** Expand the recycling program in city parks through participation and support from local businesses and interest groups. **2020 - 2025.**
2. **Volunteer program.** Establish, promote, and support a robust volunteer program to assist with park maintenance and patrol needs. Developing Adopt-a-Park and a Trail Patrol program as community interest is available. **2020 - 2025.**
3. **Donation List.** Utilize the donation policy to include a clearinghouse of Park needs by offering a list of locations and furnishings pre-determined by Public Works and the Parks and Arts Commissions, as appropriate. **2020 - 2025.**
4. **City parks information through interactive GIS Mapping.** Provide and promote up-to-date information and detail on city parks, including high quality photos, available amenities, and park boundaries through an interactive online mapping product. **2020 - 2025.**
5. **Maintenance and repairs.** Prioritize and address park facility repairs to maintain a high-quality resource for park users, utilizing Parks Operation staff wherever feasible. **2020 - 2025.**
6. **Parks Reservation System.** Research and rollout a Park reservation system that allows an on-line view of availability with flexible reservation times and on-line payment options. **2020 - 2025.**
7. **Art in Parks.** Support the maintenance of the existing Art Collection and encourage collaboration with the Arts Commission to achieve multiple forms of art in parks including creative placemaking activities. **2020 - 2025.**
8. **Manage leases and agreements.** Perform annual review of all contracts pertaining to Park property ensuring contract compliance, annual inspections, and up-to-date insurance documents are provided where appropriate. **2020 - 2025.**

**PARKS DIVISION – OPERATING
NARRATIVE OF OBJECTIVES 2020**

Mayor & Department Supported Objectives

1. **Cushman Trail Markings.** Restripe Cushman trail and provide location markers to provide efficient emergency response for safety and medical issues. Implement this program in ¼ mile increments. This work is proposed to be installed by Public Works Operations Staff. **\$2,500.**
2. **Skate Park Security Cameras.** Install up to two new security cameras at the City's Skate Park to monitor activities in the park. **\$5,000 (grant funded).**
3. **Park Asset Reservation Software.** Procure a software system that allows on-line view of schedules at all rentable park facilities and ability to request reservations. **\$10,000**
4. **Recycling Program.** Launch a recycling program with the assistance of local businesses, with innovative recycling containers, and an awareness campaign. **\$5,000**
5. **Volunteer Program(s).** Establish and organize an Adopt-a-Park and Trail Program to ensure the parks are safe and clean. Funding would cover the cost of advertising and the purchase and installation of signs. **\$5,000**
6. **Permit Fees for Donations.** The City's policy has been to pay permitting fees on City-approved donations; many donations are on properties affected by SEPA and critical areas review, resulting in costly permitting and mitigation. **\$35,000**
7. **Maintenance & Repair Projects.** This objective is dependent on Administration's and City Council's directives to have the City's Public Works Operations Staff completing some City Parks maintenance and repair projects. **\$TBD.**

Removed Objectives

ARTS COMMISSION - PARKS OPERATING 001 - 015
NARRATIVE OF OBJECTIVES 2020

1. **Creative Endeavors Support.** Continue the program supporting and encouraging creative endeavors — especially those that provide “hands on” experiences — within Gig Harbor’s varied and diverse arts organizations. Preference will be given to events and experiences that take place outside of tourist season. **\$25,000.**
2. **Gig Harbor Arts + Culture Planning.** Explore and engage in the assessment, planning and application of a variety of Washington State programming including the Creative Districts from of the Washington State Arts Commission, the Cultural Access Program with the Washington State Art Alliance and the Gig Harbor Arts Center Alliance, to coordinate approaches and foster community collaboration that will grow the local arts and creative economy through cultural opportunities for their residents and visitors of Gig Harbor. **\$250**
3. **Workshops and Presentations 2020.** Continuing the popular series of workshops begun six years ago. **\$250**
 - a. **Making Friends with the Media.** Workshop will comprise a panel of media representatives who’ll discuss the information they need to publicize events.
 - b. **Using Social Media as a Marketing Tool.** In partnership with the Downtown Waterfront Alliance and Chamber of Commerce, this workshop is geared to artists and small business owners.
 - c. **Arts Workshop TBD.** Workshop held in tandem with a cultural partner such as Artist Trust or the Washington State Arts Commission.
4. **Carved Tree Stumps.** Continue project to have some of the tree stumps in city parks or rights of way embellished artistically. The stumps will eventually decompose, and the artworks will become a part of the site’s organic history. **\$5,000.**
5. **Update the Catalogue of City-Owned Art.** The goal is a more professional looking publication updated with recently acquired art, that can be uploaded to the website and used to develop a future brochure for an art walk project. **\$2,500**
6. **Arts Purchase Award.** Peninsula Art League Open Juried Art Show draws entries from artists throughout the U. S. and Canada. Arts Commissioners are asked to select one or more artworks to receive a “Commissioner’s Choice” certificate award. Occasionally, the artwork is appropriate for the City’s public art collection and could be purchased to add to the collection. **\$1,000.**

7. **Update to Gig Harbor Arts Commission Web page.** Update the outdated page on the city's website with refreshed content about the Arts Commission and the work they are engaged in for the citizens of Gig Harbor.
8. **Graduate Student Intern.** To help support initiatives in 2020. **\$2,500.**
9. **Historic plaques for concrete pillars at Donkey Creek / History Museum / Austin Estuary.** Working with the History Museum and former councilman Steve Ekberg, we will create interpretive signage for each of the five pillars near the museum and Austin Estuary. The plaques will briefly tell the story of Gig Harbor's first people and the historic significance of the five sites where the concrete pillars stand. **\$7,500.**

**PARKS DIVISION – OPERATING
CAPITAL AND EQUIPMENT OUTLAY 2020**

Mayor & Department Supported Capital Outlay

- 1. New Purchase – Foamstream Spraying Distribution System.** This equipment provides a healthy alternative to chemical spraying by distributing an herbicide-free solution to control unwanted vegetation. The system uses heat with a biodegradable foam, making it safe for use around people, animals and delicate environments. This would be an alternate to the City's use of glyphosate in public spaces and eliminate potential health hazards. **\$60,000 (Parks \$30,000, Streets \$30,000).**
- 2. Replacement Purchase – 2020 Chevrolet Silverado.** Replace truck #2015, 2008 Chevrolet Silverado ¾ ton pickup. This vehicle has over 107,000 miles and is beginning to require expensive maintenance. Reliability of this vehicle will be an issue moving forward. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$32,500 (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125).**
- 3. Replacement Purchase – Four (4) Variable Message Signs.** This would fund the replacement of the remaining older VMS boards that are ten (10) years old. The boards require a significant amount of staff time and parts to maintain. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$73,000 (Park \$14,600, Street \$14,600, Water \$14,600, Wastewater \$14,600, Storm \$14,600).**
- 4. Replacement Purchase – Mini Excavator.** A mini excavator is a compact, lightweight alternative to the use of a more expensive backhoe replacement purchase. A mini excavator can fit in smaller job sites, minimize top ground damage and provide for greater use. Existing equipment will be traded in to defray expense. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$65,000 (Parks \$13,000, Street \$13,000, Water \$13,000, Storm \$13,000, Wastewater \$13,000).**
- 5. Replacement Purchase – Computers.** Replacement computers and laptops for Public Works/Engineering staff. Current systems will be obsolete and unable to run Microsoft Windows 10 and associated software. **\$20,000 (Parks \$4,400, Street \$4,400, Water \$4,400, Storm \$4,400 Wastewater \$2,400).**

6. **New Purchase – Public Works Facility Security.** Add security cameras to monitor perimeter of buildings and property. **\$5,000 (Parks \$1,250, Street \$1,250, Water \$1,250 Storm \$1,250, grant funded?).**
7. **Replacement Purchase – GPS Receiver Kit.** Purchase a GPS receiver kit with software. Current system is out of date and no longer supported. A new kit will allow for great accuracy and efficiency in provide accurate project information and data. **\$12,000 (Parks \$2,400, Street \$2,400, Water \$2,400, Storm \$2,400 Wastewater \$2,400).**
8. **Cumulative Reserve Vector Truck Fund.** This would fund a vector truck in the 2020 Budget totaling approximately \$500,000. The existing vector would be sold at auction after the new vector is operational. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$250,000 (Parks \$12,500, Street \$12,500, Water \$25,000, Storm \$100,000, Wastewater \$100,000).**

Removed Capital Outlay

1. **New Purchase – Municipal Cleaning Vehicle (MCV).** Purchase of equipment with flexible, environmentally friendly, cleaning abilities in maintenance of pervious surfaces, sidewalks, pathways as well as small spill recovery capability. **\$230,000 (Parks \$76,666, Streets \$76,666, Storm \$76,666).**
2. **New Purchase – 2020 Chevrolet Silverado.** Pickup truck with hands free technology to be assigned to supervisor. New addition to fleet will allow for the supervisor's older vehicle to be used by crew. **\$32,500. (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125).**

Total Parks Division Capital and Equipment Outlay is \$86,275

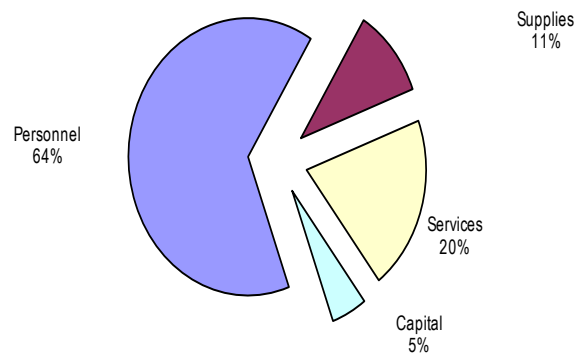
CITY OF GIG HARBOR															
STAFF ADJUSTMENT REQUEST FORM															
<p>A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.</p>															
Position Title:		Department:	Fund:												
Laborer		Public Works	Parks												
Salary Range From:	Salary Range To:	Change Date:	January 1, 2020												
\$ 43,776	\$ 54,720	Department Contact:	Jeff Langhelm												
Request to Add a Position		Priority:	1												
Description of Request:															
<p>This position was originally funded with the 2019 budget for a one year to term to support parks maintenance. Public Works proposes making this position permanent. Please see attached staffing narrative.</p>															
Advantage of Approval / Implication of Denial:															
<p>The Parks Laborer position supports the increasing workload required to maintain parks and streetscapes. Without this position the City may have to defer maintenance tasks leading to a rate of significant deterioration of facilities and equipment. The department will be unable to meet the level of service anticipated by residents, businesses, elected officials and staff.</p>															
Alternatives (Delaying Funding / Partial Funding):															
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td></td> <td colspan="2" style="text-align: center;">2019 Annual Costs</td> </tr> <tr> <td style="text-align: right;">Wages</td> <td style="text-align: center;">\$</td> <td style="text-align: right;">49,248.00</td> </tr> <tr> <td style="text-align: right;">Benefits</td> <td style="text-align: center;">\$</td> <td style="text-align: right;">37,735.00</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: center;">\$</td> <td style="text-align: right;">86,983.00</td> </tr> </table>					2019 Annual Costs		Wages	\$	49,248.00	Benefits	\$	37,735.00	Total	\$	86,983.00
	2019 Annual Costs														
Wages	\$	49,248.00													
Benefits	\$	37,735.00													
Total	\$	86,983.00													
Funding Source Description:															
<p>Funded by Parks Operating fund.</p>															

CITY OF GIG HARBOR											
STAFF ADJUSTMENT REQUEST FORM											
<p>A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.</p>											
Position Title:		Department:	Fund:								
Laborer (Street Sweeper)		Public Works	Parks, Street, Storm								
Salary Range From:	Salary Range To:	Change Date:	January 1, 2020								
\$ 43,776	\$ 54,720	Department Contact:	Jeff Langhelm								
Choose Type of Adjustment Request		Priority:	2								
Description of Request:											
<p>Public Works Operations Division proposes hiring a Laborer to perform both general Parks maintenance duties (0.4 FTE) and street sweeping duties (0.6 FTE). Current staffing levels will be stretched thin to provide support to new facilities and parks that have been added in 2019 and will be improved in 2020. Additionally, to reduce ongoing and expensive storm drain cleaning effort Public Works proposes to increase the City's street sweeping efforts so as to remove debris from roadways before it enters the City's storm drains.</p>											
Advantage of Approval / Implication of Denial:											
<p>The Parks Laborer portion supports the increasing workload required to maintain parks and streetscapes. Without this position the City may have to defer maintenance tasks leading to a rate of significant deterioration of facilities and equipment. The department will be unable to meet the level of service anticipated by residents, businesses, elected officials and staff.</p> <p>The Street Sweeper position will provide for an employee dedicated to clean and maintain streets and impervious areas. This employee would be proficient in street sweeping operations and the care and maintenance of street sweeping equipment. Without this position the City will have to pull a full time employee and disrupt the crew's work schedule to perform these duties. This position allows for them to focus on maintenance tasks. The department may be unable to maintain streets and their cleanliness to the level of service anticipated by residents, businesses, elected officials and staff.</p>											
Alternatives (Delaying Funding / Partial Funding):											
<p>The volume of work and type of work performed by the Parks Laborer position is year round work and therefore not adequate to use seasonal employees. Additionally, the use of seasonal hires limits administrations abilities to efficiently develop and use staff because of training and need for knowledge of specific site safety.</p> <p>The volume of work and type of work for the Street Sweeper position will be year round work as they will transition to snow removal duties in the event of inclement weather. The training and knowledge of specific street equipment calls to the need for this position.</p>											
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	2020 Annual Costs										
Wages	\$ 49,248.00										
Benefits	\$ 37,735.00										
Total	\$ 86,983.00										
Funding Source Description:											
Funded by Parks (0.6 FTE), Street (0.2 FTE), and Storm (0.2 FTE) Operating funds											

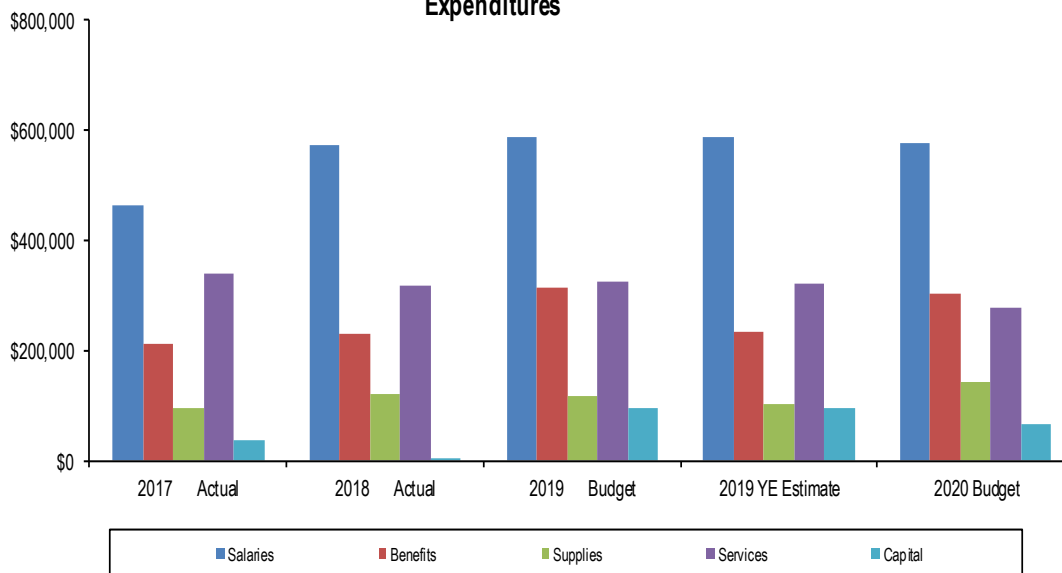
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 464,156	\$ 573,987	\$ 588,700	\$ 588,700	\$ 576,300
Benefits	211,691	230,314	314,825	232,424	302,760
Supplies	96,864	119,673	116,250	101,414	142,705
Services	341,366	317,976	323,812	322,437	279,075
Capital expenditures	37,266	4,354	95,575	96,000	65,275
Total expenditures	\$ 1,151,343	\$ 1,246,304	\$ 1,439,162	\$ 1,340,975	\$ 1,366,115

2020 Budget



Expenditures



CITY BUILDINGS
DESCRIPTION OF FUNCTION

The City Buildings function is to maintain, preserve and enhance city buildings, including the City Civic Center and the Welcome Center, in accordance with city codes and community standards to provide a safe, pleasant, attractive, and productive environment for city activities, the public and tenants. (Note: Grounds maintenance and improvements for city buildings are incorporated under the Parks Division.)

CITY BUILDINGS
NARRATIVE OF GOALS 2020 – 2025

1. **City buildings.** Maintain, and construct minor improvements to the Civic Center and Welcome Center consistent with budgeted objectives and available staff. **2020 - 2025.**
2. **Community service.** Supervision and documentation of the community service participants. **2020 - 2025.**
3. **Grounds maintenance.** Continue to improve the landscaping throughout the grounds at the Civic Center, utilizing community service participants, full-time staff and seasonal workers. **2020 - 2025.**
4. **Security equipment (electronic hardware and software).** Install security equipment to provide security for employees as well as the public. **2020 – 2025.**
5. **Security measures.** Provide additional security measures for the offices of the Court Clerks/Cashier and the Finance Cashier. **2020 – 2025.**

CITY BUILDINGS
NARRATIVE OF OBJECTIVES 2020

Mayor & Department Supported Objectives

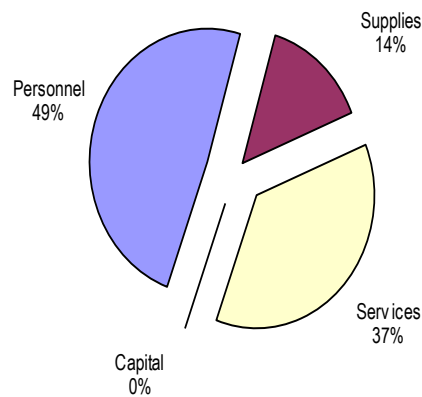
1. **Replacement Purchase** - Building Access and Control System. The current building access control equipment at the Civic Center was installed over 17 years ago when the building constructed. The current equipment and software are no longer supported as vendor is no longer in business. New equipment will include two new control panels, 21 card readers and two keypad readers. A cloud-based software system upgrade is included which allows for remote management of equipment. **\$25,000.**

Removed Objectives

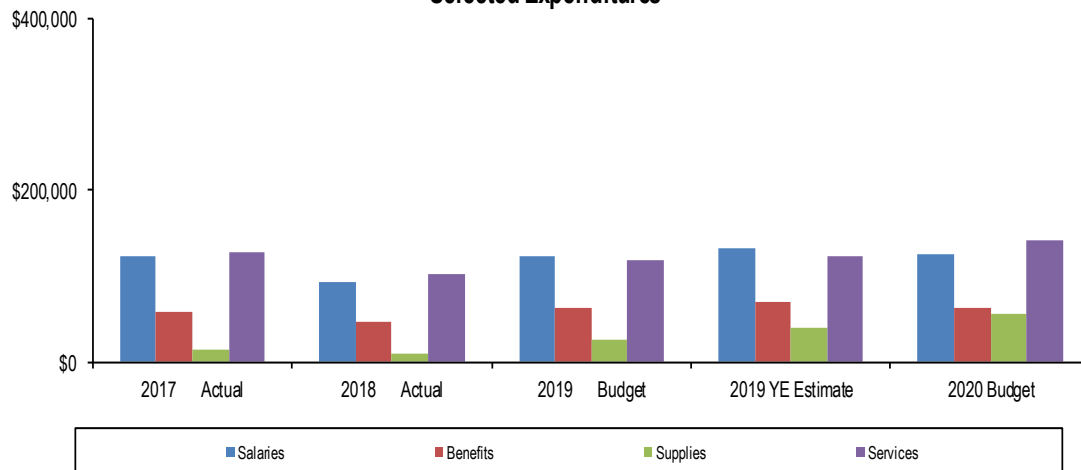
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 123,527	\$ 128,430	\$ 131,700	\$ 149,017	\$ 125,100
Benefits	63,598	62,357	68,550	71,764	63,750
Supplies	25,476	31,179	40,250	25,241	55,250
Services	117,789	677,478	122,475	104,129	141,777
Intergov't charges	-	-	-	-	-
Capital expenditures	-	-	-	-	-
Total expenditures	\$ 330,390	\$ 899,444	\$ 362,975	\$ 350,151	\$ 385,877

2020 Budget



Selected Expenditures



3. SPECIAL REVENUE FUND TYPE	108
Street Operating - Fund 101	110
Street Capital - Fund 102	121
State Drug Investigation - Fund 105	129
Federal Drug Investigation - Fund 106	131
Hotel-Motel Tax - Fund 107	133
Public Art Capital Projects - Fund 108	141
Park Development - Fund 109	146
Civic Center Debt Reserve - Fund 110	152
Strategic Reserve - Fund 111	154
Equipment Reserve - Fund 112	156
Capital Development - Fund 301	158
Capital Improvement - Fund 305	161
Impact Fee Trust - Fund 309	164
Hospital Benefit Zone Revenue - Fund 310	166

**SPECIAL REVENUE FUND
DESCRIPTION OF FUND TYPE**

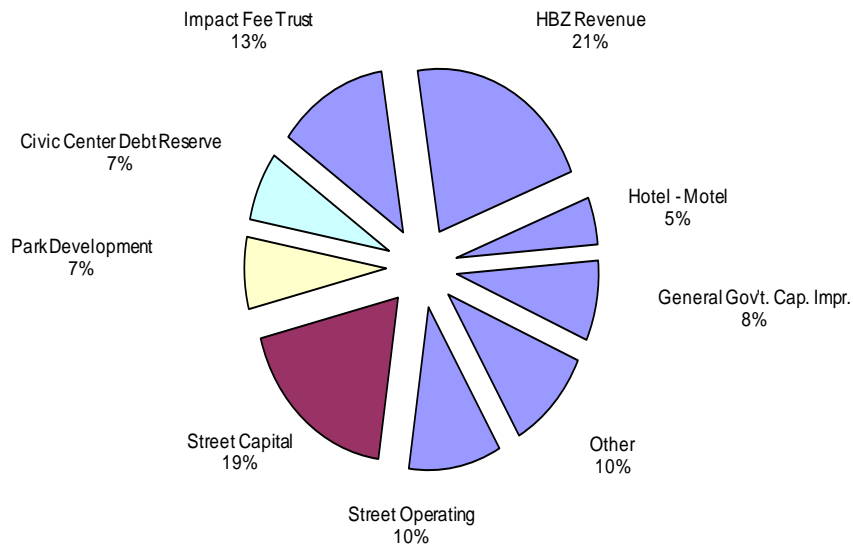
Special revenue funds are used to account for revenues derived from specific taxes or other sources that are designated to finance particular activities of the city.

These funds include Street Operating, Street Capital, State Drug Investigation, Federal Drug Investigation, Hotel - Motel Tax, Public Art Capital Project, Park Development, Civic Center Debt Reserve, Strategic Reserve, Equipment Replacement Reserve, General Government Capital Development, General Government Capital Improvement, Impact Fee Trust, and Hospital Benefit Zone Revenue.

Expenditures By Fund

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Street Operating	\$ 3,238,207	\$ 2,428,042	\$ 3,351,347	\$ 2,964,944	\$ 2,486,379
Street Capital	8,125,090	7,264,794	3,501,827	2,071,529	4,420,339
Drug Investigation State	8,411	8,638	6,849	8,678	8,346
Drug Investigation Federal	19,436	17,992	16,446	16,610	15,149
Hotel - Motel	852,414	957,173	939,595	1,061,622	1,106,846
Public Art Capital Projects	89,106	100,977	131,610	123,665	93,915
Park Development	3,690,977	9,142,800	4,011,045	1,873,480	1,680,391
Civic Center Debt Reserve	1,519,353	1,547,645	1,859,260	1,585,053	1,616,754
Strategic Reserve	662,933	751,140	513,579	514,564	1,804,855
Equipment Repl Reserve	273,888	329,073	321,788	385,319	443,025
Capital Development	1,770,448	2,186,975	897,994	1,088,861	856,394
General Gov't. Cap. Impr.	1,632,547	1,995,771	1,827,106	1,981,233	1,873,382
Impact Fee Trust	3,805,035	2,778,843	1,805,652	2,620,283	2,966,138
Hospital Benefit Zone Revenue	6,272,478	6,537,273	3,493,030	3,487,926	5,049,881
Total Special Revenue	\$ 31,960,323	\$ 36,047,136	\$ 22,677,128	\$ 19,783,767	\$ 24,421,794

2020 Budget



STREET DIVISION - OPERATING

DESCRIPTION OF FUNCTION

The function of the Streets Division - Operating is to provide a safe, functional, efficient and aesthetic transportation system for the movement of people, goods and services through efficient maintenance and construction of improvements to the city's streets, pedestrian corridors, and bicycle routes. The emphasis as a "pedestrian friendly" community is on preservation and enhancement of pedestrian access in the city's residential and commercial areas. More specifically, the functions performed through this fund include:

1. **City roadways.** Maintaining and improving the city's roadways, pedestrian corridors, and bicycle routes that may include the following activities:
 - Street maintenance and repair, including, pavement striping and markings, shoulder grading, chip seals, slurry seals, crack sealing and pavement patching/overlays/rehabilitation or other pavement treatments.
 - Inventory, monitor, and replace as necessary street signs to maintain compliance with federal, state, and local standards.
 - Street reconstruction.
 - Sidewalk and walkway construction, improvement and/or replacement.
 - Installing and maintaining street and pedestrian lighting and traffic control devices (signs and signals).
 - Snow removal and ice control.
 - Street tree maintenance where not the responsibility of the adjacent property owner or utility company.
 - Guardrail inspection and replacement.
 - Street cleaning including debris and litter removal.
 - Right-of-way encroachment permit issuance and inspection of activities within the right-of-way consistent with the provisions of city code and state law.
 - Administer the Adopt-a-Road program that provides an opportunity for community groups to volunteer their services to assist staff in removing debris and litter from city rights-of-way.
2. **Transportation system.** Developing a transportation system that balances the need for enhanced community and neighborhood livability with the need for safe and efficient access to commercial and employment centers for the movement of people, goods and services.
3. **Transportation options.** Preserving and enhancing multi-modal transportation options through cooperation and participation with other agencies in development of programs and projects.
4. **Funding.** Searching and applying for supplemental funding to support transportation system functions and objectives as identified in the adopted Comprehensive Transportation Plan and current Six-Year Transportation Improvement Program (TIP).

5. **Development review and inspections.** Reviewing and inspecting development proposals and projects for conformance with city standards, the Comprehensive Transportation Plan, both the Six-Year and Twenty-Year Transportation Improvement Programs (TIP), concurrency requirements, applicable State Environmental Policy Act (SEPA) mitigation and/or impact fee requirements, and accepted engineering and construction practices.
6. **Concurrency.** Managing the concurrency and traffic impact fee programs consistent with city codes.
7. **Fleet.** Maintenance of light and heavy-duty vehicles (including police) and off-road equipment owned and operated by the city, acquisition of new city vehicles and the resale of city vehicles that have reached the end of their useful life. This function also manages the purchasing, storing and distribution of fuels and automotive parts, contract and vendor management and other fleet related duties that support city operations.
8. **Comprehensive Transportation Plan.** Updating and implementing both the Six-Year and Twenty-Year Transportation Improvement Program (TIP) consistent with the city's Comprehensive Plan and Transportation Element (Comprehensive Transportation Plan), and annual budget.
9. **Capital Improvement Program.** Continue to work with federal, state, and local agencies (Pierce County, Kitsap County, Pierce Transit, and Tacoma Public Utilities), citizens, property owners, developers, elected officials, and Planning and Building to identify facility improvement needs, and develop and secure funding for construction of transportation facility improvement projects in accordance with both the city's Six-Year and Twenty-Year Transportation Improvement Program (TIP), Comprehensive Transportation Plan, and the city and funding agency requirements.
10. **Transportation Improvement Program.** Develop and implement the annual update to both the Six-Year and Twenty-Year Transportation Improvement Program (TIP), consistent with the Comprehensive Transportation Plan, and annual budget.
11. **Sidewalk restoration program.** Develop and implement a sidewalk maintenance program modeled on successful programs at other agencies and utilizing the current annual sidewalk inventory to identify and prioritize sidewalk sections needing repair and/or replacement.
12. **Traffic management.** Continue to work with the Gig Harbor Police Department, concerned citizens, business and property owners, and elected officials to identify, monitor, and resolve traffic control and parking issues.

13. **Pavement management system.** Continue to refine and utilize a pavement management system to classify needed maintenance activities for all city streets. The program will account for all annual repair and rehabilitation measures to be incorporated annually to extend the life of the city's pavement system.

STREET DIVISION - OPERATING
NARRATIVE OF GOALS 2020 – 2025

1. **Fleet maintenance.** Initiate a more comprehensive fleet maintenance program to perform routine maintenance activities and manage a maintenance management system for city-owned vehicles and equipment. This effort will be coordinated with an Equipment Rental and Revolving (ER&R) program developed by the Finance Department to better track equipment usage and costs, and to provide a systematic replacement mechanism. **2020 - 2025.**
2. **Sign inventory.** Continue to work on the GIS mapping system to include street name and directional signage. **2020 - 2025.**
3. **Annual transportation capacity availability and traffic model update.** As required per the city's municipal code, annually update the city-wide traffic capacity availability report and city-wide traffic model. **2020 - 2025.**
4. **Complete streets adoption.** Adopt and implement street construction standards, which promote the integration of both motorized and non-motorized forms of travel. **2020 - 2025.**
5. **Citywide street signage reflectivity program.** Develop and continue towards the adoption of the federally mandated change-out of all city signs and pavement markings to be compliant with new Manual on Uniform Traffic Control Devices (MUTCD) reflectivity standards. **2020 - 2025.**
6. **Neighborhood traffic calming policy.** Develop a policy for adoption by the council that will provide guidance to citizens regarding traffic calming strategies for city neighborhoods. **2020 - 2025.**
7. **Streetscapes.** Maintain existing street planters and landscape improvements and provide additional weed control techniques. Enhance city entrances with additional landscape improvements. **2020 - 2025.**
8. **City-wide Pavement Management Program.** In combination with city and consultant staff, complete a city-wide survey and rating system in the city's major roadways. The results will be used in prioritizing city streets for overlays, chip seals and grant funding opportunities. **2020 - 2025.**
9. **Regulatory Signing and Striping Evaluation and Upgrades.** Field assessment of existing signing and striping installations with modification as necessary to ensure consistency with standards. **2020 - 2025.**
10. **Speed Limit Evaluations.** Perform engineering and traffic investigations as necessary to reevaluate or establish speed limits in accordance with RCW 46.61.415 (WAC 468-95-045). **2020 – 2025.**

11. **Roadway Shoulder Maintenance Program.** Develop and institute a periodic and routine roadway shoulder maintenance program utilizing the Interlocal Agreement with Pierce County. **2020 - 2025.**
12. **ADA City Sidewalk and Curb Access Ramp Transition Plan.** Complete the inventory of all the City's sidewalks and ramps, and formally adopt the ADA transition plan. Continue the conversion of the non-compliant intersection curb ramps. **2020 – 2025.**
13. **Update Federal Functional Classification Roadway Update.** Annually analyze and update the city's roadway classification through WSDOT. **2020 - 2025.**
14. **Cushman Trail Non-Motorized Connections.** Promote non-motorized connections to the Cushman Trail to promote connectivity between the trail and parks, schools, adjacent neighborhoods, and businesses. **2020 - 2025.**
15. **Maintain roadway facilities to achieve the City's intersection Level of Service standards.** Continue to require traffic impact mitigation to intersections and or streets, when a proposed development would degrade an intersection and streets below the City's adopted Level of Service for that intersection and street segment. **2020 – 2025.**
16. **Transportation Element Update.**

**STREET DIVISION - OPERATING
NARRATIVE OF OBJECTIVES 2020**

Mayor & Department Supported Objectives

1. **ADA Self-Evaluation & Transition Planning Program.** Complete and Adopt the Public Works ADA Transition plan and allocate monies to continue the replacement of the non-conforming curb ramps. **\$100,000.**
2. **On-Call Transportation Engineering Assistance.** Utilize the services on an on-call professional traffic engineer to address various issues that are in need of a solution when City Staff are not available or do not have the resources. The majority of this expenditure is pass through monies funded by the developer \$25,000 and the remainder, \$15,000, is City expenditure. **\$40,000.**

Removed Objectives

1. **Annual Pavement Maintenance and Repair Program.** Perform pavement repair and chip sealing of five roadway sections (45th St Ct., Briarwood Lane, Pt. Fosdick Dr, Wollochet Dr, and Hollycroft St). Pavement maintenance and repairs include ADA improvements where required. **\$750,000**
2. **Public Works Standards Update.** Hire a consultant to assist Staff with a comprehensive update to the City's Public Works Standards. **\$30,000.**

**STREET DIVISION - OPERATING
CAPITAL AND EQUIPMENT OUTLAY 2020**

Mayor & Department Supported Capital Outlay

1. **New Purchase – Foamstream Spraying Distribution System.** This equipment provides a healthy alternative to chemical spraying by distributing an herbicide-free solution to control unwanted vegetation. The system uses heat with a biodegradable foam, making it safe for use around people, animals and delicate environments. This would be an alternate to the City's use of glyphosate in public spaces and eliminate potential health hazards. **\$60,000 (Parks \$30,000, Streets \$30,000).**
2. **Replacement Purchase – 2020 Chevrolet Silverado.** Replace truck #2015, 2008 Chevrolet Silverado ¾ ton pickup. This vehicle has over 107,000 miles and is beginning to require expensive maintenance. Reliability of this vehicle will be an issue moving forward. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$32,500 (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125).**
3. **Replacement Purchase – Four (4) Variable Message Signs.** This would fund the replacement of the remaining older VMS boards that are ten (10) years old. The boards require a significant amount of staff time and parts to maintain. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$73,000 (Park \$14,600, Street \$14,600, Water \$14,600, Wastewater \$14,600, Storm \$14,600).**
4. **Replacement Purchase – Mini Excavator.** A mini excavator is a compact, lightweight alternative to the use of a more expensive backhoe replacement purchase. A mini excavator can fit in smaller job sites, minimize top ground damage and provide for greater use. Existing equipment will be traded in to defray expense. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$65,000 (Parks \$13,000, Street \$13,000, Water \$13,000, Storm \$13,000, Wastewater \$13,000).**
5. **New Purchase – Public Works Facility Security.** Add security cameras to monitor perimeter of buildings and property. **\$5,000 (Parks \$1,250, Street \$1,250, Water \$1,250 Storm \$1,250, grant funded?).**
6. **Replacement Purchase – Computers.** Replacement computers and laptops for Public Works/Engineering staff. Current systems will be obsolete and unable to run Microsoft Windows 10 and associated software. **\$20,000 (Parks \$4,400, Street \$4,400, Water \$4,400, Storm \$4,400 Wastewater \$2,400)**

7. **Replacement Purchase – V-Box Sand Spreaders.** Replacements for two (2) aging sanding equipment. Heavy duty spreaders are installed on existing 1-ton pickup trucks. This equipment will be used to spread salt and sand on city side streets. **\$15,000.**
8. **Replacement Purchase – GPS Receiver Kit.** Purchase a GPS receiver kit with software. Current system is out of date and no longer supported. A new kit will allow for great accuracy and efficiency in provide accurate project information and data. **\$12,000 (Parks \$2,400, Street \$2,400, Water \$2,400, Storm \$2,400 Wastewater \$2,400).**
9. **Cumulative Reserve Vector Truck Fund.** This would fund a vector truck in the 2020 Budget totaling approximately \$500,000. The existing vector would be sold at auction after the new vector is operational. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$250,000 (Parks \$12,500, Street \$12,500, Water \$25,000, Storm \$100,000, Wastewater \$100,000).**

Removed Capital Outlay

3. **New Purchase – Municipal Cleaning Vehicle (MCV).** Purchase of equipment with flexible, environmentally friendly, cleaning abilities in maintenance of pervious surfaces, sidewalks, pathways as well as small spill recovery capability. **\$230,000 (Parks \$76,666, Streets \$76,666, Storm \$76,666).**
4. **New Purchase – 2020 Chevrolet Silverado.** Pickup truck with hands free technology to be assigned to supervisor. New addition to fleet will allow for the supervisor's older vehicle to be used by crew. **\$32,500. (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125).**

Total Street Capital and Equipment Outlay is \$101,275

CITY OF GIG HARBOR

STAFF ADJUSTMENT REQUEST FORM

A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.

Position Title:	Department:	Fund:
Laborer (Street Sweeper)	Public Works	Parks, Street, Storm
Salary Range From:	Salary Range To:	Change Date:
\$ 43,776	\$ 54,720	January 1, 2020
Department Contact:		Jeff Langhelm
Choose Type of Adjustment Request		Priority: 2

Description of Request:

Public Works Operations Division proposes hiring a Laborer to perform both general Parks maintenance duties (0.4 FTE) and street sweeping duties (0.6 FTE). Current staffing levels will be stretched thin to provide support to new facilities and parks that have been added in 2019 and will be improved in 2020. Additionally, to reduce ongoing and expensive storm drain cleaning effort Public Works proposes to increase the City's street sweeping efforts so as to remove debris from roadways before it enters the City's storm drains.

Advantage of Approval / Implication of Denial:

The Parks Laborer portion supports the increasing workload required to maintain parks and streetscapes. Without this position the City may have to defer maintenance tasks leading to a rate of significant deterioration of facilities and equipment. The department will be unable to meet the level of service anticipated by residents, businesses, elected officials and staff.

The Street Sweeper position will provide for an employee dedicated to clean and maintain streets and impervious areas. This employee would be proficient in street sweeping operations and the care and maintenance of street sweeping equipment. Without this position the City will have to pull a full time employee and disrupt the crew's work schedule to perform these duties. This position allows for them to focus on maintenance tasks. The department may be unable to maintain streets and their cleanliness to the level of service anticipated by residents, businesses, elected officials and staff.

Alternatives (Delaying Funding / Partial Funding):

The volume of work and type of work performed by the Parks Laborer position is year round work and therefore not adequate to use seasonal employees. Additionally, the use of seasonal hires limits administrations abilities to efficiently develop and use staff because of training and need for knowledge of specific site safety.

The volume of work and type of work for the Street Sweeper position will be year round work as they will transition to snow removal duties in the event of inclement weather. The training and knowledge of specific street equipment calls to the need for this position.

	2020 Annual Costs
Wages	\$ 49,248.00
Benefits	\$ 37,735.00
Total	\$ 86,983.00

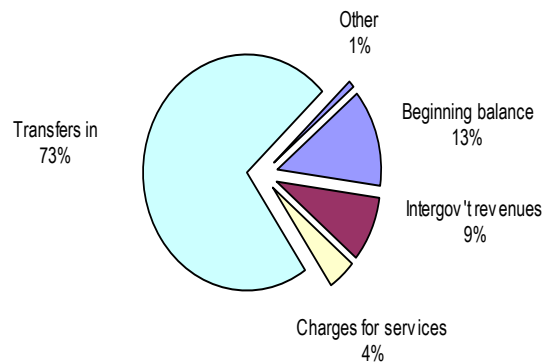
Funding Source Description:

Funded by Parks (0.6 FTE), Street (0.2 FTE), and Storm (0.2 FTE) Operating funds

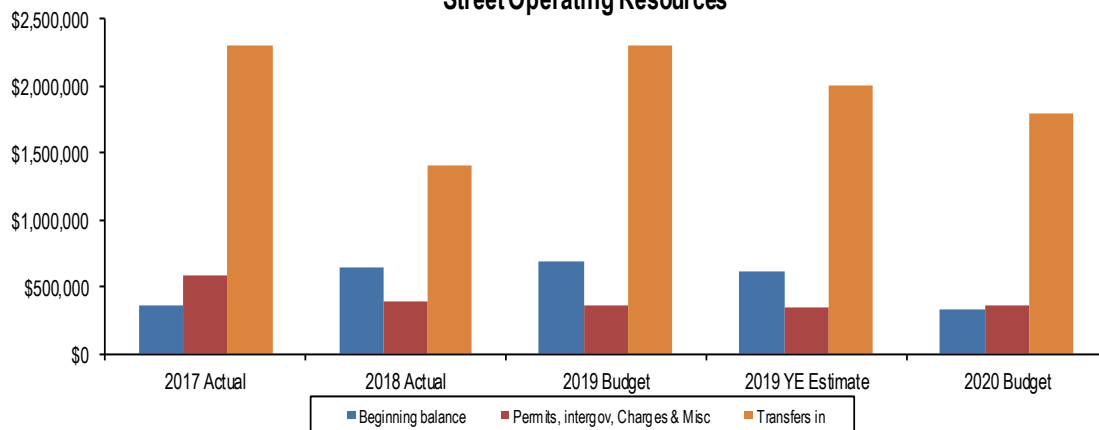
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 353,565	\$ 643,006	\$ 689,790	\$ 612,392	\$ 331,063
Licenses & permits	19,597	21,910	20,000	15,000	15,000
Intergov't revenues	206,028	222,730	235,874	216,804	222,579
Charges for services	355,445	117,406	98,683	105,966	108,512
Miscellaneous	(940)	9,638	7,000	8,396	8,500
Transfers in	2,300,000	1,400,000	2,300,000	2,000,000	1,800,725
Other	4,512	13,352	-	6,386	-
Total revenues	2,884,642	1,785,036	2,661,557	2,352,552	2,155,316
Total resources	\$ 3,238,207	\$ 2,428,042	\$ 3,351,347	\$ 2,964,944	\$ 2,486,379

2020 Budget

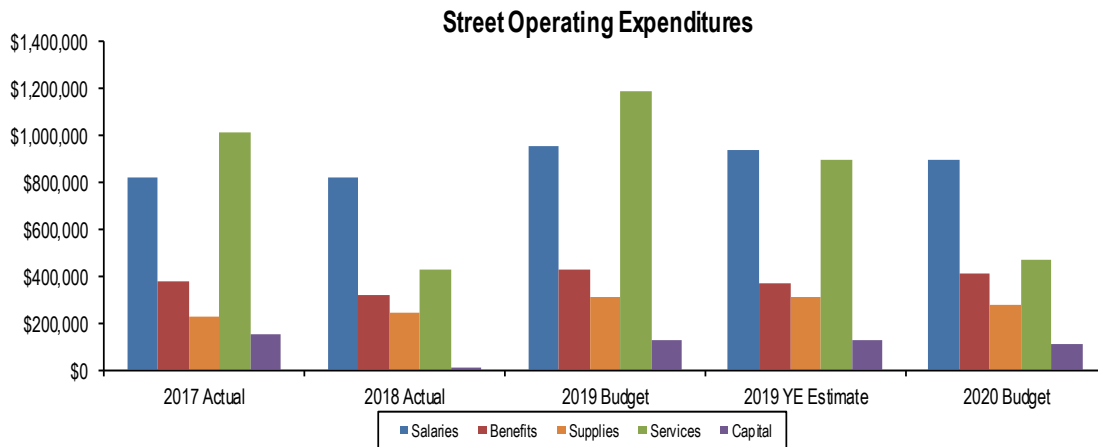
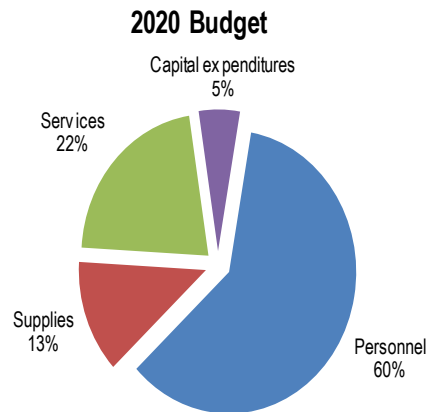


Street Operating Resources



Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 822,226	\$ 821,754	\$ 951,200	\$ 939,733	\$ 896,300
Benefits	376,461	315,549	428,675	366,871	409,200
Supplies	228,188	244,818	309,497	307,525	279,705
Services	1,014,217	428,517	1,185,552	894,752	469,056
Capital expenditures	154,109	5,012	125,575	125,000	113,125
Total expenditures	2,595,201	1,815,650	3,000,499	2,633,881	2,167,386
Ending balance	643,006	612,392	350,848	331,063	318,993
Total uses	\$ 3,238,207	\$ 2,428,042	\$ 3,351,347	\$ 2,964,944	\$ 2,486,379



STREET DIVISION - CAPITAL
DESCRIPTION OF FUNCTION

This fund accumulates resources for major street capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include general fund contributions, grants, and private contributions.

STREET DIVISION - CAPITAL
NARRATIVE OF GOALS 2020 – 2025

1. **Transportation Improvement Plan Implementation.** From the results of the recently completed “Connect the Gig” City-wide transportation plan update, prioritize and construct the necessary capital and operational improvements. **2020-2025.**
2. **Transportation Level of Service and Capacity Improvements.** Continue to maintain and update the City’s intersection level of service and roadway capacities and construct those capital projects that will help alleviate intersection and/or intersection leg improvements. **2020-2025.**
3. **ADA Transition Plan.** Formally complete and adopt an ADA transition plan related to the replacement of non-compliant City curb ramps. Complete the inventory of city wide intersection curb ramps, prioritize, fund and construct the replacement curb ramps that are non-compliant. **2020-2025.**
4. **Public Works Maintenance Facility Site Plan Design and Construction.** Replace the antiquated maintenance facility with a functional facility to include provisions for meeting space, additional staff parking, sewer connection, equipment and material storage, administrative functions, staff areas, and a decant facility. **2020-2025.**
5. **50th Street Extension.** Pursue and secure funding to complete the construction of pavement, curb, gutter, sidewalk, and lighting improvements between Veteran’s Memorial Park and 38th Avenue. **2020 – 2022.**
6. **38th Avenue Improvements – Phase 1A.** Design, permit, and construct roadway, sidewalk and bike lane improvements and related stormwater facilities along 38th Ave. between city limits and Hunt Street in a multi-phase project. **2020-2025.**
7. **Grandview Street Improvements - Phase I & II.** Construct pavement, curb, gutter, lighting, and sidewalks on both sides of Grandview Street between Stinson Avenue and Pioneer Way and also between Soundview Drive and the Civic Center. **2020-2025.**
8. **Stinson Ave Corridor Improvements (Grandview to Harborview Drive).** Design, permit and construct a series of corridor improvement projects between Harborview Dr. and Grandview. Improvements consist of the following: Stinson/Rosedale roundabout, Stinson/Harborview Dr. roundabout. Improvements along Stinson will consist of an HMA overlay and upgrade the existing non-compliant curb ramps to ADA standards. This project will occur after completion of the watermain replacement in Stinson Avenue. The city has received a pavement preservation grant for the HMA overlay in the amount of \$515,000. The City is required to utilize this grant no later than the end of 2019 or the City will lose this grant. **2020-2025.**

9. **Borgen/Burnham Drive/SR 16 Long-Term Improvements.** Continue to monitor current traffic volumes at this interchange as recommended in WSDOT's completed SR 16 Corridor Congestion Relief Study, and work on financial opportunities towards funding the long-term improvements, including ramp metering on the Burnham approach to the SR16/Burnham/Borgen roundabout. **2021 – 2024.**
10. **Wollochet Drive/Wagner Way Intersection.** Re-evaluate the proposed intersection improvements based on the 2018 consultant study and reconsider as part of the 2020 Budget. **2021 -2024.**
11. **Borgen Boulevard Street Lighting between Burnham and 51st to lower roundabout.** Install street lighting on Borgen Boulevard. **2020 – 2022.**
12. **Electric Vehicle Charging Stations.** Install more Level 2 vehicle charging stations. **2020-2021.**
13. **SR 16 Corridor Congestion Relief.** Continue to Lobby the State and Federal Legislatures for continued support and monies continue the SR-16 congestion relief study, identify preferred east/west connections across SR-16, and obtain the necessary construction funds to fund these corridor relief projects, including the future Hunt St/SR-16 overcrossing. **2020-2025.**

STREET DIVISION - CAPITAL
NARRATIVE OF OBJECTIVES 2020

Mayor & Department Supported Objectives

1. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center, including payment of all necessary utility general facility charges and transportation impact fees. This work assumes the City continues with the existing approved site plan and design review board approval. This work does not consider design or expenses for furnishings. **\$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).**
2. **Stinson Avenue Pavement Overlay (Grandview to Rosedale).** Complete the design, permitting, and construction of approximately 2,700 LF of pavement overlay along Stinson Avenue between Rosedale Street and Pioneer Way. The project will provide an HMA overly, and upgrade the existing non-compliant curb ramps to ADA standards. This project will occur after completion of the watermain replacement in Stinson Avenue. The city's pavement preservation grant from PSRC must be obligated by December 2019. **\$750,000 (\$515,000 PSRC pavement preservation grant, \$235,000 general fund).**
3. **Stinson / Rosedale Roundabout.** Complete the design, permitting, right-of-way acquisition, and construction of a roundabout. Funding is from the City's Transportation Impact Fee fund. Pursue TIB grant funding for construction. **\$750,000 (\$375,000 HBZ, \$375,000 general fund).**
4. **Stinson / Harborview Intersection Improvements.** Complete the design, permitting and right-of-way acquisition, and construction of intersection improvements at Stinson Avenue and Harborview Drive. Due to economies of scale for permitting and civil construction costs, this work will include the construction of 10 on-site parking stalls at Eddon Boat Park. Pursue TIB grant funding for construction. **\$1,330,000 (\$835,000 TIB grant, \$415,000 HBZ, \$80,000 Parks Capital)**
5. **38th Avenue Improvement Project – Phase 1A.** Complete the design, permitting and construction of approximately 2,000 LF of street corridor improvements along 38th Avenue consisting of bike lanes, sidewalk, planter strip and pedestrian lighting on the east side between the City limits and Briarwood Lane. This project includes the first phase of improvements to provide pedestrian safety in City limits leading to two schools located just outside City limits. This phase will require coordination with Pierce County to continue improvements to the schools. Pursue DOE grant funding for construction. **\$750,000 (\$250,000 DOE grant, \$500,000 local funds).**

6. **Mid-Block Rapid-Flash Beacon Crosswalk System.** Purchase and install a pedestrian crosswalk at 50th St Ct. Improve access to Veterans Memorial Park. **\$25,000.**
7. **Judson Street One-Way.** Conceptual design, permitting and cost estimating for modification of Judson St. to a one-way street between Stanich Ln and Soundview Dr. Design work to be performed in-house by staff. If a conceptual design is approved, the City would proceed with the traffic revisions. Traffic modeling, survey, and ROW verification would be performed by a consultant. Traffic modifications would be performed by a contractor. **\$70,000.**
8. **Transportation Planning Update.** Update the Transportation Element modeling scenarios and analyses of transportation improvements that will be necessary in the future and update the recommended schedule for implementation, with the assistance of the Planning Division. **\$25,000.**
9. **Prentice Ave. and Fennimore St. 1/2-Width Roadway Improvement – Design and Permitting.** Complete the design and permitting associated with approximately 1,200 LF of roadway corridor improvements along portions of Prentice Ave. and Fennimore St. where gaps exist. Improvements will be consistent with the Public Works Standards for one side of the roadway. **\$190,000 (partial funding through grants).**
10. **Burnham Drive and Harborview Drive 1/2-Width Roadway Improvements – Design and Permitting.** Complete the design and permitting associated with approximately 1,400 LF of roadway corridor improvements along portions of Burnham Drive (between Harborview Dr. and Harbor Hill Dr.) and Harborview Drive (between Austin St. and Burnham Dr.) where gaps exist. Improvements will be consistent with the Public Works Standards for one side of the roadway. Some sections of the improvements will be completed by developers. **\$225,000 (possible funding through grants).**
11. **Harbor History Museum Driveway Entrance Revision.** Revise the sidewalk and driveway grade at the entrance to the Harbor History Museum to reduce the large change in grade that exists. The design work will be completed in-house and the construction work will be completed as a small public works contract. **\$33,000 (REET or general fund?).**

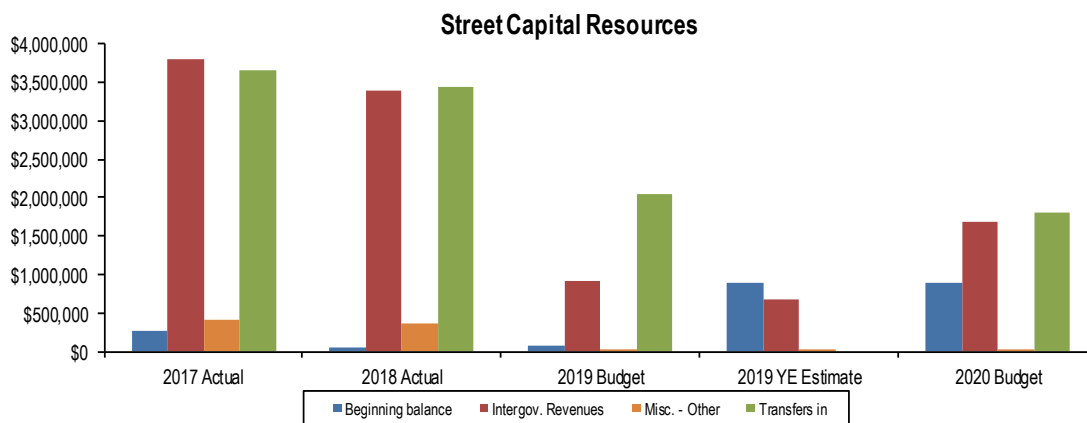
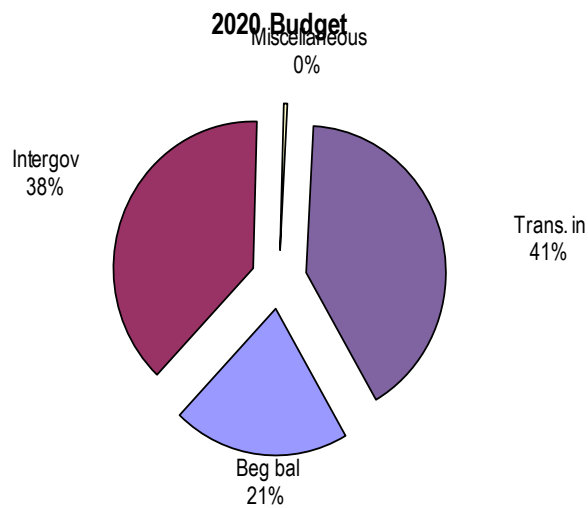
Removed Objectives

1. **Wagner / Wollochet Intersection Improvements.** Construct intersection improvements at this intersection at Wollochet Drive and Wagner Way. **\$970,000. (\$80,000 in remaining SEPA developer contributions and \$890,000 in local funds).**
2. **Street Lights on Borgen Boulevard.** Install three (3) 30' street lights along the north side of Borgen Boulevard between 51st Ave and Harbor Hill Drive. This area has already been developed without street lights. **\$31,500.**

3. **Street Lights on Borgen Boulevard.** Install three (3) 30' street lights along the north side of Borgen Boulevard between the Cushman powerline crossing and 51st Ave. This area has already been developed without street lights. **\$31,500.**
4. **Street Lights on Borgen Boulevard.** Install five (5) 30' street lights along the south side of Borgen Boulevard between the Cushman powerline crossing and 51st Ave. This area has already been developed without street lights. **\$52,500.**

Resources

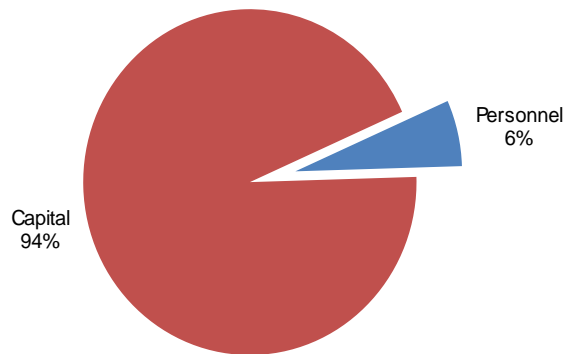
Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 270,833	\$ 65,229	\$ 72,994	\$ 902,390	\$ 902,293
Intergov't revenues	3,796,771	3,388,166	915,000	683,976	1,695,000
Charges for services	-	-	-	-	-
Miscellaneous	410,451	361,026	5,000	26,830	18,046
Transfers in	3,647,035	3,450,373	2,050,500	-	1,805,000
Other	-	-	458,333	458,333	-
Total revenues	7,854,257	7,199,565	3,428,833	1,169,139	3,518,046
Total resources	\$ 8,125,090	\$ 7,264,794	\$ 3,501,827	\$ 2,071,529	\$ 4,420,339



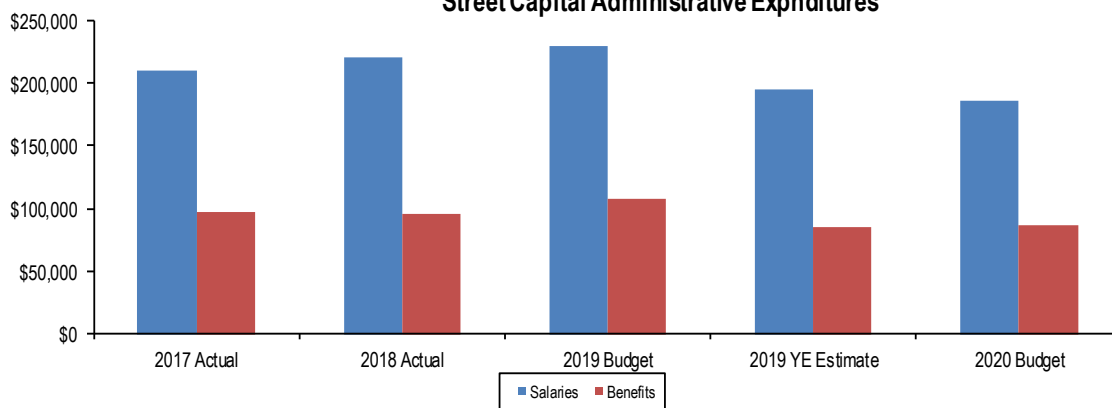
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 210,813	\$ 220,121	\$ 229,000	\$ 194,779	\$ 186,000
Benefits	97,633	96,286	107,700	85,798	86,500
Services	-	-	-	-	-
Capital expenditures	7,748,541	5,682,059	2,748,833	888,659	4,132,873
Transfers out	2,874	353,000	-	-	-
Total expenditures	8,059,861	6,351,466	3,085,533	1,169,236	4,405,373
Ending balance	65,229	913,328	416,294	902,293	14,966
Total uses	\$ 8,125,090	\$ 7,264,794	\$ 3,501,827	\$ 2,071,529	\$ 4,420,339

2020 Budget



Street Capital Administrative Expenditures



**STATE DRUG INVESTIGATION FUND
DESCRIPTION OF FUNCTION**

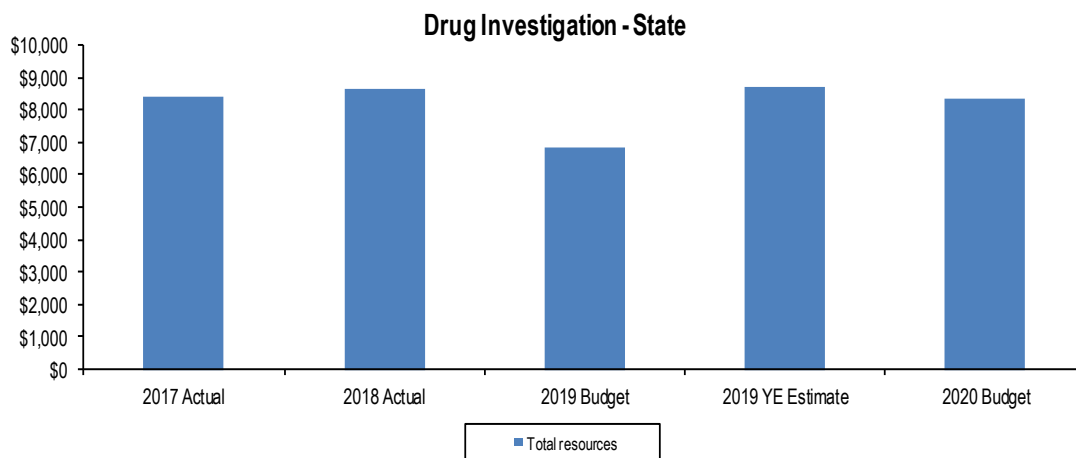
Proceeds from the sale of property seized during drug investigations and forfeited pursuant to state law are accumulated in this fund. These monies are used to pay for overtime, equipment and supplies related to drug investigations and related activities.

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 8,387	\$ 8,411	\$ 6,729	\$ 8,411	\$ 8,182
Fines & forfeits	-	-	-	77	-
Miscellaneous	24	227	120	190	164
Total revenues	24	227	120	267	164
Total resources	\$ 8,411	\$ 8,638	\$ 6,849	\$ 8,678	\$ 8,346

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ -	\$ 742	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	43	-	496	-
Services	-	-	1,758	-	-
Intergov't charges	-	-	-	-	-
Total expenditures	-	785	1,758	496	-
Ending balance	8,411	7,853	5,091	8,182	8,346
Total uses	\$ 8,411	\$ 8,638	\$ 6,849	\$ 8,678	\$ 8,346



**FEDERAL DRUG INVESTIGATION FUND
DESCRIPTION OF FUNCTION**

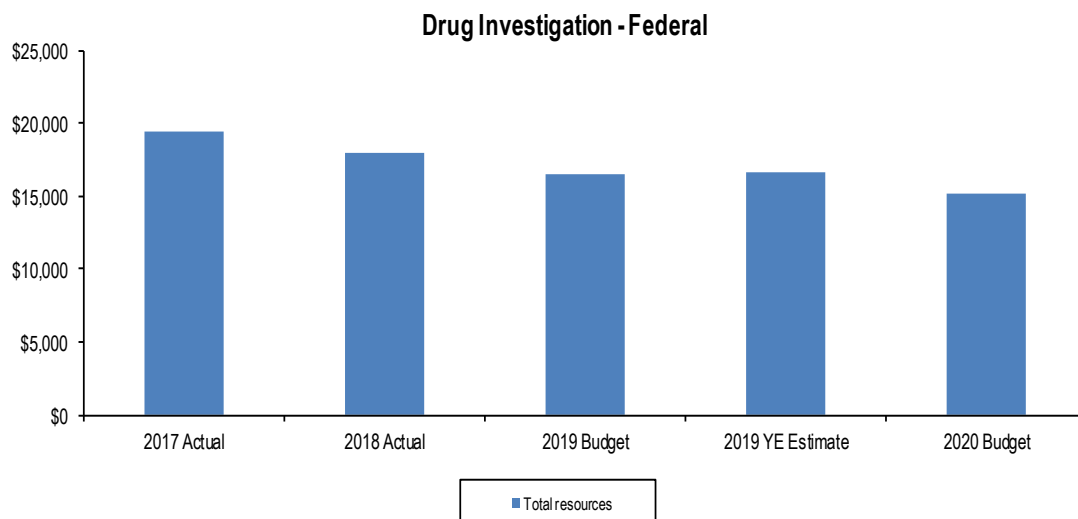
Proceeds from the sale of property seized during drug investigations and forfeited pursuant to federal law are accumulated in this fund. These monies are used to pay for overtime, equipment and supplies related to drug investigations and related activities.

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 19,382	\$ 17,678	\$ 16,136	\$ 16,234	\$ 14,852
Miscellaneous	54	314	310	376	297
Total revenues	54	314	310	376	297
Total resources	\$ 19,436	\$ 17,992	\$ 16,446	\$ 16,610	\$ 15,149

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	1,758	1,758	1,750	1,758	1,750
Intergov't charges	-	-	-	-	-
Capital	-	-	-	-	-
Total expenditures	1,758	1,758	1,750	1,758	1,750
Ending balance	17,678	16,234	14,696	14,852	13,399
Total uses	\$ 19,436	\$ 17,992	\$ 16,446	\$ 16,610	\$ 15,149



HOTEL – MOTEL TAX FUND

DESCRIPTION OF FUNCTION

The lodging tax is collected by the city upon the sale or the furnishing of lodging. Revenues generated by this tax may be used for the following:

- Tourism Promotion/Marketing
- Operation of a Tourism Promotion Agency
- Operation of a Tourism-Related Facility owned or operated or non-profit organization
- Operation and/or Capital Costs of a Tourism-Related Facility owned by a municipality

The Tourism & Communications Department is responsible for managing the city's lodging tax fund. This involves keeping all records of expenditures, contracts and partnerships.

The Tourism & Communications office will annually prepare and implement a marketing and advertising plan. The Department will create a budget that promotes tourism and lodging activities with focus on meetings markets, off-season travel, leisure travel and group travel. Continued efforts set forth in the Tourism Strategic Plan includes the branding of community, advertising, maintenance of the official city visitor and meeting planner website, creation and distribution of the official visitor guide, maintenance of a photo library, and presentation of Gig Harbor as a destination to tour operators, meeting planners and travel writers. This office is the staff contact for the Lodging Tax Advisory Committee and also coordinates the Lodging Tax Fund application process.

The Tourism & Communications office serves as the contact for media requests for information. This includes creation and distribution of press kits, press releases for both tourism and city issues and topics, management of: a tourism website, e-newsletter, city and tourism social media accounts; and assistance to the City Administrator, Mayor, and Chief of Police for city public information in an emergency. The Department is not the official spokesperson(s) for the City.

The Tourism & Communications office shall provide public outreach for the city and its functions and work directly with public requests for visitor information on Gig Harbor including fulfillment of all web, phone and mail requests for information. The office works collaboratively with community partners on managing the visitor information centers at the Gig Harbor Chamber of Commerce and Skansie House locations by providing materials and volunteer support and training.

The Tourism & Communications office provides support and promotion of community-enhancing activities and efforts, serving to maintain and strengthen community ties to sustain a robust and thriving local economy. The Department shall serve as liaison for the Gig Harbor community, its organizations, committees and businesses to other area tourism, economic development and marketing organizations throughout the region and state.

The Tourism & Communications Office also manages and coordinates several popular and enriching city-sponsored community events, including Summer Sounds at Skansie, Friday Movies in the Park and Annual Tree Lighting.

HOTEL – MOTEL TAX FUND
NARRATIVE OF GOALS 2020 - 2025

1. **Promote identity.** Promote and enhance awareness of Gig Harbor as a charming and authentic maritime community by creating and maintaining a marketing image and brand through a comprehensive tourism website, highly visible travel advertising, editorial media in publications, radio and television presence and collateral materials.
2. **Provide visitors and residents information and services to capitalize on Gig Harbor/Peninsula amenities.** Maintain the City Tourism & Communications office. Provide signage and interpretive information throughout the city that relates to brand image. Maintain city visitor information kiosks around town, including the pedestrian friendly digital kiosk at the Welcome Plaza at Jerisich Dock. Utilize local communication avenues (such as real-time marketing to react quickly to events and news happening online) to promote Gig Harbor events and attractions to residents within the greater Pierce County area. Utilize words such as “What’s Happening Tonight” for social media marketing.
3. **Capture a larger share of the Northwest regional market.** Target everything within a three-hour drive radius for recruitment of tours, sport travelers, conventions, eco-tourism, seminars, retreats, families, couples and weddings. Continue to focus on off-season building of “heads-in-beds” in hotels through development of a seasonal promotional campaign, local amenities, conventions, events, hobby groups, activities and travel packages. Continue to promote year-round reasons to visit Gig Harbor. Attend conventions to promote Gig Harbor to tour operators, meeting planners and travel writers, and to learn new and innovative ideas and better ways to be successful. Target Meeting Planners International and Washington State Association of Executives for roles available to bring more awareness to Gig Harbor.
4. **Partner with local and regional groups to capitalize on existing programs and to create a stronger, more viable voice on tourism, marketing and economic development related issues.** Promote collaborative and assessable outcomes with regional and state organizations such as the Tacoma + Pierce County, the Seattle Convention and Visitors Bureau, the Washington Tourism Alliance, Visit Kitsap, the Tacoma Narrows Airport, and other non-profit community programs and issues of importance.

HOTEL – MOTEL TAX FUND
NARRATIVE OF OBJECTIVES 2020

The following projects will be funded and managed through the marketing department. The Tourism & Communications Department will work directly with outside groups when necessary. Funding support may be provided for those projects approved by the Tourism & Communications Office that are in keeping with long term goals and strategic plan, to assist with external marketing efforts.

1. **Marketing & Advertising fund.** The objective of this fund is to promote and market the greater Gig Harbor area in 2020 through our state visitor guide, print advertising, online advertising, website development and/or enhancement, social media, brochure distribution, event promotion, public relations efforts, and trade shows. This fund focuses on leisure and group travel as well as regional reach and off-season travelers. Included is professional photography and professional graphic design. **\$96,500.**
2. **Seasonal Promotion Campaign.** Through possible use of mobile application, social media and/or graphic design, capitalize on Gig Harbor's unique attractions and events to promote off-season visitors. This would be a focused campaign (examples include 'What's Happening Tonight' or 'Ale Trail') with launch and heavy emphasis during the shoulder and off-season 2020. **\$20,000.**
3. **Independent Film Location Campaign.** Promote Gig Harbor to regional filmmakers for purposes of film creation and promotion. **\$5,000.**
4. **Support to Travel Tacoma + Pierce County.** Continue partnership with the Tacoma Pierce County CVB to capitalize on shared resources for leisure travel, tour operators, group meetings, small conventions, public relations, advertising and promotion opportunities. **\$10,000.**
5. **Support to the Kitsap Peninsula Visitor and Convention Bureau.** Partner with Visit Kitsap on web marketing efforts, collaboration on corporate traveler, sport traveler, National Park Service water trails, and leisure traveler campaigns. **\$5,000.**
6. **Pierce Transit –** Contribution for Get Around Gig Harbor Trolley operation. **\$25,000.**
7. **General Fund salary contribution.** Fifty percent of the Tourism & Communications Department salaries come from the General Fund. **50%.**
8. **Floating Fuel Dock Conceptual Design and Feasibility.** Public and State agency outreach, and conceptual design and feasibility for a floating fuel dock in Gig Harbor Bay. **\$35,000.**

The following organizations have asked for these amounts (or more) in their 2020 Lodging Tax Fund Application so they were removed.

1. **Harbor WildWatch VIC Partnership Program.** Contribute to Harbor Wildwatch in return for staffing at the Visitor Information Center at Skansie on weekends throughout the year. **\$2,000.**
2. **Gig Harbor Farmers Market –** Contribute to the Downtown Waterfront Alliance's Waterfront Farmers Market effort in return for marketing of www.gigharborguide.com at the information booth at the weekly market. **\$5,000.**
3. **Harbor History Museum -** Sponsorship of the special exhibition "Bomber Boys: Portraits from the Front," a World War II exhibit based on the collection of a man from Gig Harbor who served with the real-life bomb group featured in the classic novel CATCH-22. **\$7,500.**

**HOTEL – MOTEL TAX FUND
CAPITAL OUTLAY 2020**

Improvements to Skansie House Visitor Information & Interpretive Center.

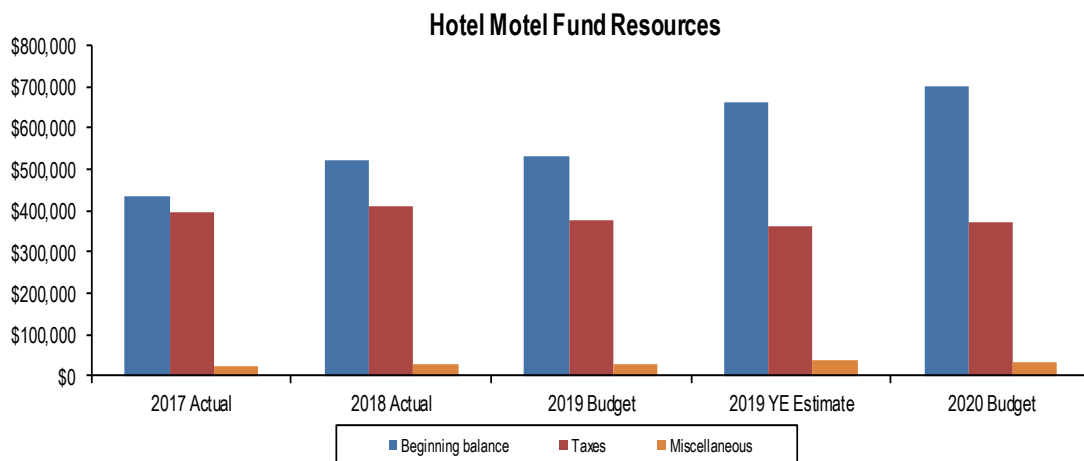
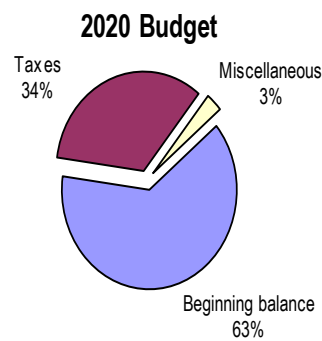
Replacement of broken racks, improvements on basement area. **\$7,000.**

Bogue Roof & Kiosk at Jerisich Dock. Roof replacement and new/improved kiosk at Jerisich Dock. **\$19,000.**

Possible new sign at Stinson, Pioneer, Harbor Hill. \$10,000.

Total Capital Outlay is \$36,000

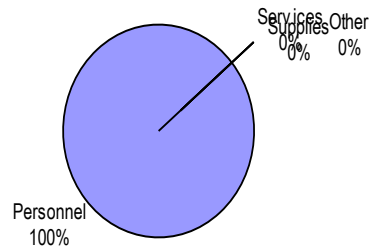
Category	Resources				
	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 434,646	\$ 521,237	\$ 532,962	\$ 662,659	\$ 700,481
Taxes	396,738	408,780	377,633	363,273	372,355
Miscellaneous	21,030	27,156	29,000	35,690	34,010
Transfers in	-	-	-	-	-
Total revenues	417,768	435,936	406,633	398,963	406,365
Total resources	\$ 852,414	\$ 957,173	\$ 939,595	\$ 1,061,622	\$ 1,106,846



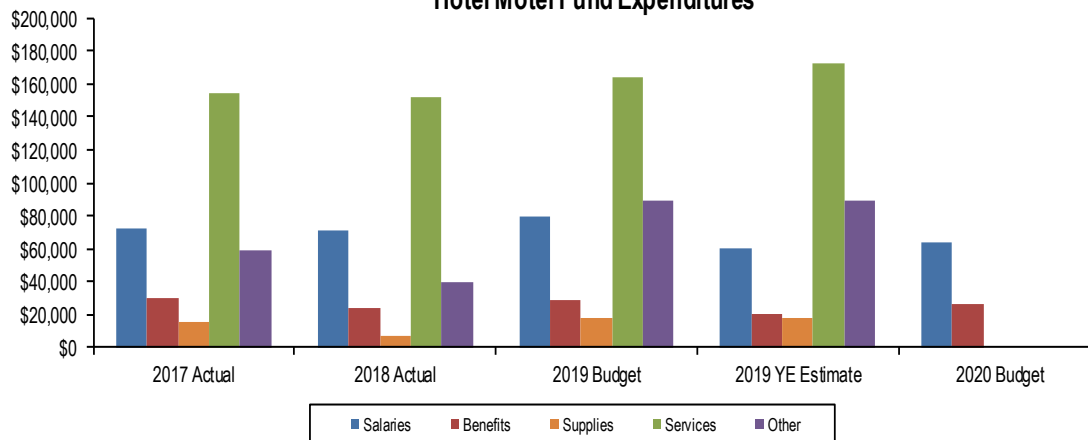
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 72,850	\$ 71,424	\$ 79,200	\$ 60,513	\$ 63,750
Benefits	29,491	24,392	28,400	20,769	26,880
Supplies	15,567	6,963	18,000	18,000	-
Services	153,919	152,639	164,000	172,859	-
intergov	40,000	37,451	25,000	25,000	-
Capital	19,350	1,645	64,000	64,000	-
Transfer out	-	-	-	-	-
Total expenditures	331,177	294,514	378,600	361,141	90,630
Ending balance	521,237	662,659	560,995	700,481	1,016,216
Total uses	\$ 852,414	\$ 957,173	\$ 939,595	\$ 1,061,622	\$ 1,106,846

2020 Budget



Hotel Motel Fund Expenditures



**PUBLIC ART CAPITAL PROJECTS
DESCRIPTION OF FUNCTION**

This fund, established in 2004, will be used to accumulate unspent appropriations of the Arts Commission Project Support Program. The funds accumulated in this fund will be used for Public Art Capital Projects as recommended by the Arts Commission and approved by the City Council.

ARTS COMMISSION
DESCRIPTION OF FUNCTION

The Arts Commission is responsible to the Mayor and Council for providing arts and cultural leadership and to act as advocates for the development of arts and cultural activities for the benefit of Gig Harbor's citizens. The Commission also collaborates with local, regional and national organizations to increase artistic, historic and cultural tourism in Gig Harbor.

**ARTS COMMISSION - OPERATING
NARRATIVE OF GOALS 2020 – 2025**

1. **Addition of Arts + Culture Element to Comprehensive Plan.** In 2019, the Arts Commission proposed the addition of a separate, stand-alone Arts + Culture Element in the Comprehensive Plan. The Commission submitted a draft element to the Planning Department in June 2018, following input from a citizens advisory committee. As part of our research for the new element, we conducted an on-line survey to gauge the public's feelings about arts and culture. More than 900 people responded to the survey and indicated strong support and interest in arts and culture experiences and activities in our community. Commissioners are crafting presentation materials to for the proposed Arts + Culture Element. **2020.**
2. **Creative Endeavors Support.** Continue the program supporting and encouraging creative endeavors within Gig Harbor's varied and diverse arts organizations. **2020 – 2025.**
3. **Arts Intern.** To help implement the goals and objectives of the Arts Commission without imposing on city staff, the Commission would like to seek the assistance of an intern. **2020 – 2025.**
4. **Update the Catalogue of City-Owned Art.** The goal is a more professional looking publication updated with recently acquired art, that can be uploaded to the website and used to develop a future brochure for an art walk project. **2020 – 2025.**
5. **Update Arts Commission information on website.** Provide up-to-date information on the city's webpage. **2020 – 2025.**

**PUBLIC ART CAPITAL PROJECTS
NARRATIVE OF OBJECTIVES 2020**

PUBLIC ARTS PROJECTS

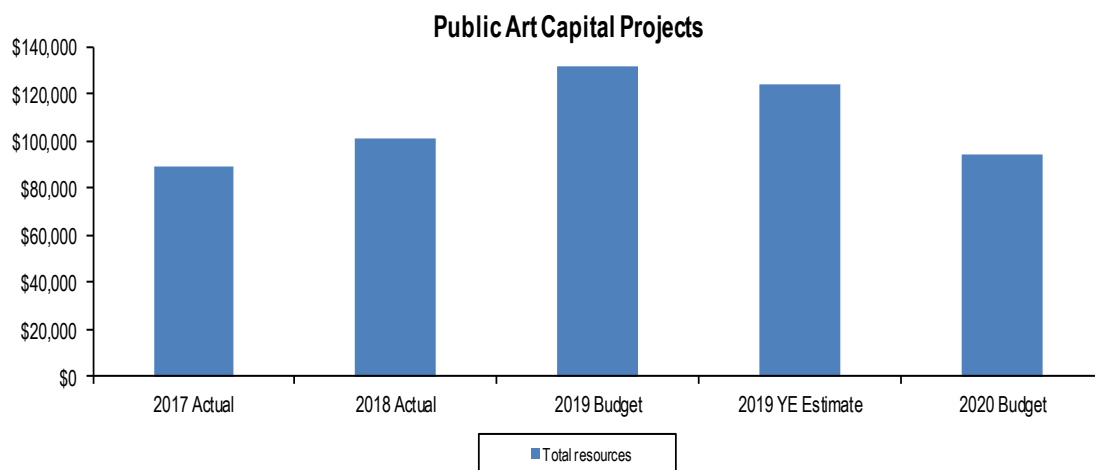
1. **Austin Estuary Park Honor Symbol.** In conjunction with the Puyallup Tribe of Indians, the Gig Harbor Kiwanis Foundation, and the City's Arts Commission, the City Council awarded a contract in 2019 for the placement of an "honor symbol" in Austin Estuary Park to acknowledge the importance of the Tribe as the original residents of Gig Harbor. This project received funding in the 2019 budget and will be completed as part of the 2020 budget. **\$75,000 (\$25,000 donations, \$50,000 Public Arts Capital Projects Fund).**
2. **Shaw Park.** Art to be commissioned upon completion of the park project. Budget to be determined.
3. **Hollycroft / Olympic Drive Triangle.** Art to be commissioned. Budget to be determined.

Resources

	2017	2018	2019	2019	2020
Category	Actual	Actual	Budget	YE Estimate	Budget
Beginning balance	\$ 88,850	\$ 89,106	\$ 110,130	\$ 100,977	\$ 48,665
Miscellaneous	256	1,871	1,480	2,688	25,250
Transfers in	-	10,000	20,000	20,000	20,000
Total revenues	256	11,871	21,480	22,688	45,250
Total resources	\$ 89,106	\$ 100,977	\$ 131,610	\$ 123,665	\$ 93,915

Expenditures By Type

	2017	2018	2019	2019	2020
Category	Actual	Actual	Budget	YE Estimate	Budget
Capital expenditures	\$ -	\$ -	\$ 55,000	\$ 75,000	\$ 75,000
Total expenditures	-	-	55,000	75,000	75,000
Ending balance	89,106	100,977	76,610	48,665	18,915
Total uses	\$ 89,106	\$ 100,977	\$ 131,610	\$ 123,665	\$ 93,915



PARKS DEVELOPMENT
DESCRIPTION OF FUNCTION

The Parks Development fund was established in 1995. Since inception, the resources accumulated through transfers from the General Fund, park impact fees, capital grants, and interest earnings have been used for the purchase and development of civic properties. Park development is prioritized through the adopted Parks, Recreation, and Open Space Plan and assists the City in meeting Growth Management Act goals and implemented through the annual budget process. The 2016 adopted PROS Plan identifies specific recommendations to meet the needs of our growing community over the course of the next twenty years.

PARK DEVELOPMENT
NARRATIVE OF GOALS 2020 – 2025

1. **City-owned Historic Properties.** Prioritize properties for improvements as historic-related grants are available, including the Wilkinson Barn Park, Skansie Netshed. **2020 – 2025.**
2. **Gig Harbor Sports Complex.** Complete design, permitting, and construction in partnership with the YMCA for Phase 1A of the Gig Harbor Sports Complex. Seek grants for Phase 1B. **2020 - 2025.**
3. **City Park at Crescent Creek Master Plan.** Develop a master plan for the existing City Park at Crescent Creek through a robust public process including a phased development approach to implement the approved Plan. **2020 – 2025.**
4. **Cushman Trail Phase 5.** Seek grant funding to build the preferred alignment of the Cushman Trail Phase 5 within the city limits. **2020 - 2025.**
5. **Play Facilities for Youth.** Expand park facilities for youth in new and redeveloped park properties, including facilities for teens. **2020 - 2025.**
6. **Ancich Waterfront Park Float Systems.** Seek funding for the design and construction of a commercial and human-powered float systems at Ancich Park to realize full park utilization. **2020 – 2025.**
7. **Pocket Park.** Conceptual design of a low-maintenance low-cost pocket park of the former well site at Ringold Street and Woodworth Ave. **2020 – 2025.**

**PARK DEVELOPMENT
NARRATIVE OF OBJECTIVES 2020**

Mayor & Department Supported Objectives

1. **Gig Harbor Sports Complex Phase 1 Design and Permitting.** The City is working with the YMCA to design and develop this multi-year, multi-phased project. The City has been awarded one legislative grant and one RCO grant for this project totaling \$556,000. In 2020 the City and the YMCA hope to finalize a lease and proceed with design and permitting. **\$25,000.**
2. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center, including payment of all necessary utility general facility charges and transportation impact fees. This work assumes the City continues with the existing approved site plan and design review board approval. This work does not consider design or expenses for furnishings. **\$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).**
3. **Cushman Trail Bridge Easements.** The Pierce County and Tacoma Public Utilities right of way easement boundary limits that was provided to the City outlined the limits of the City's trail construction. These limits were determined by a surveyor for a nearby private development to be misaligned, resulting in the trail's encroachment onto several properties between the limits of 96th St and Burnham Drive. The work will procure the necessary long-term easements for those areas that the trail encroaches on private property. **\$45,000.**
4. **Crescent Creek Park – Visioning, Master Plan, Conceptual Design.** Conduct visioning and develop a master plan for Crescent Creek Park. **\$50,000.**
5. **Eddon Boat Park – Brick House Rehabilitation.** Rehabilitate the historic Eddon Residence. Costs are for permitting and construction. This project will include the construction of 10 on-site parking stalls that will be constructed as part of the Harborview/Stinson intersection improvement project. **\$330,000 (\$45,000 grant funds and \$285,000 local funds).**
6. **Pump Track Design, Permitting, and Construction.** Design, permit and construct a pump track at a location determined through a public review process. This project cost does not include costs to relocate or replace any existing park facilities. **\$150,000.**
7. **Floating Fuel Dock Improvements.** Develop the conceptual designs for a new floating fuel dock (or other concept) to provide a new waterfront amenity. **\$35,000 (LTAC funds).**
8. **Ancich Human-Powered Watercraft Storage.** Design and install custom storage racks with locking mechanisms for the public's canoes, kayaks, and stand-up paddleboards at the Ancich Waterfront Park Boat Storage Facility. This includes a

fence to separate the area leased to the Gig Harbor Canoe/Kayak Race Team. **\$40,000.**

9. **Veteran's Memorial Park Play Structure.** Consistent with the existing adopted Park Plan for Veteran's Memorial Park, seek partners to fund the installation of an additional play structure to meet the needs of school-age children (5 to 12-year range). **\$250,000.**
10. **Masonic Lodge Building Improvements.** Construct building improvements to the main floor to make it accessible and functional for use as a community space. **\$350,000.**
11. **Native Vegetation Plantings.** Issue a Small Public Works Contract to place native trees and shrubs at various parks, streetscapes, and other City grounds. **\$10,000.**
12. **7601 Soundview Drive Public Venue Concept.** Develop renderings of a potential public venue on the property south of Soundview Forest and present to the public and council for comment. **\$25,000**

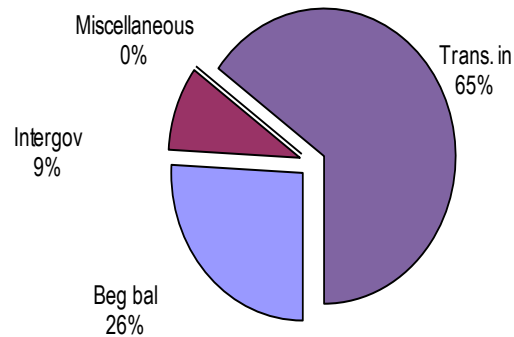
Removed Objectives

1. **Grant Match.** The City has several park properties that could be eligible for grant funding. This objective would allocate funds that could be used as grant match as funding opportunities were sought and awarded. **\$100,000.**

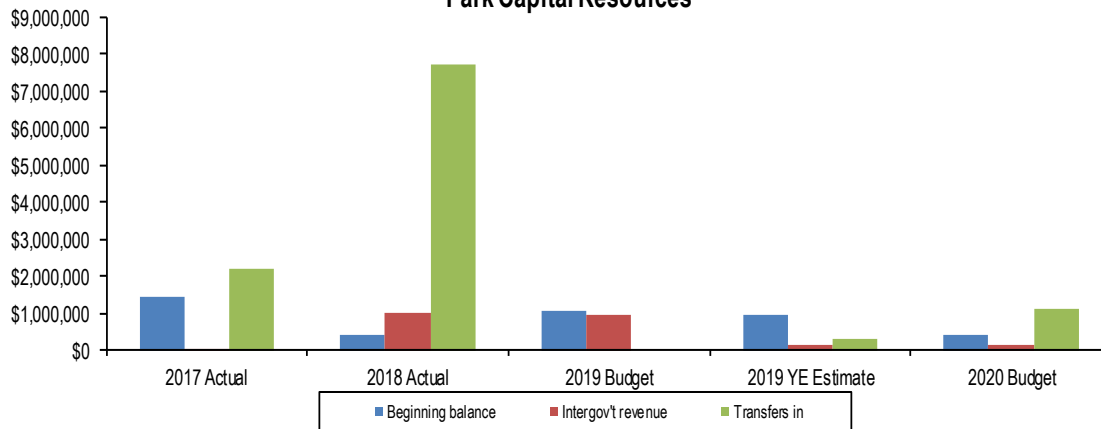
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 1,426,805	\$ 421,116	\$ 1,077,712	\$ 970,579	\$ 434,786
Intergov't revenue	33,518	1,000,890	970,000	144,770	155,605
Miscellaneous	9,971	14,013	1,505,000	17,798	-
Transfers in	2,220,683	7,706,781	-	282,000	1,090,000
Other	-	-	458,333	458,333	-
Total revenues	2,264,172	8,721,684	2,933,333	902,901	1,245,605
Total resources	\$ 3,690,977	\$ 9,142,800	\$ 4,011,045	\$ 1,873,480	\$ 1,680,391

2020 Budget



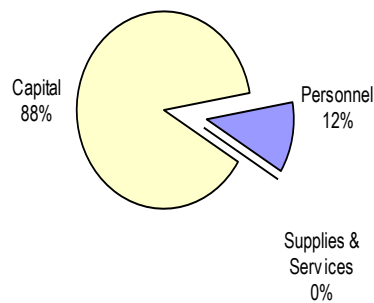
Park Capital Resources



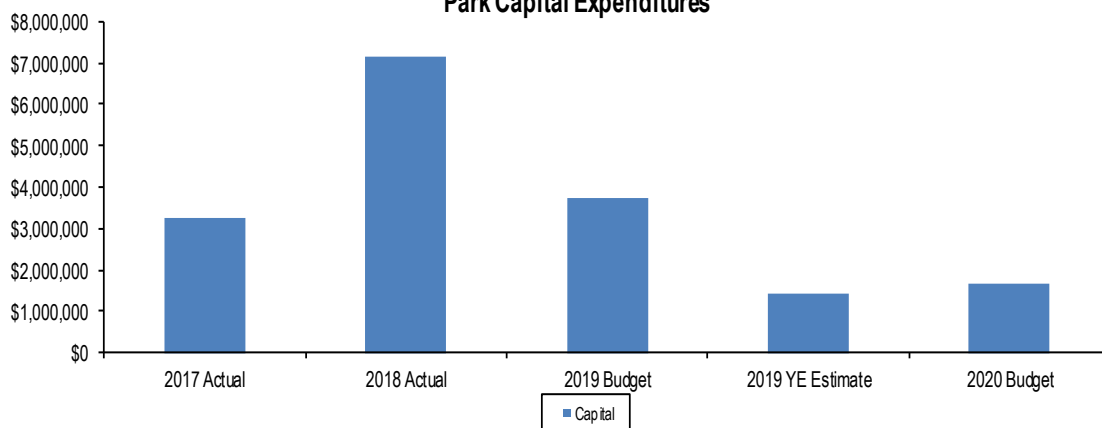
Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 173,651	\$ 189,816	\$ 145,700	\$ 104,901	\$ 128,700
Benefits	81,810	74,203	77,900	40,587	63,100
Supplies	67	-	-	500	-
Services	38,446	11,000	13,000	3,000	-
Capital expenditures	2,975,887	6,857,202	3,490,333	1,289,706	1,467,373
Transfers out	-	1,040,000	-	-	-
Total expenditures	3,269,861	8,172,221	3,726,933	1,438,694	1,659,173
Ending balance	421,116	970,579	284,112	434,786	21,218
Total uses	\$ 3,690,977	\$ 9,142,800	\$ 4,011,045	\$ 1,873,480	\$ 1,680,391

2020 Budget



Park Capital Expenditures



**CIVIC CENTER DEBT RESERVE
DESCRIPTION OF FUNCTION**

This fund was established to build a debt reserve for the Civic Center Bonds that were issued in 2001. The reserve was established to ensure the city has a debt service reserve if the city suffers an economic downturn and to retire the Civic Center Debt early.

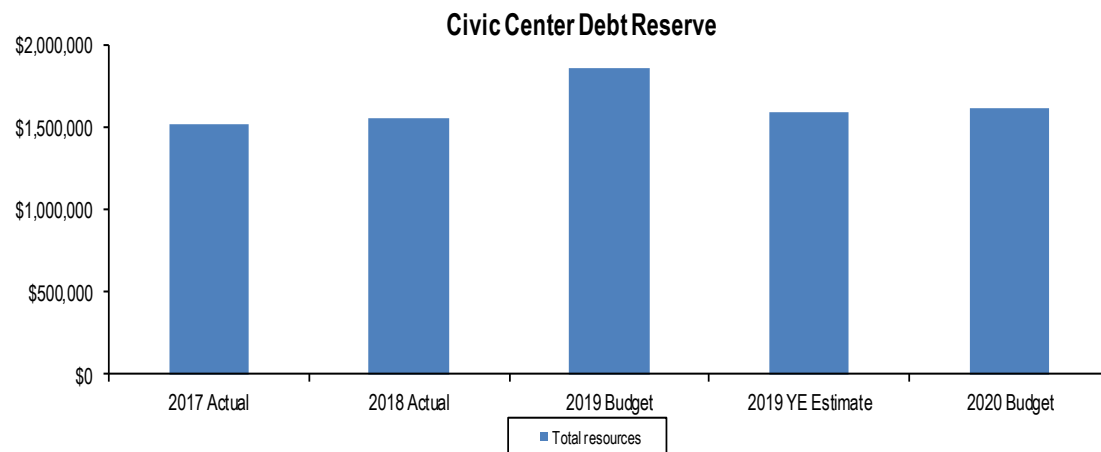
The resources accumulated through transfers from the General Fund and interest earnings will be used solely to either retire the Civic Center bonds or in the case of an emergency provide for annual debt service payments on the Civic Center bonds.

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 1,441,852	\$ 1,519,353	\$ 1,839,260	\$ 1,547,645	\$ 1,585,053
Miscellaneous	13,378	28,292	20,000	37,408	31,701
Transfers in	64,123	-	-	-	-
Total revenues	77,501	28,292	20,000	37,408	31,701
Total resources	\$ 1,519,353	\$ 1,547,645	\$ 1,859,260	\$ 1,585,053	\$ 1,616,754

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
Total expenditures	-	-	-	-	-
Ending balance	1,519,353	1,547,645	1,859,260	1,585,053	1,616,754
Total uses	\$ 1,519,353	\$ 1,547,645	\$ 1,859,260	\$ 1,585,053	\$ 1,616,754



STRATEGIC RESERVE DESCRIPTION OF FUNCTION

The Strategic Reserve fund was established to:

1. Take advantage of strategic opportunities as they arise (key land purchases or matching funds for capital grants, for example); and
2. Insulate the city from revenue fluctuations, economic downturns (i.e., “rainy days”), and other contingencies such as emergencies and disasters, uninsured losses, or tax refunds.

The city may use General Fund operating revenues and undesignated fund balances to build up this fund. Each budget cycle, the city council will establish a target amount for this fund based on a percentage of operating expenditures or some other method at the city council’s discretion. If drawn down, the Strategic Reserve Fund should be replenished back to the targeted amount within three years. Spending from this fund requires city council authorization.

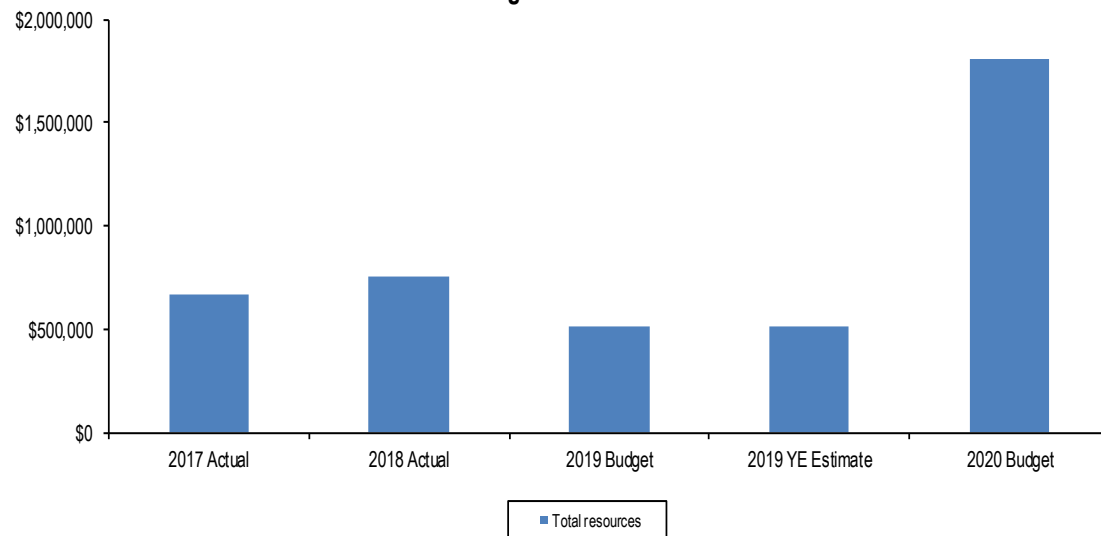
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 581,250	\$ 662,933	\$ 423,579	\$ 424,140	\$ 514,564
Miscellaneous	1,683	8,207	10,000	10,424	10,291
Transfers in	80,000	80,000	80,000	80,000	1,280,000
Total revenues	81,683	88,207	90,000	90,424	1,290,291
Total resources	\$ 662,933	\$ 751,140	\$ 513,579	\$ 514,564	\$ 1,804,855

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Transfers out	\$ -	\$ 327,000	\$ -	\$ -	\$ -
Total expenditures	-	327,000	-	-	-
Ending balance	662,933	424,140	513,579	514,564	1,804,855
Total uses	\$ 662,933	\$ 751,140	\$ 513,579	\$ 514,564	\$ 1,804,855

Strategic Reserve



EQUIPMENT RESERVE
DESCRIPTION OF FUNCTION

The Equipment Replacement Reserve Fund was established in order to provide the city a method to save for significant purchases. This systematic savings process will level out the financial peaks and valleys that come from replacing expensive vehicles and equipment. This proposed fund is not intended to be an equipment rental fund, nor is it intended to fully fund equipment or vehicle purchases at the time of acquisition. Rather, this fund is intended to establish a reserve that will fund at least a portion of vehicles and equipment as they are replaced, thereby reducing the expenditure spikes that can otherwise occur. Only the General Fund will contribute to this Fund.

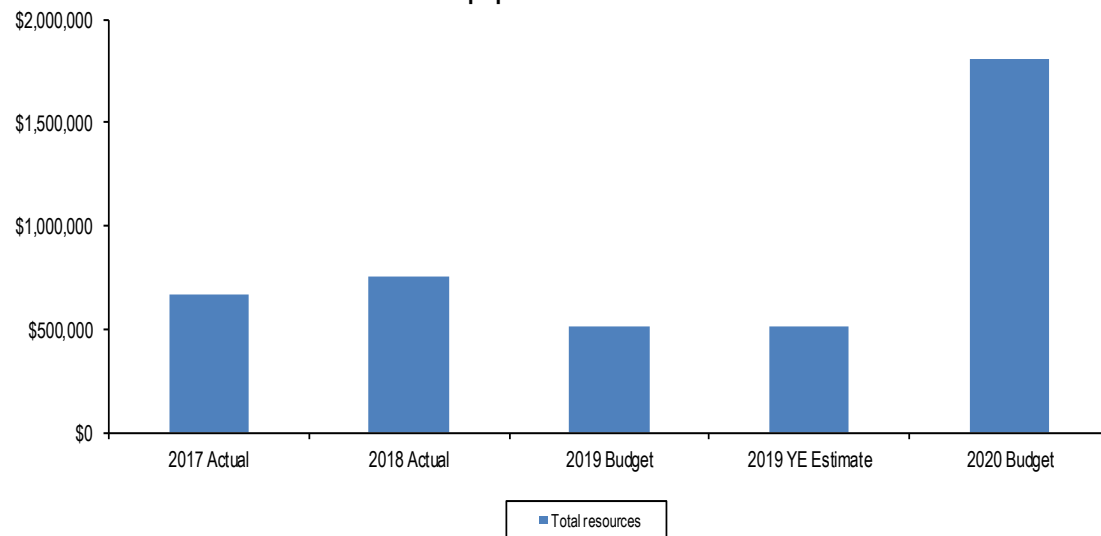
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 221,788	\$ 273,888	\$ 271,788	\$ 329,073	\$ 385,319
Miscellaneous	2,100	5,185	-	6,246	7,706
Transfers in	50,000	50,000	50,000	50,000	50,000
Total revenues	52,100	55,185	50,000	56,246	57,706
Total resources	\$ 273,888	\$ 329,073	\$ 321,788	\$ 385,319	\$ 443,025

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ 86,450
Total expenditures	-	-	-	-	86,450
Ending balance	273,888	329,073	321,788	385,319	356,575
Total uses	\$ 273,888	\$ 329,073	\$ 321,788	\$ 385,319	\$ 443,025

Equipment Reserve



**CAPITAL DEVELOPMENT
DESCRIPTION OF FUNCTION**

This fund accounts for the proceeds of the first one-quarter percent of the locally imposed real estate excise tax. State law restricts the use of these funds to financing capital projects specified in a capital facilities plan element of a comprehensive plan.

The fund balance is available for acquisition of parks properties as identified by the City Council in the City of Gig Harbor Parks, Recreation and Open Space Plan.

**CAPITAL DEVELOPMENT
NARRATIVE OF OBJECTIVES 2020**

Operating transfers out.

REET funds may be applied to the following projects.

Park Development	\$ 250,000
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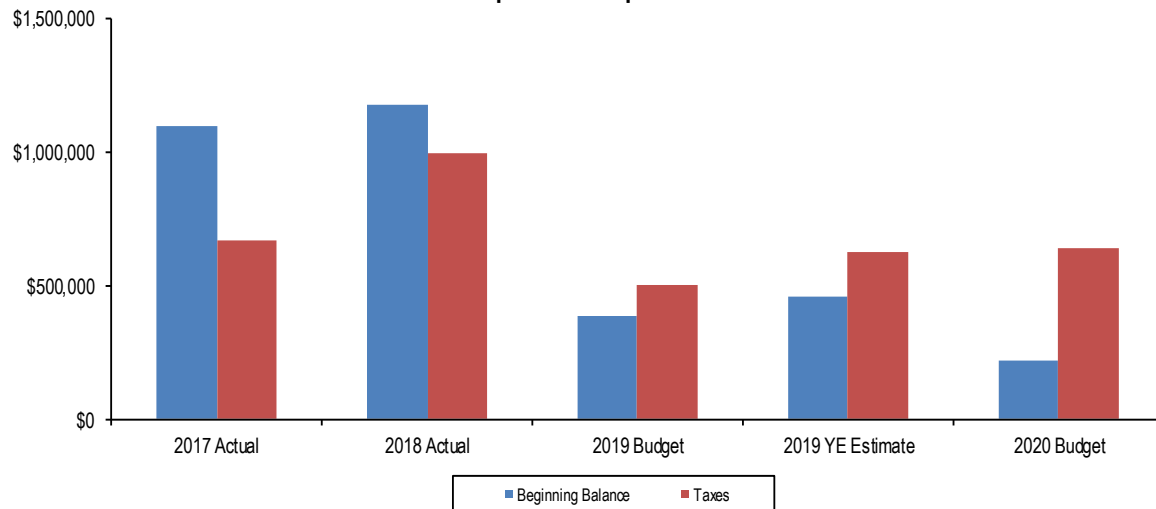
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 1,093,188	\$ 1,173,566	\$ 382,994	\$ 453,775	\$ 215,861
Taxes	665,278	994,571	500,000	621,224	636,755
Miscellaneous	11,982	18,838	15,000	13,862	3,778
Total revenues	677,260	1,013,409	515,000	635,086	640,533
Total resources	\$ 1,770,448	\$ 2,186,975	\$ 897,994	\$ 1,088,861	\$ 856,394

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Transfers out	\$ 596,882	\$ 1,733,200	\$ 873,000	\$ 873,000	\$ 250,000
Total expenditures	596,882	1,733,200	873,000	873,000	250,000
Ending balance	1,173,566	453,775	24,994	215,861	606,394
Total uses	\$ 1,770,448	\$ 2,186,975	\$ 897,994	\$ 1,088,861	\$ 856,394

Capital Development



**CAPITAL IMPROVEMENT
DESCRIPTION OF FUNCTION**

This fund accounts for the proceeds of the second quarter percent of the locally imposed real estate excise tax. The law governing the use of these funds is more restrictive than for the first quarter percent. Permitted uses are defined as "public works projects for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

**CAPITAL IMPROVEMENT
NARRATIVE OF OBJECTIVES 2020**

REET funds may be applied to the following projects.

LGTO Bond

\$1,626,586
\$1,626,586

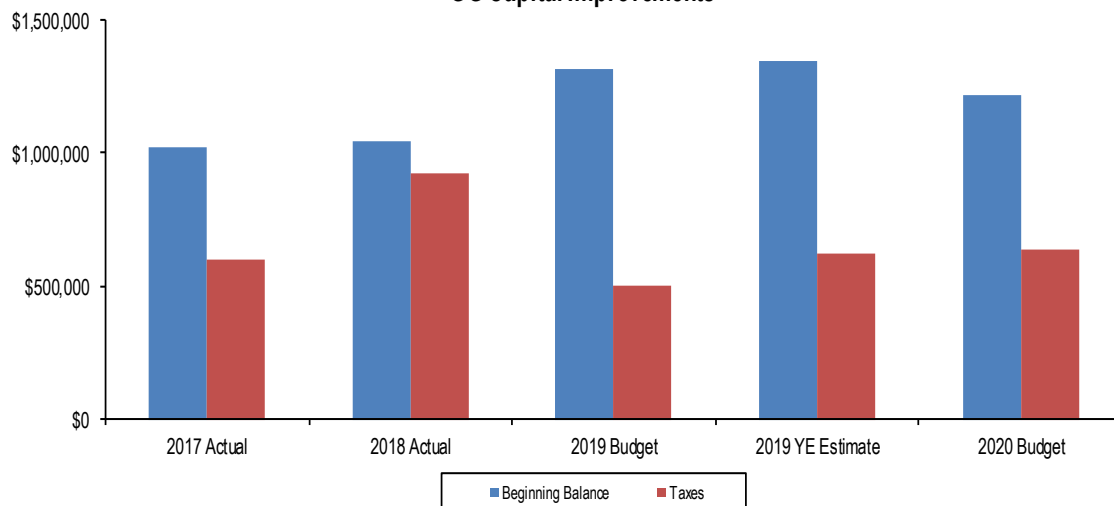
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 1,024,656	\$ 1,045,665	\$ 1,312,106	\$ 1,347,571	\$ 1,215,358
Taxes	596,664	924,937	500,000	621,224	636,755
Miscellaneous	11,227	25,169	15,000	12,438	21,269
Total revenues	607,891	950,106	515,000	633,662	658,024
Total resources	\$ 1,632,547	\$ 1,995,771	\$ 1,827,106	\$ 1,981,233	\$ 1,873,382

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Transfers out	\$ 586,882	\$ 648,200	\$ 1,000,875	\$ 765,875	\$ 1,626,586
Total expenditures	586,882	648,200	1,000,875	765,875	1,626,586
Ending balance	1,045,665	1,347,571	826,231	1,215,358	246,796
Total uses	\$ 1,632,547	\$ 1,995,771	\$ 1,827,106	\$ 1,981,233	\$ 1,873,382

GG Capital Improvements



IMPACT FEE TRUST
DESCRIPTION OF FUNCTION

This fund accounts for the park and transportation impact fees that are paid to the city. As projects that are eligible for impact fee funding are appropriated by City Council, the impact fees allocated for that project are transferred to the construction fund.

Park Impact fees may be applied to the following project.

Park Development	\$ 200,000
Harborview-Stenson Intersection	<u>165,000</u>
	\$ 365,000

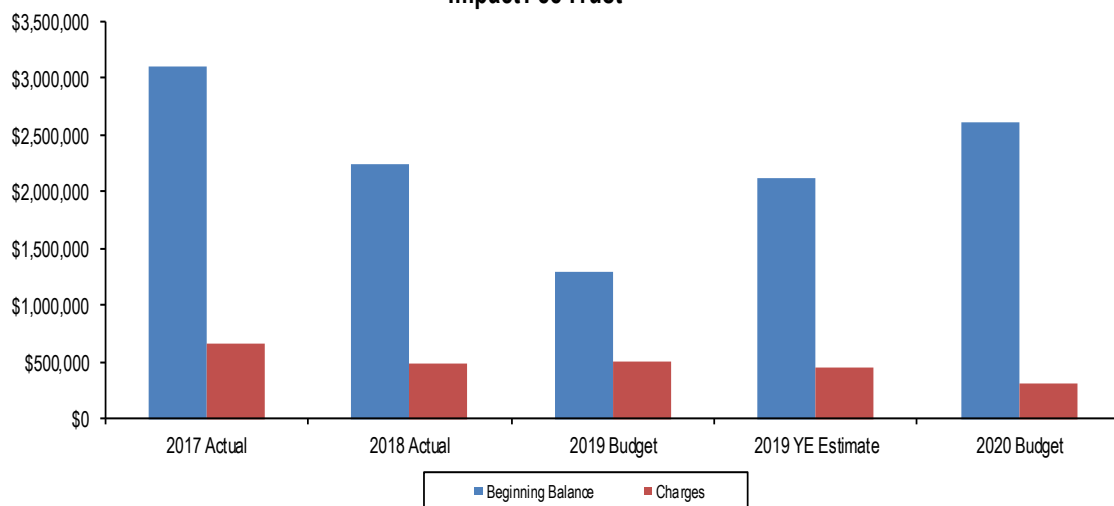
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 3,111,028	\$ 2,246,127	\$ 1,295,652	\$ 2,112,843	\$ 2,620,283
Charges	665,106	491,678	500,000	450,000	300,000
Miscellaneous	28,901	41,038	10,000	57,440	45,855
Transfers in	-	-	-	-	-
Total revenues	694,007	532,716	510,000	507,440	345,855
Total resources	\$ 3,805,035	\$ 2,778,843	\$ 1,805,652	\$ 2,620,283	\$ 2,966,138

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Transfers out	\$ 1,558,908	\$ 666,000	\$ 500,000	\$ -	\$ 365,000
Total expenditures	1,558,908	666,000	500,000	-	365,000
Ending balance	2,246,127	2,112,843	1,305,652	2,620,283	2,601,138
Total uses	\$ 3,805,035	\$ 2,778,843	\$ 1,805,652	\$ 2,620,283	\$ 2,966,138

Impact Fee Trust



HOSPITAL BENEFIT ZONE REVENUE FUND
DESCRIPTION OF FUNCTION

The Hospital Benefit Zone Revenue Fund was established by Ordinance No. 1201 in order to receive the sales tax imposed by the city within the Hospital Benefit Zone (HBZ). In accordance with the enabling legislation, the taxes received from the HBZ are capped at \$2,000,000 per year; and may only be applied to eligible projects. The eligible projects are identified in Ordinance No. 1057, which established the HBZ. The project list is subject to amendment by the city.

**HOSPITAL BENEFIT ZONE REVENUE FUND
NARRATIVE OF GOALS 2020 - 2025**

HOSPITAL BENEFIT ZONE REVENUE FUND
NARRATIVE OF OBJECTIVES 2020

Hospital Benefit Zone matching funds may be applied to the following projects in 2020:

Stinson / Rosedale Roundabout	\$ 375,000
Stinson / Harborview Intersection Improvements.	<u>415,000</u>
Total	\$ 790,000

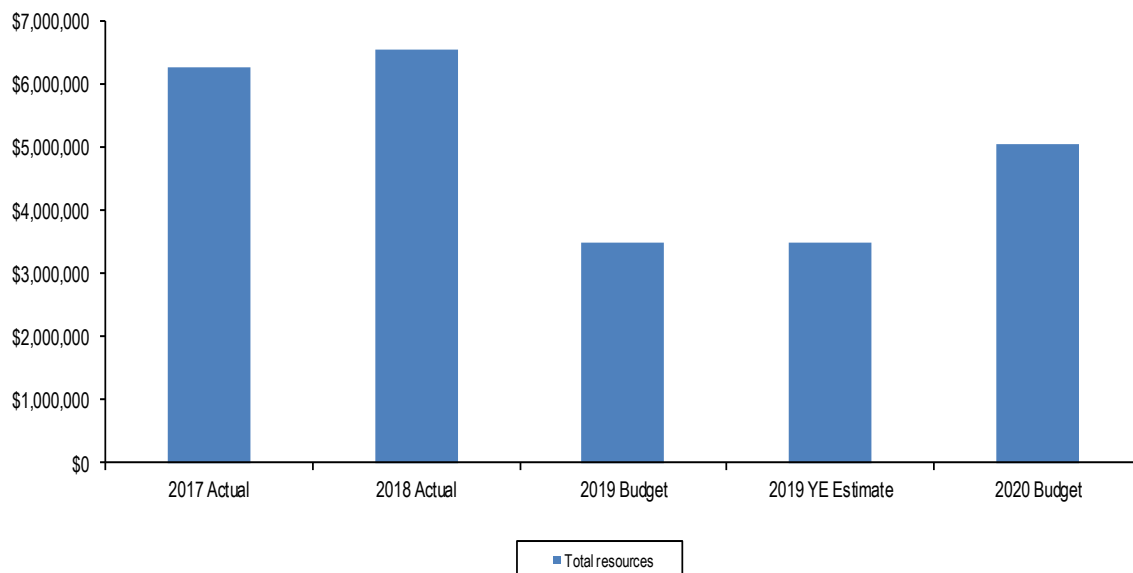
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 4,235,512	\$ 4,482,351	\$ 1,443,030	\$ 1,453,900	\$ 2,997,426
Taxes	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Miscellaneous	36,966	54,922	50,000	34,026	52,455
Transfers in	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	2,036,966	2,054,922	2,050,000	2,034,026	2,052,455
Total resources	\$ 6,272,478	\$ 6,537,273	\$ 3,493,030	\$ 3,487,926	\$ 5,049,881

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Transfers out	\$ 1,790,127	\$ 5,083,373	\$ 1,315,500	\$ 490,500	\$ 790,000
Total expenditures	1,790,127	5,083,373	1,315,500	490,500	790,000
Ending balance	4,482,351	1,453,900	2,177,530	2,997,426	4,259,881
Total uses	\$ 6,272,478	\$ 6,537,273	\$ 3,493,030	\$ 3,487,926	\$ 5,049,881

HBZ Resources



4. DEBT SERVICE FUND TYPE

Limited Tax General Obligation Bond Redemption – Fund 208.....	173
2005 Bond Redemption – Fund 211.....	177

**DEBT SERVICE FUND TYPE
DESCRIPTION OF FUND TYPE**

Debt service funds account for the accumulation of resources to pay principal, interest and related costs on general long-term bonded debt.

These funds include LTGO Bond Redemption and UTGO Bond Redemption Funds. General obligation debt does not include debt for the water, sewer or storm utilities.

Expenditures By Fund

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
LTGO Bond Redemption	\$ 1,425,830	\$ 4,019,782	\$ 2,557,747	\$ 2,568,163	\$ 2,537,247
UTGO Bond Redemption	443,439	480,999	518,890	516,551	554,720
Total Debt Service	\$ 2,124,613	\$ 4,500,781	\$ 3,076,637	\$ 3,084,714	\$ 3,091,967

**LIMITED TAX GENERAL OBLIGATION BOND REDEMPTION
DESCRIPTION OF FUNCTION**

The Limited Tax General Obligation (LTGO) bond fund accounts for debt service on the city's outstanding, non-voted general obligation debt. Debt service consists of principal and interest payments and other miscellaneous charges related to the LTGO debt.

The following debt issues are outstanding for fiscal year 2020:

2010 Limited Tax General Obligation and Refunding Bonds (LTGO):

The 2010 LTGO Bonds were issued to refund (refinance) the 2001 bonds maturing in 2012 through 2026 and to finance land acquisition. The refunding portion was \$6,861,964 and the new money portion was \$1,230,269. The city realized a net present value savings of \$439,000 by retiring the 2001 bonds early. Coupon interest rates range from 3.0% to 4.5%.

Debt service on the 2010 LTGO Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	\$ 580,000	\$ 153,000	\$ 733,000	\$ 3,110,000
2021	465,000	129,488	594,488	2,645,000
2022	485,000	108,113	593,113	2,160,000
2023	505,000	85,838	590,838	1,655,000
2024	525,000	62,663	587,663	1,130,000
2025 to 2026	1,130,000	51,425	1,181,525	\$ 0
TOTAL	\$ 3,690,000	\$ 590,625	\$4,280,625	

2015 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2015 the city borrowed \$218,172 through the LOCAL program to finance the purchase of six vehicles, a boat, a track hoe, and a Z-Trak Lawnmower. This is a five year note and carries an interest rate of 1.46%.

Debt service (General Fund portion) on the 2015 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	\$ 48,608	\$ 2,430	\$ 51,001	\$ 0
TOTAL	\$ 48,608	\$ 2,430	\$ 51,001	

2017 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2017 the city borrowed \$514,831 through the LOCAL program to finance the purchase of five police patrol vehicles, a jail transport van, three pickup trucks, a street sweeper, a sidewalk sweeper, and a brine maker. This is a five year note and carries an interest rate of 1.27%.

Debt service (General Fund portion) on the 2017 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	83,648	11,094	94,742	180,051
2021	87,830	6,807	94,637	92,221
2022	92,221	2,306	94,527	\$ 0
TOTAL	\$ 263,699	\$ 20,206	\$ 283,905	

2019 Interfund Loan – Harbor Hill Drive:

In 2019 an Interfund Loan was made to pay off a promissory note with Harbor Hill LLC regarding the purchase of 10770 Harbor Hill Drive NW as part of the Harbor Hill Extension project. This is a three year note and carries an interest rate of 3%.

Debt service on the 2019 Loan is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	920,550	53,786	974,336	872,305
2021	872,305	26,241	898,545	\$ 0
TOTAL	\$ 1,792,854	\$ 80,027	\$ 1,872,881	

2018 Promissory Note – Arletta Development Corporation:

In 2018 the city borrowed \$1,875,000 through a promissory note with Arletta Development Corporation to finance the purchase of three parcels at 7601 Soundview Drive as part of the “Haub Triangle” property purchase. This is a three year note and carries an interest rate of 2.18%.

Debt service on the 2018 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	625,000	27,250	652,250	625,000
2021	625,000	13,625	638,625	\$ 0
TOTAL	\$ 1,250,000	\$ 40,875	\$ 1,290,875	

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 93,999	\$ 307,809	\$ 11,874	\$ 77,124	\$ 10,452
Miscellaneous	1,027	2,934	2,500	704	209
Transfers in	1,330,804	953,400	2,543,373	2,490,335	2,526,586
Other	-	2,755,639	-	-	-
Total revenues	1,331,831	3,711,973	2,545,873	2,491,039	2,526,795
Total resources	\$ 1,425,830	\$ 4,019,782	\$ 2,557,747	\$ 2,568,163	\$ 2,537,247

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ 920,550
Debt service	1,118,021	3,942,658	2,556,352	2,557,711	1,584,817
Total expenditures	1,118,021	3,942,658	2,556,352	2,557,711	2,505,367
Ending balance	307,809	77,124	1,395	10,452	31,880
Total uses	\$ 1,425,830	\$ 4,019,782	\$ 2,557,747	\$ 2,568,163	\$ 2,537,247

**2005 BOND REDEMPTION
DESCRIPTION OF FUNCTION**

This fund was created to account for the payment of the principal and interest on the voted bond issued to purchase the Eddon Boatyard.

This is a 20-year, \$3,500,000 bond and carries a fixed interest rate of 3.79%.

Interest payments are due June 1 and December 1 of each year, and principal payments are due December 1 of each year. The final maturity date for the bond is December 1, 2024.

Debt service on the 2005 Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	221,000	45,139	266,139	970,000
2021	229,000	36,763	265,763	741,000
2022	238,000	28,084	266,084	503,000
2023	247,000	19,064	266,064	256,000
2024	256,000	9,702	265,702	\$ 0
TOTAL	\$ 1,191,000	\$ 138,752	\$ 1,329,752	

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 160,244	\$ 176,954	\$ 213,890	\$ 215,907	\$ 250,339
Taxes	280,877	298,883	300,000	296,338	300,000
Miscellaneous	2,318	5,162	5,000	4,306	4,381
Total revenues	283,195	304,045	305,000	300,644	304,381
Total resources	\$ 443,439	\$ 480,999	\$ 518,890	\$ 516,551	\$ 554,720

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Debt service	\$ 266,485	\$ 265,092	\$ 266,139	\$ 266,212	\$ 266,139
Total expenditures	266,485	265,092	266,139	266,212	266,139
Ending balance	176,954	215,907	252,751	250,339	288,581
Total uses	\$ 443,439	\$ 480,999	\$ 518,890	\$ 516,551	\$ 554,720

5. ENTERPRISE FUND TYPE

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**ENTERPRISE FUNDS
DESCRIPTION OF FUND TYPE**

Enterprise funds are used to account for operations that provide goods or services to the general public and are supported primarily through user charges.

Gig Harbor's enterprise funds are broken down into operating funds, debt service and capital construction funds.

The operating funds include water, sewer and storm sewer funds that account for the operation and maintenance of those utilities.

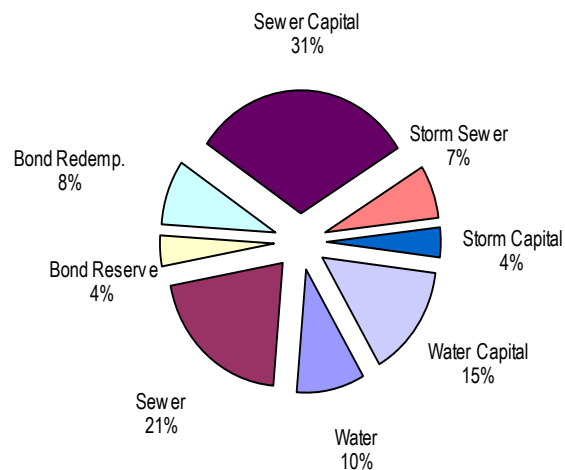
The debt service funds include the Utility Bond Redemption and Utility Reserve Funds that accumulate resources for the payment of various revenue bonds and satisfy the bond covenants.

The capital construction funds include Sewer Capital Construction, Water Capital Assets and Storm Water Capital that account for the accumulation of connection fees and other resources for the purchase or construction of major assets.

Expenditures By Fund

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Water Operating	\$ 3,569,734	\$ 4,006,543	\$ 3,682,274	\$ 4,452,359	\$ 3,486,861
Sewer Operating	7,456,075	8,327,780	7,170,599	9,616,349	7,278,597
Shorecrest Reserve	170,246	162,812	180,544	183,736	204,166
Utility Reserve	1,514,928	1,542,719	1,554,090	1,579,573	1,458,164
Utility Bond Redemption	9,231,407	2,708,750	3,150,733	2,929,961	3,084,579
Sewer Capital Const.	9,752,816	8,844,742	10,844,866	10,713,064	11,390,196
Storm Sewer Operating	2,317,763	2,610,617	2,502,773	2,880,519	2,526,528
Storm Sewer Capital	1,162,243	1,300,951	2,471,662	2,203,255	1,415,694
Water Capital Assets	6,450,091	6,368,640	5,672,921	8,026,507	5,293,203
Total	\$ 41,625,303	\$ 35,873,554	\$ 37,230,462	\$ 42,585,323	\$ 36,137,988

2020 Budget



WATER DIVISION - OPERATING
DESCRIPTION OF FUNCTION

The function of the Water Division is to provide a water supply, storage, transmission, and distribution system conforming with federal and state requirements, and meeting or exceeding customer expectations in terms of safety, quality (taste and aesthetics), and quantity (fire flow) consistent with the city's Water System Plan. Specific functions include providing an annual newsletter to customers, replacing outdated sampling stations and fire hydrants, performing routine water system maintenance, preparing and submitting required system reports, responding to requests to locate water pipes underground, starting and stopping water service, respond to water customer's questions and concerns, fire flow testing, coordination with other area water purveyors, review of private development plans for conformance with the most current version of the city's Water System Plan and applicable rules and regulations, make sure staff is up to date on training as required by state law, and updating the city's Water System Plan as required.

**WATER DIVISION - OPERATING
NARRATIVE OF GOALS 2020 – 2025**

1. **Automated meter reading.** Research programs for installing an automated water meter reading system. **2020 - 2021.**
2. **Annual water meter replacement and testing program.** In accordance with the City's water use efficiency goals, the City's desire is to replace meters exceeding 10 years of age. **2020 – 2025.**
3. **Reservoir Cleaning and Inspections.** Routine cleaning and inspections of five reservoirs with 4.75 million gallons of total storage. **2020 - 2025.**
4. **Conservation Program.** Conduct an ongoing leak detection program for the water distribution system in conjunction with the city's water conservation program as recommended by the Washington State Department of Health. **2020 - 2025.**

**WATER DIVISION - OPERATING
NARRATIVE OF OBJECTIVES 2020**

Mayor & Department Supported Objectives

1. **Annual Water Meter Replacement and Testing Program.** In order to improve efficiency and accuracy, the City will be replacing existing meter registers with radio read registers within 4 years. **\$100,000 (Water \$50,000, Wastewater \$50,000).**
2. **Water Service Line Survey.** Per Section 6 of the Directive by the Governor 16-06, the City will survey its water system to identify all lead service lines and components. **\$75,000.**
3. **Well 2, Well 4 and Well 6 Tank Inspection.** Systematic, planned maintenance, inspection and cleaning of interior and exterior tanks to ensure physical integrity, security and water quality. **\$20,000.**
4. **Well 3 Maintenance (Shurgard Storage Facility Site).** Planned and budgeted in 2019 but carried to 2020 due to issues with contractor. Remove and replace cabling, pump and motor. Clean and inspect the well screens while the equipment is out. **\$250,000.**
5. **Hydrant Replacements.** Replace existing hydrants based on operational limitations and age. **\$10,000.**
6. **SCADA and Telemetry Upgrade.** The current SCADA and telemetry system and software, initially placed into service in 2004, are outdated and reaching the end of anticipated lifespan. The SCADA system is a critical piece of the water department's infrastructure and provides protections and analysis of the City's water system, 24 hours a day, seven days a week. **\$205,000.**
7. **In-Line Gate Valve Replacement – Skansie Booster Pump Station.** Current equipment is 30+ years old and at the end of its current lifespan. This is a critical component in the water distribution system. **\$17,000.**
8. **Well Generator Servicing.** Systematic servicing to ensure standby power supply is operable. **\$1,600.**
9. **Water Sampling Stations.** Annual program for systematic replacement of aging water sample stations to ensure accurate water testing information. **\$10,000.**

10. **Utility Rate Study.** Hire a consultant to perform a study to review each utility's existing rates and charges, review the forecasted revenues, and assess against the respective planned capital projects. **\$38,000 (Storm - \$12,666, Water - \$12,666, Wastewater - \$12,666).**

Removed Objectives

1. **New Purchase – 2020 Chevrolet Silverado.** Pickup truck with hands free technology to be assigned to supervisor. New addition to fleet will allow for the supervisor's older vehicle to be used by crew. **\$32,500 (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125).**

WATER DIVISION – OPERATING CAPITAL AND EQUIPMENT OUTLAY 2020

Mayor & Department Supported Capital Outlay

- 1. Replacement Purchase – 2020 Chevrolet Silverado.** Replace truck #2015, 2008 Chevrolet Silverado ¾ ton pickup. This vehicle has over 107,000 miles and is beginning to require expensive maintenance. Reliability of this vehicle will be an issue moving forward. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$32,500 (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125).**
- 2. Replacement Purchase – Four (4) Variable Message Signs.** This would fund the replacement of the remaining older VMS boards that are ten (10) years old. The boards require a significant amount of staff time and parts to maintain. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$73,000 (Park \$14,600, Street \$14,600, Water \$14,600, Wastewater \$14,600, Storm \$14,600).**
- 3. Replacement Purchase – Computers.** Replacement computers and laptops for Public Works/Engineering staff. Current systems will be obsolete and unable to run Microsoft Windows 10 and associated software. **\$20,000 (Parks \$4,400, Street \$4,400, Water \$4,400, Storm \$4,400 Wastewater \$2,400).**
- 4. Replacement Purchase – Mini Excavator.** A mini excavator is a compact, lightweight alternative to the use of a more expensive backhoe replacement purchase. A mini excavator can fit in smaller job sites, minimize top ground damage and provide for greater use. Existing equipment will be traded in to defray expense. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$65,000 (Parks \$13,000, Street \$13,000, Water \$13,000, Storm \$13,000, Wastewater \$13,000).**
- 5. New Purchase – Automated valve exerciser.** Purchase an automated valve exerciser. Valves need to be exercised regularly so they are operable in the event of a water emergency as sections of the distribution system may need to be shutdown. **\$11,000.**
- 6. New Purchase – Public Works Facility Security.** Add security cameras to monitor perimeter of buildings and property. **\$5,000 (Parks \$1,250, Street \$1,250, Water \$1,250 Storm \$1,250, grant funded?).**

7. **Replacement Purchase – GPS Receiver Kit.** Purchase a GPS receiver kit with software. Current system is out of date and no longer supported. A new kit will allow for great accuracy and efficiency in provide accurate project information and data. **\$12,000 (Parks \$2,400, Street \$2,400, Water \$2,400, Storm \$2,400 Wastewater \$2,400).**
8. **Cumulative Reserve Vector Truck Fund.** This would fund a vector truck in the 2020 Budget totaling approximately \$500,000. The existing vector would be sold at auction after the new vector is operational. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$250,000 (Parks \$12,500, Street \$12,500, Water \$25,000, Storm \$100,000, Wastewater \$100,000).**

Removed Capital Outlay

1. **New Purchase – 2020 Chevrolet Silverado.** Pickup truck with hands free technology to be assigned to supervisor. New addition to fleet will allow for the supervisor's older vehicle to be used by crew. **\$32,500. (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125).**

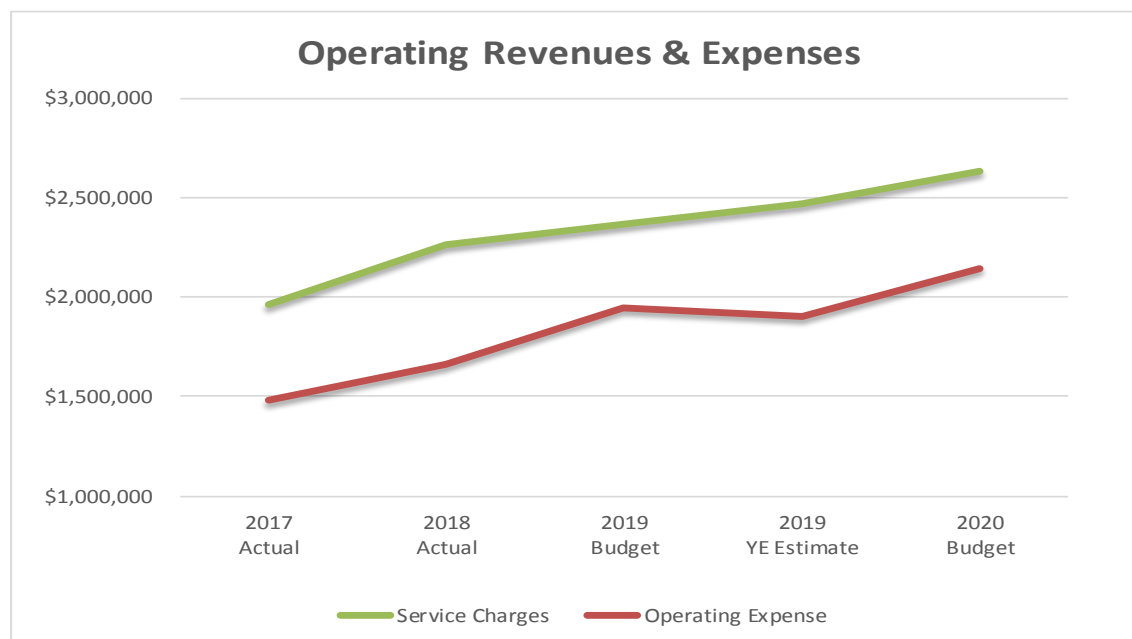
Total Water Division Capital and Equipment Outlay is \$79,775

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 1,495,994	\$ 1,589,584	\$ 1,187,471	\$ 1,812,326	\$ 710,772
Taxes	92,719	106,603	103,690	118,286	126,093
Charges for services	1,964,981	2,259,382	2,363,613	2,472,795	2,634,781
Miscellaneous	18,032	43,428	27,500	48,952	15,215
Transfers in	(1,992)	-	-	-	-
Other	-	7,546	-	-	-
Total revenues	2,073,740	2,416,959	2,494,803	2,640,033	2,776,089
Total resources	\$ 3,569,734	\$ 4,006,543	\$ 3,682,274	\$ 4,452,359	\$ 3,486,861

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Salaries	\$ 604,807	\$ 679,793	\$ 680,500	\$ 617,917	\$ 614,500
Benefits	282,935	267,685	315,325	240,154	285,060
Supplies	190,878	218,769	255,000	409,336	232,940
Services	309,240	390,650	581,886	542,412	916,717
Intergov't charges	92,841	106,189	116,143	89,640	95,915
Capital expenditures	46,708	593	135,575	136,000	49,125
Transfers out	452,741	530,538	985,505	1,706,128	207,792
Total expenditures	1,980,150	2,194,217	3,069,934	3,741,587	2,402,049
Ending fund balance	1,589,584	1,812,326	612,340	710,772	1,084,812
Total uses	\$ 3,569,734	\$ 4,006,543	\$ 3,682,274	\$ 4,452,359	\$ 3,486,861



WASTEWATER DIVISION – OPERATING DESCRIPTION OF FUNCTION

Operation and maintenance of the city's wastewater collection facilities and wastewater treatment plant to provide a reliable, safe, and cost-effective wastewater system with consistent treatment and biosolids processing, meeting or exceeding federal and state requirements and guidelines, and the expectations of Gig Harbor residents. Specific functions include monitoring, inspection, maintenance, and repair of the system, coordination of wastewater system repairs with the City's pavement maintenance program and other utility projects, preparing required reports, locating unmapped wastewater pipes, responding to citizen requests, regulatory coordination and certification, review of wastewater plans, conducting inflow\infiltration studies, and periodically updating design standards.

For the 2020 Budget the Wastewater Operating fund reflects a significant increase in maintenance activities. The primary reason for this increase is associated with more than 10 years of wastewater capital development. Over the last decade Wastewater Staff has focused efforts design criteria and the implementation, and operational challenges associated with keeping this critical function operating 24 hours a day, 7 days a week while also delivering successful capital improvements. As such, with this primary focus of capital projects now subsided, Wastewater Staff has re-focused efforts on maintenance and operational needs of the collection system and wastewater treatment plant and the 2020 Budget reflects these efforts.

**WASTEWATER DIVISION - OPERATING
NARRATIVE OF GOALS 2020 – 2025**

1. **Emergency Procedures.** Emergency operations procedures to minimize energy demand, and the risk of spills or biological upset at the treatment plant during extended power outages. Update and maintain collection system emergency response procedures. Make sure all pump-around plans are up-to-date and maintained as upgrades and rehabilitation to the system are completed. **2020 - 2025.**
2. **Lift Stations.** Design, engineer and construct upgrades and rehabilitation of Lift Stations 6, 8, 9, 12, 13 as referenced in the current Wastewater Comprehensive Plan. Standardize design and equipment whenever possible. **2020 - 2025.**
3. **Flow Meters.** Install flow meters at all lift stations as referenced in the current Wastewater Comprehensive Plan. Flow meters to be used as a tool for monitoring inflow and infiltration (I&I) to help establish priority areas for repairs to sewer lines, to help give accurate pump discharge flows, and to enhance maintenance and energy savings. **2020 - 2025.**
4. **Study Reuse Sites.** As described in the current Wastewater Comprehensive Plan. Study and explore potential water reclamation and reuse sites within the UGA. **2020 - 2025.**
5. **Cost Cutting Measures.** Optimize electrical and chemical uses to help cut costs. This will give us a clearer picture of more consistent annual operating costs. **2020 - 2025.**
6. **Line Cleaning Program.** Clean at least 40,000 feet of sewer lines per year. Clean the North Harborview sewer mains at least twice per year. **2020 - 2025.**
7. **Manhole Ring and Cover Replacement.** Ongoing replacement program in conjunction with pavement maintenance, water, sewer and storm line installation, repair and replacement projects to save city money and staff time. This is also a loss-prevention measure to reduce manhole cover insurance claims. **2020 - 2025.**
8. **Sewer System-wide GPS.** Capture sanitary sewer manholes and other features through the use of the City's GPS and build the sewer GIS Mapping System. **2020 - 2025.**
9. **Pretreatment Standards.** Develop a comprehensive Pretreatment Ordinance to protect City's POTW and receiving waters. **2020 - 2025.**
10. **Inflow and Infiltration (I&I).** Reconnaissance, inspection and repair. As our underground collection system ages, the potential for leaks and failures increase. These failures use up capacity at the WWTP and add unnecessary costs to treat clean water. **2020 – 2025.**
11. **Future Needs Forecasting.** Update the demographics forecasting allocation model (DFAM) to forecast future population growth on undeveloped and underdeveloped parcels within the City's urban growth area (UGA). **2020 - 2025.**

WASTEWATER DIVISION - OPERATING NARRATIVE OF OBJECTIVES 2020

Mayor & Department Supported Objectives

1. **Annual Water Meter Replacement and Testing Program.** In order to improve efficiency and accuracy, the City will be replacing existing meter registers with radio read registers within 4 years. **\$100,000 (Water \$50,000, Wastewater \$50,000).**
2. **Lift Station 8 Water Hammer Arrester.** Lift Station 8 experiences high water pressure during shutdown of backup pumps. This extreme pressure can cause pipe bursting. The water hammer arrester will be installed to eliminate the high-pressure spikes. **\$30,000.**
3. **ARC Flash Analysis.** The ARC Flash Analysis is an L&I requirement that uses NFPA 70 as guidance for implementation. When using high voltage power, the potential for electrical shock and explosion is high and deadly. The analysis identifies each electrical hazard and gives it a rating as to the severity of the risk. With each increase in risk level, additional PPE is required, as well as work space requirements surrounding the device, to protect non-shielded workers and observers. The WWTP and lift stations have dozens of such devices and all need to be given a label so the maintenance personnel are aware of the hazard and the risk associated with accessing such devices and appropriate PPE to be used. **\$50,000.**
4. **Lift Station 14 Pipe Replacement, Level Control and Coating.** Lift Station 14 was scheduled to be recoated in 2019. Recent failures of the piping in the station will result in complete piping replacement. If the pipe replacement occurs prior to the recoating, then the coatings would be damaged. The decision was made to postpone the coating until the pipe rehab had taken place. This would make the pipe rehab and the recoating a single project. Both projects would require bypasses and would be significantly more expensive if completed as separate projects. The repairs would also include a new level control to replace the current probe that is continually fouled by grease and flushables which currently requires regular hands-on maintenance. **\$59,000.**
5. **Utility Rate Study.** Hire a consultant to perform a study to review each utility's existing rates and charges, review the forecasted revenues, and assess against the respective planned capital projects. **\$38,000 (Storm - \$12,666, Water - \$12,666, Wastewater - \$12,666).**

Removed Objective

1. **Receiving Water Quality Report – Post Outfall Removal.** It has been 10 years since the outfall has been removed from the Harbor. The desire to perform this study is to determine the ecological health of the Harbor to answer the following questions: Has the removal of the outfall made a significant improvement in the health of the Harbor? Have other factors continued to decrease the quality of the waters in and around the Harbor? Did the outfall have a detrimental effect on the Harbor? This is a scientific study based on facts, not subjectivity. **\$40,000.**

**WASTEWATER DIVISION - OPERATING
CAPITAL AND EQUIPMENT OUTLAY 2020**

Mayor & Department Supported Objectives

1. **Replacement Purchase – Dissolved Oxygen Probes and Controls.** Dissolved Oxygen Probes monitor (through SCADA) the oxygen levels in all of the aerated basins within the WWTP. The probes in turn tell the blowers to speed up or down depending on the demand. They are the most important monitoring devices within the plant processes. The Dissolved Oxygen Probes that the WWTP currently uses have become aged and unreliable. The company that supplied the current probes is no longer in business, and we have no support for parts and repairs other than the few spare parts we have in inventory. **\$40,000.**
2. **Replacement Purchase – Boom Truck Chassis and Crane.** The current boom truck and crane are used every day in lift station maintenance and repairs along with uses at the WWTP. With an unexpected complete engine overhaul, repairs to crane, high maintenance and capacity, we feel the time is right to replace the chassis and crane. The utility bed will be transferred to the new vehicle and reused to avoid the high cost of a new service body. The crane has also become undersized and unable safely to pick some of the new larger pumps in the collection system. A slight upgrade in capacity and fabrication is necessary in the purchase of the replacement crane unit. **\$90,000** (Price subject to change with new model year).
3. **New Purchase – Biosolids Trailer.** The biosolids trailer had been requested and approved in past budgets, but the purchase was not made. It was felt that the timing was not right for the purchase. Recent history and events have brought it back to the forefront and we feel the time is right to make the purchase. There is also potential of a new disposal site on the west side of the state that would require our own trailer. We currently do not have the volume to attract a company to allow the use of their trailer without a very high rental rate. Transportation of the biosolids with the new trailer would be contracted out. We are facing an increase in disposal costs this next year. Having a trailer would give us flexibility for cost savings. **\$90,000.**
4. **Replacement Purchase – Four (4) Variable Message Signs.** This would fund the replacement of the remaining older VMS boards that are ten (10) years old. The boards require a significant amount of staff time and parts to maintain. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$73,000 (Parks \$14,600, Street \$14,600, Water \$14,600, Wastewater \$14,600, Storm \$14,600).**

5. **Replacement Purchase – Mini Excavator.** A mini excavator is a compact, lightweight alternative to the use of a more expensive backhoe replacement purchase. A mini excavator can fit in smaller job sites, minimize top ground damage and provide for greater use. Existing equipment will be traded in to defray expense. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$65,000 (Parks \$13,000, Street \$13,000, Water \$13,000, Storm \$13,000, Wastewater \$13,000).**
6. **Cumulative Reserve Vector Truck Fund.** This would fund a vector truck in the 2020 Budget totaling approximately \$500,000. The existing vector would be sold at auction after the new vector is operational. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$250,000 (Parks \$12,500, Street \$12,500, Water \$25,000, Storm \$100,000, Wastewater \$100,000).**
7. **Replacement Purchase – GPS Receiver Kit.** Replacement Purchase. Purchase a GPS receiver kit with software. Current system is out of date and no longer supported. A new kit will allow for great accuracy and efficiency in provide accurate project information and data. **\$12,000 (Parks \$2,400, Street \$2,400, Water \$2,400, Storm \$2,400 Wastewater \$2,400).**

Removed Objectives

Total Capital and Equipment Outlay is \$350,000

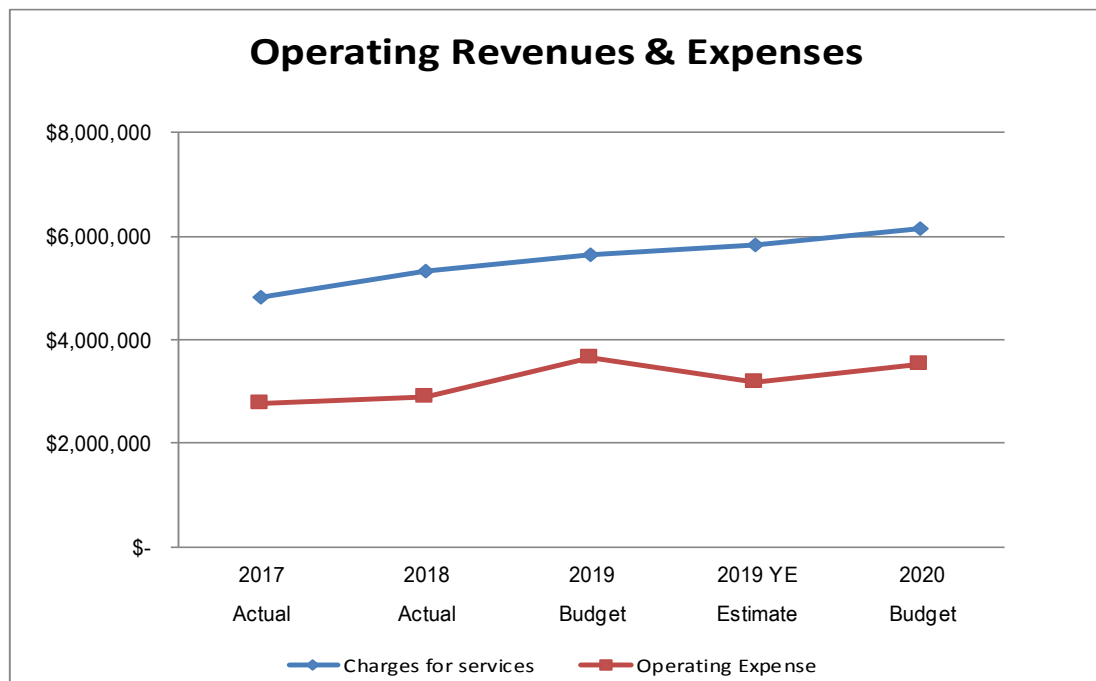
CITY OF GIG HARBOR													
STAFF ADJUSTMENT REQUEST FORM - PW													
A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.													
Position Title:		Department:	Fund:										
Laborer		Public Works	Wastewater										
Salary Range From:	Salary Range To:	Change Date:	January 1, 2020										
\$ 43,776	\$ 54,720	Department Contact:	Jeff Langhelm										
Request to Add a Position		Priority:	1										
Description of Request:													
The Public Works Department Wastewater Division utilizes its maintenance technician and plant operators to maintain their grounds surrounding the wastewater treatment plant and certain lift stations. Besides grounds maintenance the skilled operators are also tasked with many jobs an unskilled individual can perform, such as screen cleaning, tank cleaning, minor building maintenance, flagging, top watch and many other unskilled tasks. In an effort to minimize costs and improve efficiencies to the City, Public Works proposes to hire one laborer that will support wastewater operations by performing													
Advantage of Approval / Implication of Denial:													
The Wastewater Division needs a low-skilled position to complete routine site, building, collection and operation's maintenance tasks. Without this position, the City's proactive maintenance tasks may likely be deferred to a point where the rate of deterioration significantly increases, therefore costing more while not meeting the level of service expected by residents, businesses, elected officials, and staff.													
Alternatives (Delaying Funding / Partial Funding):													
The volume of work and timing of work performed is year round and therefore not adequate to hire seasonal employees. Additionally, the use of seasonal hires no longer fits the need because of training and need for knowledge of specific site safety. However, the use of a seasonal hire may be a temporary option.													
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Annual Costs</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Wages</td> <td style="text-align: right; padding: 5px;">\$ 49,248.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="text-align: right; padding: 5px;">\$ 37,735.00</td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="text-align: right; padding: 5px;">Total</td> <td style="text-align: right; padding: 5px;">\$ 86,983.00</td> </tr> </tbody> </table>				2019 Annual Costs		Wages	\$ 49,248.00	Benefits	\$ 37,735.00	Other		Total	\$ 86,983.00
2019 Annual Costs													
Wages	\$ 49,248.00												
Benefits	\$ 37,735.00												
Other													
Total	\$ 86,983.00												
Contract Position: <input checked="" type="checkbox"/>													
Funding Source Description:													
Funded by Wastewater Division's operating fund													

Resources

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Beginning balance	\$ 2,152,706	\$ 2,751,831	\$ 1,285,401	\$ 3,481,284	\$ 881,061
Taxes	176,007	194,356	203,110	214,810	226,786
Charges for services	4,837,068	5,316,616	5,639,088	5,833,489	6,151,129
Miscellaneous	26,568	64,977	43,000	86,766	19,621
Transfers in	263,726	-	-	-	-
Total revenues	5,303,369	5,575,949	5,885,198	6,135,065	6,397,536
Total resources	\$ 7,456,075	\$ 8,327,780	\$ 7,170,599	\$ 9,616,349	\$ 7,278,597

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Salaries	\$ 1,067,060	\$ 1,164,849	\$ 1,179,800	\$ 1,174,719	\$ 1,129,300
Benefits	477,023	475,709	572,300	474,402	534,160
Supplies	338,045	412,061	563,800	416,962	566,680
Services	829,033	773,614	1,274,623	1,040,723	1,231,288
Intergov't charges	76,445	83,375	67,726	68,482	72,591
Capital expenditures	106,947	81,849	154,000	154,000	348,000
Transfers out	1,809,691	1,855,039	2,705,542	5,406,000	2,356,010
Other	-	-	-	-	-
Total expenditures	4,704,244	4,846,496	6,517,791	8,735,288	6,238,029
Ending balance	2,751,831	3,481,284	652,808	881,061	1,040,568
Total uses	\$ 7,456,075	\$ 8,327,780	\$ 7,170,599	\$ 9,616,349	\$ 7,278,597



SHORECREST SEWER OPERATING FUND
DESCRIPTION OF FUNCTION

This fund was established in February 2012 to account for all Shorecrest Sewer revenues and expenditures.

Both regular maintenance and operations and capital replacements are accounted for in this fund.

**SHORECREST SEWER - OPERATING
NARRATIVE OF OBJECTIVES 2020**

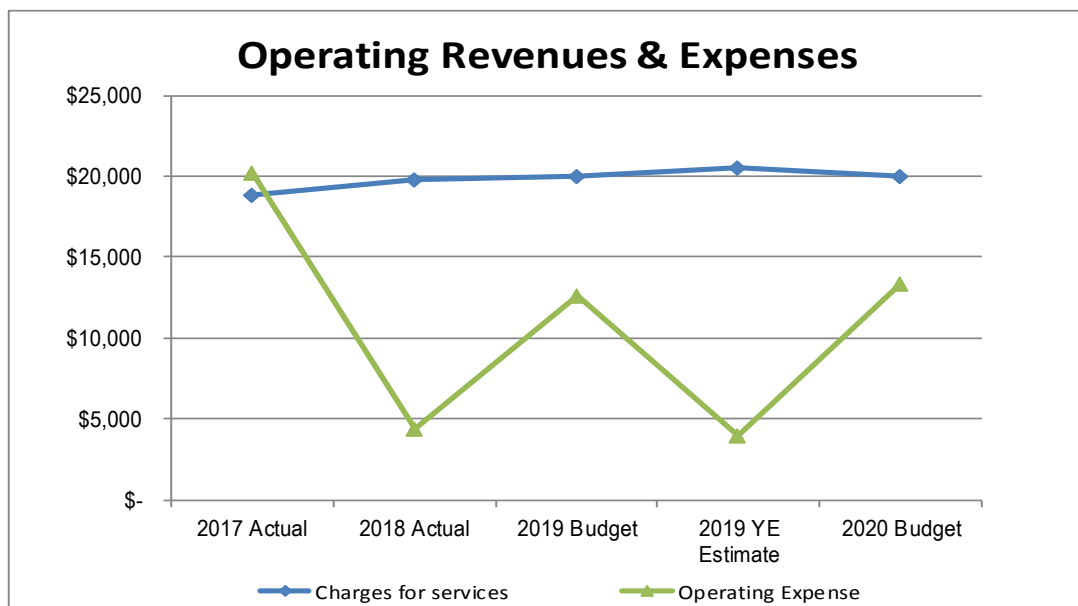
1. **Continue with the ongoing routine maintenance.**

Resources

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Beginning balance	\$ 149,270	\$ 139,429	\$ 157,744	\$ 158,450	\$ 179,771
Taxes	728	764	800	790	800
Charges for services	18,880	19,816	20,000	20,520	20,000
Miscellaneous	1,368	2,803	2,000	3,976	3,595
Transfers in	-	-	-	-	-
Total revenues	20,976	23,383	22,800	25,286	24,395
Total resources	\$ 170,246	\$ 162,812	\$ 180,544	\$ 183,736	\$ 204,166

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Salaries	\$ 10,044	\$ 1,606	\$ 6,500	\$ 1,250	\$ 6,500
Benefits	7,076	1,115	4,579	868	4,579
Supplies	262	-	-	-	-
Services	2,373	877	924	1,047	1,250
Intergov't charges	482	764	600	800	1,000
Capital expenditures	10,580	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	30,817	4,362	12,603	3,965	13,329
Ending balance	139,429	158,450	167,941	179,771	190,837
Total uses	\$ 170,246	\$ 162,812	\$ 180,544	\$ 183,736	\$ 204,166



**UTILITY RESERVE FUND
DESCRIPTION OF FUNCTION**

The Utility Reserve Fund is required under the covenants of the 2003 Revenue and Refunding Bonds, the \$6,035,000 Water and Sewer Revenue Bonds, 2010 (Taxable Build America Bonds), \$5,580,000 Water and Sewer Revenue Bonds, 2010B (Taxable Build America Bonds), \$2,610,000 Water and Sewer Revenue Bonds, 2010C (Tax-Exempt), and the 2017 \$6220,000 Water and Sewer Revenue Bonds.

The reserve account is required to be funded to the lesser of (A)% of the net proceeds of each series of Parity Bonds, (B)Annual Debt Service, (C).25 times average Annual Debt Service, or (D)amount as shall be required to maintain the exemption of interest of any series of Parity Bonds from taxation under the Code.

The 2020 annual budget for this fund meets the reserve requirement as stated above.

Resources

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Beginning balance	\$ 1,414,520	\$ 1,514,928	\$ 1,534,090	\$ 1,542,719	\$ 1,429,573
Miscellaneous	7,711	27,791	20,000	36,854	28,591
Transfers in	92,697	-	-	-	-
Total revenues	100,408	27,791	20,000	36,854	28,591
Total resources	\$ 1,514,928	\$ 1,542,719	\$ 1,554,090	\$ 1,579,573	\$ 1,458,164

Expenditures

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer out	-	-	-	-	-
Total	-	-	-	-	-
Ending balance	1,514,928	1,542,719	1,554,090	1,579,573	1,458,164
Total uses	\$ 1,514,928	\$ 1,542,719	\$ 1,554,090	\$ 1,579,573	\$ 1,458,164

**UTILITY BOND REDEMPTION
DESCRIPTION OF FUNCTION**

This fund accounts for Water and Sewer Fund debt service.

Public Works Board Loan – Phase 1 and Outfall

The city has a Public Works Trust Fund Loan from the state Public Works Board. The loan is for the waste water treatment plant phase 1 expansion and outfall extension projects. The loan is for construction in the amount of \$10 million and is paid off in 2028. The interest rate for the loan is 0.5%.

Debt service for the construction loan is:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	529,412	23,824	553,235	4,235,294
2021	529,412	21,176	550,588	3,705,882
2022	529,412	18,529	547,941	3,176,471
2023	529,412	15,882	545,294	2,647,059
2024	529,41,	13,235	542,647	2,117,647
2025 to 2028	2,227,647	26,471	2,144,118	\$ 0
TOTAL	\$ 4,764,706	\$ 119,118	\$ 4,883,824	

Water and Sewer Taxable Revenue Build America Bonds Series 2010A:

The city's water/sewer utility issued taxable, Build America Bonds, in the amount of \$6,035,000 in June 2010. These bonds were issued to fund completion of the waste water treatment plant and to replace certain aging water mains in the city's water system. Responsibility for the debt service on the bonds is: Water – 31 percent and Sewer – 69 percent. The bonds are Build America Bonds (BABs). This means that the city receives a 35 percent subsidy on the interest payments over the life of the bonds.

Debt service on the bonds is as follows:

YEAR	PRINCIPAL	NET INTEREST	TOTAL	BALANCE
2020	290,000	140,706	430,706	3,560,000
2021	300,000	131,063	431,063	3,260,000
2022	310,000	120,795	430,795	2,950,000
2023	320,000	109,883	429,883	2,630,000
2024	335,000	98,218	433,218	2,295,000
2025 to 2030	2,295,000	290,343	2,585,343	\$ 0
TOTAL	\$ 3,850,000	\$ 891,009	\$ 4,741,009	

Water and Sewer Taxable Revenue Build America Bonds Series 2010B and Water and Sewer Revenue Bonds – Tax Exempt 2010C:

In August 2010 the city issued Water/Sewer revenue bonds in the amount of \$8,190,000 to finance construction of the waste water treatment plant outfall extension. The bonds are split between Build America Bonds (BABs) - \$5,580,000 and revenue bonds - \$2,610,000. Average annual net debt service over the remaining life of the bonds is \$424,000 (BABs) and \$348,000 (revenue).

Debt service on the BAB (2010B Series) bonds is as follows:

YEAR	PRINCIPAL	NET INTEREST	TOTAL	BALANCE
2020	420,000	210,762	630,762	5,160,000
2021	435,000	197,655	632,655	4,725,000
2022	450,000	181,960	631,960	4,275,000
2023	470,000	165,723	635,723	3,805,000
2024	485,000	148,765	633,765	3,320,000
2025 to 2030	3,320,000	432,193	3,752,193	\$ 0
TOTAL	\$ 5,580,000	\$ 1,337,058	\$ 6,917,058	

Public Works Board Loan – Phase 2

The city has a Public Works Trust Fund Loan from the state Public Works Board. The loan is for the waste water treatment plant phase 2 expansion project. The loan is for construction in the amount of \$4,845,850 million and is paid off in 2032. The interest rate for the loan is 0.25%.

Debt service for the loan is:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	275,909	8,967	284,876	3,310,909
2021	275,909	8,277	284,186	3,035,000
2022	275,909	7,588	283,497	2,759,091
2023	275,909	6,898	282,807	2,483,182
2024	275,909	6,208	282,117	2,207,273
2025 to 2032	2,207,273	24,832	2,232,105	\$ 0
TOTAL	\$ 3,586,819	\$ 62,769	\$ 3,649,588	

2015 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2015 the city borrowed \$218,172 through the LOCAL program to finance the purchase of six vehicles, a boat, a track hoe, and a Z-Trak Lawnmower. This is a five year note and carries an interest rate of 1.46%.

Debt service (Enterprise Fund portion) on the 2015 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	14,473	724	15,197	\$ 0
TOTAL	\$ 14,473	\$ 724	\$ 15,197	

2017 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2017 the city borrowed \$514,831 through the LOCAL program to finance the purchase of five police patrol vehicles, a jail transport van, three pickup trucks, a street sweeper, a sidewalk sweeper, and a brine maker. This is a five year note and carries an interest rate of 1.27%.

Debt service (Enterprise Fund portion) on the 2017 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	23,593	3,129	26,722	50,783
2021	24,772	1,920	26,692	26,011
2022	26,011	651	26,662	\$ 0
TOTAL	\$ 74,376	\$ 5,700	\$ 80,076	

Water and Sewer Revenue Bonds, 2017:

In March 2017 the city issued Water/Sewer revenue bonds in the amount of \$6,220,000 to finance construction of Well #11 and replacement/construction of Lift Station #4B. Responsibility for the debt service on the bonds is: Water – 26 percent and Sewer – 74 percent.

Debt service on the 2017 W/S Revenue Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2020	250,000	214,700	464,700	5,375,000
2021	250,000	207,200	457,200	5,125,000
2022	260,000	199,700	459,700	4,865,000
2023	270,000	191,900	461,900	4,595,000
2024	275,000	183,800	458,800	4,320,000
2025 to 2036	4,320,000	1,204,000	5,524,000	\$ 0
TOTAL	\$ 5,625,000	\$ 2,201,300	\$ 7,826,300	

Resources

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Beginning balance	\$ 54,628	\$ 136,189	\$ 376,445	\$ 159,732	\$ 338,014
Intergovernmental	188,123	184,768	180,741	151,609	176,003
Miscellaneous	816	2,216	2,500	6,492	6,760
Transfers in	2,262,432	2,385,577	2,591,047	2,612,128	2,563,802
Other	6,725,408	-	-	-	-
Total revenues	9,176,779	2,572,561	2,774,288	2,770,229	2,746,565
Total resources	\$9,231,407	\$ 2,708,750	\$ 3,150,733	\$ 2,929,961	\$ 3,084,579

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Actual	2019 YE Estimate	2020 Budget
Transfer out	\$6,594,167	\$ -	\$ -	\$ -	\$ -
Debt service	2,501,051	2,549,018	2,591,947	2,591,947	2,565,123
Total	9,095,218	2,549,018	2,591,947	2,591,947	2,565,123
Ending balance	136,189	159,732	558,786	338,014	519,456
Total uses	\$9,231,407	\$ 2,708,750	\$ 3,150,733	\$ 2,929,961	\$ 3,084,579

WASTEWATER DIVISION – CAPITAL
DESCRIPTION OF FUNCTION

This fund accumulates resources for major wastewater capital projects, and accounts for their purchase, construction and financing. Sources of revenue for the fund include wastewater connection fees, transfers from the wastewater operating fund, and interest earnings.

**WASTEWATER DIVISION – CAPITAL
NARRATIVE OF GOALS 2020 – 2025**

1. **Collection System.** Explore the opportunities for Utility Local Improvement District (ULID) expansion of the sewer system to serve all city residents. City will work with property owners using on-site septic systems within the City to connect to the City's sewer system. These new connections would be added on an annual (or biennial) basis. Funding of each group of connections could be covered by the creation of a ULID or by the City taking out a low-interest loan on behalf of the property owners and surcharges added to the utility bill for the subject properties. **2020 – 2025.**
2. **Lift Station and Collection System Improvements.** Develop and implement a plan for replacement and/or improving existing lift stations and collections system infrastructure. **2020 – 2025.**
3. **Reuse and Reclaimed Water.** Promote the wastewater reuse and rainwater reclamation. **2020 – 2025.**
4. **Burnham/Harborview Connector including Bypass Connector.** Interconnect the sanitary sewer line along Harborview Drive to Burnham Drive to allow flow diversion capability. **2020 - 2025.**
5. **Dri-Prime Diesel Pump Installations.** Installation of Dri-Prime Diesel Pumps to replace aging generators at various lift stations. **2020 - 2025.**
6. **Murphy's Landing Marina Navigation Channel Dredge.** In partnership with Murphy's Landing Marina, design and permit a bid ready set of contract documents for the removal of a portion of infill sedimentation that has occurred throughout the years, and will continue to do so, within the marina navigation channel. NOTE: This work will first require a memorandum of understanding between the City and Murphy's Landing Marina noting that all construction costs for the channel dredging will be the sole responsibility of the Murphy's Marina and the City will NOT participate in any construction or long-term maintenance costs. **2020.**
7. **Reclaimed Water Investigation.** Explore the options available to provide reclaimed water. **2020-2025.**

WASTEWATER DIVISION – CAPITAL NARRATIVE OF OBJECTIVES 2020

Mayor & Department Supported Objectives

1. **Replacement of Lift Station #6 (Ryan Street).** Verify right-of-way and complete final design and permitting for the replacement pump station at the existing site. 80% design completed in 2019. Complete design and construction completed in 2020. **\$700,000.**
2. **Rehabilitation of Lift Station #1 (Crescent Creek Park).** Replace existing pumps, electrical and mechanical equipment and coat wet well. **\$115,000.**
3. **Lift Station #11 (2019) Pump Repair and Generator Replacement.** Repair existing pumps and replace generator. **\$40,000.**
4. **Murphy's Landing Marina Navigation Channel Dredge.** In partnership with Murphy's Landing Marina, design and permit a bid ready set of contract documents for the removal of a portion of infill sedimentation that has occurred throughout the years, and will continue to do so, within the marina navigation channel. NOTE: This work will first require a memorandum of understanding between the City and Murphy's Landing Marina noting that all construction costs for the channel dredging will be the sole responsibility of the Murphy's Marina and the City will NOT participate in any construction or long-term maintenance costs. **\$25,000.**
5. **Lift Station 12 Rehabilitation Design.** Lift Station 12 will be 31 years old in 2020 and transfers over 1/3 of the City's sewage. The station's structural, mechanical and electrical systems require repair or replacement. As part of the upgrade, it will be converted from the wet-pit dry-pit configuration to a current standard of a safer and more efficient wet well submersible pump station. The upgrade will include but will not be limited to the following: coating of wet well, installation of submersible pumps, level control, piping, associated vaults, upgrading electrical, new generator or Dri-Prime diesel backup pump (Screwsucker), odor control and converting the existing dry-pit to emergency storage. **\$300,000.**

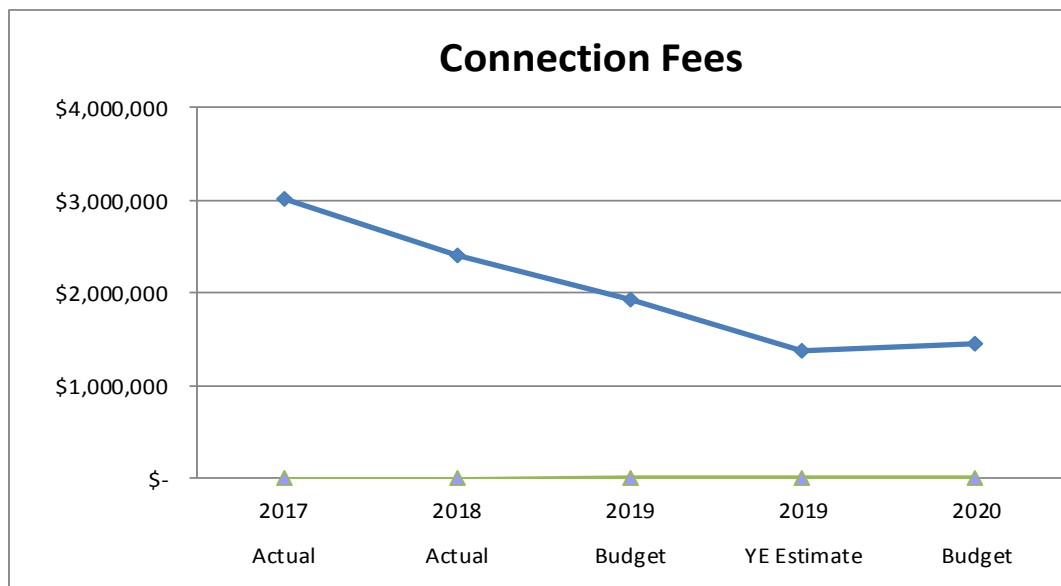
Removed Objectives

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 1,887,287	\$ 6,230,568	\$ 8,526,866	\$ 5,207,844	\$ 8,846,712
Intergovernmental					
Charges for services	3,003,758	2,399,866	1,928,000	1,365,216	1,446,000
Miscellaneous	50,683	214,308	90,000	177,220	176,934
Transfers in	4,811,088	-	300,000	3,962,784	920,550
Total revenues	7,865,529	2,614,174	2,318,000	5,505,220	2,543,484
Total resources	\$ 9,752,816	\$ 8,844,742	\$ 10,844,866	\$ 10,713,064	\$ 11,390,196

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 255,767	\$ 259,362	\$ 297,200	\$ 230,345	\$ 272,700
Benefits	121,191	112,400	135,100	103,197	125,400
Supplies	-	-	-	-	-
Services	-	-	-	-	-
Intergov't charges	45,117	32,150	28,920	10,000	10,000
Capital expenditures	3,100,173	477,347	453,908	605,810	1,180,000
Transfers out	-	2,755,639	-	-	-
Total	3,522,248	3,636,898	915,128	949,352	1,588,100
Ending balance	6,230,568	5,207,844	9,929,738	9,763,712	9,802,096
Total uses	\$ 9,752,816	\$ 8,844,742	\$ 10,844,866	\$ 10,713,064	\$ 11,390,196



STORM WATER DIVISION - OPERATING
DESCRIPTION OF FUNCTION

Maintain, operate and improve the city's storm water collection, treatment and discharge system to provide cost-effective conveyance and disposal of urban runoff from within the public right-of-way consistent with federal, state and local regulations and guidelines to minimize pollution and physical impacts to downstream properties, groundwater, surface water, and sensitive marine life. This function also includes administration of the NPDES Phase 2 permit, continuing to manage a local source control program, review of private development storm drain systems, and periodic update of the city's storm water standards.

**STORM WATER DIVISION - OPERATING
NARRATIVE OF GOALS 2020 – 2025**

1. **Municipal Storm Water Permit Management.** Continue the implementation of a comprehensive city-wide Stormwater Management Program in accordance with the city's current NPDES Phase 2 municipal stormwater permit. The Stormwater Management Program includes the ongoing assessment program for identifying and prioritizing sources of storm water pollution, development of a capital improvement program to identify and resolve storm drainage problems, formal program for coordinating drainage basin issues, community outreach and education, and a program for inspection and enforcement of storm drainage and pollution regulations. Future program objectives will include a comprehensive revision to the city's municipal code, as required by the Washington State Department of Ecology, to remove possible hindrances across all city codes for requirements of future NPDES Phase 2 permits. **2020 – 2025.**
2. **Local Source Control Program.** Coordinate with the Tacoma-Pierce County Health Department with the purpose to reduce pollutants and impacts to surface waters and stormwater system as directed by the City's NPDES Stormwater permit issued by Washington Department of Ecology. To provide pollutant source control inspections and outreach to businesses that will increase operator's awareness the necessary stormwater facilities maintenance, the best environmental stewardship practices education, management practices that reduce the pollutants discharging to the stormwater and elimination of illicit discharge connection to the stormwater system. **2020 - 2025.**
3. **Public Works Standards.** Update the storm section of the Public Works Standards as necessary to reflect the design manual and current policies and procedures as needed. **2020 – 2025.**
4. **Storm Drain Maintenance System Documentation.** Purchase and implement computer software able to record and track storm drain maintenance activities and provide documentation and maintenance schedules. **2020 – 2025.**
5. **Puget Sound Partnership.** In accordance with the new Puget Sound Partnership, become a partner with the new state agency department to be proactive and partner with the efforts to preserve and enhance the quality of adjoining Puget Sound waters. **2020 – 2025.**
6. **Stormwater Outfalls Maintenance.** Perform routine inspections of stormwater outfalls into the Puget Sound. Replace or improve outfalls that have deteriorated due to tidal action or lack of maintenance. **2020 - 2025.**

**STORM WATER DIVISION - OPERATING
NARRATIVE OF OBJECTIVES 2020**

Mayor's Supported Objectives

1. **Storm Utility Revenue Study.** Review the storm water utility's revenue structure for equity and on-going sustainability of the storm water utility. **\$32,000.**
2. **Public Works Facility Security.** Add security cameras to monitor perimeter of buildings and property. **\$5,000 (Parks \$1,250, Street \$1,250, Water \$1,250 Storm \$1,250). (Possible AWC preventative maintenance grant).**
3. **Assessment and Maintenance Plan for Outfalls to Marine Waters.** Initiate and complete an assessment of all City stormwater outfalls, including creation of a prioritized capital improvement program to correct or replace the deficient outfalls and a maintenance plan for all stormwater outfalls. Consultant support with survey and environmental reports with in-house staff completion. **\$40,000.**
4. **Utility Rate Study.** Hire a consultant to perform a study to review each utility's existing rates and charges, review the forecasted revenues, and assess against the respective planned capital projects. **\$38,000 (Storm - \$12,667, Water - \$12,667, Wastewater - \$12,666).**
5. **Local Source Control Program.** The City to enter into an interagency Agreement with Tacoma-Pierce County Health Department with the purpose to reduce pollutants and impacts to surface waters and stormwater system as directed by the City's NPDES Stormwater permit issued by Washington Department of Ecology. To provide pollutant source control inspections and outreach to businesses that will increase operator's awareness of the necessary stormwater facilities maintenance, the best environmental stewardship practices, education, management practices that reduce pollutants discharging to the stormwater and elimination of illicit discharge connections to the stormwater system. An annual report to be provided itemizing the inspections and results realized. **\$25,000.**

Removed Objectives

STORM WATER DIVISION - OPERATING CAPITAL AND EQUIPMENT OUTLAY 2020

Mayor & Department Supported Capital Outlay

1. **Replacement Purchase – 2020 Chevrolet Silverado.** Replace truck #2015, 2008 Chevrolet Silverado ¾ ton pickup. This vehicle has over 107,000 miles and is beginning to require expensive maintenance. Reliability of this vehicle will be an issue moving forward. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$32,500 (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125).**
2. **Replacement Purchase – Four (4) Variable Message Signs.** This would fund the replacement of the remaining older VMS boards that are ten (10) years old. The boards require a significant amount of staff time and parts to maintain. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$73,000 (Park \$14,600, Street \$14,600, Water \$14,600, Wastewater \$14,600, Storm \$14,600).**
3. **Replacement Purchase – Computers.** Replacement computers and laptops for Public Works/Engineering staff. Current systems will be obsolete and unable to run Microsoft Windows 10 and associated software. **\$20,000 (Parks \$4,400, Street \$4,400, Water \$4,400, Storm \$4,400 Wastewater \$2,400).**
4. **Replacement Purchase – Mini Excavator.** A mini excavator is a compact, lightweight alternative to the use of a more expensive backhoe replacement purchase. A mini excavator can fit in smaller job sites, minimize top ground damage and provide for greater use. Existing equipment will be traded in to defray expense. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$65,000 (Parks \$13,000, Street \$13,000, Water \$13,000, Storm \$13,000, Wastewater \$13,000).**
5. **Replacement Purchase – GPS Receiver Kit.** Purchase a GPS receiver kit with software. Current system is out of date and no longer supported. A new kit will allow for great accuracy and efficiency in provide accurate project information and data. **\$12,000 (Parks \$2,400, Street \$2,400, Water \$2,400, Storm \$2,400 Wastewater \$2,400)**

- 6. Cumulative Reserve Vactor Truck Fund.** This would fund a vactor truck in the 2020 Budget totaling approximately \$500,000. The existing vactor would be sold at auction after the new vactor is operational. Parks and Streets funding would be supported by the Equipment Reserve fund (No. 112). **\$250,000 (Parks \$12,500, Street \$12,500, Water \$25,000, Storm \$100,000, Wastewater \$100,000)**

Removed Capital Outlay

- 1. New Purchase – Municipal Cleaning Vehicle (MCV).** Purchase of equipment with flexible, environmentally friendly, cleaning abilities in maintenance of pervious surfaces, sidewalks, pathways as well as small spill recovery capability. **\$230,000 (Parks \$76,666, Streets \$76,666, Storm \$76,666)**
- 2. New Purchase – 2020 Chevrolet Silverado.** Pickup truck with hands free technology to be assigned to supervisor. New addition to fleet will allow for the supervisor's older vehicle to be used by crew. **\$32,500. (Parks \$8,125, Street \$8,125, Water \$8,125, Storm \$8,125)**

Total Storm Capital and Equipment Outlay is \$142,525

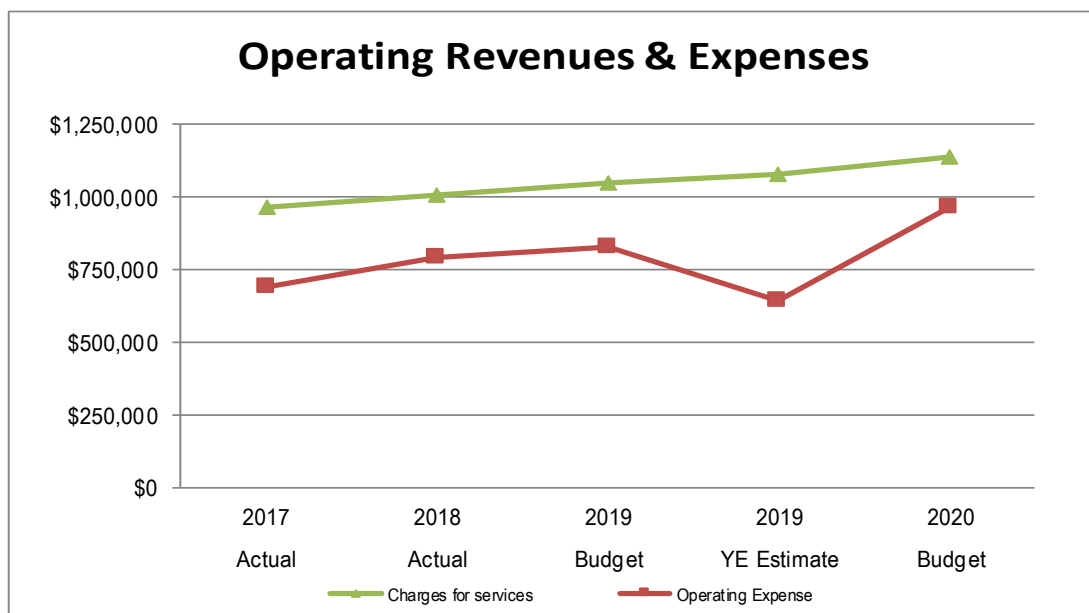
CITY OF GIG HARBOR											
STAFF ADJUSTMENT REQUEST FORM											
A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.											
Position Title:		Department:	Fund:								
Laborer (Street Sweeper)		Public Works	Parks, Street, Storm								
Salary Range From:	Salary Range To:	Change Date:	January 1, 2020								
\$ 43,776	\$ 54,720	Department Contact:	Jeff Langhelm								
Choose Type of Adjustment Request		Priority:	2								
Description of Request:											
Public Works Operations Division proposes hiring a Laborer to perform both general Parks maintenance duties (0.4 FTE) and street sweeping duties (0.6 FTE). Current staffing levels will be stretched thin to provide support to new facilities and parks that have been added in 2019 and will be improved in 2020. Additionally, to reduce ongoing and expensive storm drain cleaning effort Public Works proposes to increase the City's street sweeping efforts so as to remove debris from roadways before it enters the City's storm drains.											
Advantage of Approval / Implication of Denial:											
The Parks Laborer portion supports the increasing workload required to maintain parks and streetscapes. Without this position the City may have to defer maintenance tasks leading to a rate of significant deterioration of facilities and equipment. The department will be unable to meet the level of service anticipated by residents, businesses, elected officials and staff. The Street Sweeper position will provide for an employee dedicated to clean and maintain streets and impervious areas. This employee would be proficient in street sweeping operations and the care and maintenance of street sweeping equipment. Without this position the City will have to pull a full time employee and disrupt the crew's work schedule to perform these duties. This position allows for them to focus on maintenance tasks. The department may be unable to maintain streets and their cleanliness to the level of service anticipated by residents, businesses, elected officials and staff.											
Alternatives (Delaying Funding / Partial Funding):											
The volume of work and type of work performed by the Parks Laborer position is year round work and therefore not adequate to use seasonal employees. Additionally, the use of seasonal hires limits administrations abilities to efficiently develop and use staff because of training and need for knowledge of specific site safety. The volume of work and type of work for the Street Sweeper position will be year round work as they will transition to snow removal duties in the event of inclement weather. The training and knowledge of specific street equipment calls to the need for this position.											
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;">2020 Annual Costs</td> </tr> <tr> <td>Wages</td> <td style="text-align: right;">\$ 49,248.00</td> </tr> <tr> <td>Benefits</td> <td style="text-align: right;">\$ 37,735.00</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 86,983.00</td> </tr> </table>			2020 Annual Costs	Wages	\$ 49,248.00	Benefits	\$ 37,735.00	Total	\$ 86,983.00
	2020 Annual Costs										
Wages	\$ 49,248.00										
Benefits	\$ 37,735.00										
Total	\$ 86,983.00										
Funding Source Description:											
Funded by Parks (0.6 FTE), Street (0.2 FTE), and Storm (0.2 FTE) Operating funds											

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 1,338,935	\$ 1,537,229	\$ 1,433,942	\$ 1,762,765	\$ 1,362,177
Taxes	-	-	-	-	-
Charges	966,496	1,009,388	1,048,831	1,077,060	1,137,107
Miscellaneous	12,332	29,684	20,000	40,694	27,244
Transfers in	-	-	-	-	-
Other	-	34,316	-	-	-
Total revenues	978,828	1,073,388	1,068,831	1,117,754	1,164,351
Total resources	\$ 2,317,763	\$ 2,610,617	\$ 2,502,773	\$ 2,880,519	\$ 2,526,528

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 351,381	\$ 381,585	\$ 402,900	\$ 351,244	\$ 447,300
Benefits	160,444	157,414	189,925	143,618	180,335
Supplies	25,666	47,738	29,900	51,810	61,430
Services	153,883	206,493	205,541	99,488	278,086
Intergov't charges	18,576	18,997	15,485	12,400	18,500
Capital expenditures	57,257	5,012	95,575	9,636	38,125
Transfer	-	-	1,300,000	800,000	-
Other	13,327	30,613	35,189	50,146	50,000
Total expenditures	780,534	847,852	2,274,515	1,518,342	1,073,776
Ending fund balance	1,537,229	1,762,765	228,258	1,362,177	1,452,752
Total uses	\$ 2,317,763	\$ 2,610,617	\$ 2,502,773	\$ 2,880,519	\$ 2,526,528



STORM WATER DIVISION - CAPITAL
DESCRIPTION OF FUNCTION

This fund accumulates resources for major storm water capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include connection fees and storm rates.

**STORM WATER DIVISION - CAPITAL
NARRATIVE OF GOALS 2020 – 2025**

1. **Harborview Drive Stormwater Conveyance Improvements.** Eliminate sediment stormwater accumulation under the Harbor History Museum. **2020 – 2025.**
2. **Storm Drain Capacity Improvements.** Identify and replace yearly under capacity storm drain lines within the City. **2020 - 2025.**
3. **Identify and remove fish passage barriers.** Identify and replace constricted fish passage barrier culverts. **2020 - 2025.**

**STORM WATER DIVISION - CAPITAL
NARRATIVE OF OBJECTIVES 2020**

Mayor & Department Supported Objectives

1. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center, including payment of all necessary utility general facility charges and transportation impact fees. This work assumes the City continues with the existing approved site plan and design review board approval. This work does not consider design or expenses for furnishings. **\$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).**
2. **Public Works Shop – Decant Facility.** Design, permitting, and construction of a new decant facility to be constructed on existing City property for the Public Works Operations Center. **\$115,000 (Funding may be available through Pierce County Flood Control Zone District Opportunity Funds, a preventative maintenance grant from AWC, grant funds from Tacoma-Pierce County Health Department, and/or Washington State Department of Ecology).**
3. **Storm Pipe Slip Lining.** Perform the slip lining of two storm pipes in the City right of way due to failed pipe connections. These two storm pipes are located at the east end of Mountain View Place and in Vernhardson Street in the vicinity of Crescent Creek. In-house design and small public works contract for construction. **\$120,000.**

Removed Objectives

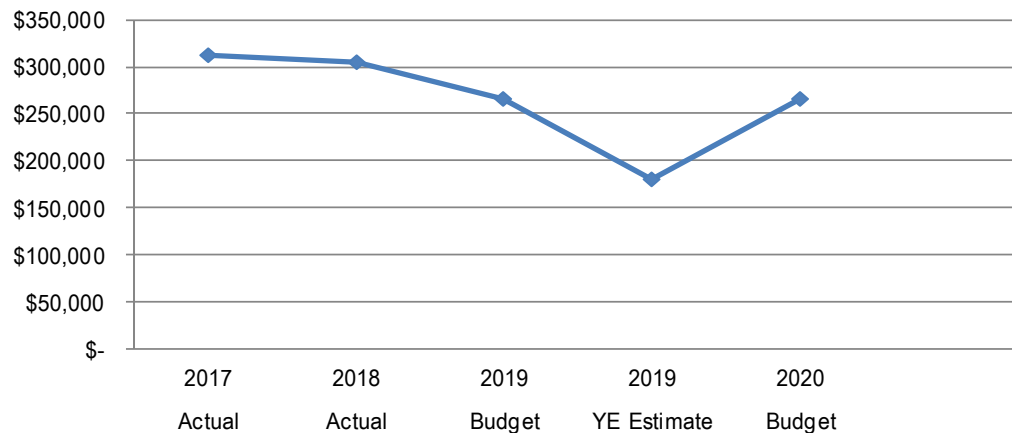
Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 841,215	\$ 974,712	\$ 891,162	\$ 1,193,174	\$ 1,127,641
Taxes	-	-	-	-	-
Charges	312,510	305,502	265,500	180,859	265,500
Miscellaneous	8,518	20,737	15,000	29,222	22,553
Transfer In	-	-	1,300,000	800,000	-
Total revenues	321,028	326,239	1,580,500	1,010,081	288,053
Total resources	\$ 1,162,243	\$ 1,300,951	\$ 2,471,662	\$ 2,203,255	\$ 1,415,694

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 57,286	\$ 66,062	\$ 102,400	\$ 97,861	\$ 54,700
Benefits	23,787	27,002	47,000	43,213	17,500
Supplies	-	-	-	-	-
Services	-	-	-	-	-
Intergov't charges	-	-	-	-	-
Capital expenditures	106,458	14,713	1,156,233	934,540	344,853
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Total	187,531	107,777	1,305,633	1,075,614	417,053
Ending balance	974,712	1,193,174	1,166,029	1,127,641	998,641
Total uses	\$ 1,162,243	\$ 1,300,951	\$ 2,471,662	\$ 2,203,255	\$ 1,415,694

Storm Connection Fees



**WATER DIVISION CAPITAL
DESCRIPTION OF FUNCTION**

This fund accumulates resources for major water capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include water connection fees, transfers from the Water Operating Fund and interest earnings.

**WATER DIVISION CAPITAL
NARRATIVE OF GOALS 2020 – 2025**

1. **Asbestos-Cement Water Main Replacement Program.** Continue to implement a program to identify and replace aging and/or vulnerable portions of the asbestos-cement water transmission and distribution system. Priority will be given to lines within areas identified for other capital improvements, such as pavement replacement or street reconstruction, and especially lines more than 40-years old where high ground water is present and/or areas where lines have historically ruptured. **2020 – 2025.**
2. **Reuse and Reclaimed Water.** Further develop the preliminary groundwater recharge feasibility report to explore the feasibility of recharging groundwater in the future. This refinement to the preliminary report would explore in more specific detail specific recharge sites, sources of recharge water, as well as other potential benefits that may result from performing groundwater recharge. **2020 – 2025.**
3. **Primary Source Well Development.** As identified in the Water System Plan, develop the location for this primary source well in the Gig Harbor North area and continue to work towards obtaining the primary water right for this well. **2020 - 2025.**
4. **Gig Harbor North Water Emergency Intertie.** Construct the much need intertie in the vicinity of St. Anthony's Hospital. Currently the Hospital and surrounding area is served by a single trunk waterline that crossed under SR 16 and should a rupture to this primary line occur, it would cut off the supply of water to the entire Gig Harbor North area. **2020.**
5. **Water quality and responsibility.** Continue to provide a supply of high-quality potable water in a timely and reasonable manner, with a focus on system reliability and source redundancy. **2020 - 2025.**
6. **System reliability and Emergency Management Planning.** Continue to provide a reliable water system and protect the security of its water system. **2020 - 2025.**
7. **Water supply and storage capabilities.** Ensure that the City has sufficient facilities available to meet its maximum day demand and storage tanks are sized to meet the current and proposed system demands. **2020 - 2025.**

**WATER DIVISION CAPITAL
NARRATIVE OF OBJECTIVES 2020**

Mayor & Department Supported Objectives

1. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center, including payment of all necessary utility general facility charges and transportation impact fees. This work assumes the City continues with the existing approved site plan and design review board approval. This work does not consider design or expenses for furnishings. **\$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).**
2. **Emergency Water Intertie – Canterwood Blvd.** Install an intertie (approximately 1,600 LF) along Canterwood Blvd between St. Anthony's hospital and Baker Way to provide a redundant water source in the event of an emergency. **\$420,000.**
3. **Gig Harbor North Sports Complex Water Main.** Redundant main installed by PW Operations. In-house design. **\$65,000.**
4. **Gig Harbor North Well (No. 9) Design and Permitting.** Re-initiate the development of a new well source in Gig Harbor North associated with a previous water right permit application. The new well source will improve operation of the City's water system and will be required to meet storage capacity standards required by the Washington State Department of Health. This well source is anticipated to re-allocate existing water rights. **\$200,000.**

Removed Objectives

1. **Water Main Extension – Bering St.** Connect Canterwood Blvd to Bering Street with 12-inch ductile iron pipe to provide redundant water flow. **\$266,000.**

Resources

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Beginning balance	\$ 2,929,955	\$ 4,511,136	\$ 3,712,921	\$ 5,639,314	\$ 4,473,728
Intergov't revenue	-	-	-	-	-
Charges	1,779,887	1,761,252	1,095,000	745,851	730,000
Miscellaneous	46,993	96,252	65,000	141,342	89,475
Transfers in	1,693,256	-	800,000	1,500,000	-
Total revenues	3,520,136	1,857,504	1,960,000	2,387,193	819,475
Total resources	\$ 6,450,091	\$ 6,368,640	\$ 5,672,921	\$ 8,026,507	\$ 5,293,203

Expenditures By Type

Category	2017 Actual	2018 Actual	2019 Budget	2019 YE Estimate	2020 Budget
Salaries	\$ 110,806	\$ 112,178	\$ 98,900	\$ 85,434	\$ 96,100
Benefits	50,282	47,379	48,900	36,645	46,800
Supplies	-	-	-	-	-
Services	-	-	-	-	-
Intergov't charges	26,698	28,949	16,425	12,600	15,000
Capital expenditures	1,751,169	540,820	3,401,500	3,418,100	718,000
Transfers out	-	-	-	-	-
Total	1,938,955	729,326	3,565,725	3,552,779	875,900
Ending balance	4,511,136	5,639,314	2,107,196	4,473,728	4,417,303
Total uses	\$ 6,450,091	\$ 6,368,640	\$ 5,672,921	\$ 8,026,507	\$ 5,293,203

