City Services Appendix

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1.0 INTRODUCTION

The Washington State Growth Management Act (GMA) requires that the Capital Facilities Element of a Comprehensive Plan include an inventory, projected needs, and funding and financing for facilities and infrastructure. GMA also requires a Utilities Element addressing the current system and projected needs for power, natural gas, and telecommunications. This City Services Appendix is intended to provide the technical foundation – inventory, service standards, capacity, proposed projects, and funding as appropriate – for the GMA required elements of Capital Facilities and Utilities. The goals and policies for these required elements are contained in the City Services Element of Bremerton's Comprehensive Plan.

1.1 The Capital Facilities Plan

The purpose of the Capital Facilities Plan (CFP) contained in Sections 1 through 4 of this City Services Appendix is to use sound fiscal policies to provide adequate public facilities consistent with the land use element and concurrent with, or prior to, the impacts of development in order to achieve and maintain adopted standards for levels of service.

The CFP is based on the following sources of information and assumptions:

- **Capital Facility Functional or System Plans**. Capital facility functional or system plans of the City of Bremerton or other service providers were reviewed for inventories, levels of service, planned facilities, growth forecasts, and potential funding.
- **Growth Forecasts**. Population and job growth forecasts were allocated to Bremerton through the Countywide Planning Policies for Kitsap County (Kitsap Regional Coordinating Council, 2015). The 2015 population as well as the 2021 (six-year) and 2036 population (20-year) growth for each facility provider is estimated.
- **Revenue Forecasts**. Revenues were forecasted for Bremerton services to year 2036. The sources of revenue are summarized from available plans and compared to typical revenue sources for those service providers.

Growth Management Act Requirements

GMA requires that all comprehensive plans contain a capital facilities element. GMA specifies that the capital facilities element should consist of: a) an inventory of existing capital facilities owned by public entities; b) a forecast of the future needs for capital facilities; c) the proposed locations and capacities of expanded or new capital facilities; d) a six-year CFP that will finance capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and e) a requirement to reassess the land use element if probable funding falls short of existing needs. (RCW 36.70a.070(3))

The GMA requires the CFP to identify specific facilities, include a realistic financing plan (for the six-year period), and make adjustment to the plan if funding is inadequate. Capital facilities are important because they support the growth envisioned in the City's Comprehensive Plan. GMA requires that all capital facilities have "probable funding" to pay for capital facility needs, and that jurisdictions have capital facilities in place and readily available when new development comes in or must be of sufficient

capacity when the population grows, particularly for transportation (concurrency) or for services deemed necessary to support development.

Levels of service (LOS) are established in the CFP and represent quantifiable measures of capacity. They are minimum standards established by the City to provide capital facilities and services to the Bremerton community at a certain level of quality and within the financial capacity of the City or special district provider. LOS standards are influenced by local citizens, elected and appointed officials, national standards, mandates, and other considerations, such as available funding. Examples of LOS measures include: amount of intersection delay, acres parks or miles of trails per 1,000 population, gallons of water per capita per day, and others. Those facilities and services necessary to support growth should have LOS standards and facilities.

Recent Growth Management Hearings Board cases have placed more importance on the preparation and implementation of CFPs. The key points include:

- **Capital facilities plans** should address the 20-year planning period and be consistent with growth allocations assumed in the Land Use Element. Capital facilities plans should also demonstrate an ability to serve the full city limits and Urban Growth Area (UGA).
- **Financial plans** should address at least a 6-year period and funding sources should be specific and committed. The City should provide a sense of the funding sources for the 20-year period though it can be less detailed than for the 6-year period.

Growth, LOS standards, and a funded capital improvement program are to be in balance. In the case where the LOS cannot be met by a particular service or facility, the jurisdiction could do one of the following: 1) add proposed facilities within funding resources, 2) reduce demand through demand management strategies, 3) lower LOS standards, 4) phase growth, or 5) change the land use plan.

Definition of Capital Facilities

Capital facilities generally have a long useful life and include city and non-city operated infrastructure, buildings, and equipment. Capital facilities planning does not cover regular operation and maintenance, but it does include major repair, rehabilitation, or reconstruction of facilities.

The CFP addresses infrastructure (such as streets, roads, traffic signals, sewer systems, stormwater systems, water systems, parks, etc.) and public facilities through which services are offered (such as fire protection structures and major equipment, law enforcement structures, schools, etc.). According to WAC 365-196-415, at a minimum, those capital facilities to be included in an inventory and analysis are water systems, sewer systems, stormwater systems, schools, parks and recreation facilities, police facilities and fire facilities.

1.2 Utilities Plan

GMA requires that a Utilities Element address the “general location, proposed location, and capacity of all existing and proposed utilities, including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.” Section 5 of this City Services Appendix addresses the required inventory and description of power, gas, and telecommunication services.

Definition of Utilities

Utilities are the facilities that serve the public through collecting, transmitting, distributing, and processing various services (WAC 365-196-210). These utilities can include natural gas, electricity, telecommunications, water, and sewage services.

1.3 Key Principles Guiding Bremerton's Capital Investments

There are two main guiding elements behind the capital facilities planning: fiscal policies and the GMA. These principles interact to guide capital investment.

1.4 Capital Facilities and Utilities Addressed in the City Services Appendix

Exhibit 1 summarizes the facilities and services addressed in this appendix including the service, provider, and applicable plans considered in this appendix.

Exhibit 1. Facilities and Services addressed in City Services Appendix

Facility Type	Provider	Description	Applicable Plans
Fire and Emergency Services	Bremerton Fire Department	Provides facilities that support the provision of fire and emergency services.	
Law Enforcement	Bremerton Police Department	Provides facilities that support the provision of law enforcement services.	
Parks	Bremerton Parks & Recreation Department	Provides facilities for passive and active recreational activities.	• Parks, Recreation and Open Space Plan, City of Bremerton, Adopted March 19, 2014
Streets / Transportation	Bremerton Public Works & Utilities Department	Provides streets, sidewalks, traffic controls, and street lighting.	• See Transportation Appendix under separate cover.
Sewer / Wastewater	Bremerton Public Works & Utilities Department	Provides facilities used in collection, transmission, storage, treatment or discharge of waterborne waste within most developed portions of city and some surrounding unincorporated areas.	• 2014 Wastewater Comprehensive Plan Update, City of Bremerton and HDR, Final December 2014
Stormwater Management	Bremerton Public Works & Utilities Department	Provides facilities that collect and transport stormwater runoff.	• City of Bremerton Stormwater Management Program, 2014 • Ord. 4454 • BMC 15.04
Water	Bremerton Public Works & Utilities Department	Provides supply of potable water from system of surface water and wells. Service area includes developed portions of city and surrounding unincorporated areas. Utility also contracts to provide water to additional areas.	• Water System Plan Update 2012, City of Bremerton Department of Public Works & Utilities and KPFF, June 2013

Facility Type	Provider	Description	Applicable Plans
Schools	Bremerton School District	Provides elementary and secondary facilities for instruction in the several branches of learning and study required by the Basic Education Code of the State of Washington.	• Bremerton School District 100-C Study and Survey, 2012 • Kitsap County Capital Facilities Plan, 2012
Electrical Utilities	Puget Sound Energy	Provides supply of electrical power through transmission lines.	• 2013 Integrated Resource Plan
Natural Gas	Cascade Natural Gas	Provides supply of natural gas from interstate pipelines from production areas in the Rocky Mountains and western Canada.	• 2014 Cascade Natural Gas Integrated Resource Plan
Telecommunication System	Qwest Corporation (Century Link QC) provides telephone service. KPUD provides wholesale broadband internet access. Comcast provides cable television services. Cellular services are provided by a variety of national and regional carriers	Provides transmission of information through telephone, radio, cellular telephone, and cable television.	

1.5 Relationship to the Comprehensive Plan and Future Land Use Plan

The Capital Facilities Plan relies on the policies set forth in the Bremerton Comprehensive Plan as a baseline for studying capital planning needs. The future land use plan and the comprehensive plan population assumptions drive future development in the City, which impacts levels of service and determines capacity needs for services provided by city and non-city providers. Exhibit 2 lists the population assumptions for the 6 and 20-year planning horizon years for both the city limits and the UGA. If UGAs were to annex to the City the UGA population would be added to the City's population. See the Land Use appendix documenting the City's 2012-2036 growth targets and estimates. These have been adjusted for a 2015 base year in this City Services appendix. The status of UGA allocations and capacities is found in Section 6 of this Appendix.

Exhibit 2. Bremerton Population Assumptions, 2015 - 2036

Year	Bremerton Population	UGA Population
2015	39,410	9,579
2021	42,985	10,559
2036	53,407	13,473

Note: Population numbers are estimated using a base year of 2012, when Bremerton had a population of 39,650. The 2015 population for the City of Bremerton is an estimate from Washington State Office of Financial Management (OFM). The UGA estimate for 2015 is a straight-line estimate from a 2012 estimate of 9,123 (US Census blocks and permit basis). The net change growth is based on estimates developed by the County and City in prior planning efforts in 2012, and is similar to and slightly higher than the City's net growth target in the Countywide Planning Policies to demonstrate the City's ability to serve the target and have a conservative estimate of growth to avoid under planning. The UGA estimate is based on growth targets and the County's land capacity analysis for its Comprehensive Plan and zoning as of 2015. The status of UGA allocations and capacities is found in Section 6 of this Appendix.

Source: BERK, 2015; OFM, 2015.

1.6 Foundation Documents (Incorporation by Reference)

The documents used for preparation of the CFP are the capital facility and capital improvement plans prepared routinely by the City of Bremerton, which are required for obtaining funding. The following documents are incorporated by reference:

- Bremerton's Capital Improvement Plan (CIP) provides a planned and programmed approach to efficient utilization of the City's resources while meeting local service and infrastructure needs. (2016 - 2021 Capital Improvement Plan, 2015).
- In addition, any functional plans for service areas are also reviewed and incorporated by reference into this document. See Exhibit 1.

2.0 CAPITAL FACILITIES REVENUE ANALYSIS

2.1 Overview

The revenue analysis of the Capital Facility Plan supports the financing for providing facilities and services, as required by RCW 36.70A.070(3)(d). Revenue estimates, using assumptions that are based on historical trends, were used to represent a realistic expectations for revenue that may be available for capital funding.

This revenue analysis looks at Bremerton's capital facilities revenues for those services provided by the City of Bremerton. Through recognizing the fiscal constraints, project prioritization can be incorporated into the capital planning process.

The revenue analysis provides an **approximate, and not exact, forecast of future revenue sources**. The numbers projected in this analysis are for planning purposes and cannot account for sensitivities such as local, state and federal policy, economic trends, and other factors.

2.2 Funding the Capital Facility Plan

Estimated future revenues have been projected for the Plan's 2016-2036 time period in year of expenditure dollars (YOE$). The revenue analysis is grouped according to the following categories:

- **Dedicated Capital Revenues**. Dedicated revenues are required by law to be used for certain types of capital spending. Dedicated capital revenues in Bremerton include grants and General Facility Charges.
- **General Capital Revenues**. Those revenues under the category of general capital revenues are required by law to be used for capital projects. The general capital revenues in Bremerton include Real Estate Excise Tax I and II.
- **Potential Policy Options and Other Funding Sources**. There are policy tools and other sources available to fund capital projects.

Revenues highlighted in the analysis are used to fund maintenance and operations of existing capital facilities or to construct new ones. However, when funding cannot keep pace with operations and maintenance, Bremerton must make decisions about whether to construct new capital or to lower level of service standards. The analysis attempts to create as realistic of a picture as possible, basing assumptions on historical data and stated City policy.

2.3 Assumptions

The Bremerton revenue analysis is based on the following assumptions.

Annexation. The City of Bremerton is considering annexing its associated Urban Growth Area (UGA), but it is uncertain when the annexation would occur. For this reason, the revenue model assumes two distinct scenarios, which evaluate the outcomes of two possible future growth alternatives. The annexation assumptions are:

- The City of Bremerton maintains the same boundary now through the 2036 planning horizon, without annexing any additional unincorporated areas.
- The City of Bremerton annexes its associated Urban Growth Areas – Gorst UGA, West Bremerton UGA, and East Bremerton UGA in 2016, the first year of the analysis.
- **Real Estate Excise Tax (REET)**. The revenue model assumes growth in the assessed value of real estate.
- **Escalation Rate of Assessed Values**. Given that Bremerton's total assessed value has been flat or declined over the last seven years, going up approximately 2.0 percent in 2015, this analysis assumes that real estate assessed values increase at an annual rate of 1.0 percent going forward.
- **Turnover Rate of Properties**. Since REET is based on the total value of real estate transactions in a given year, the amount of REET revenues a city receives can vary substantially from year to year based on the normal fluctuations in the real estate market. During years when the real estate market is active, revenues are higher, and during softer real estate markets, revenues are lower. For the purposes of this analysis, it is assumed that 5.0% of residential property and 3.5 percent of commercial property turn over in any given year.

Transportation Benefit District. The City of Bremerton, by authority of the state, established a Transportation Benefit District (TBD) to fund capital improvement of city streets and transportation projects. Improvements funded by the TBD must be consistent with local and regional transportation plans and required for economic development.

The City of Bremerton began collecting a $20 vehicle license fee by the authority of the Transportation Benefit District in December of 2011. The fee is collected by the Washington State Department of Licensing on vehicles that qualify and the funds are used for operations of the district and improvements consistent with existing transportation plans (Resolution No. 005, 2011). This analysis, however, assumes no additional car tab fee revenues allocated to capital, since the use of the fees collected is dependent on the work plan that is approved by the Transportation Benefit District Board. As such, the fees are only approved for a six year period and there is no policy for allocating a portion of vehicle license fee revenues to capital spending. (Johnson, 2015) See also Section 2.8 which identifies some additional funding authority the City may exercise with the TBD.

Enterprise Capital Funds. Beginning in 2012, utility funds collected through customer rate charges were split into an operation and maintenance fund and a capital fund in order to monitor operation and maintenance costs separately from Capital Improvement Program costs. The rate revenue collected that is designated for capital is a transfer from the operating fund and the amount transferred is the fund balance in excess of the 12% reserve balance. (Johnson, 2015)

It is important to note that the assumptions being used for this revenue analysis may not align with the City's budget assumptions regarding the same sources of revenue. The assumptions differ because the purposes of the two analyses are different: the purpose of the City' budget is to estimate how much money the City will have available to spend in the coming fiscal year; the purpose of this CFP revenue analysis is to estimate how much money the City is likely to receive in total over the next six and twenty years.

2.4 Dedicated Capital Revenues

Transportation Grants

Grants are an important funding source for transportation capital projects; however, these funds are distributed in a competitive process which makes it difficult to determine future grant funding levels. Because jurisdictions are feeling the squeeze that outside forces are putting on their capital funding programs, they are competing for, and relying more on, grants. As more jurisdictions compete, however, securing grant funding becomes more difficult.

State Transportation Grants

State grants are primarily funded with the state-levied portion of the Motor Vehicle Fuel Tax (MVFT). There have been voter-approved increases in the state MVFT, which is based on a complex reimbursement formula that relies on road miles within the jurisdiction. Most of the funds from the increases are earmarked for specific transportation projects throughout the State and local jurisdictions like Bremerton have not seen noticeable increases in average revenues. The latest increase to the MVFT

was in 2015, when a 7 cent increase raised the total state MVFT, with another 4.9 cent increase expected in July of 2016 (Gas Tax Increases by 7 Cents in Washington State, 2015).

For this revenue analysis, recent historical state grant revenue trends were considered. However, since grant funding is consistently unpredictable, future revenue estimates are conservative. Bremerton received state transportation grants in 2014 and 2015, while in years 2010 through 2013 there were no state grants received for transportation.

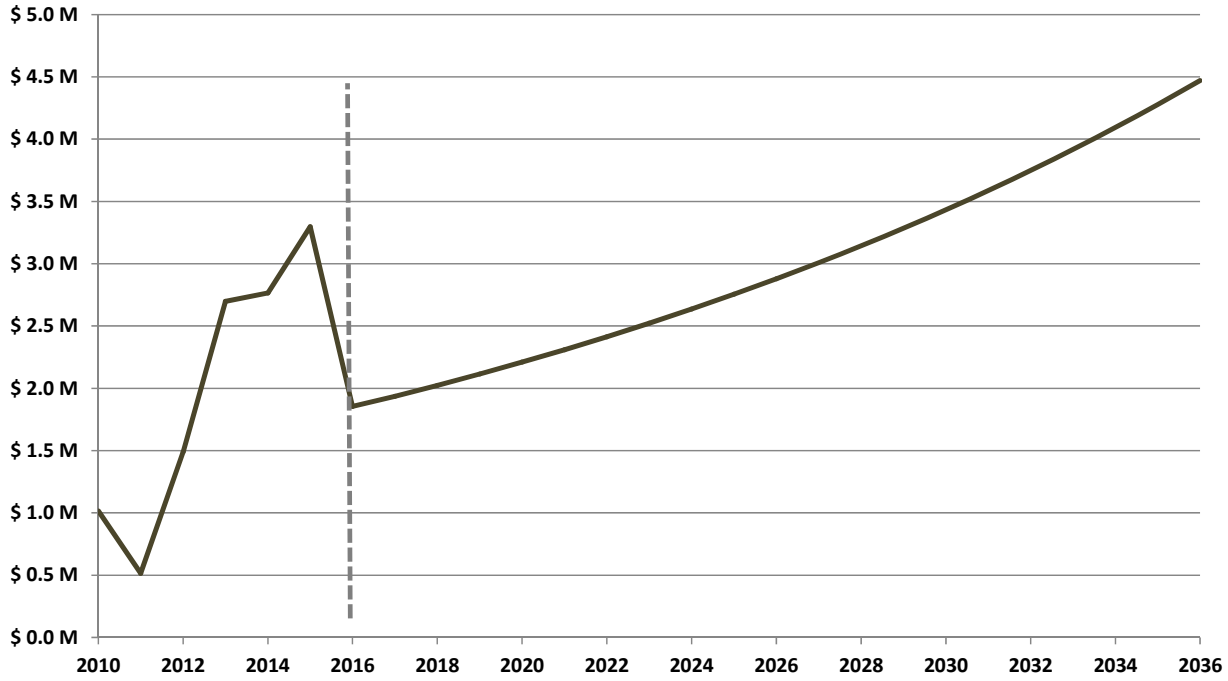
Federal Transportation Grants

Federal transportation grants are funded through the federal portion of the fuel excise tax. The federal gas tax rate has fluctuated between 18.3 cents and 18.4 cents per gallon since 1994. The majority of these funds are deposited into the Highway Trust Fund and disbursed to the states through the Highway and Mass Transit Accounts. As with the state grants, these funds are distributed in a competitive process, making it difficult to determine future grant funding levels.

Assumptions: Revenues for total federal and state grants are estimated on a per capita basis on the assumption that over time jurisdictions will generally receive its “fair share” of available grant revenues. Given that state grant funding has not been very present in recent years, the model assumes $45 of grant revenue per capita, growing at 3 percent annually (consistent with the current 5-year historical average for both state and federal grants).

Exhibit 3 shows the total state and federal historical grant revenues to the left of the dotted line, and projected revenues to the right of the dotted line. An average annual dollar amount is assumed in each year for this analysis. However, in reality these dollars will vary greatly from year-to-year and will likely resemble the trend of peaks and valleys shown in historical data. While using an annual average does not fully represent the City’s future receipt of grant dollars, it approximates how many total dollars may be received over the study period.

Exhibit 3. Annual Bremerton Transportation Grant Revenues Allocated for Capital Projects (2010 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 4 summarizes projected revenues for the planning period as well as two subtotal time periods.

Exhibit 4. Projected Transportation Grant Revenues for Capital Projects (2016-2036 YOE$)

Transportation Grants	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$12,449,000	$50,172,000	$62,621,000

Source: City of Bremerton, 2015; BERK, 2015.

Approximately $63 million could potentially be available for transportation-related capital projects over the next 20 years, including the 2015 beginning fund balance of $463,000 (see Exhibit 5). This beginning fund balance amount only includes balances from the Transportation Benefit District and the Washington Avenue Capital Project Fund since other balances are expected to be spent in 2015 (Johnson, 2015).

Exhibit 5. Projected Dedicated Transportation Revenues Allocated for Capital (2016 – 2036 YOE$)

Transportation Grants	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036	Total with 2015 Fund Balances
Estimated Revenues	$12,449,000	$50,172,000	$62,621,000	**$63,084,447**

Source: City of Bremerton, 2015; BERK, 2015.

SEPA Mitigation Fees

The City has authority under the State Environmental Policy Act to address traffic impacts and require mitigation measures as development occurs. No fees have been collected in the last five years for SEPA mitigation.

The City of Bremerton has determined mitigation in advance with the Planned Action Ordinance adopted for the Puget Sound Industrial Center-Bremerton. The cost of all local road improvements deemed related to growth was $25,765,000 in 2012 dollars. Each development project is responsible for a proportionate share of its trips on the road system. However, the fee charged per trip is only 20% of the total estimated costs of local improvements at $1,126 in 2012 dollars.[1] Thus the City would need to find other resources to help implement the new improvements.

Parks Grants

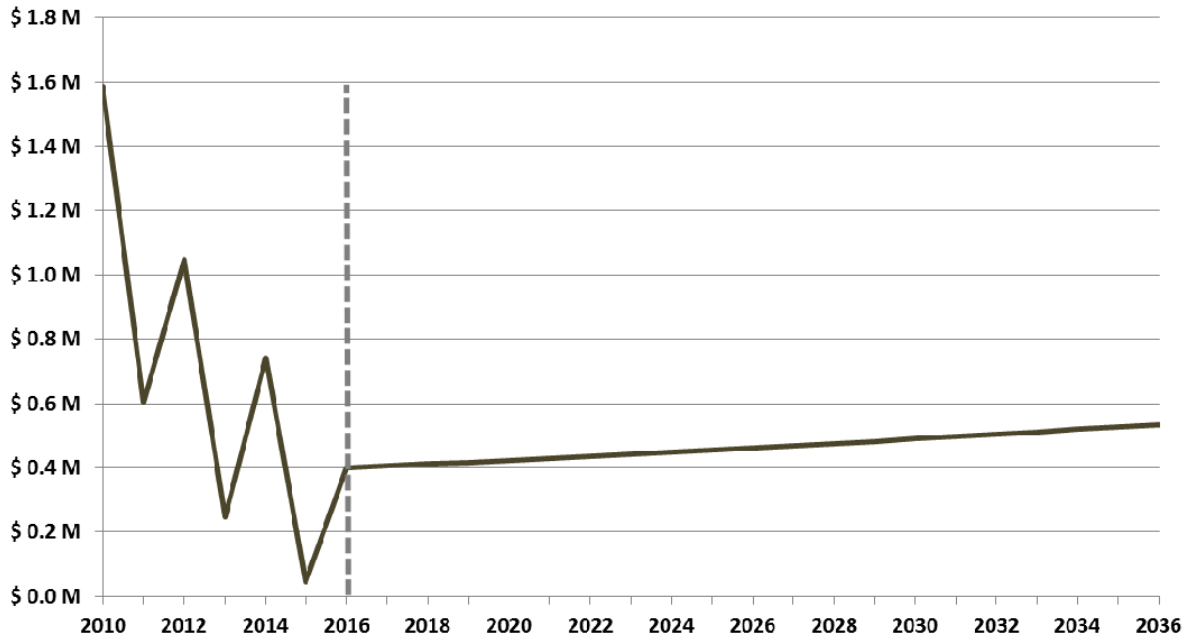
Revenues for parks capital projects and acquisitions generally come from state and federal grants, and sometimes donations. State grants generally come from the Washington State Recreation and Conservation Office (RCO) and make up the largest of these three sources.

Assumptions. Since parks grants are competed for on a state or national level, this analysis estimates these revenues on a per capita basis on the assumption that over time a jurisdiction will generally receive its "fair share" of available grant revenues. Over the last six years, Bremerton has received around $18.50 per capita in combined grant and donation revenues. Given large fluctuations from year to year, a value of $10 per capita was used in order to project potential future grant revenues using a conservative assumption, with no additional annual growth.

Exhibit 6 shows historical revenues to the left of the dotted line and estimated future revenues to the right of the dotted line. An average annual dollar amount is assumed in each year for this analysis. In reality, annual revenues will vary greatly and are likely to resemble the trend of the peaks and valleys shown in historical data. While using an annual average does not fully represent Bremerton's future receipt of grant dollars, it approximates how many total dollars may be received over the study period.

[1] The fee may be escalated with the Consumer Price Index.

Exhibit 6. Annual Bremerton Parks Grants and Donations Revenues (2010 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 7 summarizes projected revenues for the planning period as well as two subtotal time periods.

Exhibit 7. Projected Bremerton Parks Grants and Donations Revenues (2016-2035 YOE$)

Parks Grants and Donations	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$2,489,000	$7,254,000	$9,743,000

Source: City of Bremerton, 2015; BERK, 2015.

Including the 2015 fund balance of $133,000, approximately $9.8 million could potentially be available for parks-related capital projects over the next 20 years (see Exhibit 8).

Exhibit 8. Projected Dedicated Parks Revenues Allocated for Capital (2016 – 2036 YOE$)

Parks Grants and Donations	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036	Total with 2015 Fund Balances
Estimated Revenues	$2,489,000	$7,254,000	$9,743,000	**$9,876,075**

Source: City of Bremerton, 2015; BERK, 2015.

Wastewater

The City of Bremerton provides sewer services, as required by state and federal law. Prior to 2012, capital improvements were included in the overall Wastewater Utility Fund; currently, the City splits the utility funds into an Operations and Maintenance fund and a Capital Fund. The Wastewater Capital Fund provides for the planning, engineering, labor, material, equipment, and overhead costs related to construction of wastewater capital facilities and improvements.

Typically, utilities use the following resources to fund capital improvements:

- Grants;
- General Facility Charges;
- Accumulated capital cash reserves and interest earnings;
- Transfers from the Operations and Maintenance Fund, if needed; also called rate funded system re-investment (funded by rate revenues paid by utility account customers);
- Loans;
- Bond financing.

Grants, General Facility Charges, and certain level of operating transfers represent dedicated capital revenues. The other funding sources are used on as needed basis, depending on the type and magnitude of capital project needs and capital funding shortfalls in a given year. For this reason, this analysis focuses on dedicated capital revenue estimates in this portion of the document.

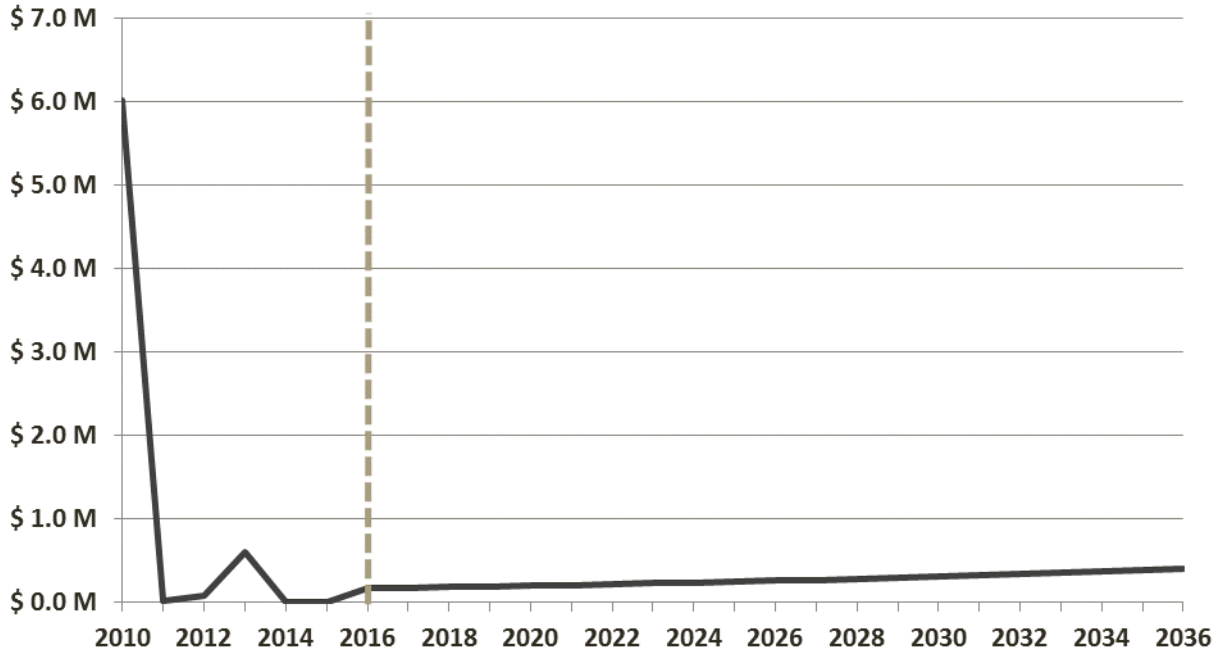
Wastewater Grants

Bremerton receives federal and state grants to help fund sewer capital projects. These grants are project-specific and therefore do not occur on a regular basis. In the time frame for which historical revenues were available for this analysis (2010-2014), the City received federal grants for four years and state grants for one year.

Assumptions. The 5-year historical average for wastewater grant revenues is $30 per capita; however, 2010 grant revenues were significantly higher than in other years. Estimated future wastewater grant revenues are based on an assumption that Bremerton will continue to generate similar per capita revenues to 2011-2015 average (excluding 2010, which was an outlier year), which is approximately $4.00 per capita. This model assumes grant revenues will grow at a rate of 3 percent annually.

Exhibit 9 shows historical revenues to the left of the dotted line and estimated future revenues to the right of the dotted line. Although this analysis estimates revenues as an annual average, grants will be received intermittently on a project-specific basis.

Exhibit 9. Annual Bremerton Wastewater Grants Revenues (2010 – 2026 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 10 summarizes estimated revenues for the planning period as well as two subtotal time periods.

Exhibit 10. Projected Bremerton Wastewater Grant Revenues (2016-2036 YOE$)

Grants	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$1,107,000	$4,460,000	$5,567,000

Source: City of Bremerton, 2015; BERK, 2015.

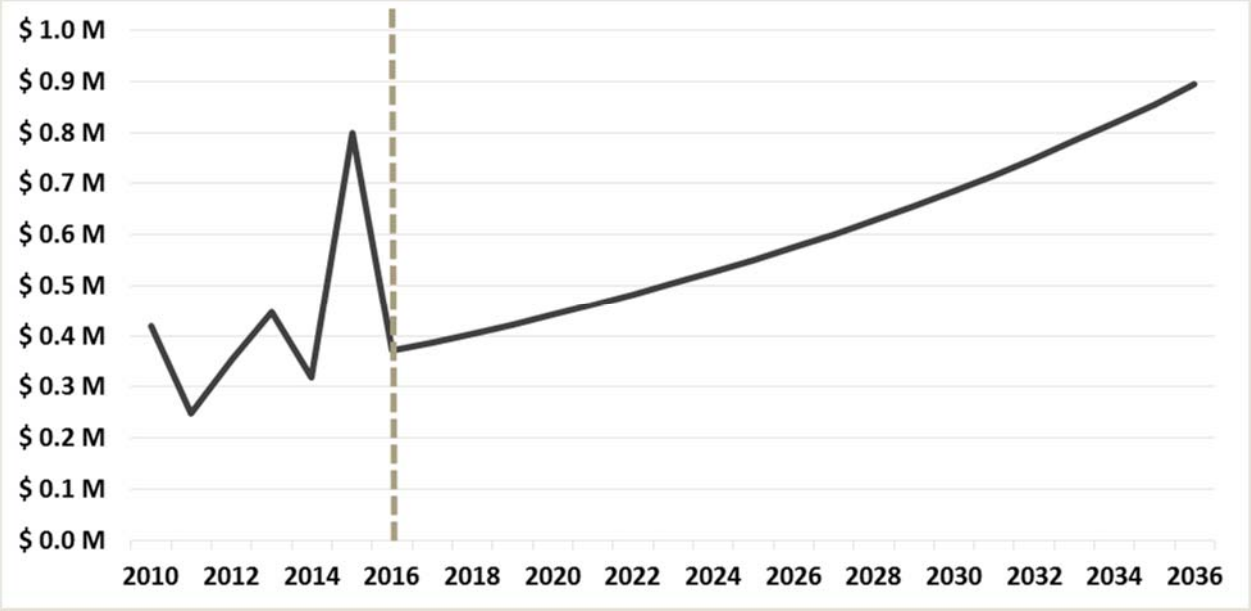
Wastewater General Facility Charges

The City of Bremerton collects General Facility Charges (GFC) on all new or expanded service connections to the wastewater utility system. GFC, as provided for by Revised Code of Washington (RCW) 35.92.025, refers to a one-time charge imposed on new customers as a condition of connection to the utility system. The purpose of the connection charge is two-fold: to promote equity between new and existing customers and to provide a source of revenue to fund capital projects. Revenue can only be used to fund utility capital projects or to pay debt service incurred to finance those projects. The GFCs are in addition to all normal application and installation fees.

Assumptions. The 5-year historical average for wastewater General Facility Charges was approximately $357,000 annually, or $9 per capita annually. Going forward, the model assumes $9 per capita growing at an annual growth rate of 3 percent.

Exhibit 11 shows historical wastewater GFCs to the left of the dotted line and estimated future revenues to the right. An average annual dollar amount is assumed in each year for this analysis. However, actual revenues in any given year will likely exhibit some peaks and valleys.

Exhibit 11. Annual Bremerton Wastewater General Facility Charges (2010 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 12 summarizes projected revenues for the planning period as well as two subtotal time periods.

Exhibit 12. Projected Bremerton Wastewater General Facility Charges (2016-2036 YOE$)

General Facility Charges	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$2,490,000	$10,040,000	$12,530,000

Source: City of Bremerton, 2015; BERK, 2015.

Operating Transfers

Starting in 2012, when the City of Bremerton created separate operations and maintenance and capital funds, the City began to transfer funds annually from Operations and Maintenance Fund to Capital Improvement Fund. These transfers ensure system integrity and preservation through reinvestment in capital projects. For this reason, operating transfers are also called rate funded system re-investment. The City has a policy that any balance in the Operations and Maintenance Fund in excess of the 12 percent target reserve requirement would be available for capital expenditures. Since revenue from customer utility rates drives the amount of annual operating transfers to capital, it is difficult to estimate how much may be available for any given year.

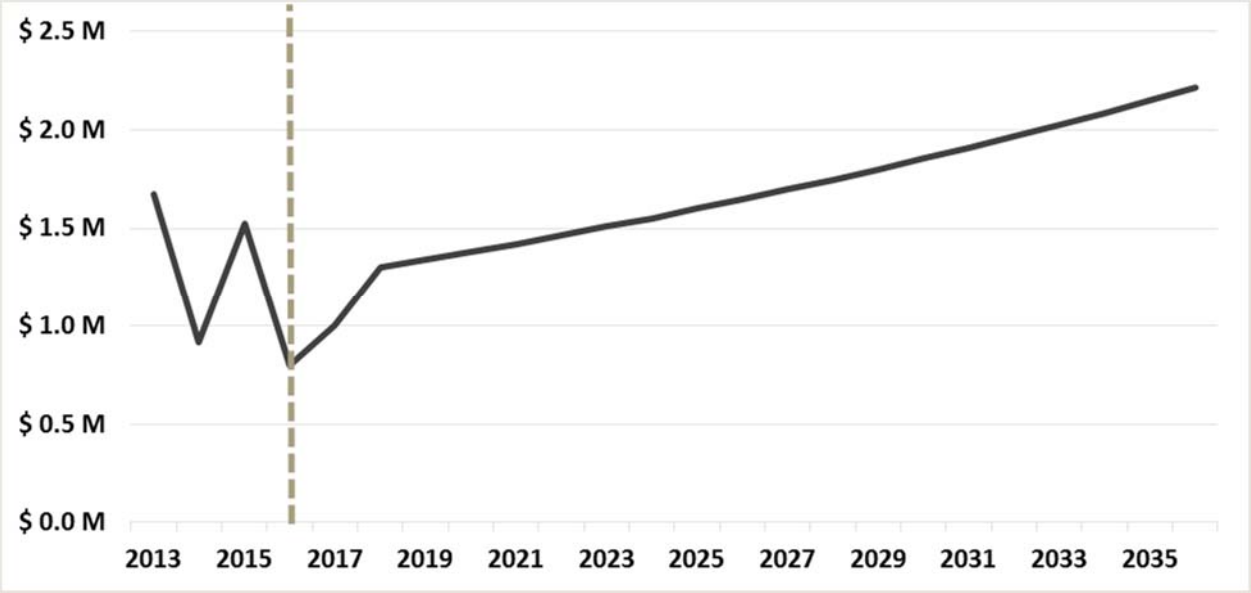
The City periodically conducts comprehensive cost-of-service evaluation of its utilities to determine whether any adjustments to current rates are needed to ensure each customer class pays their equitable share of the wastewater system costs. The results of this study are reflected in the customer utility rates, and may affect the total amounts of operating transfers to capital.

Assumptions. The City's 2013 Water, Wastewater, and Stormwater Utilities Rate Study assumed annual funding for wastewater system reinvestment being phased-in, starting at $800,000 in 2013 and

gradually increasing to $1.3 million in 2018. The model mirrors these assumptions until 2018, growing the 2018 estimate at an annual growth rate of 3 percent thereafter.

Exhibit 13 shows historical operating transfers to the left of the dotted line and estimated future transfers to the right. Since Capital Improvement Fund was created in 2012, the chart excludes that year. An average annual dollar amount is assumed in each year for this analysis. However, actual revenues in any given year will likely exhibit some peaks and valleys.

Exhibit 13. Annual Bremerton Wastewater Operating Transfers (2013 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 14 summarizes projected revenues for the planning period as well as two subtotal time periods.

Exhibit 14. Projected Bremerton Wastewater Operating Transfers (2016-2036 YOE$)

Rate Funded System Re-investment	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$7,240,000	$27,220,000	**$34,460,000**

Source: City of Bremerton, 2015; BERK, 2015.

Total Estimated Dedicated Wastewater Revenues

Exhibit 15 shows total estimated dedicated revenues available for wastewater capital projects over the planning period, including grants, General Facility Charges, and operating transfers. Additionally, Bremerton has a 2015 fund balance of about $2.9 million in its wastewater Capital Fund. These funds are also available to cover wastewater projects during the 2016 – 2036 period.

Exhibit 15. Projected Dedicated Wastewater Revenues Allocated for Capital, (2016-2036 YOE$)

Total Wastewater	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036	Total with 2015 Fund Balances
Estimated Revenues	$10,840,000	$41,710,000	$52,550,000	**$55,418,425**

Source: City of Bremerton, 2015; BERK, 2015.

Water

The City of Bremerton provides water services, as required by state and federal law. Prior to 2012, capital improvements were included in the overall Water Utility Fund; currently, the City splits the utility funds into an Operations and Maintenance fund and a Capital Fund. The Water Capital Fund provides for the planning, engineering, labor, material, equipment, and overhead costs related to construction of wastewater capital facilities and improvements.

Similar to the Wastewater Utility, the Water utility uses the following resources to fund capital improvements:

- Grants;
- General Facility Charges;
- Accumulated capital cash reserves and interest earnings;
- Transfers from the Operations and Maintenance Fund, if needed; also called rate funded system re-investment (funded by rate revenues paid by utility account customers);
- Loans;
- Bond financing.

Grants and General Facility Charges represent dedicated capital revenues. The other funding sources are used on as needed basis, depending on the type and magnitude of capital project needs and capital funding shortfalls in a given year. For this reason, we focus on dedicated capital revenue estimates in this portion of the document.

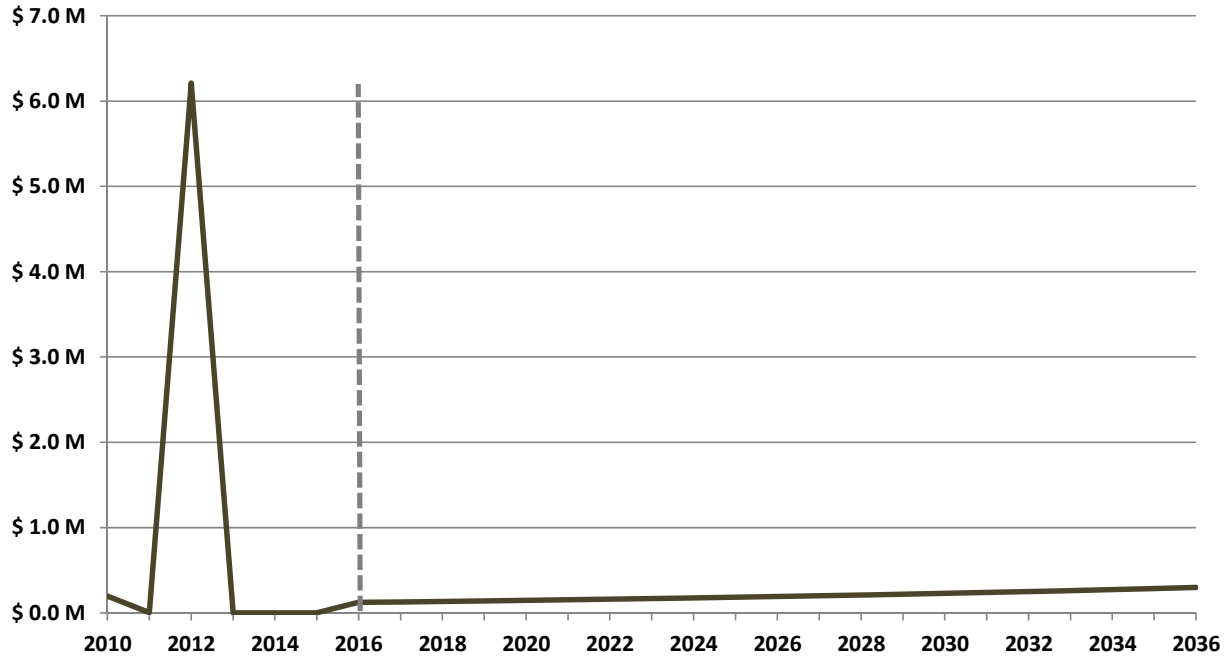
Water Grants

Bremerton receives federal and state grants to help fund water system capital projects. These grants are project-specific and therefore do not occur on a regular basis. In the time frame for which historical revenues were available for this analysis (2010-2014), the City only received three years of federal grants and one year of state grants.

Assumptions. The 5-year historical average for water grant revenues is $27 per capita; however, 2012 grant revenues were significantly higher than in other years. Estimated future water grant revenues are based on an assumption that Bremerton will continue to generate similar per capita revenues to 2010-2011 average (excluding 2010 grants as an outlier year), which is approximately $3.00 per capita. This model assumes grant revenues will grow at a rate of 3 percent annually.

Exhibit 16 shows historical revenues to the left of the dotted line and estimated future revenues to the right of the dotted line. Although this analysis estimates revenues as an annual average, grants will be received intermittently on a project-specific basis.

Exhibit 16. Annual Bremerton Water Grant Revenues (2010 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 17 summarizes estimated revenues for the planning period as well as two subtotal time periods.

Exhibit 17. Projected Water Grant Revenues (2016-2036 YOE$)

Grants	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$830,000	$3,350,000	$4,180,000

Source: City of Bremerton, 2015; BERK, 2015.

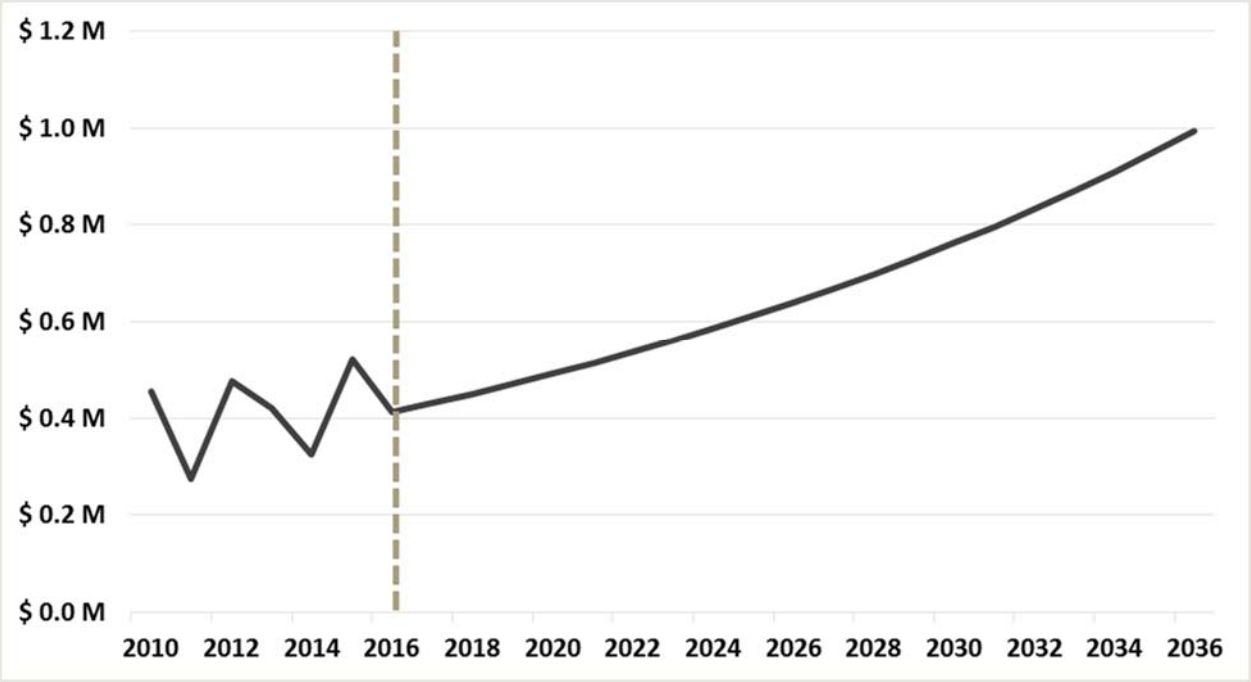
Water Capital Facilities Fees

The City of Bremerton collects General Facility Charges (GFC) on all new or expanded service connections to the water utility system. GFC, as provided for by Revised Code of Washington (RCW) 35.92.025, refers to a one-time charge imposed on new customers as a condition of connection to the utility system. The purpose of the connection charge is two-fold: to promote equity between new and existing customers and to provide a source of revenue to fund capital projects. Revenue can only be used to fund utility capital projects or to pay debt service incurred to finance those projects. The GFCs are in addition to all normal application and installation fees.

Assumptions. The 5-year historical average for water General Facility Charges was approximately $390,000 annually, or $11 per capita. Going forward, the model assumes $10 per capita growing at an annual growth rate of 3 percent.

Exhibit 18 shows historical water GFCs to the left of the dotted line and estimated future revenues to the right. An average annual dollar amount is assumed in each year for this analysis. However, actual revenues in any given year will likely exhibit some peaks and valleys.

Exhibit 18. Annual Bremerton Water General Facility Charges (2010 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 19 summarizes projected revenues for the planning period as well as two subtotal time periods.

Exhibit 19. Projected Bremerton Water General Facility Charges (2016 – 2036 YOE$)

General Facility Charges	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$2,770,000	$11,150,000	$13,920,000

Source: City of Bremerton, 2015; BERK, 2015.

Operating Transfers

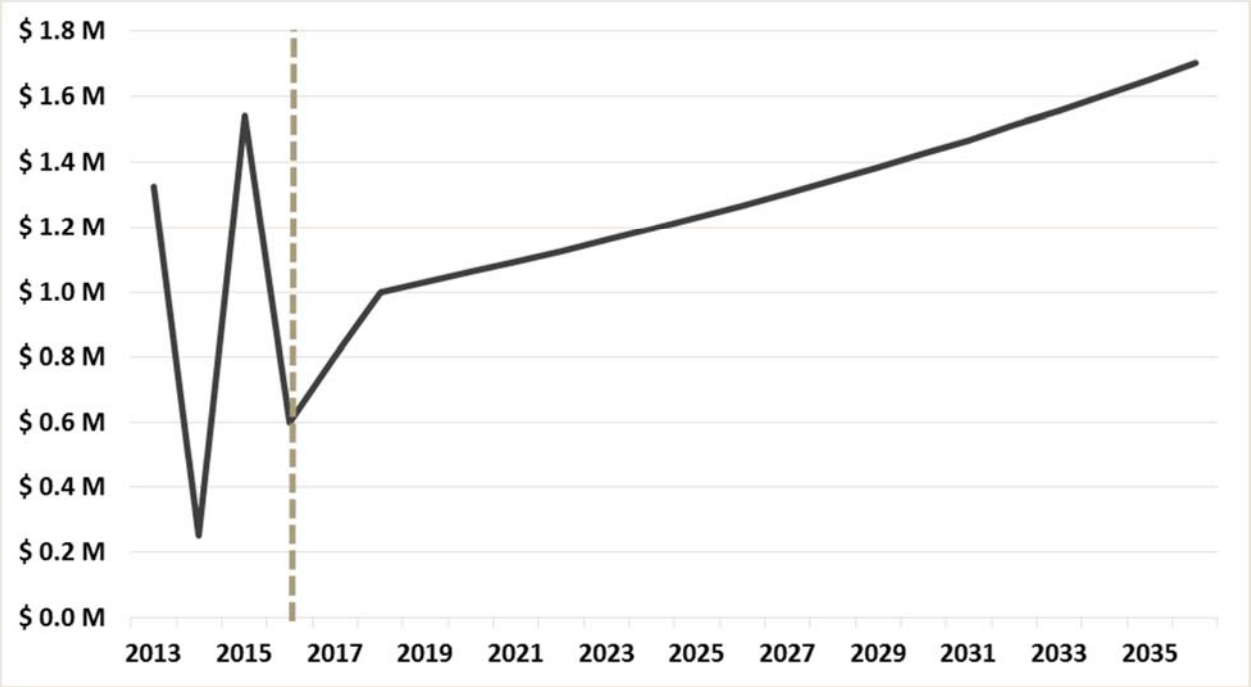
Starting in 2012, when the City of Bremerton created separate operations and maintenance and capital funds, the City began to transfer funds annually from Operations and Maintenance Fund to Capital Improvement Fund. These transfers ensure system integrity and preservation through reinvestment in capital projects. For this reason, operating transfers are also called rate funded system re-investment. The City has a policy that any balance in the Operations and Maintenance Fund in excess of the 12 percent target reserve requirement would be available for capital expenditures. Since revenue from customer utility rates drives the amount of annual operating transfers to capital, it is difficult to estimate how much may be available for any given year.

The City periodically conducts comprehensive cost-of-service evaluation of its utilities to determine whether any adjustments to current rates are needed to ensure each customer class pays their equitable share of the water system costs. The results of this study are reflected in the customer utility rates, and may affect the total amounts of operating transfers to capital.

Assumptions. The City's 2013 Water, Wastewater, and Stormwater Utilities Rate Study assumed annual funding for water system reinvestment being phased-in, starting at $250,000 in 2014 and gradually increasing to $1 million in 2018. The model mirrors these assumptions until 2018, growing the 2018 estimate at an annual growth rate of 3 percent thereafter.

Exhibit 20 shows historical operating transfers to the left of the dotted line and estimated future transfers to the right. Since Capital Improvement Fund was created in 2012, the chart excludes that year. An average annual dollar amount is assumed in each year for this analysis. However, actual revenues in any given year will likely exhibit some peaks and valleys.

Exhibit 20. Annual Bremerton Water Operating Transfers (2013 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 21 summarizes estimated revenues for the planning period as well as two subtotal time periods.

Exhibit 21. Projected Bremerton Wastewater Operating Transfers (2016-2036 YOE$)

Rate Funded System Re-investment	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$5,590,000	$20,940,000	**$26,530,000**

Source: City of Bremerton, 2015; BERK, 2015.

Total Estimated Dedicated Water Revenues

Exhibit 22 shows total estimated dedicated revenues available for water capital projects over the planning period, including grants, General Facility Charges, and operating transfers. Additionally, Bremerton has a 2015 fund balance of about $1.0 million in its water capital fund. These funds are also available to cover water projects during the 2016 – 2036 period.

Exhibit 22. Total Projected Dedicated Water Revenues Allocated For Capital (2016 – 2036 YOE$)

Total Water	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036	Total with 2015 Fund Balances
Estimated Revenues	$9,180,000	$35,430,000	$44,610,000	**$45,648,781**

Source: City of Bremerton, 2015; BERK, 2015.

Stormwater

The City of Bremerton provides stormwater management services, as required by state and federal law. The program identifies, prevents and manages the impacts of development on water runoff. The negative impacts that stormwater programs manage include flooding, erosion, pollution, and low stream flows.

Prior to 2012, capital improvements were included in the overall Wastewater Utility Fund; currently, the City splits the utility funds into an Operations and Maintenance fund and a Capital Fund. The Stormwater Capital Fund provides for the planning, engineering, labor, material, equipment, and overhead costs related to construction of stormwater capital facilities and improvements.

Similar to Wastewater and Water utilities, the Stormwater utility uses the following resources to fund capital improvements:

- Grants;
- General Facility Charges;
- Accumulated capital cash reserves and interest earnings;
- Transfers from the Operations and Maintenance Fund, if needed; also called rate funded system re-investment (funded by rate revenues paid by utility account customers);
- Loans;
- Bond financing.

Grants and General Facility Charges represent dedicated capital revenues. The other funding sources are used on as needed basis, depending on the type and magnitude of capital project needs and capital funding shortfalls in a given year. For this reason, we focus on dedicated capital revenue estimates in this portion of the document.

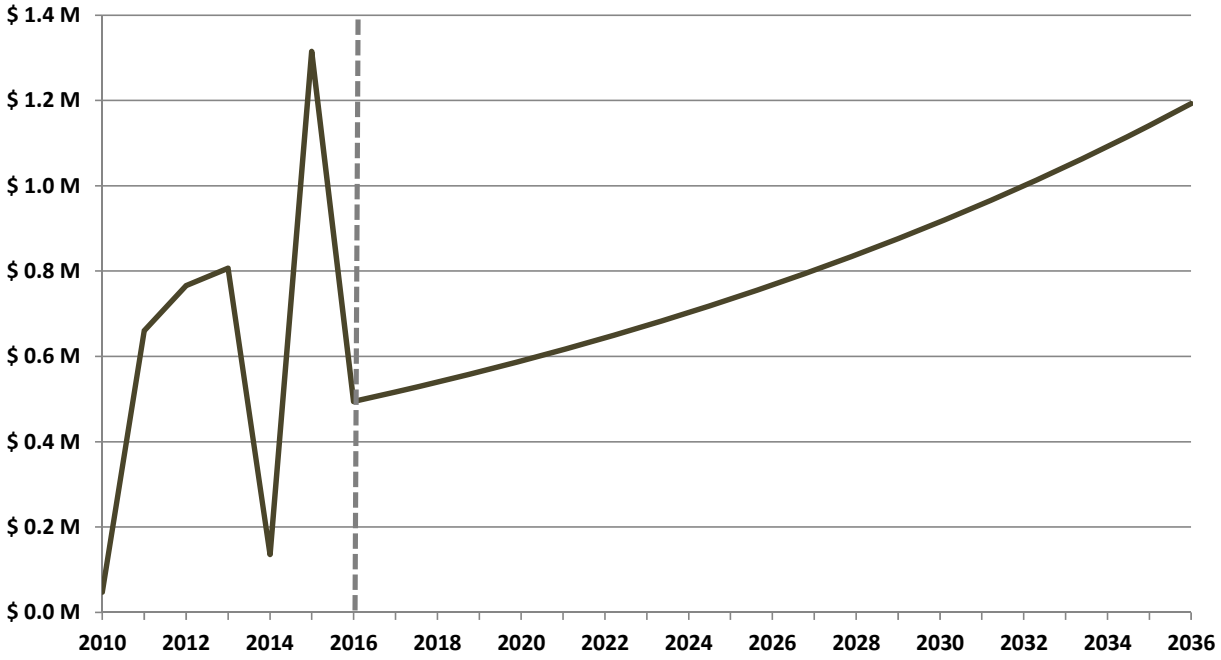
Stormwater Grants

Bremerton receives federal and state grants to help fund stormwater system capital projects. These grants are project-specific and therefore do not occur on a regular basis. In the time frame for which historical revenues were available for this analysis (2010-2014), the City only received three years of federal grants and one year of state grants.

Assumptions. The 5-year historical average for stormwater grant revenues is $12.50 per capita. To be conservative, the assumption for estimated future water grant revenues is $12 per capita. This model assumes grant revenues will grow at a rate of 3 percent annually.

Exhibit 23 shows historical revenues to the left of the dotted line and estimated future revenues to the right of the dotted line. Although this analysis estimates revenues as an annual average, grants will be received intermittently on a project-specific basis.

Exhibit 23. Annual Bremerton Stormwater Grant Revenues (2010 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit **24** summarizes projected revenues for the planning period as well as two subtotal time periods.

Exhibit 24**. Projected Stormwater Grant Revenues (2016 – 2036 YOE$)**

Grants	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$3,320,000	$13,380,000	$16,700,000

Source: City of Bremerton, 2015; BERK, 2015.

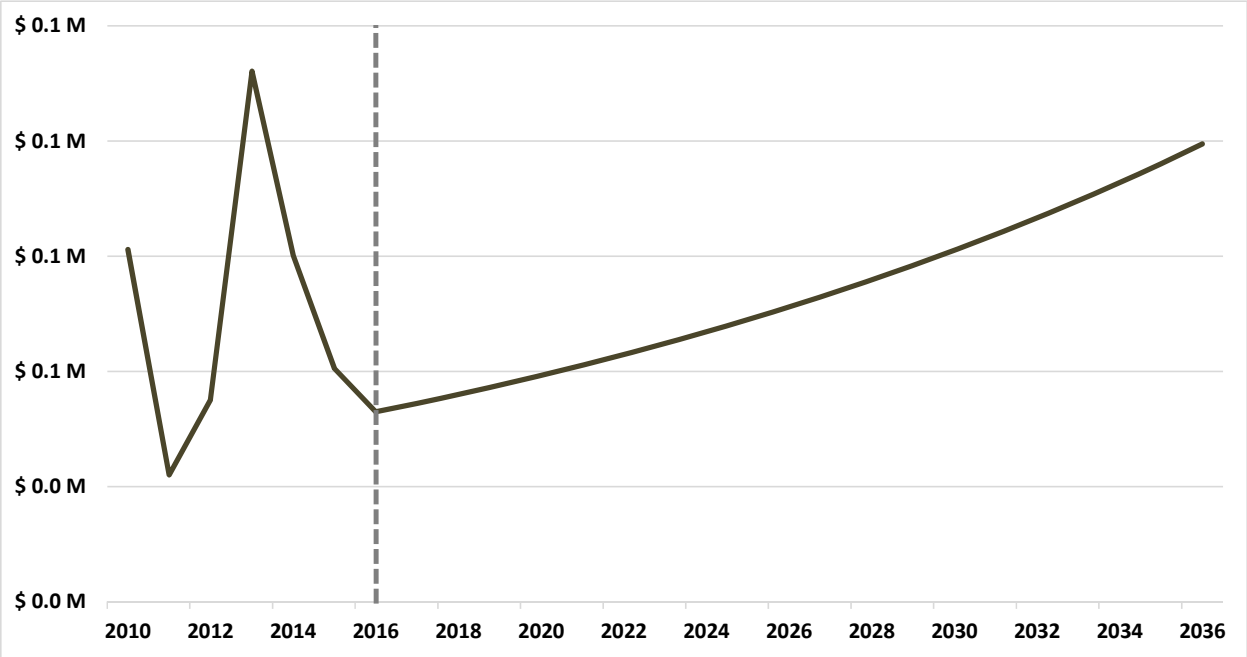
Stormwater General Facility Charges

The City of Bremerton collects General Facility Charges (GFC) on all new or expanded service connections to the stormwater utility system. GFC, as provided for by Revised Code of Washington (RCW) 35.92.025, refers to a one-time charge imposed on new customers as a condition of connection to the utility system. The purpose of the connection charge is two-fold: to promote equity between new and existing customers and to provide a source of revenue to fund capital projects. Revenue can only be used to fund utility capital projects or to pay debt service incurred to finance those projects. The GFCs are in addition to all normal application and installation fees.

Assumptions. The 5-year historical average for stormwater General Facility Charges was approximately $68,000 annually, or $1.69 per capita. Going forward, the model assumes $1.00 per capita growing at an annual growth rate of 3 percent.

Exhibit 25 shows historical stormwater GFCs to the left of the dotted line and estimated future revenues to the right. An average annual dollar amount is assumed in each year for this analysis. However, actual revenues in any given year will likely exhibit some peaks and valleys.

Exhibit 25. Annual Bremerton Stormwater General Facility Charges (2010 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 26 summarizes projected revenues for the planning period as well as two subtotal time periods.

Exhibit 26. Projected Stormwater General Facility Charges (2016 – 2036 YOE$)

General Facility Charges	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$280,000	$1,120,000	$1,400,000

Source: City of Bremerton, 2015; BERK, 2015.

Operating Transfers

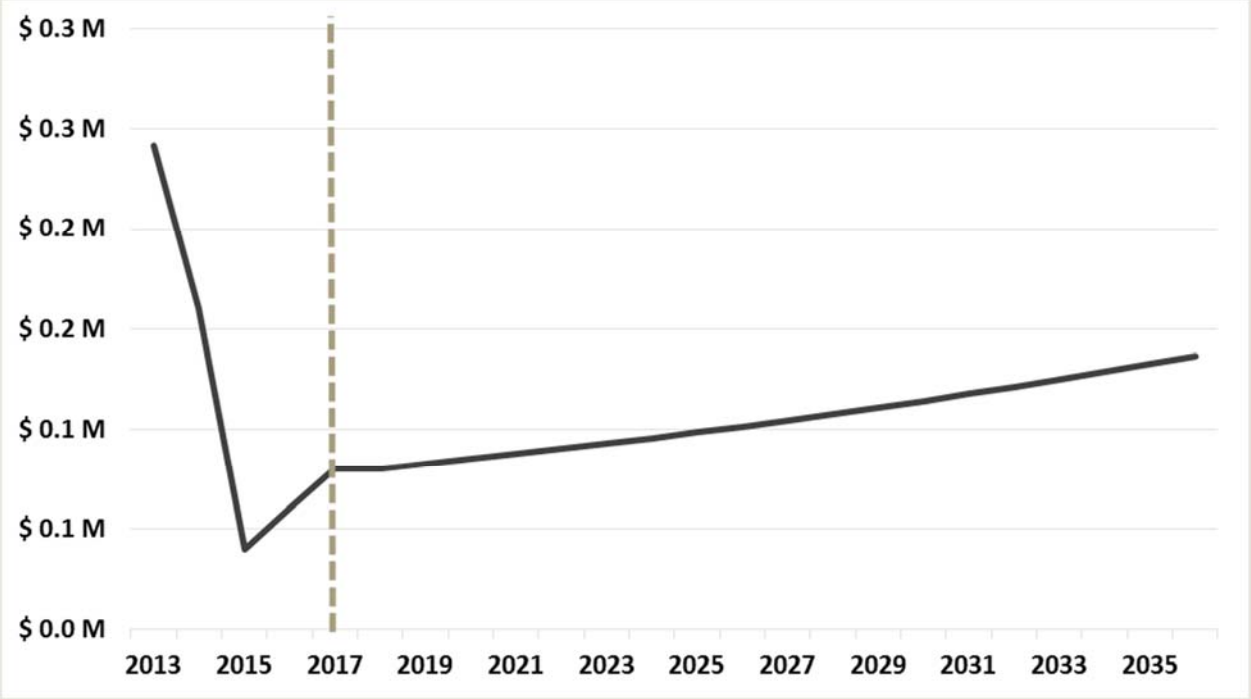
Starting in 2012, when the City of Bremerton created separate operations and maintenance and capital funds, the City began to transfer funds annually from Operations and Maintenance Fund to Capital Improvement Fund. These transfers ensure system integrity and preservation through reinvestment in capital projects. For this reason, operating transfers are also called rate funded system re-investment. The City has a policy that any balance in the Operations and Maintenance Fund in excess of the 12 percent target reserve requirement would be available for capital expenditures. Since revenue from customer utility rates drives the amount of annual operating transfers to capital, it is difficult to estimate how much may be available for any given year.

The City periodically conducts comprehensive cost-of-service evaluation of its utilities to determine whether any adjustments to current rates are needed to ensure each customer class pays their equitable share of the stormwater system costs. The results of this study are reflected in the customer utility rates, and may affect the total amounts of operating transfers to capital.

Assumptions. The City's 2013 Water, Wastewater, and Stormwater Utilities Rate Study assumed annual funding for stormwater system reinvestment being phased-in, starting at $20,000 in 2014 and gradually increasing to $80,000 in 2018. The model mirrors these assumptions until 2018, growing the 2018 estimate at an annual growth rate of 3 percent thereafter.

Exhibit 27 shows historical operating transfers to the left of the dotted line and estimated future transfers to the right. Since Capital Improvement Fund was created in 2012, the chart excludes that year. An average annual dollar amount is assumed in each year for this analysis. However, actual revenues in any given year will likely exhibit some peaks and valleys.

Exhibit 27. Annual Bremerton Stormwater Operating Transfers (2013 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit 28 summarizes estimated revenues for the planning period as well as two subtotal time periods.

Exhibit 28. Projected Bremerton Stormwater Operating Transfers (2016-2036 YOE$)

Rate Funded System Re-investment	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036
Estimated Revenues	$480,000	$1,680,000	$2,160,000

Source: City of Bremerton, 2015; BERK, 2015.

Total Estimated Dedicated Stormwater Revenues

Exhibit 29 shows total estimated dedicated revenues available for stormwater capital projects over the planning period, including grants, General Facility Charges, and operating transfers. Additionally, Bremerton has a 2015 fund balance of about $892,500 in its stormwater capital fund. These funds are also available to cover stormwater projects during the 2016 – 2036 period.

Exhibit 29. Total Estimated Dedicated Stormwater Revenues Allocated for Capital (2016 – 2036 YOE$)

Total Stormwater	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036	Total with 2015 Fund Balances
Estimated Revenues	$4,080,000	$16,170,000	$20,250,000	**$21,142,560**

Source: City of Bremerton, 2015; BERK, 2015.

2.5 General Capital Revenues

Real Estate Excise Tax (REET)

Revenues from the Real Estate Excise Tax (REET) are collected at the point of sale of a property and they are required to be spent on capital projects. REET is based on the total value of real estate transactions in a given year, and the amount that Bremerton receives annually can vary significantly based on fluctuations in the real estate market and trends in the economy. For example, during the recession, revenues were noticeably lower while the opposite is true in strong years in the real estate market.

Bremerton has the ability to impose up to two REET levies as authorized by state law. REET I and REET II can each collect 0.25 percent on the assessed value of a sale, for a total tax of 0.5 percent of total assessed value. All proceeds from the REET must be used for capital spending as defined in RCW 35.43.040 and which includes only those capital projects listed in the capital facilities plan (BMC 3.84).

REET II can only be levied by those cities and counties that are planning under GMA. For REET II, "capital project" means those projects specifically listed in RCW 82.46.035(5): *public works projects of a local government 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.*

REET II is more restricted than REET I, as it may not be spent on acquisition of land for parks, recreational facilities, law enforcement facilities, fire protection facilities, trails, libraries, or administrative or judicial facilities (Real Estate Excise Tax, 2015; RCW 82.46.035).

Within the above parameter, REET I and REET II can be spent at the discretion of the City of Bremerton. A portion of Bremerton's REET revenues are already committed to bond payments, but this analysis estimates that there will be additional revenues to spend for capital purposes.

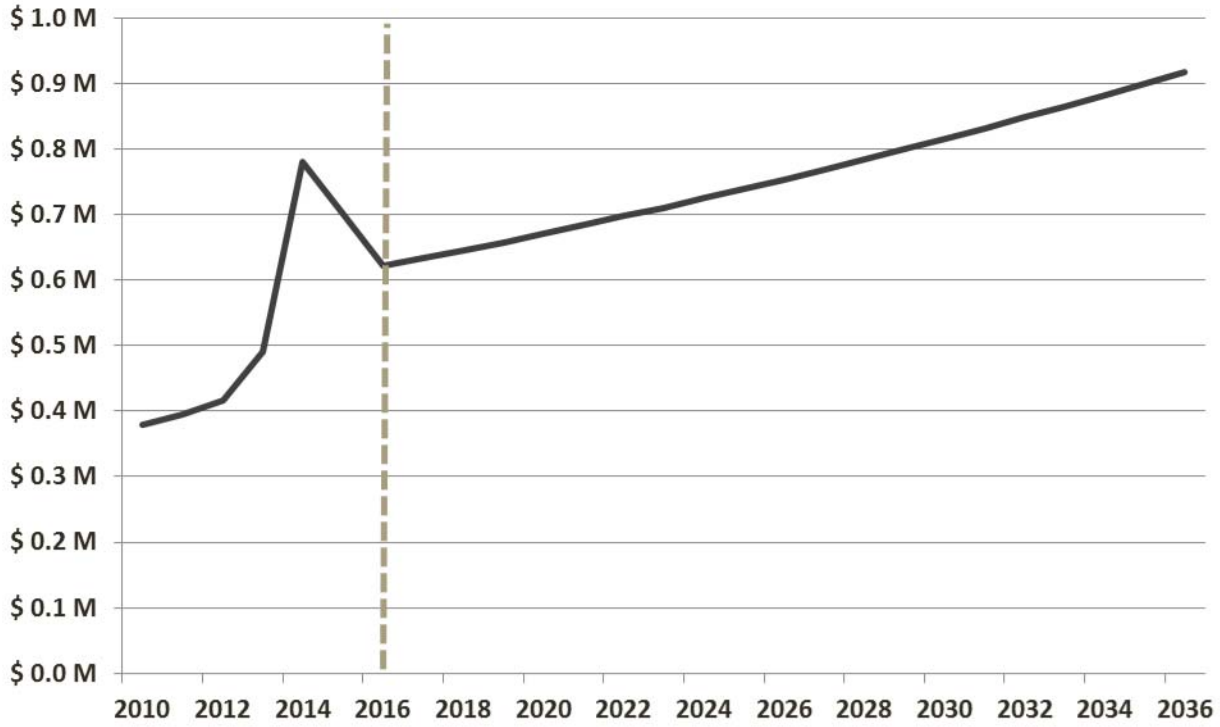
Assumptions. REET revenues are directly related to the sale of real estate. Home sales and home values can fluctuate significantly depending on various other factors of the economy. As such, this analysis

assumes annual turnover for residential properties (5 percent) and for commercial properties (3.5 percent).

Currently, the largest REET contribution is for the Government Center construction through 2034. Based on conversations with the City, the annual debt service commitment is $367,500 through 2036 (Johnson, 2015).

Exhibit 30 shows historical REET revenue to the left of the dotted line and projected revenues to the right of the dotted line. Actual revenues will have some peaks and revenues due to the natural cycles of the real estate market and the economy.

Exhibit 30. Annual Bremerton Real Estate Excise Tax Revenues (2010 – 2036 YOE$, in millions)



Source: City of Bremerton, 2015; BERK, 2015.

Exhibit **31** shows the estimated total REET revenues for the next six years and for the 20-year planning horizon (2016 – 2036). In 2015, REET I and REET II had a balance of $653,000, which is also available for general capital spending during the planning period. As mentioned above, some of the REET revenues are dedicated to paying off existing debt service payments and are not available for future projects.

Exhibit 31. Projected Bremerton Real Estate Excise Tax Revenues (2016 – 2036 YOE$)

General Capital Revenues/REET	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036	Total with 2015 Fund Balances
Estimated Revenues	$3,920,000	$12,050,000	$15,970,000	**$16,622,930**
Amount Committed to Debt Service	*$2,205,000*	*$5,512,500*	*$7,717,500*	***$7,717,500***
Available Revenues	**$1,715,000**	**$6,537,500**	**$8,252,500**	**$8,905,430**

Source: City of Bremerton, 2015; BERK, 2015.

2.6 Total Capital Revenues

Exhibit **32** summarizes projected total capital revenues available over the planning period, including fund balances.

Exhibit 32. Projected Total Bremerton Capital Revenues (2016 – 2036 YOE$)

Total Capital Revenues	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036	Total with 2015 Fund Balances
Estimated Revenues	$42,960,000	$162,790,000	$205,750,000	**$211,793,218**
Amount Committed to Debt Service	*$2,205,000*	*$5,512,500*	*$7,717,500*	***$7,717,500***
Available Revenues	$40,755,000	$157,277,500	$198,032,500	**$204,075,718**

Source: City of Bremerton, 2015; BERK, 2015.

2.7 Impacts of Annexation

Timing and magnitude of annexation will have an impact on Bremerton's total available capital revenues. The analysis above (summarized in Exhibit **32**) assumes that there will be no annexations and the city boundary will remain constant through 2036. Exhibit 33 shows a planning-level estimate of Bremerton's potential capital revenues if all UGAs are annexed in 2016. The analysis below does not account for annexations occurring in different stages, or in later years.

Exhibit 33. Projected Total Bremerton Capital Revenues for 2016 Annexation of UGA Areas (2016 – 2036 YOE$)

Total Capital Revenues	Subtotal 2016-2021	Subtotal 2022-2036	Revenue Total 2016-2036	Total with 2015 Fund Balances
Estimated Revenues	$50,270,000	$191,330,000	$241,600,000	**$247,633,218**
Amount Committed to Debt Service	*$2,205,000*	*$5,512,500*	*$7,717,500*	***$7,717,500***
Available Revenues	$48,065,000	$185,817,500	$233,882,500	**$239,915,718**

Source: City of Bremerton, 2015; BERK, 2015.

All else being equal, the City is likely to have more revenue over the study period if the UGAs are annexed. This is a result of gaining additional population and land base, resulting in higher grant revenues, REET, and General Facility Charges. However, the City would also see an increase in capital facility needs.

2.8 Policy Options and Other Funding Sources

This section describes policy and funding options that are available to the City of Bremerton outside of the dedicated revenues listed above. The options listed are not necessarily being currently considered by the City, but are included to show a range of options that are available.

Policy Changes to Existing Funding Sources

Transportation Benefit District. While the City of Bremerton already has a Transportation Benefit District (TBD) to fund capital improvement of city streets and transportation projects (funded by a $20 dollar vehicle license fee), there is no specific policy for capital spending. Transportation Benefit District Board may set policy direction and could consider dedicating a certain percentage to capital. Recent legislative change also created an opportunity for increasing non-voted vehicle license fee to $50 per vehicle.

Sales Tax. Of the 8.7% sales tax currently collected in the City, a 1% "local" share of the tax accrues to local jurisdictions. The City receives 85% of the 1% local tax and the County receives 15%. This tax is levied on businesses in the area, on construction activity, and on some transactions that are related to housing, such as certain online purchases and telecommunications services. Cities may discretionally use general fund revenues to fund capital improvements. By policy, some cities have chosen to dedicate a portion of their local sales tax toward the construction of their capital needs. All City residents and visitors to the City who make retail purchases within the City limits contribute to this revenue stream.

Other. The City could lobby State legislators to restore some of the funding levels once available to local governments for road improvements. Although local jurisdictions receive a certain percentage of collected Motor Vehicle Fuel (MVF) Tax funds, a combination of factors such as decreasing gas prices and a reduction in both vehicle miles driven and vehicle fuel efficiency has resulted in local MVF Tax allocations that are generally not keeping pace with inflation. In order to restore funding levels, the City could encourage legislators to follow the recent gas tax increase with measures that would raise the tax rate alongside cost inflation, and increase the tax rate over time with fuel efficiency improvements.

New Funding Sources

Transportation Impact Fees. Impact fees are a financing tool that requires new development to pay a portion of the costs associated with infrastructure improvements that are "reasonably related" to that development. The GMA allows agencies to develop and implement a transportation impact fee program to help fund some of the costs of transportation facilities needed to accommodate growth. State law (Chapter 82.02 RCW) requires that impact fees be related to improvements to serve new developments and not existing deficiencies; assessed proportional to the impacts of new developments; allocated for improvements that reasonably benefit new development; and spent on facilities identified in the Capital Facilities Plan.

Legally, financing for improvements that will serve the new development must provide a balance between impact fees and other sources of public funds, and the fees must be structured in a manner that ensures that funds collected do not exceed a proportionate share of the costs of improvements reasonably related to new development.

The City of Bremerton currently has no transportation impact fees.

Park Impact Fees. Similar to transportation impact fees, park impact fees are a financing tool that requires new development to pay a portion of the costs associated with infrastructure improvements that are "reasonably related" to that development. The impact fee must be related to improvements to serve new development and not existing deficiencies; assessed proportional to the impacts of new development; allocated for improvements that reasonably benefit new development; and spent on facilities identified in the Capital Facilities Plan.

The City of Bremerton currently has no parks impact fees.

Local/Road Improvement Districts. If the City needs additional capital funds, it could consider creating a Local Improvement District (LID) or Road Improvement District (RID). Under these programs, the City has the statutory authority to create a new taxing district. The City has established LIDs for water and sewer, though LIDs could be used in additional locations in the future and for other infrastructure, as appropriate. Within these districts, the City may levy an additional property tax (excess levy) to cover debt service payments on the sale of bonds purchased to finance projects within the district. Revenues may only be applied to local, clearly-defined areas in which the land owners being assessed the additional tax benefit from the funded projects. LIDs may be used for water, sewer, and storm water projects. RIDs may only be used to fund road and street improvements.

Other. The City could lobby the State legislature to provide new sources of funding to replace other funding that has been diminished through other state tax initiatives.

Prioritization

Based on adopted or alternative levels of service presented in Chapter 4 a series of capital projects is proposed for the six-year and 20-year periods. As described in Chapter 2, dedicated capital funds are limited and there is a gap between dedicated funds and capital costs. Means to fill gaps with other funding sources are described. However, in consideration of limited resources, another means to aligning funds to projects is to prioritize projects around prioritization principles. Transportation prioritization criteria are included in the Transportation Appendix. Discretionary prioritization principles are listed below for non-transportation facilities:

- Does the project support the Bremerton Comprehensive Plan Vision?
- Does the project support the regionally designated Downtown Center and Puget Sound Industrial Center-Bremerton or the City's Centers Concept?
- Does the project implement an approved functional plan?
- Are there agreements or other official commitments in place or is a substantial amount of work already complete?
- Does the project help complete the existing system in the City or subarea?
- Does the project improve the quality of existing facilities
- Are long-term sustainable maintenance resources available?
- Does a project scope or timing help avoid major maintenance costs down the road?
- Does the project require specific windows of partner participation or is it eligible for specific grants?
- Does the proposal represent a unique funding opportunity?
- Is the project drawing from entrepreneurial opportunity with a long-term capital or program funding stream?
- Is the City the best provider of the facility or service?

- Is there a substantial benefit in relation to cost of the facility service?
- Does the project provide added facilities or services to meet the needs of underserved populations?
- Will the project benefit a significant numbers of persons in the community?

2.9 Six-Year Cost and Revenue Comparison

This section compares Bremerton's dedicated capital facilities revenue sources with its planned project costs for the six-year planning horizon of 2016 – 2021 to understand the difference between future dedicated capital costs and potential future revenues. In most cases, estimated future capital costs are larger than future dedicated capital revenues, which is a trend seen in most cities given the structural and legal limitations on capital funding sources. However, understanding the magnitude of difference can aid the City in planning for ways to fill the gap through other funding methods.

This six-year plan will be continually reviewed and updated as a part of the evolving planning process. Annual budget decisions should prioritize needed funding for capital facilities and this summary helps identify how the capital needs of the future can be successfully funded.

Estimated Project Costs

Exhibit 34 provides the capital project costs for each service provider for the six year planning period and estimated costs for the full study period. However, estimated project costs beyond the six-year period were not available for all categories. Costs were adjusted from constant dollars to year of expenditure dollars using an assumed inflation rate of 3 percent annually to align with the revenue projections presented above.

Exhibit 34. Estimated Capital Project Costs by Category (2016 – 2036 YOE$, in thousands)

Project Costs	Costs 2016- 2021	Total Costs 2016-2036
Fire and Emergency Services	$4,839	$4,839
Law Enforcement	$433	$1,501
Parks and Recreation	$6,887	$27,180
Public Buildings*	$352	$352
Sewer/Wastewater	$91,024	$334,969
Stormwater	$28,935	$28,935
Transportation	$77,992	$762,791**
Water	$36,943	$158,978
Total	$247,405	$1,319,544

* Public buildings projects are all Category II projects. They include regularly scheduled and preventative maintenance and security-related projects in general municipal facilities and parking facilities.

**The Transportation Appendix includes $488.1 million in expenditures over the 2016-2036 period, expressed in current dollars. The amount includes PSIC-Bremerton costs ($205M) which will be shared among agencies and private development based on the SKIA Subarea Plan (with revenues anticipated to include SEPA mitigation, grants, and state funds). For the purposes of Exhibit 34 in this City Services Appendix, the 20-year Transportation costs were escalated into year of estimate (YOE$) dollars as follows: 1) Costs were estimated based on an annual average of 20-year projects beyond the 6-year TIP. 2) All costs were inflated by an annual 3%.

Note: The Parks and Recreation subtotal column accounts for costs in years 2016 – 2019. The Parks and Recreation total column is based on projects beyond 2020.

Source: City of Bremerton, 2014, 2015, 2016; Fehr & Peers, 2015; BERK, 2015 and 2016.

Six-Year Capital Cost and Revenue Comparison

The following section shows how planned project costs compare to estimated capital revenue sources for the six-year planning period between 2016 and 2035. The revenues and costs are both presented in year of expenditure dollars.

These exhibits identify the difference between the planned costs and the estimated revenues, including existing fund balances in capital project funds. **Note that for all service providers identified, their six-year capital plans have been balanced using non-dedicated revenue sources or bonds.**

Exhibit 35. Estimated Streets Capital Revenues and Costs (2016 – 2021 YOE$)

Streets	Costs 2016- 2021
Dedicated Streets Fund Revenues	$12,449,000
2015 Streets Fund Balance	$463,447
Total Streets Funds Available	**$12,912,447**
Capital Streets Costs	$77,992,378
Estimated Dedicated Funding Surplus/(Deficit)	($65,079,931)

Source: City of Bremerton, 2015; BERK, 2015 and 2016; Fehr & Peers 2015.

There is a deficit of around $65 million between expectations for future dedicated streets capital revenues and estimated capital costs for the six-year planning period. Transportation projects have typically been funded by multiple revenue sources, including transfers from utilities funds and the Transportation Benefit District revenues.

Exhibit 36. Estimated Parks and Recreation Capital Revenues and Costs (2016 – 2019 YOE$)

Parks	Costs 2016- 2019
Estimated Parks Grants	$1,634,694
2015 Parks Fund Balance	$133,075
Total Parks Funds Available	**$1,767,769**
Capital Parks Costs	$6,886,598
Estimated Dedicated Funding Surplus/(Deficit)	**($5,118,829)**

* Parks projects were assigned by priority in the 2014 PROS Plan, with those high priority projects expected to take place by 2017 and those medium priority projects expected to be completed by 2019. Of those projects listed to occur between 2014 and 2017, none have been completed to date so it is assumed that high priority projects will occur between 2016 and 2017 and medium priority projects will occur between 2017 and 2019. No specific information on parks projects in the years 2020 and 2021 is available to date.

Source: City of Bremerton, 2015; BERK, 2015; PROS Plan, 2014.

The City of Bremerton is considering a policy of allocating 10 percent of REET revenues to parks capital projects; however, this analysis does not account for this potential policy change. Comparing estimated

future parks capital revenues and estimated future parks costs over the six-year planning period results in a deficit of $5.1 million.

Exhibit 37. Estimated Wastewater Capital Revenues and Costs (2016 – 2021 YOE$)

Wastewater	Costs 2016- 2021
Estimated Wastewater Fund Revenues	$10,840,000
2015 Wastewater Fund Balance	$2,868,425
Total Wastewater Funds Available	**$13,708,425**
Capital Wastewater Costs	$91,024,058
Estimated Dedicated Funding Surplus/(Deficit)	($77,315,633)

* The project costs used for this analysis are from an April 2016 project list.
Source: City of Bremerton, 2015 and 2016; BERK, 2015 and 2016.

Expected costs of wastewater projects exceed estimated revenues dedicated to capital projects. However, utility funds operate as enterprises within the City structure, functioning much like private business entities. The Water Capital Fund relies primarily on debt financing, loans, and operating transfers (based on rates) to fund its capital program. See Section **Sewer / Wastewater 4.6** for more information on financing wastewater capital projects through 2036.

Exhibit 38. Estimated Water Capital Revenues and Costs (2016 – 2021 YOE$)

Water	Costs 2016- 2021
Dedicated Water Fund Revenues	$9,180,000
2015 Water Fund Balance	$1,038,781
Total Water Funds Available	**$10,218,781**
Capital Water Costs	$36,943,402
Estimated Dedicated Funding Surplus/(Deficit)	($26,724,621)

Note: The project costs used for this analysis are from a project list dated April 2016.
Source: City of Bremerton, 2015 and 2016; BERK, 2015 and 2016.

Expected costs of water projects exceed estimated revenues dedicated to capital projects. However, utility funds operate as enterprises within the City structure, functioning much like private business entities. The Water Capital Fund relies primarily on debt financing, loans, and operating transfers (based on rates) to fund its capital program. See Section **Water 4.8** for more information on financing water capital projects through 2036.

Exhibit 39. Estimated Stormwater Capital Revenues and Costs (2016 – 2021 YOE$)

Stormwater	Costs 2016- 2021
Dedicated Stormwater Fund Revenues	$4,080,000
2015 Stormwater Fund Balance	$892,560
Total Stormwater Funds Available	**$4,972,560**
Capital Stormwater Costs	$28,935,055

Stormwater	Costs 2016- 2021
Estimated Dedicated Funding Surplus/(Deficit)	($23,962,495)

Note: Project cost numbers are subject to change when the 2016 CIP is adopted. The project costs used for this analysis are from a project list in April 2016.
Source: City of Bremerton, 2015 and 2016; BERK, 2015 and 2016.

Expected costs of stormwater projects exceed estimated revenues dedicated to capital projects. However, utility funds operate as enterprises within the City structure, functioning much like private business entities. The Water Capital Fund relies primarily on debt financing, loans, and operating transfers (based on rates) to fund its capital program. See Section **Stormwater 4.7** for more information on financing stormwater capital projects through 2036.

Exhibit 40 shows the general capital revenues and costs. Revenues for the general capital fund come from REET.

Exhibit 40. Estimated General Capital Revenues and Costs (2016 – 2021 YOE$)

General Capital	Costs 2016- 2021*
Dedicated General Capital Revenue	$3,915,909
2015 General Capital Fund Balance	$652,930
Total General Capital Funds Available	**$4,568,839**
Committed Debt Service	$2,205,000
General Capital Costs	$2,990,320
Estimated Dedicated Funding Surplus/(Deficit)	**($626,481)**

* Includes Police and Public Buildings planned capital costs. Excludes Fire capital expenditures as Fire projects are expected to be funded by a levy.
Source: City of Bremerton, 2015; BERK, 2015.

This analysis assumes that all REET revenues will be available for capital projects according to REET spending requirements. The City of Bremerton is considering a policy of allocating 10 percent of REET revenues to parks capital projects, but the policy is not yet established and the analysis does not account for this potential policy change.

As shown in Exhibit 41, the total difference between the City's estimated capital costs and projected dedicated capital revenues over the six-year planning period is $199 million.

Exhibit 41. Total Dedicated Capital Revenues and Costs (2016 -2021 YOE$)

Total Capital Funds	Subtotal 2016- 2021
Total Dedicated Capital Funds	$48,148,822
Total Capital Needed	$ $247,405,335
TOTAL DEDICATED CAPITAL FUNDS SURPLUS/(DEFICIT)	**(- $199,256,514)**

Note: Some project cost numbers are subject to change when the 2016 CIP is adopted.
Source: City of Bremerton, 2015 and 2016; BERK, 2015 and 2016.

The difference between Bremerton's total estimated six-year capital costs and six-year dedicated capital revenues represents the structural difference between incoming dedicated capital revenues and planned capital expenditures over the six-year planning period, and does not reflect the City's likely future cash flow for ability to pay. It does, however, represent the City's estimated ability to pay using specifically those revenues dedicated to capital projects. However, there are tools beyond the dedicated revenue streams with which to fund capital projects, such as reprioritization of operating revenues and its unused debt capacity.

2.10 Other Service Providers

General funding information for service providers other than the City of Bremerton summarized in Section 3.0 such as the Bremerton School District. Power and telecommunication services provided by Puget Sound Energy, Cascade Natural Gas, and Century Link QC and addressed in Section 5.0.

3.0 COMPREHENSIVE CAPITAL FACILITY PLAN

3.1 Inventory

An inventory for each service provider is provided in Section 4.0 for each capital facility and utility service provider.

3.2 Levels of Service Consequences

The CFP lays out the level of service (LOS) consequences of growth for the City through 2036. LOS consequences are summarized for each facility reviewed. Exhibit 42 shows the LOS consequences for each facility, with the first column showing the service or facility type that is provided currently as of 2015 and the second column showing the current adopted LOS. The 2016 – 2036 Adjusted LOS shows what LOS standard the City would need to adopt to continue to meet its standard through 2036, based on growth assumed by the preferred alternative. The 2016 – 2036 LOS Policy column describes the service level the City or special district has adopted by policy and can fund during the planning period. Where appropriate, the Policy LOS distinguishes a Base LOS – the LOS that can be afforded within financial means – and a Target LOS where the City anticipates seeking other funding sources (e.g. grants) or partnerships and has a vision for a higher LOS should funding allow.

Exhibit 42. Current LOS and Target LOS by City Service Type

Facility	2015 LOS	2016 – 2036 LOS Policy
Fire & EMS	• Measured response time in 2010: Urban Turnout 3:12 and Travel 3:34 = 7.23 minutes	• 6.0 minute response time
Law Enforcement	• 284 Sq. Ft. per officer • 1.45 officers per 1,000 population	• 250 Sq. Ft. per officer • 1.8 officers per 1,000 population
Parks	• 7.0 Acres per 1,000 population	• Neighborhood Park - Park of at least 1.5 acres within 0.5 mile walking distance • Community Park - Park of at least 10 acres within 2-5 mile driving distance
Public Buildings	• 2,214 Sq. Ft. per 1,000 population	• In order to maintain the current public building space without adding capacity through

Facility	2015 LOS	2016 – 2036 LOS Policy
		2036, plan for 1,600 Sq. Ft. per 1,000 population.
Sewer	• 100 gallons per capita per day (gpcpd), City Services Element • 71 gallons per person per day and 35 gallons per employee per day, Wastewater Comprehensive Plan, 2014	• 71 gallons per person per day and 35 gallons per employee per day
Stormwater	• Maintain per King County Stormwater standards, City Services Element • See BMC 15.04.020, Ecology, Kitsap County, and other manuals and standards referenced	• Maintain per Ecology Stormwater Management Manual for Western Washington or equivalent as determined by BMC 15.04.020
Water	• 157 gallons per equivalent residential unit average 2006-2011, Water System Plan, 2012	• An ERU (equivalent residential unit) of 200 gallons, with a stated goal of 180 gallons

Source: City Services Appendix, 2004; BERK, 2013; BERK, 2015 and 2016.

3.3 Projects

A project list for each service provider is detailed in the inventory section for each capital facility and utility service provider. The project list includes summaries of six-year capital plans, and where available, capital projects for the 2021-2036 planning period.

3.4 UGA Analysis

Bremerton is assigned to the West Bremerton UGA, East Bremerton UGA, and Gorst UGA, though there are no active annexation proposals at this time. However, there is a realistic possibility that the UGA areas will be annexed during the 20 year planning period. As such, the UGA area growth numbers are identified in isolation from the existing city boundaries of Bremerton so that the activity likely to occur there can be considered regardless of when, or if, the UGA areas are annexed.

The City has conducted an analysis of most future Annexation areas individually and collectively, and these studies are included as appropriate. These studies include, but are not limited to:

- Fiscal Impacts of West Bremerton UGA and Gorst UGA Annexation, BERK Consulting, Final August 5, 2015
- Gorst Subarea Plan, City of Bremerton and Kitsap County, December 2013

In addition, the City has analyzed UGAs in the following Capital Facility Plans:

- Parks, Recreation and Open Space Plan, City of Bremerton, Adopted March 19, 2014
- 2014 Wastewater Comprehensive Plan Update, City of Bremerton and HDR, Final December 2014
- Water System Plan Update 2012, City of Bremerton Department of Public Works & Utilities and KPFF, June 2013

4.0 CAPITAL FACILITY DETAIL

4.1 Fire and Emergency Services

Overview

The City of Bremerton Fire Department is responsible for providing emergency and non-emergency fire, rescue, and medical services. The Department's mission is "to heighten the quality of life for citizens of Bremerton in a safe and efficient manner by the prevention of fires, the mitigation of natural and man-made hazards, and providing assistance to citizens in need of emergency services" (Fire Department, 2015).

Inventory

The capital facilities used by the Fire Department include three station buildings, emergency medical services (EMS) vehicles, and Fire Engines, which are operated by 56 employees.

Exhibit 43 summarizes the capital facilities for the Bremerton Fire Department, which includes fire stations located in west, central and east Bremerton. These facilities and the facilities of other Districts are also shown on Exhibit 44.

Three of the six fire engines are reserve units, which are on stand-by to replace the three active units. These three engines are not staffed.

Exhibit 43. Current Facilities Inventory – Bremerton Fire Department

Facility	Location	Vehicles	EMS Services?	Size (Sq. Ft.)
Fire Station No. 1	911 Park Avenue	1 Command 2 Engines 2 Medic Units	Yes	15,346
Max Meigs Fire Station No. 2	5005 Kitsap Way	2 Engines 2 Medic Units	Yes	9,389
Ted Tillet Fire Station No. 3	3027 Olympus Drive	2 Engines 1 Medic Units	Yes	7,640
Drill Tower*	1201 Union Avenue		No	1,500
Total		**1 Command** **6 Engines** **5 Medic Units** **1 Ladder Truck**		**33,875**

* Drill tower owned jointly in partnership with Central Kitsap Fire & Rescue, Kitsap County Fire District #7, Olympic College and the National Guard; Chief Al Duke, 2015.

Source: City of Bremerton Comprehensive plan City Service Appendix, 2010; BERK, 2013.

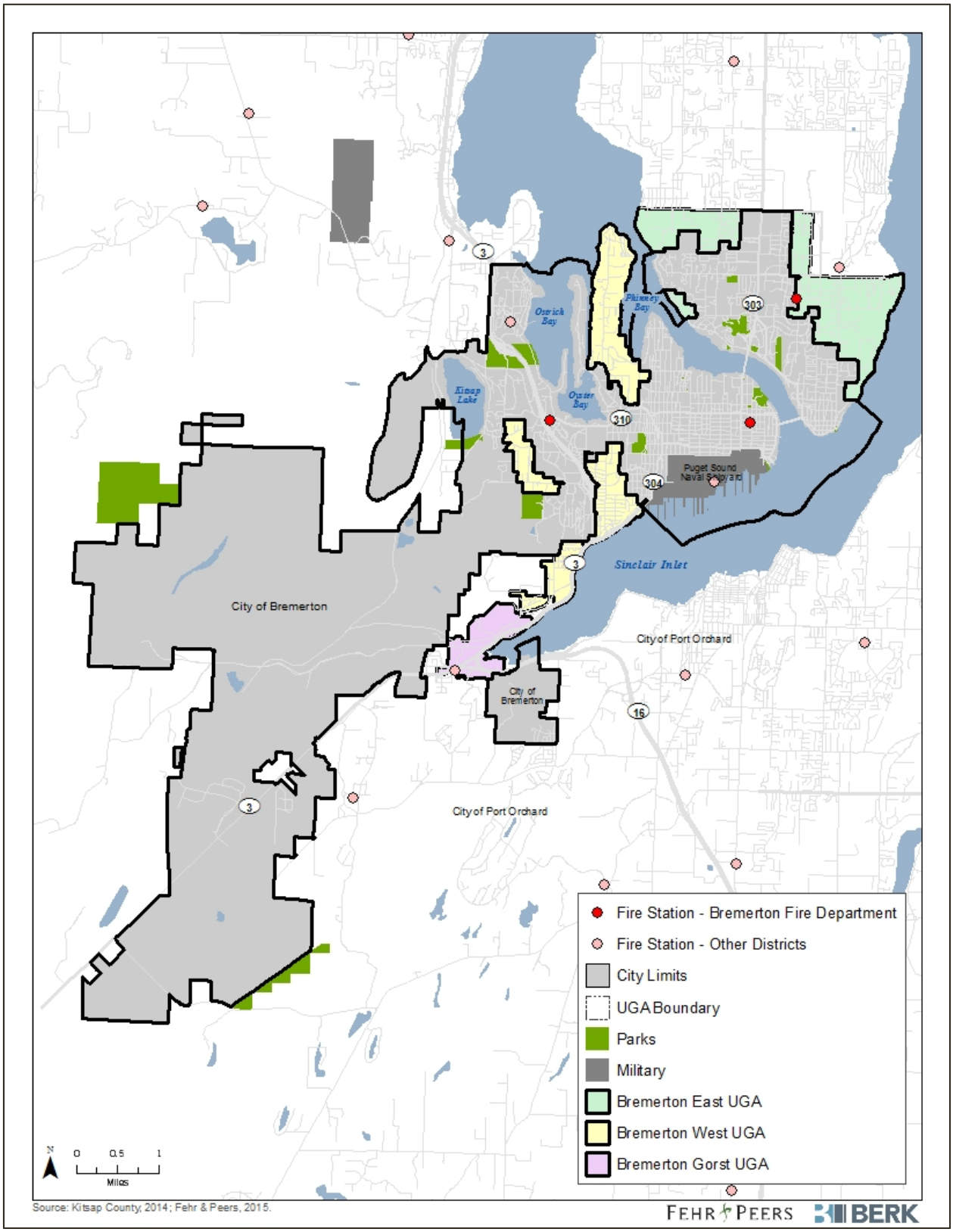
The Bremerton Fire Department, throughout its three stations, is staffed by a total of 56 employees, with a minimum daily staffing of 13 personnel. The staff includes the following:

- 1 Fire Chief
- 4 Battalion Chiefs
- 1 Fire Marshal/Captain
- 1 Medical Officer/Captain
- 1 Fire Prevention Specialist
- 3 Firefighters/Mechanics
- 3 Firefighters/SCBA Repair
- 15 Firefighters
- 9 Lieutenants
- 1 OA Senior Specialist
- 14 Paramedics
- 5 Staff
- 3 Station Captains

Fire Department Headquarters

Response to Apartment Fire

Exhibit 44. Bremerton Fire Department – Fire Stations



Source: City of Bremerton, Kitsap County, Fehr & Peers, and BERK Consulting 2015.

Level of Service Determination

Fire facility needs are a function of facility location and staffing, which feeds into a unit's response time in the case of an emergency. As such, level of service (LOS) is generally measured according to response time. Response time is defined as the amount of time that elapses between the initial call for assistance and arrival of the first emergency unit. Response time is planned for through geographic distribution of stations, type of equipment based at each facility, and the staffing level at each facility.

Bremerton's Fire Department has a current adopted LOS of 6.0 minutes response time. Given that over the 2003-2013 period, there was an average of 0.19 calls per capita annually, the City can expect to have an increase in calls of around 38% between 2015 and 2036. This increase will have an impact on the Department's capacity to meet their adopted response times, increasing the need for emergency services by 2036.

Projects

Exhibit 45 contains a list of capacity and non-capacity projects planned over the next 20 years. Immediate costs for City services are shown for the years 2016-2021. Longer-term capital needs would be associated with annexation of UGAs, described below. Although there are no projects specifically assigned to years 2022 – 2036 at this time, it does not mean that capital spending will not occur in those years.

Exhibit 45. Fire Department Planned Projects (in thousands)

Category / Project Description	Revenue Sources	Cost 2016-2018	Cost 2019-2021	Cost 2022-2036	Total Cost
Category I: Capacity Increasing Projects					
Project Description: none					N/A
Category II: Capital Replacement, Maintenance and Operations					
Station 2 and 3 remodel/ renovation/upgrade	Levy	1,000			1,000
Ladder Truck Replacement (1)	Levy	1,200			1,200
Fire Engine Replacement (2)	Levy	1,200			1,200
EMS Vehicle Replacement (2)	Levy	400			400
Air Tanks (44)	Levy		300		300
Staff Vehicles (6)	Levy		280		280
Portable Radios (40)	Levy		80		80
Thermal Imaging Cameras (3)	Levy		35		35

Source: (Duke, Chief, Bremerton Fire Department, 2015); (Farley, 2015).

Cost and Revenue

Exhibit 46 and Exhibit 47 contain the cost and funding sources for capital investments over the next six years and through 2036.

Exhibit 46. Fire Department Planned Project Costs (in thousands)

Category Summary	Cost 2016 - 2021	Cost 2022 - 2036	Total Cost
Category I (Capacity Projects Required to Meet LOS)	0	0	0
Category II (Other Projects Needed for Maintenance and Operations)	4,495	0	4,495
Total	4,495	0	4,495

Source: (Duke, Chief, Bremerton Fire Department, 2015); (Farley, 2015)

Exhibit 47. Fire Department Planned Project Revenues (in thousands)

Revenue Source	Revenue 2016-2021	Revenue 2022-2036	Total Revenue
November 2015 Levy	4,495	0	4,495
Total	4,495	0	4,495

Source: (Duke, Chief, Bremerton Fire Department, 2015); (Farley, 2015)

UGA Analysis

On average, the Fire Department received 0.19 calls per capita annually between 2003 and 2013, including both fire and EMS calls (Fire Department, 2015). Assuming that this rate continues, the UGA areas will add around 2,600 calls by 2036. These added calls will impact the Department's ability to respond quickly and it is likely that investments will be needed in order to run the service at the desired response time of 6.0 minutes.

East Bremerton is currently served by Central Kitsap Fire & Rescue (CKFR); the District has stations in proximity to the UGA (see Exhibit 43, and the Bremerton Fire Department also has a station in the Sylvan area. The City anticipates based on the 2015 UGA boundaries the City could serve East Bremerton even with the additional population allocation over 20 years. (Duke, Chief, Bremerton Fire Department, 2015)

For the West Bremerton UGA areas, there are fire stations well-situated to respond to these areas. If annexed, the City would take over provision of fire and EMS services for West Hills (currently served by CKFR), Rocky Point (currently served by South Kitsap Fire and Rescue [SKFR]), and Navy Yard City (currently served by SKFR); no additional capital needs are anticipated though there would be a need to add staffing due to the calls for service for Navy Yard City. The Fire Department estimates that annexing Navy Yard City would necessitate changes to the current response zones including the need for two additional firefighters. (BERK Consulting, 2015)

Just outside of the Gorst UGA there is a SKFR District station, which has the ability to provide rapid response times. The station has one engine, one medic unit and one brush truck for fighting wildland fires (AECOM and BERK, 2013). The short term impacts of annexing Gorst UGA are to be addressed through a contract with SKFR. However in the long term, the City would need to look at providing these services directly. In that case, the City would need a fire station (of which there is one currently in Gorst), an engine/paramedic unit, and 6-12 FTE's to provide fire service. (BERK Consulting, 2015)

4.2 Law Enforcement

Overview

The City of Bremerton's Police Department occupies three facilities in three different locations. Administrative functions are in City Hall, the Patrol Division is in the West Precinct, and the Special Operations Group is located in another facility. There are 72 personnel employed by the Bremerton Police Department and five volunteers.

Jail services are currently contracted out to Kitsap County, which consists of a jail, a work release facility, and a juvenile facility and are located on the courthouse campus in Port Orchard.

Inventory

The capital facilities in Bremerton include buildings and vehicles for patrol officers and administrative staff. Exhibit 48 summarizes the capital facilities for the Bremerton Police Department. Location of the stations are shown on Exhibit 49.

Exhibit 48. Current Facilities Inventory – Bremerton Police Department

Facility	Location	Size/Amount (Sq. Ft.)
City Hall/Police Facilities	1025 Burwell Street	7,085
West Precinct/Patrol Headquarters	4846 Auto Center Way	3,700
Capital Hills Fire Station/Special Investigative Unit (SIU)	3001 6th Street	5,400
Total		**16,185**

Source: City of Bremerton Comprehensive Plan City Service Appendix, 2004; BERK, 2013; City of Bremerton, 2015.

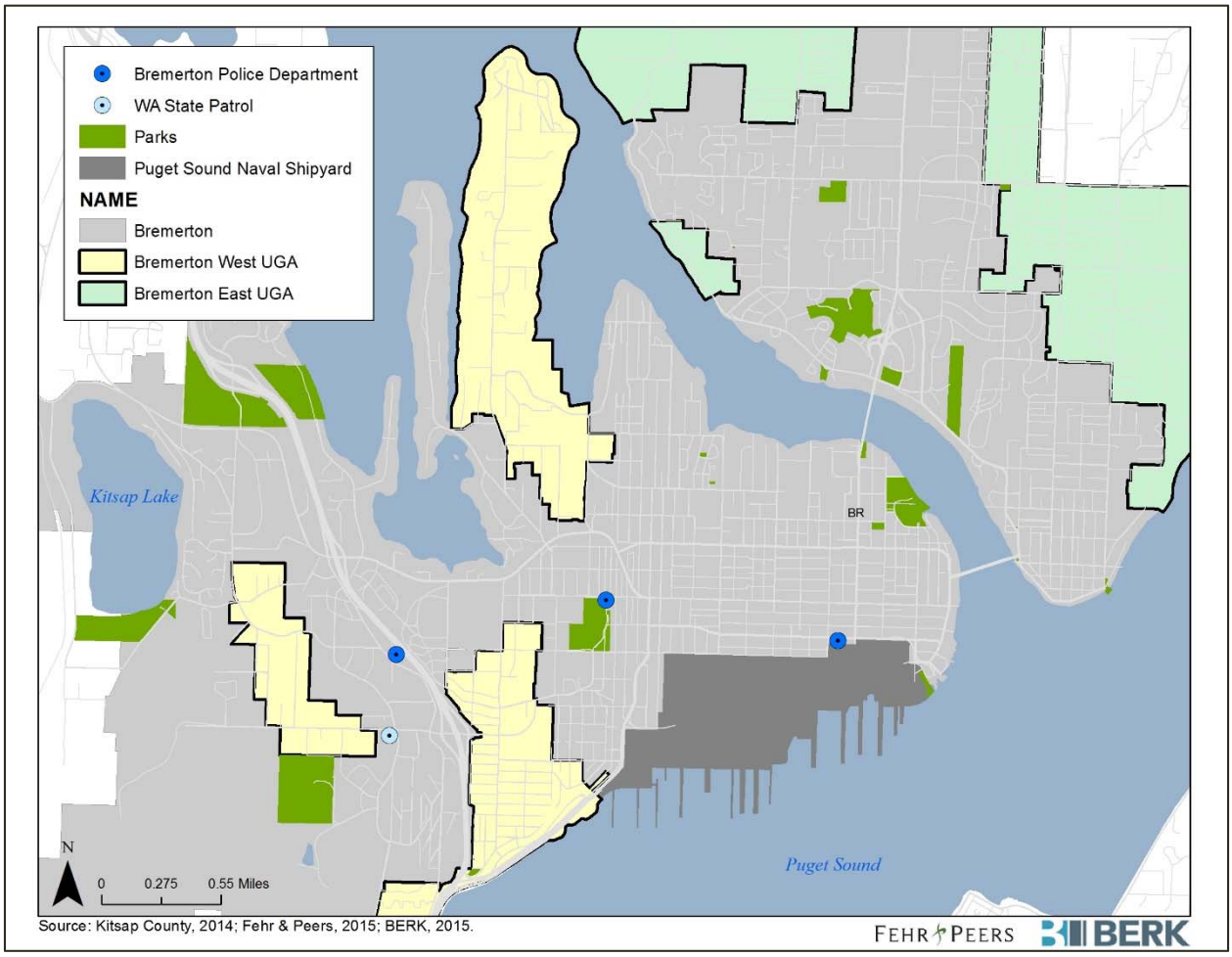
The police department has the following personnel on staff:

- 13 civilian personnel
- 1 Chief
- 2 Captains
- 2 Lieutenants
- 8 Sergeants
- 45 Officers
- 1 School Resource Officer

There are also five volunteer chaplains working with the Bremerton Police Department. (Staffing Levels, 2015)

New Officers

Exhibit 49. Bremerton Police Department – Police Stations



Source: City of Bremerton, Kitsap County, Fehr & Peers, and BERK Consulting 2015.

Level of Service Determination

LOS standards for law enforcement facilities are based on the ratio of officers to population, and the ratio square feet of building space to population. The ratio for LOS is partially dependent on crime rates, which can be impacted by location, socio-economic characteristics, demographics, size of a city and other local dynamics. The current LOS standards for the police department is 1.8 officers per 1,000 residents and 250 square feet per officer and the local staffing level is consistent with state averages. (City of Bremerton, 2004)

Exhibit 50. LOS Analysis – Bremerton Police Department

Time Period	Population or Officers	Square Feet or Officers Needed to Meet LOS standard	Current (Officers or Sq. Ft.)	Net Reserve or (Deficit)
CURRENT OFFICERS LOS STANDARD = 1.8 OFFICERS PER 1,000 POPULATION				
2015	39,410	71	57	(14)
2021	42,985	77	57	(20)
2036	53,407	96	57	(39)
CURRENT FACILITIES LOS STANDARD = 250 SQUARE FEET PER OFFICER				
2015 (current LOS for officers)	57	14,250	16185	1,935
2015 (meeting LOS for officers)	71*	17,735	16185	(1,550)
2021 (meeting LOS for officers)	77*	19,346	16185	(3,161)
2036 (meeting LOS for officers)	96*	24,046	16,185	(7,861)

* Officer count assumes reaching LOS of 1.8 officers per 1,000.
Source: Gorst Planned Action, 2013; BERK, 2015; City of Bremerton, 2015.

Using the LOS of 1.8 officers per 1,000 population, the department currently has a deficit of 14 officers and would have a deficit of 39 officers by 2036. Using the facilities level of service of 250 square feet per officer, the Bremerton Police Department currently has surplus capacity of 1,935 square feet of facilities. However, assuming Bremerton were meeting LOS of 1.8 officers per 1,000 population in the future, Bremerton currently needs an additional 800 square feet of law enforcement facilities and will need an additional 7,800 square feet by 2036. This would require an almost 50 percent increase in space over the current 16,185 square feet of law enforcement facilities.

Projects

Exhibit 51 contains a list of capacity and non-capacity projects planned over the next 20 years.

Exhibit 51. Police Facilities Planned Projects (in thousands)

Category / Project Description	Priority	Revenue Sources	Cost 2016 - 2018	Cost 2019 - 2021	Cost 2022 - 2036	Total Cost
Category I (Capacity Projects Required to Meet LOS)						
Projects	N/A	N/A	N/A	N/A	N/A	N/A
Category II (Other Projects Needed for Maintenance and Operations)						
Police Special Projects: Body cameras, fleet car, raid van			240	150	700	1,090

Source: (Burchett, 2015)

The current CIP includes $90,000 for the year 2015 that would likely be moved forward to 2016: $40,000 is proposed for body cameras which would be implemented when the City completes a public records ordinance, and $50,000 for a fleet car. A new fleet car is anticipated annually between 2015 and 2020 as these vehicles are replaced after 125,000 miles. A raid van would also be needed within one years' budget. Other expenditures are not anticipated unless annexation occurs (see below). For the purposes of this CFP, $50,000 per year for the period 2021-2036 is assumed based on the annual fleet replacement costs.

Cost and Revenue

Exhibit 52 and Exhibit 53 contain the cost and funding sources for capital investments over the next six years and through 2036.

Exhibit 52. Police Department Planned Projects Cost (in thousands)

Category Summary	Cost Years 2016-2021	Cost Years 2022-2036	Total Cost
Category I (Capacity Projects Required to Meet LOS)	0	0	0
Category II (Other Projects Needed for Maintenance and Operations)	390	700	1,090
Total	390	700	1,090

Source: BERK 2015; City of Bremerton, 2015; 2015 – 2020 Capital Improvement Plan.

Exhibit 53. Police Department Planned Projects Revenue (in thousands)

Revenue Source	Revenue Years 2016-2021	Revenue Years 2022-2036	Total Revenue
General Government Capital Improvement Fund (REET)	390	700	1,090
Total	390	700	1,090

Source: BERK 2015 (2016 - 2021 Capital Improvement Plan, 2015)

UGA Analysis

Using the LOS of 1.8 officers per 1,000 residents, the UGA population alone would require around 23 officers by 2036. At the current LOS, the number of officers needed to meet the standard of 1.8 officers per 1,000 is currently unmet and Bremerton would continue to see a deficiency through 2036. Given that annexation would result in around 13,200 new residents under the protection of the Bremerton law

enforcement officials, Bremerton would need to make investments in the facilities as well as hire more officers on staff in order to meet LOS standards by 2036.

Existing police stations are centrally located towards the downtown area of the City of Bremerton.

East Bremerton is currently served by the Kitsap County Sheriff. The County has several stations in central and south Kitsap County though not in the study area:

- Central Office: 3951 Randall Way, Silverdale, WA
- Kitsap Mall Office: 10315 Silverdale Way NW, Silverdale, WA
- Main Office 614 Division Street, Port Orchard, WA

Based on the 2015 UGA boundaries, the City anticipates being able to serve East Bremerton even with the additional population allocation over the next 20 years. (Burchett, 2015)

If the West Bremerton and Gorst UGAs were to be annexed, no capital facilities would be needed in the short term or long term according to the City's recent annexation study. However, there would be a need to add officers and alter patrol zones to ensure response time objectives are met. While Rocky Point, West Hills, and Gorst do not currently generate a large call volume, Navy Yard City is known for a high volume of service calls related to felony crimes. If a new patrol area were added, it would require 6.0 FTEs to provide full-day patrol service. There would also be a need for 0.5 FTE Community Resource Specialists. (BERK Consulting, 2015)

4.3 Parks and Recreation

Overview

Bremerton provides a system of parks and open space areas which are managed by the City's Parks and Recreation Department, along with the help of the Bremerton Parks and Recreation Commission. The service area for the parks system includes all land within Bremerton's city limits but the City's plans consider the City's assigned UGAs and Central Kitsap. This Parks analysis is consistent with the *2014 Parks, Recreation and Open Space Plan*.

Rotary Park, 2015

Inventory

Bremerton has 331 acres of parks and recreation facilities and ten miles of trails. Exhibit 54 provides a list of parks facilities in the City of Bremerton. Local parks are divided into a variety of categories: Regional, Neighborhood, Community, Pocket, Natural, Plazas, and Streetscapes & Greenways, each with a different purpose and specifications. Only Neighborhood and Community Parks are assigned levels of service.

Exhibit 54. Current Facilities Inventory

Facility	Location	Size/Amount
Parks and Lands		*Acres*
Regional Parks: Pendergast Park (also considered a neighborhood park for those within a 1/3 mile walking distance)	1199 Union Avenue	50.3
Community Parks	Exhibit 56	78.1
Neighborhood Parks	Exhibit 57	44.8
Pocket Parks	Exhibit 58	6.08
Natural Areas	Exhibit 59	111.4
Plazas	Exhibit 60	5.7
Streetscapes & Greenways	Exhibit 61	9.5
Ivy Green Cemetery	1401 Naval Avenue	14.9
Total Acres		***276.0***
Other Facilities:		*Square Feet*
Bremerton Senior Center	1140 Nipsic Avenue	5,000
Glenn Jarstad Aquatic Center	50 Magnuson Way	21,000
Sheridan Community Recreation Center	680 Lebo Boulevard	30,000
Gold Mountain Golf Complex	7263 W. Belfair Valley Rd	180 Acres
Total Square Feet		***56,000 SF/180 Acres***

Source: Bremerton Parks, Recreation and Open Space Plan, 2014.

Additional information about parks and recreation in Bremerton, including more specific information about park properties, is available in the *2014 Parks, Recreation and Open Space Plan.*

Level of Service Determination

The Bremerton Parks and Recreation Department updated level of service standards in the 2014 Parks, Recreation and Open Space Plan (PROS). See Exhibit 55.

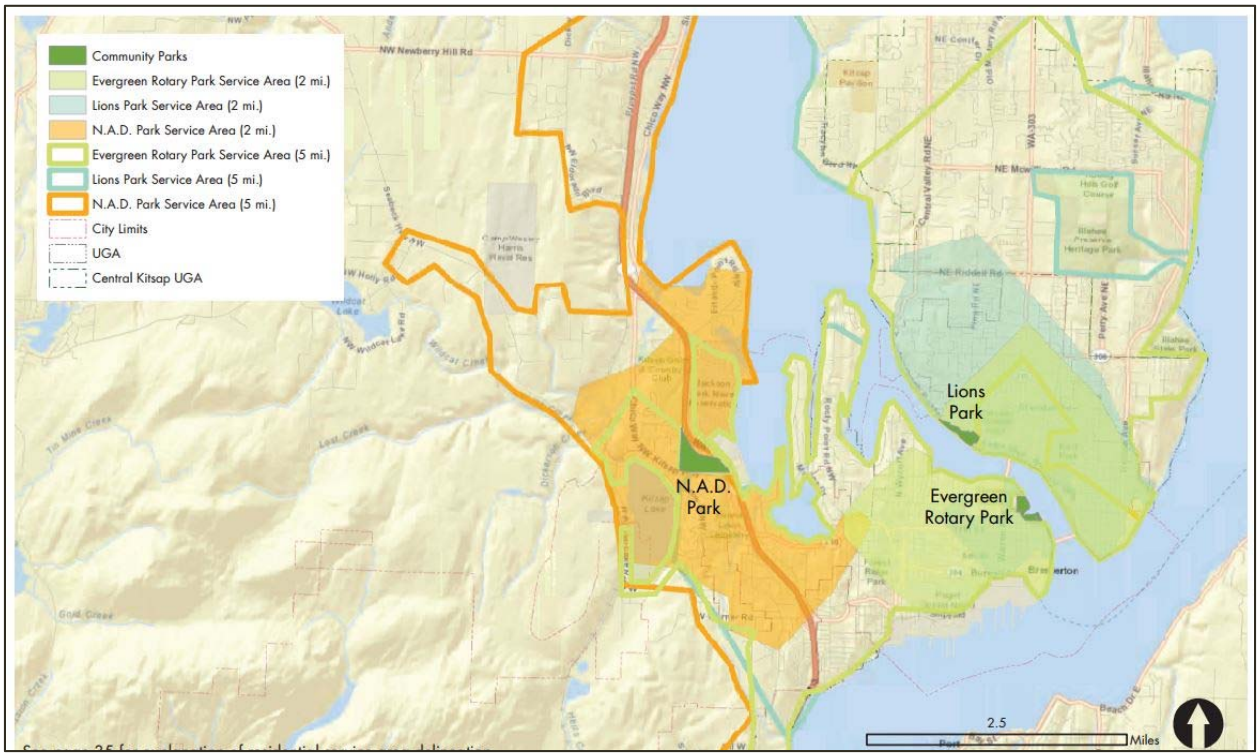
Exhibit 55. Bremerton and NRPA LOS Comparison

	Neighborhood Park Size	Neighborhood Park Service Area	Community Park Size	Community Park Service Area
NRPA Guideline	5 – 10 acres	0.25 - .5 mile	30 – 50 acres	0.5 – 3 miles
Bremerton LOS Standard	1.5 – 10 acres	0.5 mile	10 – 50 acres	2 – 5 miles

Source: Bremerton Parks, Recreation and Open Space Plan, 2014; National Recreation and Parks Association, 1995.

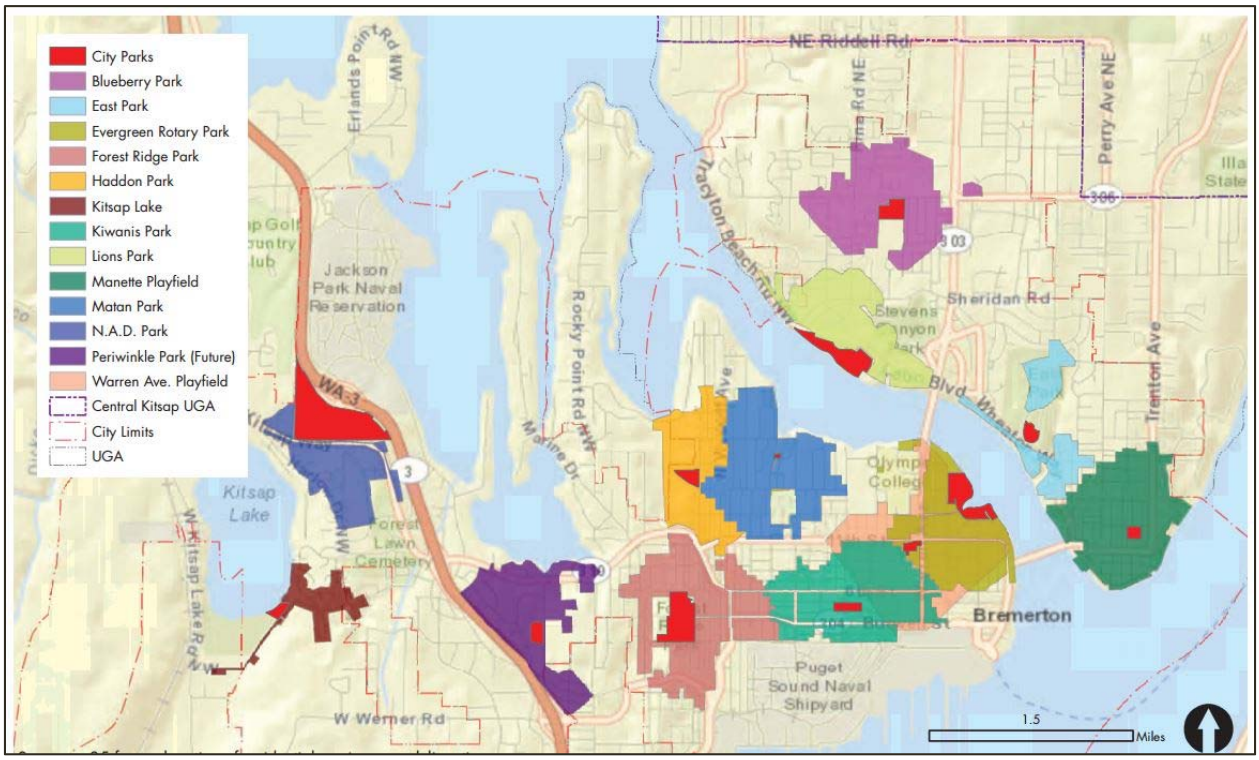
Based on the neighborhood and community park LOS standards for park service areas, the City of Bremerton has not completely met its service goals and there are gaps in the system. See Exhibit 56 and Exhibit 57.

Exhibit 56. Bremerton Parks & Recreation - Community Parks 2-5 Mile Service Area



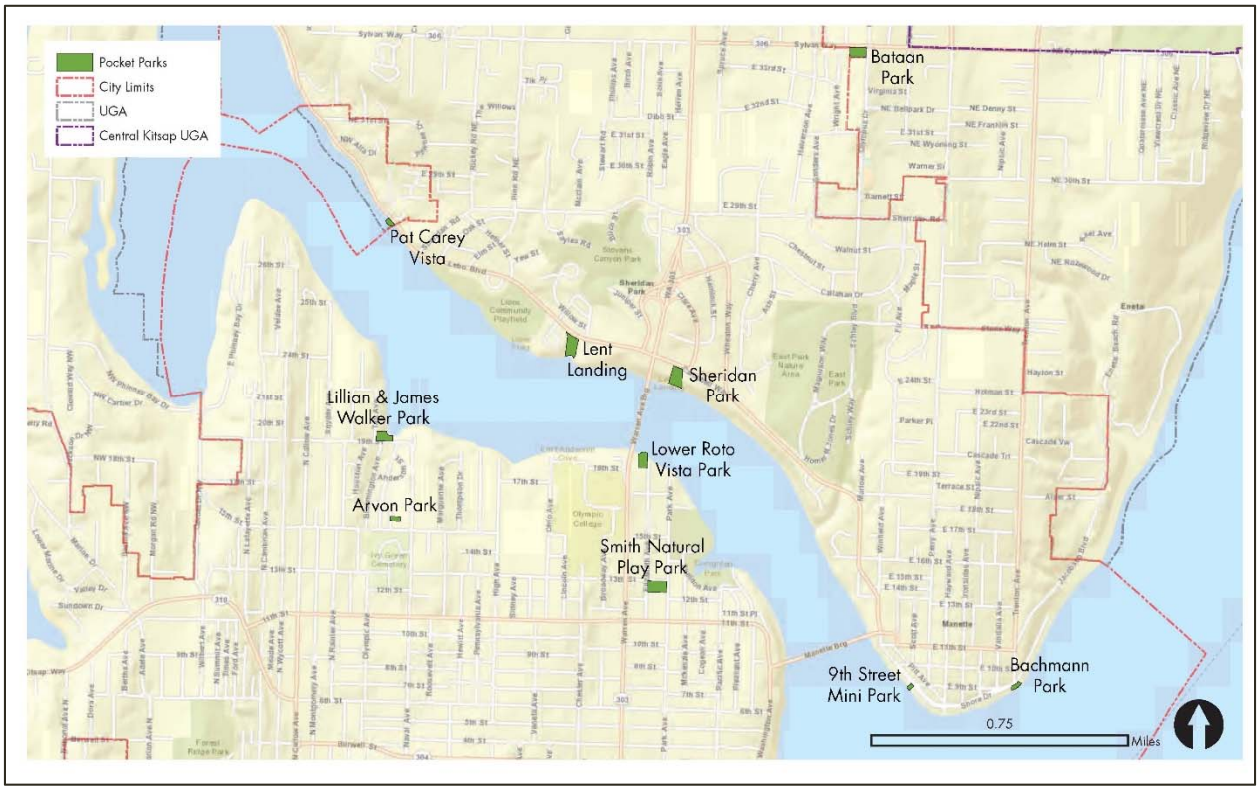
Source: (Parks, Recreation & Open Space Plan, 2014)

Exhibit 57. Bremerton Parks and Recreation – Neighborhood Parks ½ Mile Service Area



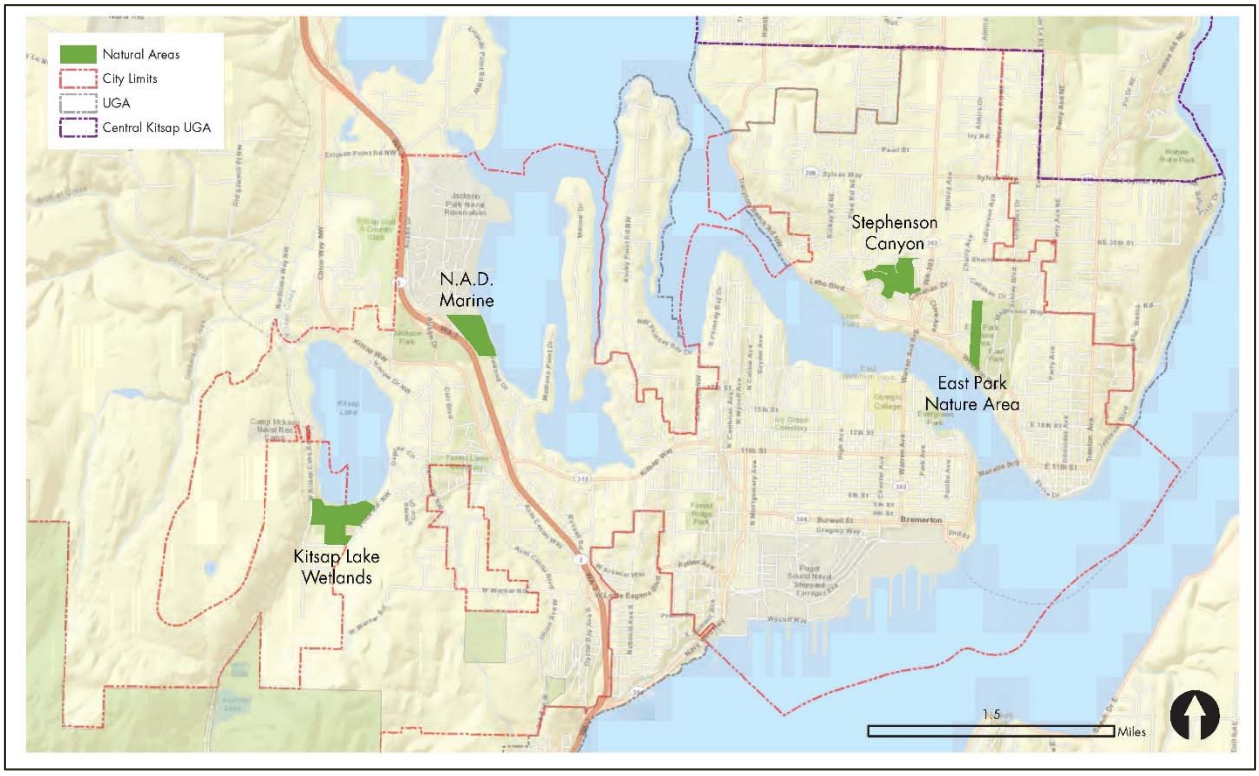
Source: (Parks, Recreation & Open Space Plan, 2014)

Exhibit 58. Pocket Parks



Source: (Parks, Recreation & Open Space Plan, 2014)

Exhibit 59. Natural Areas

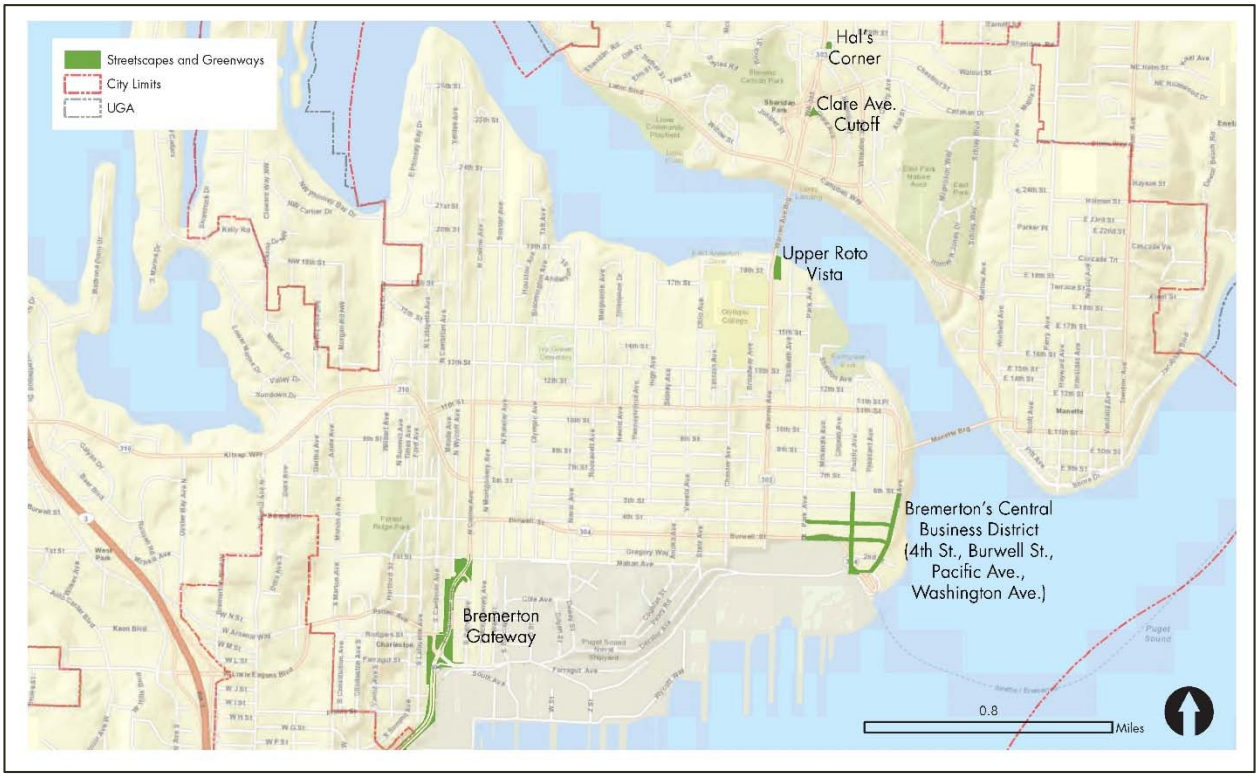


Source: (Parks, Recreation & Open Space Plan, 2014)

Exhibit 60. Plazas

Source: (Parks, Recreation & Open Space Plan, 2014)

Exhibit 61. Streetscapes and Greenways



Source: (Parks, Recreation & Open Space Plan, 2014)

Projects

Exhibit 62 contains a list of capacity and non-capacity projects planned over the next 20 years.

Exhibit 62. Parks Planned Projects (in thousands)

Project and Cost/Revenue	Priority	Revenue Source	Cost 2016 - 2017	Cost 2018-2019	Cost 2020-2036	Total Cost
CAPACITY PROJECTS (Projects Required to Meet LOS)						
Manette Playfield - Develop master plan and enact recommendations to bring up to standard	High	50% Grant, 40% REET, 10% Donation	500	-	-	500
Warren Avenue Playfield - Acquisition for neighborhood park expansion to bring up to standard. Develop master plan and enact recommendations.	High	60% Levy, 20% REET, 20% Grant	-	-	1,575	1,575
Wheaton / Riddell (1.5-3 acres) - Acquisition for future neighborhood park site	High	50% Grant, 50% REET	-	-	130	130
Haddon Park - Upgrade park with amenities to bring up to standard	High	50% Grant, 40% REET, 10% Donation	-	300	-	300
Off- Leash Dog Park - develop permanent off-leash park on existing land	Medium	50% Grant, 40% REET, 10% Donation	-	200	-	200
NAD Park - Develop master plan and enact recommendations to bring up to standard	Medium	50% Grant, 40% REET, 10% Donation	-	475	-	475
Forest Ridge Park - Develop master plan and enact recommendations to bring up to standard	Medium	50% Grant, 50% REET	-	400	-	400
Pendergast Regional Park - Upgrade to bring up to standard	Medium	Donation via lease with non-profit	-	1,390	-	1,390
Lions Park - Upgrade boat launch, dock, parking to bring up to standard	Medium	75% Grant, 25% REET	-	1,135	-	1,135
Evergreen Rotary Park - Upgrade with amenities (Complete perimeter pathway; Enhance beach access/habitat; Replace shelter; Improve Farmer's Market facilities.)	Medium	50% Grant, 25% REET, 25% Donation	-	-	1,170	1,170
P-Patch Garden - Develop community garden	Medium	50% Grant, 50% Donation	-	-	200	200
Kitsap Lake Park - Upgrade with amenities (boat launch, shelter, signage) to bring up to standard	Medium	50% Grant, 50% REET	-	-	300	300
Matan Park Expansion - Acquisition for neighborhood park expansion to bring up to standard	Medium	50% Grant, 50% REET	-	-	60	60

Project and Cost/Revenue	Priority	Revenue Source	Cost 2016 - 2017	Cost 2018-2019	Cost 2020-2036	Total Cost
Perry / Sylvan (1.5-3 acres) - Acquisition for future neighborhood park site	Medium	50% Grant, 50% REET	-	-	130	130
Acquisition for future neighborhood park site near Wheaton / Sheridan Could be replaced by no- cost lease of School District property across Sheridan.	Medium		-	-	190	190
NON-CAPACITY PROJECTS (Other Projects Needed for Maintenance and Operations)						
Harborside Park - Line fountain basins	High	REET	125	-	-	125
Memorial Plaza Fountain - Repair and line concrete waterways	High	REET	75	-	-	75
Playground Replacement - 14 parks	High	50% REET, 50% General Fund	100	100	300	500
Jarstad Park to Kitsap Lake Trail	High	50% Grant, 50% Donation	-	-	TBD	-
Park and Trail Signage System - Develop and install standardized entry, wayfinding and historical signs	High	50% Grant, 50% Donation	-	175	-	175
Kitsap Lake Park - Upgrade with amenities (boat launch, shelter, signage) to bring up to standard	Medium	50% Grant, 50% REET	-	-	300	300
Bataan Park - Upgrade with ADA Access and amenities to bring up to standard	Medium	50% Grant, 40% REET, 10% Donation	-	-	125	125
Irrigation Upgrades - Upgrade or install automatic irrigation systems	Medium	REET	-	550	-	550
Forested Areas - Develop forest management plan for heavily wooded parks	Medium	Grant	-	20	-	20
Maintenance Facility - Develop permanent maintenance facility	Medium	REET	-	700	-	700
Water Trail Amenities- Develop non-motorized water craft amenities	Medium	50% Grant, 50% Donation	-	10	-	10
Sheridan Park Community Center – Renovate building to meet codes: ADA, HVAC, Restrooms, Windows, Parking Lot	Medium	50% Levy, 50% REET	-	-	2,500	2,500
Senior Center - Improve or Replace (ADA access, main entrance, parking lot)	Medium	50% Levy, 50% REET	-	-	5,500	5,500

Project and Cost/Revenue	Priority	Revenue Source	Cost 2016 - 2017	Cost 2018-2019	Cost 2020-2036	Total Cost
Lower Roto Vista Park - Improve park access with signage and new stairs	Medium	50% Grant, 50% Donation	-	-	30	30
Pat Carey Vista - Pave parking area; Enhance shoreline	Medium	50% Grant, 50% REET	-	-	125	125
Bachmann Park - Enhance landscaping; Repave plaza; Install water fountain	Low	REET	-	-	120	120
Gateway - Replace landscaped median with low-maintenance alternative	Low	REET	-	-	140	140
Evergreen Rotary Park - Overlay parking lot	Low	50% Grant, 50% REET	-	-	150	150
Sheridan Park - Upgrade waterfront pocket park	Low	50% Grant, 50% REET	-	-	200	200
Kitsap Lake Wetlands - Develop Master Plan	Low	General Fund	-	-	20	20
9th Street Mini Park - Upgrade pocket park with shoreline naturalization and landscaping	Low	REET	-	-	60	60
Ivy Green Cemetery - Replace perimeter fence and entry sign; Install permanent restroom	Low	REET	-	-	350	350

Source: (Parks, Recreation & Open Space Plan, 2014); (Berna, 2015)

Cost and Revenue

Exhibit 63 and Exhibit 64 contain the cost and funding sources for capital investments over the next four years and through 2036.

Exhibit 63. Parks Planned Projects Cost (in thousands)

Category Summary	Cost 2016 - 2019	Cost 2020 -2036	Total Cost
Category I (Capacity Projects Required to Meet LOS)	4,400	3,755	8,155
Category II (Other Projects Needed for Maintenance and Operations)	1,855	9,920	11,775
Total	**6,255**	**13,675**	**19,930**

Source: (Parks, Recreation & Open Space Plan, 2014); City of Bremerton, BERK 2015

Exhibit 64. Parks Planned Projects Revenues (in thousands)

Category Summary	Revenue 2016 - 2019	Revenue 2020 -2036	Total Revenue
ALL REVENUES			
Grants	1,901.25	1,870.00	3,771.25
REET	2,623.75	6,175.00	8,798.75
Donations	1,630.00	515.00	2,145.00
General Fund	100.00	170.00	270.00
Levy	-	4,945.00	4,945.00
TOTAL	**6,255.00**	**13,675.00**	**19,930.00**

Source: (Parks, Recreation & Open Space Plan, 2014); City of Bremerton, BERK 2015

UGA Analysis

On the whole a population of nearly 13,500 persons in the UGA would mean a total need for 11.5 acres of neighborhood parks and 20 acres of community parks.

Within the city limits near the East Bremerton UGA, Recreational facilities like the Sheridan Park Community Center, Senior Center, and Glenn Jarstad Aquatic Center are concentrated. (Parks, Recreation & Open Space Plan, 2014) With additional population growth there would be a need to add facilities based on the City's LOS standard.

In West Bremerton and Gorst UGAs, additional park acres would be needed to meet City standards if annexed. To meet LOS standards established by the City, a neighborhood class level park is required to be within ½ mile pedestrian distance of all residences. The LOS park analysis excludes the Navy Yard City and Harborside Fountain Park in Bremerton. Pendergast Regional Park serves as a neighborhood park for those residents living within a half mile walking distance and is included in the LOS analysis as a neighborhood park (Berna, 2015).

Using a LOS minimum standard of 1.5 acres per new neighborhood park, based on the land area included in the UGAs and the locations of existing neighborhood and community parks, the analysis estimates that there would need to be an additional seven neighborhood parks. This would translate into a minimum of 10.5 acres of new park lands that would need to be purchased in the annexed areas. The estimated cost of purchasing new park lands depends on a variety of factors such as location, site topography, potential remediation needs, and other factors. (BERK Consulting, 2015)

4.4 Public Buildings

Overview

Public buildings in the City of Bremerton are facilities that are necessary ensure that day-to-day responsibilities of the government have a place to conduct business (such as City Hall) or that provide some other sort of service to the community (such as libraries). City building facilities should provide convenience and access to those using the facilities, and they should be planned, constructed, maintained, and operated with consideration of public financial resources.

Inventory

Exhibit 65 lists the inventory of public building facilities in the City of Bremerton.

Exhibit 65. Facilities Inventory – Public Buildings

Facility	Location	Size (Sq. Ft.)
Norm Dicks Government Center	345 6th Street	15,138
Public Safety Buildings – Police Department	1025 Burwell Street - Bldg. A	21,727
Municipal Court	550 Park Avenue	9,816
Library	612 Fifth Street	8,158
Community Theater	599 Lebo Boulevard	14,800
Admiral Theatre	507 Pacific Avenue	25,000
Golf Course Clubhouse	7263 W Belfair Valley Road	16,346
Sheridan Park Community Center	680 Lebo Boulevard	30,000
Puget Sound Naval Museum & Fountain Room	251 First Street	9,000
Glen Jarstad Aquatic Center	2270 Schley Boulevard	21,000
Senior Citizens Center	1140 Nipsic	5,000
Public Works Complex	100 Oyster Bay	32,300
Pendergast Regional Park Restroom/Concession Building	1199 Union Avenue	2,500
Golf Course Concession Building	7263 W Belfair Valley Road	460
Conference Center	100 Washington Avenue	22,100
Total Public Buildings		**233,345**

Source: City of Bremerton, 2015.

Level of Service Determination

Exhibit 66 shows illustrates an LOS standard that would maintain capacity through 2036 with the current inventory.

The analysis calculates an administrative LOS including the City Hall, Public Works Complex, Park Headquarters, and Municipal Court. Remaining facilities are cultural or recreational rather than administrative and should be planned based on user and City needs. The library is part of the Kitsap Regional Library System.

Exhibit 66. LOS Analysis – Bremerton Public Buildings

Time Period	Population	Sq. Ft. Needed to Meet LOS	Current (Sq. Ft. per 1,000)*	Net Reserve or (Deficit)
LOS STANDARD = 1,600 SQUARE FEET PER 1,000 POPULATION				
2015	39,410	63,056	87,254	24,198
2021	42,985	68,776	87,254	18,478
2036	53,407	85,451	87,254	1,803

*Current Square Feet includes City Hall, the Public Works Complex, the Park Headquarters, and the Municipal Court.
Source: BERK, 2015.

The City should have an LOS for facilities deemed necessary for development. In the past the City has not identified a specific LOS standard for public buildings as it is not directly tied to development; though it may be affected by addition of population such as through UGA expansions. The City may optionally provide a LOS measure.

The current effective level of service for administrative buildings is around 2,200 square feet per 1,000 residents.

Adjusting the LOS for public buildings to around 1,600 square feet per 1,000 residents, there would be capacity to continue meeting the LOS standard in public buildings beyond 2036.

Projects

According to city staff, there are currently no public building projects planned beyond 2018. All projects are Category II, and include security, renovation, and preventative maintenance projects. Exhibit 67 shows planned projects for public buildings in Bremerton. Although there are no public building projects currently planned in years 2022 through 2036, the City should expect capital investments to occur during this time.

Exhibit 67. Public Buildings Planned Projects (in thousands)

Category Summary	Revenue Source	Cost 2016 - 2021	Cost 2022 - 2036	Total Cost 2016 -2036
Category I (Capacity Projects Required to Meet LOS)	General Capital/REET	-	-	-
Category II (Other Projects Needed for Maintenance and Operations)	General Capital/REET	247	-	247
Total		247	-	247

Source: City of Bremerton, 2015; BERK, 2015.

4.5 Transportation

See Transportation Appendix under separate cover.

4.6 Sewer / Wastewater

Overview

Wastewater services are provided by the Bremerton Department of Public Works and Utilities. The service area covers 13 drainage basins, with four extending beyond the city limits into unincorporated county areas. The *2014 Wastewater Comprehensive Plan* analyzes the system for its current and future capacity and improvement needs. The 2014 Plan is an update to the 2005 plan and is on a 20-year planning horizon through year 2033.[2] The Plan fulfills state requirements in WAC 173-240-020.

The wastewater system is in charge of sewage collection, transmission, treatment, and bio-solids reuse. The wastewater service area served by the utility is the City of Bremerton, as well as the unincorporated areas of West Bremerton, East Bremerton and other bordering areas. The utility also serves the Puget Sound Naval Shipyard and other U.S. Navy facilities. (2014 Wastewater Comprehensive Plan Update, 2014)

[2] It should be noted the plan uses population estimates consistent with City plans in the city limits and similar to County plans in the UGAs; it should be noted that countywide population estimates were extended from 2025 to 2036 without increase and thus the 2033 time horizon is considered compatible with the Comprehensive Plan Update horizon of 2036. (See Executive Summary 1-2 and East Bremerton and West Hills appendix, page 8 in the (2014 Wastewater Comprehensive Plan Update, 2014))

The Clean Water Act is the federally regulating act for wastewater collection, treatment, and disposal. The Environmental Protection Agency has the authority to implement pollution control and to delegate enforcement to the states when states enforce regulations that are equally or more restrictive than the federal regulations. As such, in Washington State, Department of Ecology administers and enforces the Clean Water Act. Specifics about the State's regulations are detailed in the *2014 Wastewater Comprehensive Plan,* which complies with general sewer plan requirements laid out by Washington State Law (WAC 173-240-050).

Since a 1992 lawsuit between Puget Soundkeeper and Bremerton related to implementation of measures regulated by the Federal Clean Water Act, Bremerton has responded by implementing those measures that were ordered by Ecology as a result of the suit. More information can be found in the *2014 Wastewater Comprehensive Plan*.

The wastewater treatment plant in Bremerton has been in compliance with discharge standards since 2005 and has continually received annual Outstanding Performance Awards from Ecology. A new permit issued in 2013 requires Bremerton to plan for expansion when the flow reaches 85 percent of the capacity for three consecutive months. The 2014 plan anticipates that the permit capacity could potentially reach year 2033, assuming population growth occurs as projected. See the *2014 Wastewater Comprehensive Plan* for more information about wastewater capacity planning through 2033, which fits closely with this plan's 2036 planning period and growth numbers. (2014 Wastewater Comprehensive Plan Update, 2014)

Service Area

The sewer service area is the City of Bremerton's city limits, assigned UGAs, and two areas near Kitsap Lake near the West Bremerton UGA. The City also accepts flows from the U.S. Navy Puget Sound Naval Shipyard as well as Kitsap County Sewer District No. 1 through contracted service agreements. As identified in the *2014 Wastewater Comprehensive Plan*, the area served by sewer is around 29 percent watershed or utility land, 29 percent single family residential, 24 percent industrial, and 7 percent mixed use with small areas of other land classifications. (2014 Wastewater Comprehensive Plan Update, 2014)

Inventory

The existing wastewater treatment plant has a permit limit of 15.5 MGD. The *Wastewater Comprehensive Plan 2014* describes flow loads and flow projections (see Level of Service below). Bremerton's sewer collection system takes flows from conventional sanitary sewage, stormwater inflow and groundwater infiltration. Exhibit 68 lists the specific facilities providing wastewater services in Bremerton.

Exhibit 68. Facility Inventory – Wastewater Treatment Facilities

Facility	Location	Capacity/Size
Bremerton Wastewater Treatment Plant	1600 Oyster Bay Ave W	15.5 mgd permit limit
Forest Enhancement Sites One & Two	Near Gold Mtn. Golf Course	300 acres

Source: Wastewater Comprehensive Plan, 2014; City Services Appendix, 2012.

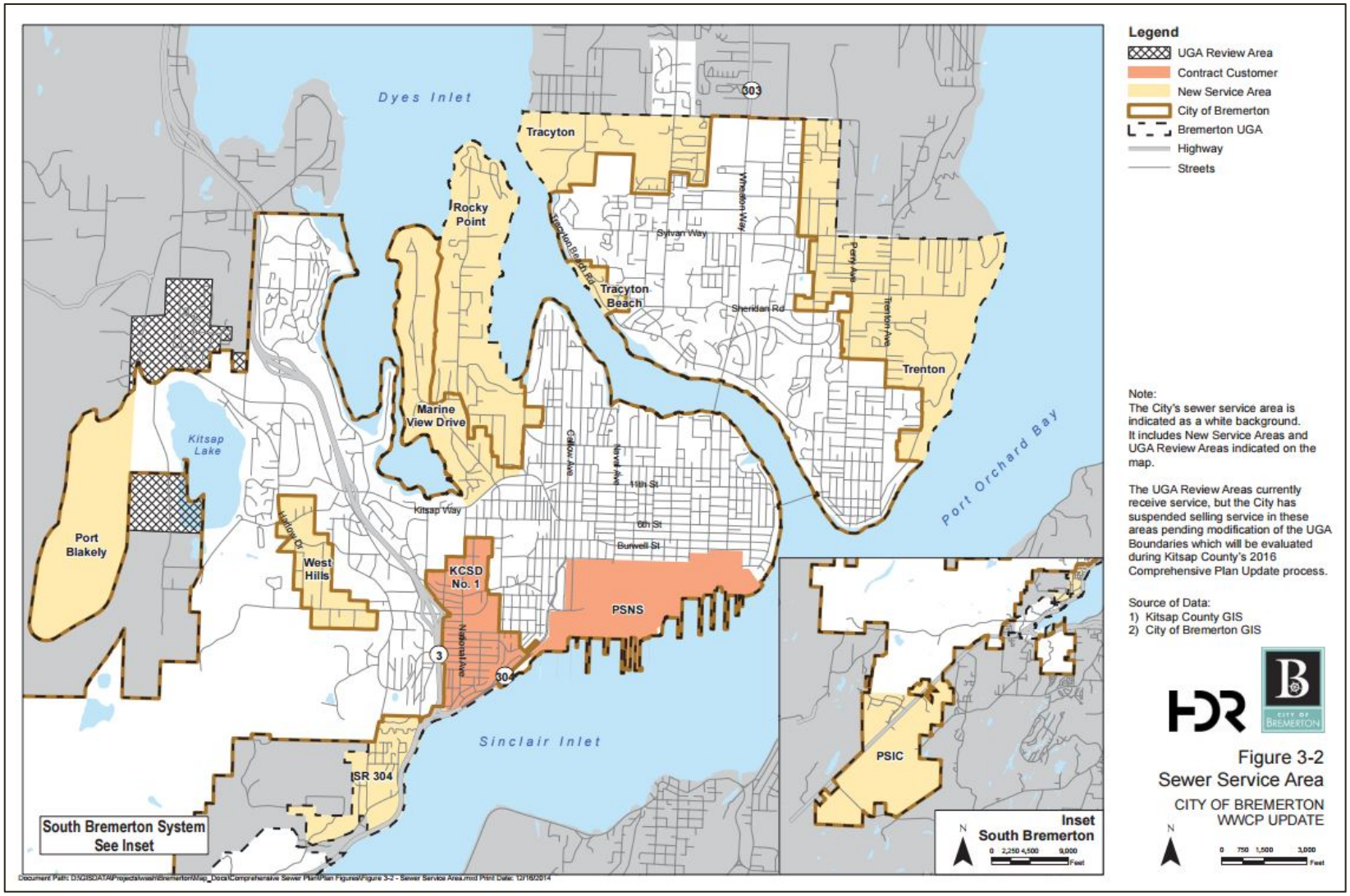
The components of the wastewater system can be found in Exhibit 69.

Exhibit 69. Facility Inventory – Wastewater System Components

Wastewater System Component	Count
Sewer Basins	22
Pipeline Miles	176
Pump Stations	39
Odor Control Stations	7
CSO Outfalls	15
Westside Wastewater Treatment Plant	1
Eastside CSO Treatment Plant	1
Design Flow (mgd)	10.1
Average Annual Flow (mgd)	4.7

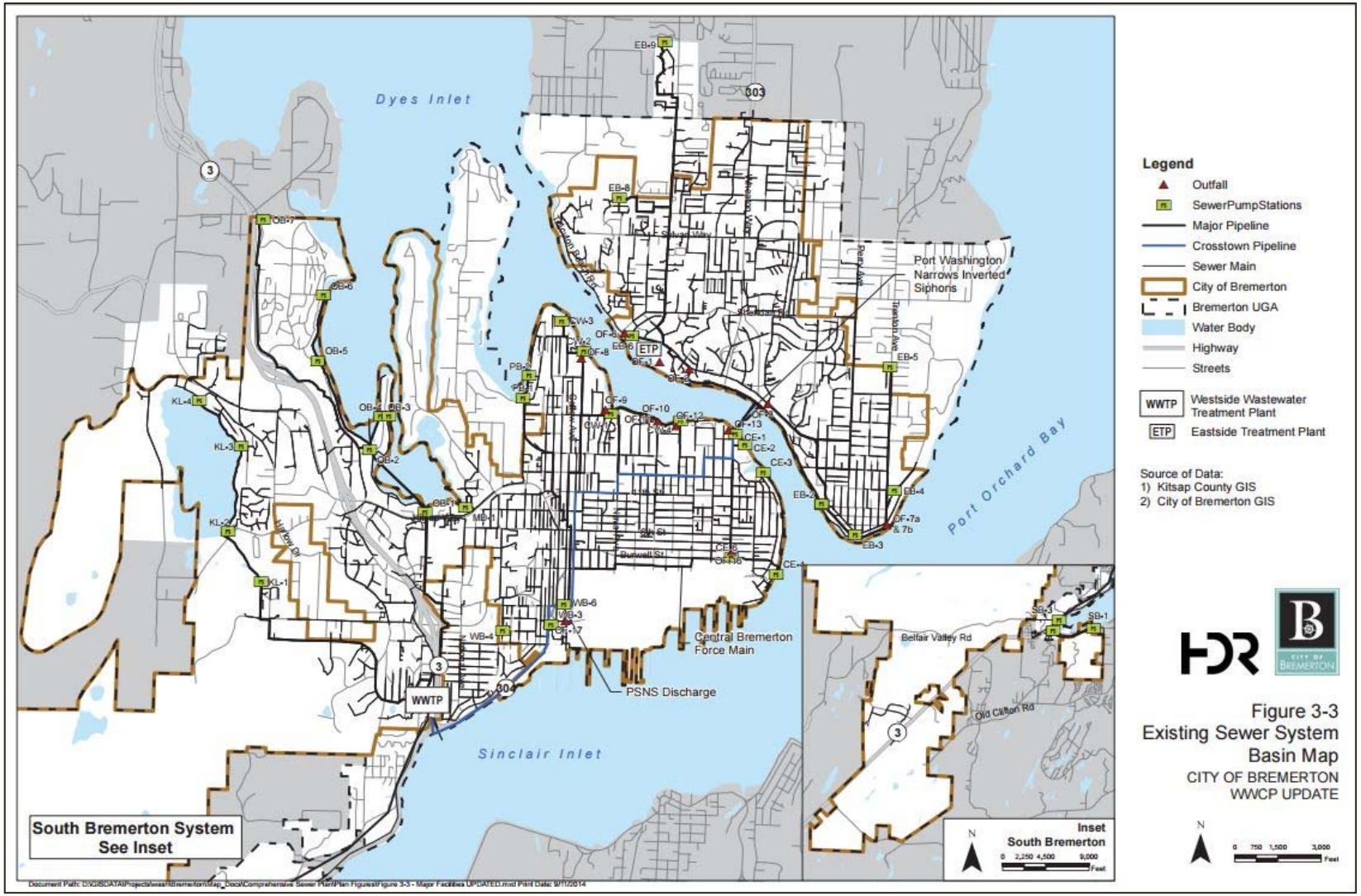
Source: Wastewater Comprehensive Plan, 2014

Exhibit 70. Bremerton Sewer Service Area



Source: Bremerton Wastewater Comprehensive Plan Update, 2014.

Exhibit 71. Bremerton Sewer Utility System Elements



Source: Bremerton Wastewater Comprehensive Plan Update, 2014.

Level of Service Determination

The service standard for capacity of the existing sewer facilities to serve Bremerton's current and future needs is based on the number of gallons of effluent generated per capita per day. Using the county-wide LOS of 100 gallons per capita per day, Exhibit 72 shows the LOS analysis for wastewater facilities through 2036 for the combined city and UGA population.

Exhibit 72. LOS Analysis – City Limits and UGA – Wastewater Facilities

Time Period	Population (Bremerton + UGA)	Millions of Gallons per Day (mgd) Needed to Meet LOS standard
CURRENT LOS STANDARD = 100 gallons PER CAPITA		
2015	48,989	4.9
2021	53,544	5.4
2036	66,880	6.7

Note: Population numbers include the City of Bremerton and the Bremerton UGA. Projected population for the Kitsap County Sewer District No. 1 and the Naval Shipyard are not included since they are served by a contract that could be renegotiated.

Source: City Services Appendix, 2004; Bremerton Wastewater Comprehensive Plan, 2014.

The 2014 *Wastewater System Plan* uses a slightly lower per capita standard of 71 gallons per person per day (gpcpd) and 35 gallons per employee per day (gpepd). The results would be similar to but lower than the 100 gallons per capita, the current City Services Element standard.

Exhibit 73. LOS Analysis – City Limits and UGA – Wastewater System Plan Standards

Time Period	Population (Bremerton +UGA)	Employees (Bremerton + UGA)	Millions of Gallons per Day (mgd) Needed to Meet LOS standard
Wastewater Plan = 71 gpcpd / 35 gpepd			
2015	48,989	33,021	4.6
2021	53,544	38,077	5.1
2036	66,880	50,717	6.5

Source: Bremerton Wastewater Comprehensive Plan, 2014.

The 2014 *Wastewater System Plan* illustrates that the City has capacity to serve current and expected population and growth through 2033. The 2014 *Wastewater System Plan* estimates encompass, and are greater than, the CFP 2036 population estimates of 53,407 in the City Limits and 13,473 in the assigned UGAs. Thus, the functional plan would more than accommodate the expected growth.

Exhibit 74. Wastewater Flow Projections

YEAR	FLOW				
	Average Day Dry Weather (Mgd)	Average Annual (Mgd)	Max Month (May-Sep) (Mgd)	Max Month (Oct-Apr) (Mgd)	Max Day (Mgd)
Permit Limit	NA	NA	11.0	15.5	NA
2013	4.0	5.2	4.5	10.0	27.0
2018	4.4	5.6	4.9	10.4	27.4
2025	5.1	6.3	5.6	11.1	28.1
2033	6.0	7.2	6.5	12.0	29.0
2033 with New	7.4	9.2	8.1	15.4	36.0

Source: (2014 Wastewater Comprehensive Plan Update, 2014)

Projects

The wastewater collection system currently has sufficient capacity for wastewater flows but there is potential for future development, growth, or sewer service extension to put pressure on the system's capacity. Bremerton has identified nine new service areas that may impact the existing system, which includes annexations currently sewered by Kitsap County, extensions to unsewered areas, and future developments. (2014 Wastewater Comprehensive Plan Update, 2014)

There are anticipated capital expenses and operating and maintenance expenses. These anticipated projects are funded mainly by rate revenues, permits, interest, and grants. Capital investments by type of project include:

- **Collection System**. Replacement, repair, and improvement of pipelines, mains, and outfalls. The majority of funds will be spent on planning and construction and the work being done will correct system deficiencies.
- **New Service Areas**. Construction of sewer collection and extension facilities with all funds spent on planning and construction. Work being done will be new infrastructure to support comprehensive plan UGA growth.
- **Facilities and Equipment**. Replacement of pump stations and upgrades to pump stations and odor control system, as well as installation of emergency generators. Fund will be spent mostly on equipment. Work being done will correct system deficiencies and repair existing infrastructure to support current development patterns.
- **Wastewater Treatment Plant**. Replacement and rehabilitation of wastewater treatment plant system. The majority of funds spend will be on equipment and the work being done will repair existing infrastructure to support current development patterns.

Operations and Maintenance. Replacement and cleaning to maintain and improve program. Funds will be spent on equipment, planning, and construction to repair existing infrastructure and correct system deficiencies.

Exhibit 75 contains categories of capacity and non-capacity projects planned between 2016 and 2021, as well as beyond 2021 per the 2014 plan. The project list includes projects in the Urban Growth Area under see "New Service Area" section of the table. Details of the projects are found in the 2014 plan.

Exhibit 75. Categories of Wastewater Planned Projects, City of Bremerton and UGA, (2016 – 2036 YOE$, in thousands)

Category / Project Description	Capacity (√)	Revenue Sources	Cost 2016 - 2018	Cost 2019 - 2021	Cost Beyond 2021	Total Cost
Collection System		UFA	9,625	9,545	24,256	43,426
New Service Areas	√	UFA/G	10,191	43,276	212,711	266,178
Facilities and Equipment		UFA/G	2,868	348	5,728	8,944
Wastewater Treatment Plant		UFA/G	1,479	2,730		4,209
Operations and Maintenance		UFA	5,171	5,791	1,250	12,213

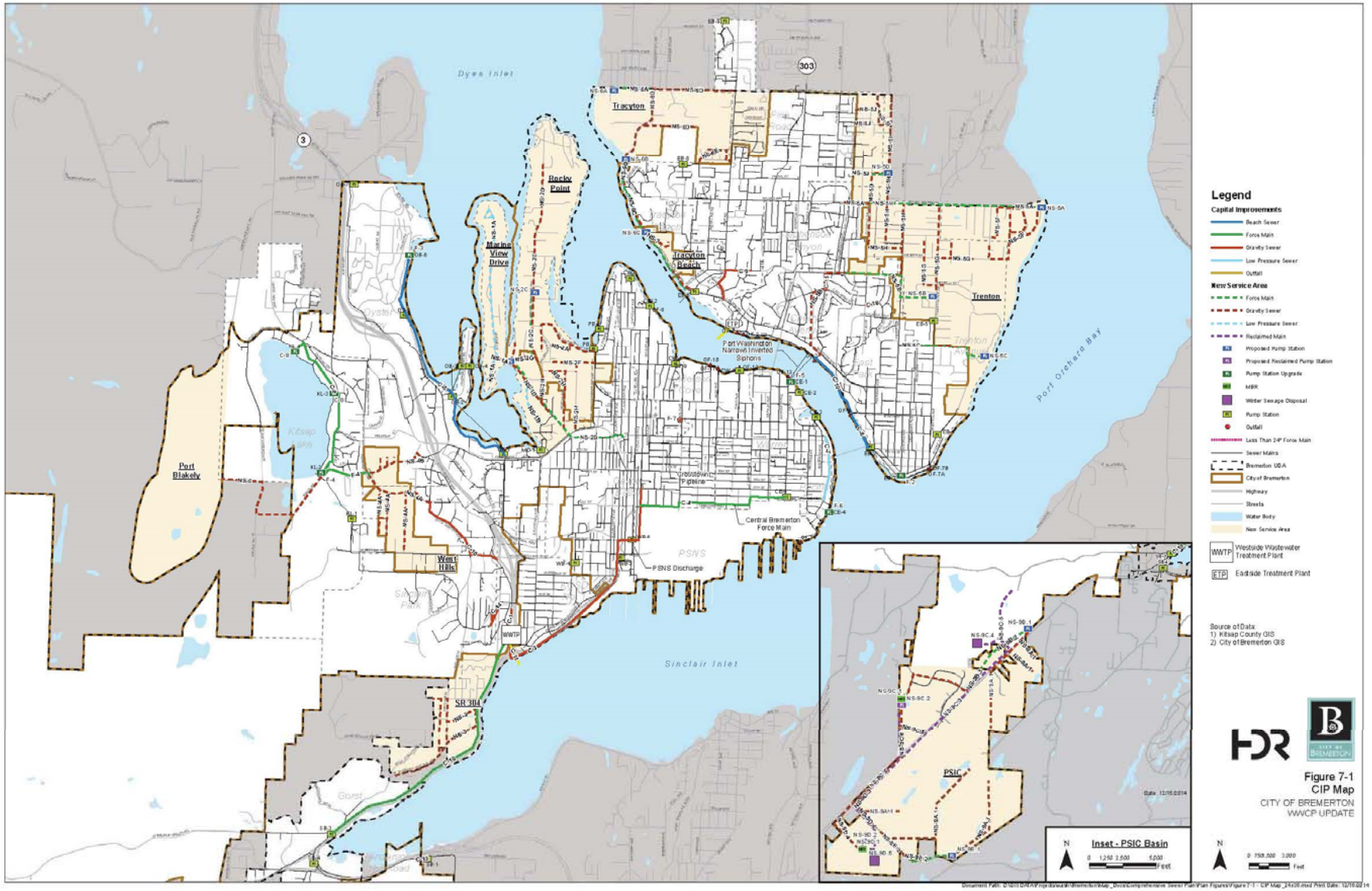
Note: Assumptions based on the 2013 rate study. 6-Year project costs are based on the annual Capital Improvements Program. 20-year costs are based on the 2014 Wastewater Comprehensive Plan Update. The lists were consolidated to provide the most up-to-date analysis of wastewater projects over the next 20-years.

* UFA = User fee assessment; G = Grants & ULID.

Source: Wastewater Comprehensive Plan, 2014; City of Bremerton, 2016; BERK, 2016.

A map of the proposed wastewater capital projects is provided in Exhibit 76.

Exhibit 76. Wastewater Capital Projects



Cost and Revenue

Revenues for sewer capital spending come from rate revenues paid by sewer account customers, general facility charges, grants, developer contributions, interest income, operating transfers (rate funded system reinvestment), and other miscellaneous sources. In 2015, the total revenue available was $13.6 million.

The 2014 Wastewater Comprehensive Plan Update assumed that Bremerton will issue $3.5 million in 2015, $5.0 million in 2016, $9.0 million in 2016, and $8.0 million of debt in 2019. A recent 2013 rate study proposed annual rate increases of 3.5 percent through 2016 and 3.0 percent through 2019. However, due to the increased level of capital improvement expenditures and long-term debt, the results of the analysis in the *2014 Wastewater Comprehensive Plan Update* showed the need for annual rate adjustments of 4.0 percent in 2017- 2020. Given changes to the project list or other assumptions (e.g. growth increase, slow down, or not occur), the level of rate adjustment required may be affected.

Exhibit 77 and Exhibit 78 contain the cost and funding sources for capital investments through 2036 adjusting costs for inflation. The 2014 plan is operationalized by the City's annual Capital Improvements Program that provides more detail on the six-year list as the functional sewer plan is implemented.

Exhibit 77. Wastewater Planned Projects Costs, YOE$ (in thousands)

Category Summary	Costs 2016 - 2018	Costs 2019 - 2021	Costs Beyond 2021	Total Costs
Category I (Capacity Projects Required to Meet LOS)	10,191	43,276	212,711	266,178
Category II (Other Projects Needed for Maintenance and Operations)	19,143	18,414	31,234	68,791
TOTAL	**29,334**	**61,690**	**243,945**	**334,969**

Note: 6-year project costs based on the annual Capital Improvements Program. 20-year costs based on the 2014 Wastewater Comprehensive Plan Update. The lists were consolidated to provide the most up-to-date analysis of wastewater projects over the next 20-years.
Source: Wastewater Comprehensive Plan, 2014; City of Bremerton, 2016; BERK, 2016.

Exhibit 78 contains the funding sources for capital investments through 2020, which is the six-year planning period for the 2014 Wastewater Comprehensive Plan. The 2014 Wastewater Comprehensive Plan provides a more detailed summary of funding for years one through six (ending in 2020).

Exhibit 78. Wastewater Planned Projects Revenues through 2020, 2014$ (in thousands)

Category Summary	Revenues 2015 - 2017	Revenues 2018 - 2020	Total Revenues
Capital Fund Reserves	1,622	9,800	11,422
General Facility Charges	1,509	1,561	3,070
Grant Funding/Developer Contributions	12,196	9,862	22,058
Assumed New Revenue Bonds	17,500	8,000	25,500
Subtotal Funding Sources	**32,827**	**29,223**	**62,050**
Capital Funded by Rates	2,600	4,100	**6,700**
Total Funding Sources Through 2020	**35,427**	**33,323**	**68,750**

Note: Assumptions based on the 2013 rate study.

Source: Wastewater Comprehensive Plan, 2014; BERK, 2015.

Revenue sources have been identified for each project, regardless of 6 or 20-year, with revenue sources coming from either 1) user fee assessments, 2) grants and ULIDs, or 3) user fee assessments/grants and ULIDs. Exhibit 79 summarizes the amount of long-term revenue sources in each revenue source category that is expected to fund projects beyond in the short and long term.

Exhibit 79. Wastewater Planned Projects Expected Revenues 2016-2036, YOE$ (in thousands)

Revenue Source	Revenues 2016 - 2021	Revenues Beyond 2021
User Fee Assessment	34,434	31,234
Grants & ULID		
User Fee Assessment/Grants & ULID	56,590	212,711
Total Revenues Beyond 2020	91,024	243,945

Note: Assumptions based on the 2013 rate study. The 6-year Capital Improvements Plan project list and the 20-year 2014 Wastewater Comprehensive Plan Update project list were consolidated to provide the most up-to-date analysis of the cost and revenue situation over the next 20 years.
Source: Wastewater Comprehensive Plan, 2014; BERK, 2016.

Greater detail on project costs and funding for the six year capital improvements list is found in the City's annual Capital Improvements Program, incorporated by reference as amended. Greater detail on the 20-year plan is found in the 2014 Wastewater Comprehensive Plan Update, City of Bremerton and HDR, Final December 2014, hereby incorporated by reference. Where there is a conflict between the six-year Capital Improvements Program and the six-year project list in the 2014 Wastewater Comprehensive Plan Update, the six-year Capital Improvements Program will control. Periodically the City will review and evaluate the 20-year Wastewater Plan; when amendments are prepared this CFP can be updated accordingly.

UGA Analysis

The analysis above includes UGA population with the City population estimates given the existing wastewater service area. See "New Service Areas" projects in Exhibit 77.

4.7 Stormwater

Overview

Stormwater Biofiltration Treatment

Stormwater facilities in Bremerton are managed by the Bremerton Public Works & Utilities department. The stormwater utility in Bremerton was formed by ordinance in 1994 in order to create a funding source for the stormwater program. Bremerton regulates storm drain activities in Bremerton Municipal Code Chapter 15.04 and uses King County's design standards for facility design. Bremerton's Stormwater Management Program is meant to reduce the discharge of pollutants to the maximum extent practicable and protect the positive uses of the local waters that receive the stormwater drainage. (Bremerton, 2015 Stormwater Management Program (SWMP), 2015)

A Stormwater Management Program is regularly updated and summarizes the program's activities that are permitted under a National Pollutant Discharge Elimination System Permit. The permit was issued by Washington State in January of 2015 and expires in 2018. Bremerton's Public Works & Utilities Department administers, coordinates, implements, provides compliance oversight and reporting for the permit. (Bremerton, 2015 Stormwater Management Program (SWMP), 2015)

The mission of the stormwater program is to control flooding, enhance water quality, protect sensitive habitat areas, and optimize the recharge of local aquifers. As part of the efforts to manage stormwater, the city has devoted recent efforts to increasing the capacity of the system and reducing CSO overflows. (Bremerton, 2015 Stormwater Management Program (SWMP), 2015)

Inventory

The existing stormwater drainage system is a system of drainage swales and pipes which collect water and route it away from homes and businesses. Drainage facilities discharge into Sinclair Inlet, Dyes Inlet, or Port Washington Narrows

Exhibit 80 lists the City of Bremerton's stormwater basins, their drainage location, and their size.

Exhibit 80. Facilities Inventory – Stormwater

Basin	Location	Drainage	Size (Acres)
Anderson Avenue	N. shores of W. Bremerton	Port Washington Narrows	400
Callow Avenue	Central W. Bremerton - Sinclair Inlet	Sinclair Inlet	650
Cherry Avenue	E. Bremerton NE of Warren Ave. Bridge	Port Washington Narrows	250
East Park	E. Bremerton S of Sylvan Way	Port Washington Narrows	330
Kitsap Lake	W. Bremerton surrounding Kitsap Lake - Chico Bay	Chico Bay	1,550
Oyster Bay	NW part of W. Bremerton - Oyster Bay & Ostrich Bay	Oyster Bay and Ostrich Bay	1,575
Pacific Avenue	SE part of W. Bremerton - Sinclair Inlet	Sinclair Inlet	150
Phinney Bay	N Central part of W. Bremerton - Phinney Bay	Phinney Bay	225
Pine Road	W. part of E. Bremerton	Port Washington Narrows	680
Sinclair Park	SW portion of Bremerton		1,400
Stevens Canyon	E. Bremerton in vicinity of Wheaton/Sylvan	Port Washington Narrows	350
Tracyton Beach	Along W. edge of city limits in E. Bremerton	Port Washington Narrows	60
Trenton Avenue	E part of E Bremerton	Port Washington Narrows and Port Orchard Bay	670
Warren Avenue	Downtown Bremerton	Port Washington Narrows	275
Total Basins			**8,565**

Source: Bremerton City Services Appendix, 2004

Level of Service Determination

Level of service for stormwater activities are regulated by the city code and the design standards are regulated by the county standards (which comply with state regulations). All land development are conditioned to meet water quality, runoff control, and erosion control requirements of the county design manual.

The manual requires development to provide water quality enhancements at 91 percent of the runoff volume generated at the project site. Additional details on design criteria can be found in the NPDES permit for Western Washington Phase II, which is issued by Ecology to the City of Bremerton.

Projects

Exhibit 81 contains a list of capacity and non-capacity projects planned over the next six years. The City anticipates developing a stormwater management plan in the 2016-2018 period to define both short term and long term needs. Although there are no stormwater capital projects currently planned during the 2022 – 2036 time period, Bremerton is expected to have capital spending needs for stormwater during that time.

Exhibit 81. Stormwater Planned Projects, in YOE$ (in thousands)

Category / Project Description	Revenue Sources	Cost 2016 - 2018	Cost 2019 - 2021	Costs 2022 - 2036	Total Costs
Stormdrains, Culverts, Bridges & Ditches subtotal	See Exhibit 83	8,323	12,309	TBD	20,633
Misc subtotal	See Exhibit 83	6,424	1,879	TBD	8,302

Source: City of Bremerton, 2015; BERK, 2015.

Cost and Revenue

Exhibit 82 contains the cost for capital investments over the next six years. There is no available project list available beyond 2021. Approximate total costs for planned projects between 2016 and 2021 are around $29 million.

Exhibit 82. Stormwater Planned Projects Cost, in YOE$ (in thousands)

Category Summary	Costs 2016 - 2018	Costs 2019 - 2021	Costs 2022 - 2036	Total Costs
Category I (Capacity Projects Required to Meet LOS)*	4,104	1,361	TBD	5,465
Category II (Other Projects Needed for Maintenance and Operations)*	10,643	12,827	TBD	23,470
TOTAL	14,747	14,188	TBD	28,935

* Capacity versus non-capacity projects were categorized by BERK.

Note: Total costs for stormwater are an approximation. Project numbers and lists and are subject to change with the adoption of the 2016 CIP. Projects costs beyond 2021 were not identified.

Exhibit 83. Stormwater Planned Projects Revenues, in YOE$ (in thousands)

Category Summary	2016 - 2018 Revenues	2019 - 2021 Revenues	2022 – 2036 Revenues	Total Revenues
ALL REVENUES				
Local Improvement Districts and Externally Funded Projects	4,674	0	TBD	4,674
Sum of Other Funds: GFC, Rate Reinvestment, Cash Financing, Bonds	10,074	14,188	TBD	24,261
TOTAL	14,747	14,188	**TBD**	28,935

Source: City of Bremerton, 2015; BERK, 2015.

Greater detail on project costs and funding for the six year capital improvements list is found in the City's annual Capital Improvements Program, incorporated by reference as amended.

UGA Analysis

West Bremerton and Gorst. The majority of long-term stormwater projects identified are within the Gorst annexation area. Additional NPDES-related stormwater projects are anticipated across all UGAs (see Exhibit 84).

- ***All UGAs.*** It is anticipated that the NPDES regulatory framework adopted by the City of Bremerton would facilitate the planning and building of new stormwater structures within any one or all of the UGAs. To date, no NPDES related capital improvement projects have been identified nor funding sources identified. However, upon annexation, NPDES related projects may add costs and/or impacts to stormwater capital facility planning over the long-term.
- ***Gorst.*** Between one to seven projects (Cost: up to $1.86 million). The *Gorst Creek Watershed Plan* identifies 35 sites within the watershed that need stormwater improvements. Of these projects, 11 are within the Gorst UGA. These projects are shown in Exhibit 84 below.

Exhibit 84
Long-term Stormwater Capital Facility Needs for the Gorst UGA (2018 - 2035)

Projects	Costs	Designated Responsibility
WSDOT Hwy 3 flooding	$174,000	City
Hillside seepage & stream overbank flooding	$99,000	City
Storm drain piping & sink hole	$216,000	City
Highway flooding from two creeks	$3,224,000	WSDOT
Stream overtopping	$1,049,000	City
Gorst Creek floodplain flooding	$15,000	City
Roadway undermining and culvert clogging	$13,000	City
Private storm sewer piping creating sink hole & fish passage barrier	$456,000	Non-city, County, State
Upstream Culvert 12 inlet flooding and fish passage, Map ID #111010	$292,000	City
Water quality concerns with yard flooding	$0	-
Water quality with private pond	$0	-
Total	**$5,538,000**	

Source: Kitsap County/City of Bremerton Gorst Creek Watershed Stormwater Capital Improvement Plan, 2013.

The plan provides initial cost estimates for these projects and lists the entity responsible for each project. Of the 11 projects in the Gorst UGA, seven are designated the responsibility of the City of Bremerton. These seven projects total $1.86 million. Responsibility for stormwater projects is based on the *Gorst Creek Watershed Stormwater Capital Improvement Plan Technical Memorandum* completed in September, 2013.

Discussions with the City of Bremerton Public Works Department indicate that they believe the City is only responsible for projects in the public right-of-way, which is just one project totaling $13,000. There are also three sites where the responsibility is uncertain. These uncertain projects' costs total $771,000. As a result, potential long-term stormwater capital costs vary widely based on how responsibility is ultimately assigned.

To be conservative, the City may want to assume the maximum of $1.86 million when considering the full impacts of annexation. Once Gorst residents begin paying into the City's stormwater fund, the City may be expected to partner on drainage issues on both public and private party.

East Bremerton. A separate study is not available for the East Bremerton area, but the area is addressed by Kitsap County's Surface Water Management Program. The East Bremerton area is addressed in the Kitsap County Capital Facility Plan, incorporated by reference, as adopted.

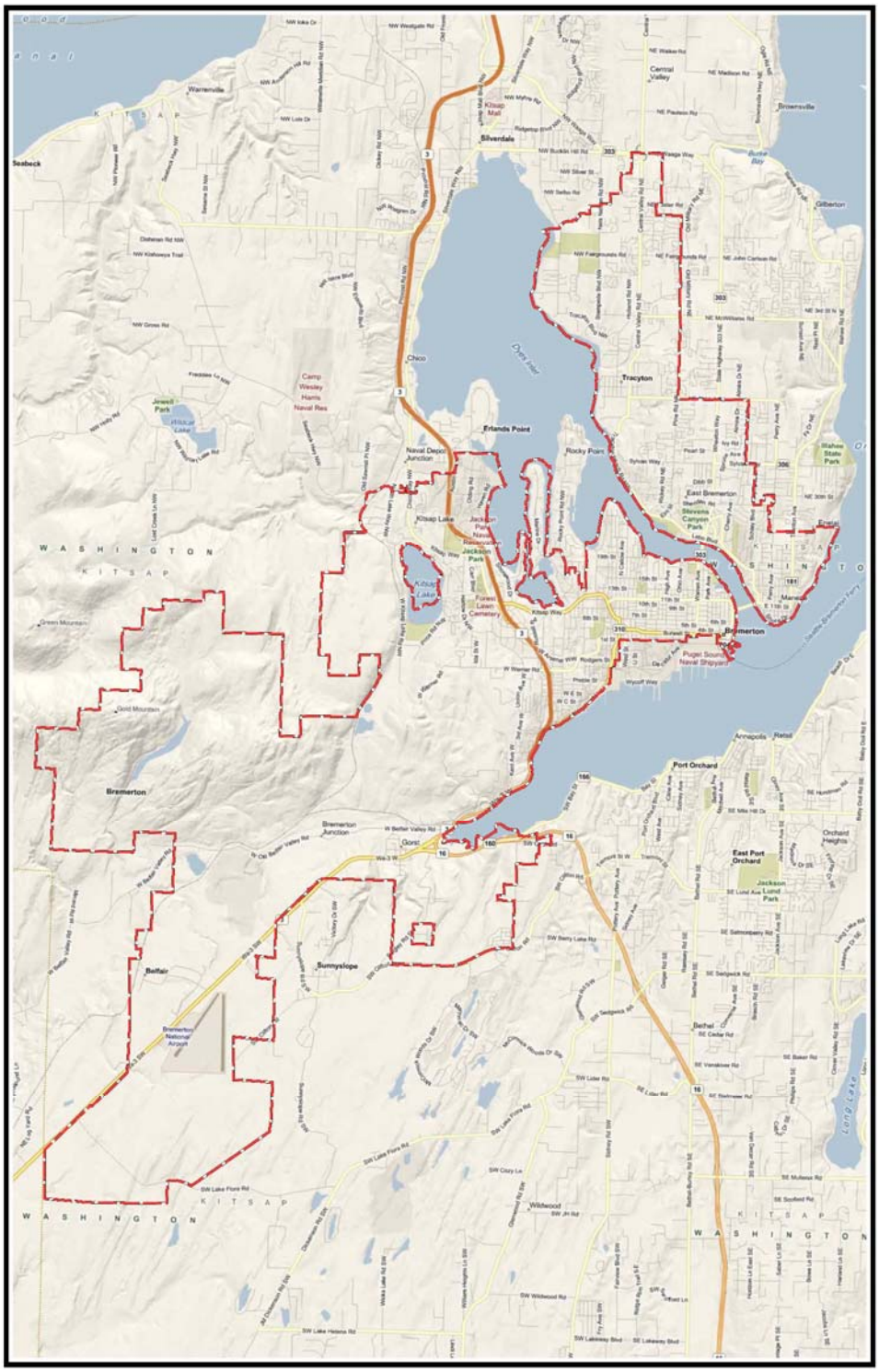
4.8 Water

Overview

The City of Bremerton's Water Utility system serves more than 56,000 residents in Bremerton and surrounding unincorporated areas, which represents more than a third of drinking water supplies in county-wide. The service area is around 13,000 acres, with around one half of water demand going to those within city limits and the other half going to the Navy water systems and those outside of Bremerton. (Bremerton Water System Plan Update, 2012)

Bremerton owns and operates its main system and the West 517 Zone, sells water, operations, and maintenance to the Rocky Point Water District, and sells water to the Naval Base, Jackson Park Naval Housing, Port Orchard's Main System, and Port Orchard's McCormick System. (Bremerton Water System Plan Update, 2012)

Exhibit 85. Water Service Area



Source: City of Bremerton, 2015.

Capacity and Water Rights

The City's Water System Plan documents that surface water from the Union River and groundwater from production wells constitute the source for potable water for Bremerton city residents and other water service areas. All water in use by Bremerton has been properly appropriated through certificates

of water rights or registered claims. The agency with regulatory oversight of water rights is the Washington State Department of Ecology (Ecology). Exhibit 86 shows the quantity of water rights for the City of Bremerton.

Exhibit 86. Bremerton Water Rights

Water Rights	Quantity (GPM)	Quantity (MGD)
GROUND WATER		
Instantaneous Rights	5,743	8.27
Instantaneous Claims	5,100	7.3
SURFACE WATER		
Instantaneous Rights	17,952	25.9
Instantaneous Claims	11,220	16.2

Source: Water System Plan, 2012.

With Bremerton's dual sources (surface and ground water), both current and forecasted 2031 average day demands and maximum day demands can be met.
Not all water rights are available; installed capacity and pump installation or repairs will need to occur to make that capacity available. The City's Water System Plan also notes that Bremerton has the following pending water right actions (Bremerton Water System Plan Update, 2012):

- Change of amount for Well 9 (1,000 gpm)
- New application for Well 21 (500 gpm)
- New Application for Well 22 (1,000 gpm)

Water system plan projections project that the total average day demand for water will increase from the current level of about 7 million gallons per day (MGD) to about 10 MGD in the year 2031, an increase of about 43 percent. The projected maximum day demand (MDD) for the year 2031 is 19.41 MGD. (Water System Plan, 2012)
The population projections for 2036 would further increase the demand beyond 2031. However, the City's combined surface and ground water rights can accommodate more than the projected population. See Exhibit 87 and Exhibit 88.

Exhibit 87. Average Day Demand Analysis for 2031

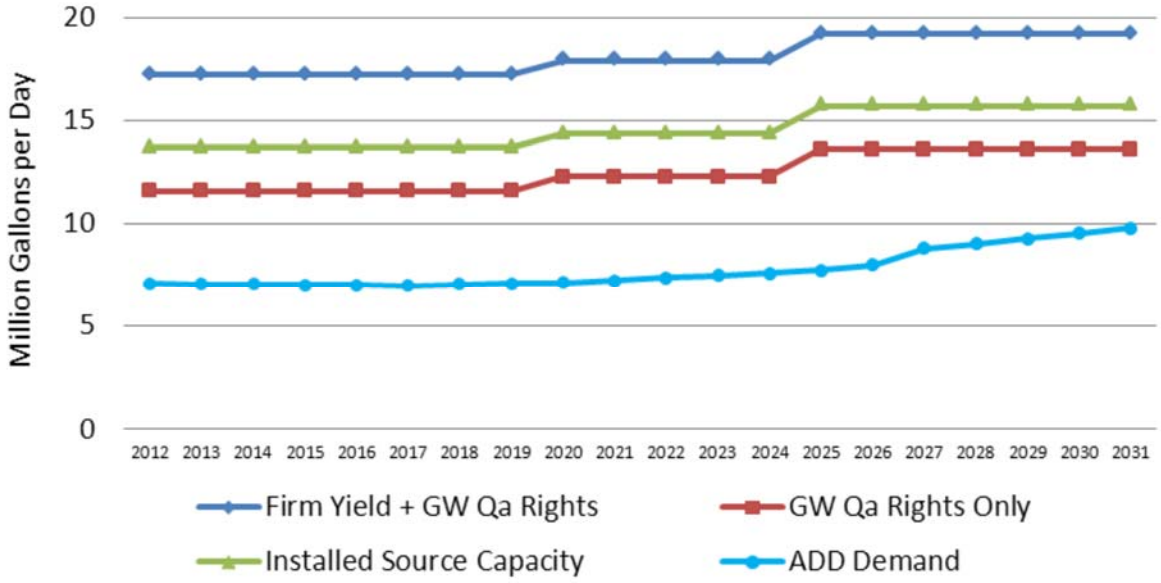
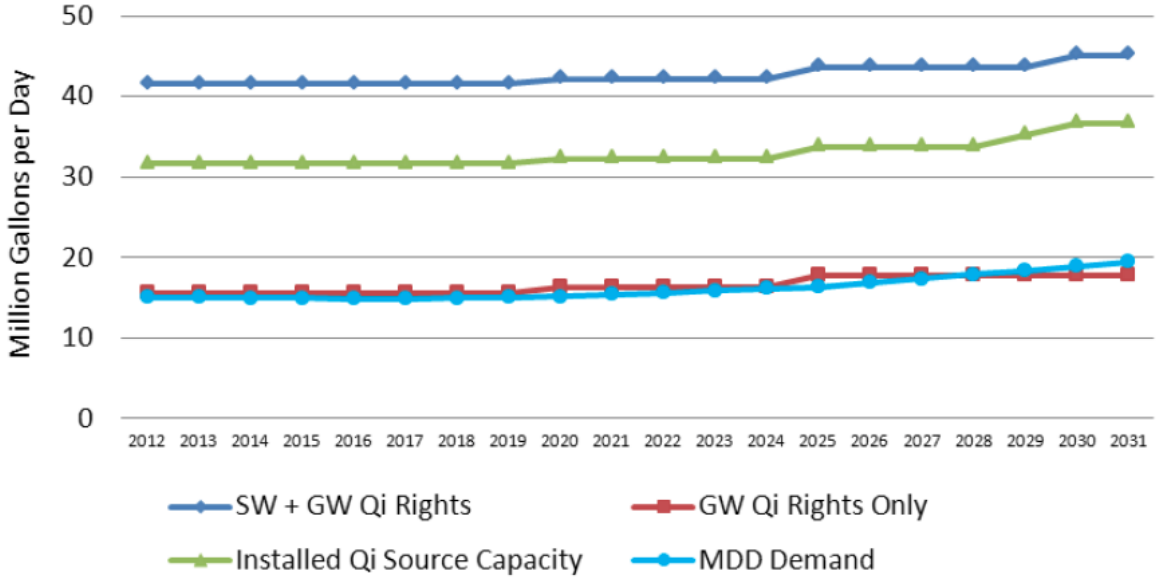


Exhibit 88. Maximum Day Demand Analysis for 2031



Source: City of Bremerton Water System Plan, 2012.

Water Quality

Drinking water is tested regularly at the source and throughout the distribution system. The regulatory agencies providing oversight of drinking water quality are the United States Environmental Protection Agency and the Department of Health. Bremerton's Water Utility meets all standards set by the federal Safe Drinking Water Act and state laws and regulations.

Bremerton's water supplies come from the well-protected Union River headwaters and groundwater from wells. The City owns and protects the 3,000-acre watershed surrounding the Union River, and protects it with limited and patrolled access. As a result, Bremerton's water system needs minimal treatment and it meets all protective standards set by federal and state agencies. The Union River

supply, in particular, is of such exceptional quality that it is one of the few surface water systems in the country that is allowed by the Department of Health to be unfiltered.

For more information, see the City of Bremerton Drinking Water Quality Report 2015.

Inventory

Exhibit 89 lists the facilities inventory for the Bremerton Water Utility.

Exhibit 89 Facilities Inventory – Bremerton Water Utilities Systems

Facility	Main System	West 517 Zone System	Total
Number of Connections	18,000	63	18,063
Population Served	53,000	1,000	54,000
Miles of Pipe	300	11	311
Storage Capacity (MG)	32	1.2	33
Reservoirs	3 Raw, 16 Treated	2	21
Pump Stations	10	1	11
Pressure Booster Stations	3	1	4
Pressure Reducing Stations	14	2	16
Pressure Relief Valves	7	2	9
Service Area (acres)	12,100	3,786	15,886
Pressure Zones	W256, W550, W517, W650, E240, E398, E490	W517	8 zones

Source: Bremerton City Services Appendix, 2004; Bremerton Drinking Water Quality Report, 2015.

Exhibit 90 lists the aquifers and the well facilities available in the Bremerton Water Utility system, with the capacity of the wells in gallons per minute.

Exhibit 90. Facilities Inventory – Aquifers and Wells

Aquifer	Well	Capacity (gpm)
Anderson Creek Shallow Artesian Aquifer	1R, 2R, 3	2100
Anderson Creek Deep Artesian Aquifer	6R, 7, 8	2400
Twin Lakes Aquifer	15, 17, 18, 19, 20	2820
Gorst Sea Level Aquifer	16	140
Gorst Valley Aquifer	22	233.5
Manette Sea Level Aquifer	13, 14	625
Meadowdale Aquifer	21	500
Parkwood East Aquifer	9	0
Total		**8,818.5**

Source: Water System Plan, 2012.

Level of Service

Bremerton assumes 200 gallons per equivalent residential unit for average daily demand. This has been factored into the expected residential, commercial, industrial, and other growth and projected in the description of capacity and water rights above.

- The 2011 Water System Plan estimate of city population is 35,279 and the 2031 population is 50,970, an increase of 15,691.
- The 2015 population is 39,410 and the projected 2036 population in the city per this CFP is 53,107. The expected net change in population is 13,997. If considering the CFP population estimates and associated growth rate, the CFP's 2031 estimate is 49,679 below the 2031 Water System Plan estimate of 50,970.

The Water System Plan demonstrates the City has far more source capacity and water rights than the 2031 population, and it is anticipated the Water Utility would have more than sufficient water rights to meet the 2036 population estimate. See Exhibit 87 average daily demand in comparison to the supply. Further the City's Water Utility service area includes West Bremerton, Gorst, and East Bremerton UGAs as well as half of the Central Kitsap UGA.

- Over 5,367 population growth is projected in the Water System Plan between 2011 and 2031.
- The projected UGA population within Bremerton's assigned UGA is less than 5,000. The Central Kitsap UGA would have another share of population.

Given the combined surface water and groundwater rights, and with necessary storage, treatment and distribution facilities extended as growth occurs, the City would be expected to be able to serve the City and UGA combined.

Projects

The Bremerton Water Utility anticipates having sufficient water rights to meet demands in the near future. Certain rehabilitation and maintenance projects will need to be completed to ensure that the wells that source some of the water resources continue to run and enable access to the water. The 2012 Bremerton Water System Plan Update put the total cost of capital improvements from 2012 through 2031 at $85 million in 2012 dollars, to be funded through developer extensions, capital facility charges, state and federal loan programs, rates, and bonds. Some capital improvement funds over the next 20 years will be used for a water filtration treatment facility, but not before Bremerton is required to switch from an unfiltered to a filtered system. (Bremerton Water System Plan Update, 2012)

Exhibit 91 summarizes capacity and non-capacity projects planned over the 2016-2036 period. Matching the revenue and capital cost analysis in Chapter 2, a 3% inflation rate is used consistent with recent trends.

Exhibit 91. Water Planned Projects, YOE$ (in thousands)

Category	Revenue Sources*	Costs 2016 - 2018	Costs 2019 - 2021	Costs 2022-2036	Total Costs
Repair, Replacement, or Extensions	UFA/G	16,568	18,248	105,659	140,475
Growth	UFA/G	605	1,316	16,299	18,220
Other	UFA/G	0	0	76	76
Regulation	UFA/G	0	206	0	206
Total		**17,173**	**19,771**	**122,034**	**158,978**

*UFA = User fee assessment; G = Grants & ULID
Source: City of Bremerton Department of Public Works & Utilities, 2015; BERK, 2015.

Cost and Revenue

Exhibit 92 and Exhibit 93 contain the cost and funding sources for capital investments over the next six years and through 2036.

The 2012 Water System Plan Update identified the following capital financing strategy and funding resources:

- Accumulated capital cash reserves;
- Annual revenue collected from GFCs;
- Annual transfers of excess cash (over minimum balance targets) from the Operating Fund, if any (rate funded system reinvestment);
- Interest earning on capital fund balances and other miscellaneous capital resources;
- Revenue bond financing.

Should the City need to issue new revenue bonds to fund capital projects, a new rate study would be commissioned that will determine an appropriate level of rate adjustment.

Exhibit 92. Water Planned Projects Cost, YOE$ (in thousands)

Category Summary	Costs 2016 - 2018	Costs 2019 - 2021	Costs 2022-2036	Total Costs
Category I (Capacity Projects Required to Meet LOS)	390	5,542	9,472	15,404
Category II (Other Projects Needed for Maintenance and Operations)	16,783	14,228	112,562	143,574
TOTAL	**17,173**	**19,771**	**122,034**	**158,978**

Source: City of Bremerton, 2016; BERK, 2016.

Planned revenues are estimated based on proportionate share of several revenue sources in the 2012 Water System Plan Update.

Exhibit 93. Water Planned Project Revenues, YOE$ (in thousands)Category Summary	Revenues 2016 - 2021*	Revenues 2022-2036*	Total Revenues*
GFC Revenue Towards Capital	5,258	34,015	39,273
Rate Funded System Reinvestment	3,660	13,811	17,471
Cash Financing	5,623	5,493	11,115
Revenue Bond Financing	22,403	68,715	91,118
TOTAL	36,943	122,034	158,978

* Based on the 2012 Water System Plan Update, Capital Funding Strategy.

Source: City of Bremerton, 2016; BERK, 2016; City of Bremerton Water System Plan, 2012.

Greater detail on project costs and funding for the six year capital improvements list is found in the City's annual Capital Improvements Program, incorporated by reference as amended.

UGA Analysis

The Water System Plan identifies improvements throughout the City's Water Utility Service area including the UGAs. Highlights for particular UGAs are included below.

West Bremerton and Gorst. (Cost: Up to $1.1 million). Currently, the City's Water Utility provides drinking water to the Gorst, Navy Yard City, and West Hills annexation areas as part of the Bremerton Service Area. The City also ultimately supplies drinking water to the Rocky Point annexation area but its relationship to Rocky Point remains unique.

In particular, although Rocky Point conveyed its water system infrastructure to the City in 1952, the area has maintained its own special purpose water district with an elected three-person board of commissioners with responsibilities for administration, planning, and capital improvements. This structure currently results in redundant costs for Rocky Point residents. Upon annexation the City would likely enter into negotiations with the Rocky Point Water District for potential inclusion within the City of Bremerton water utility. Prior to assumption by the City, should that occur, improvements may need to be completed within the Rocky Point Water District, financed by non-City funding sources. These improvements have an estimated cost of approximately $1.1 million. (BERK Consulting, 2015)

East Bremerton. The cumulative analysis of water demand in the Water System Plan includes the East Bremerton UGA.

4.9 Schools

Overview

Bremerton Graduation 2015

Bremerton Public School District No. 100-C is the public education system for most parts of Bremerton and unincorporated areas adjacent to the City. A small area of the city is served by South Kitsap School District #402. The Jackson Park Naval Reservation is adjacent to the school district and Bremerton School system enrollment is directly related to the military base. (Bremerton School District No. 100-C: Study and Survey, 2012) Since the vast majority of the City is served by the Bremerton School District, only the Bremerton School District is included in the analysis. None of the school facilities serving Bremerton that are operated by the South Kitsap School Districts are in Bremerton's city limits.

Inventory

Bremerton School District

Facilities used by the Bremerton School District include elementary (K-5), middle (6-7), junior high (8-9), and senior high (10-12) schools, as well as a regional technical school. Since the technical school is regional and serves a population county-wide, it is not included in the inventory. Within these schools, class sizes vary by grade. Exhibit 94 shows the inventory for facilities in the Bremerton School District as of 2012 (excluding the technical school, which has capacity for around 515 regional students). The location of facilities is shown on Exhibit 95.

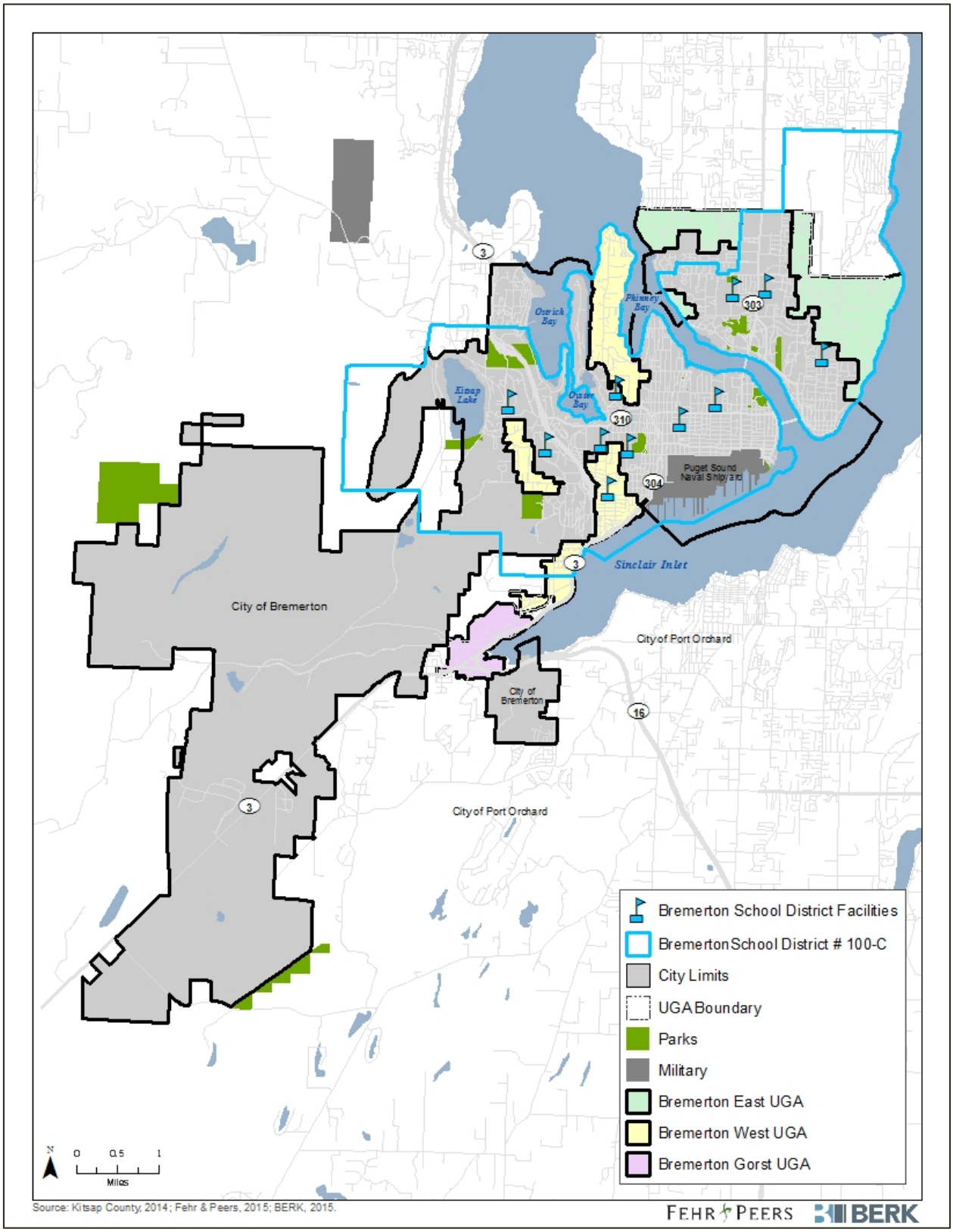
Exhibit 94. Facility Inventory – Bremerton School District

Facility	2012 Student Permanent Capacity	2012 Enrollment	Surplus Student Capacity
Elementary School	3,077	2,682	395
Middle School	1,274	881	19
High School: Bremerton and Renaissance	1,807	1,858	70
Total	6,158	5,421	363

Source: Bremerton School District No. 100-C Study and Survey, 2012.

The Bremerton School District has identified that their classrooms are listed at a certain capacity, however the rooms tend to be overcrowded at that capacity and are often not utilized at capacity numbers. This should be taken into consideration for future capital planning. (Steedman, 2015)

Exhibit 95. Bremerton Schools



Level of Service Determination

There are no District specific LOS standards for the Bremerton School District. Based on State Initiative 1351, class sizes by grade would serve as a capacity standard as follows:

General education average class size

- Grades K-3: 17
- Grade 4-12: 25

Schools with >50% in poverty

- Grades K-3: 15
- Grade 4: 22
- Grade 5-12: 23

For comparisons of student generation to existing capacity a student per household ratio as of 2012 (the year of the School District's last study) is applied to the expected city population. While there is currently surplus capacity in elementary and secondary schools in the Bremerton School District, there could be a need for investment in additional schools as the population grows significantly by 2036. This will be especially true in the elementary schools since around half of the system's students are in the elementary facilities. Exhibit 96shows the capacity surplus and deficit through 2036 with the current school facilities.

Exhibit 96. Student Capacity – Bremerton School District

Time Period	Student per Household Ratio	Households	Enrollment	Current Capacity	Surplus (or Deficit)
2015	Single Family & Townhouse = 0.37 Multifamily = 0.22	15,354	4,760	6,158	**1,398**
2021		16,802	5,209	6,158	**949**
2036		21,050	6,526	6,158	**(368)**

* Student per Household Ratio is based on analysis done by the Bremerton School District in the 2014 Enrollment Trends and Projections report and reflects an enrollment analysis done in 2014 and based on permits from 2009 to 2014. The Bremerton School District analysis determined that there were 37 students per 100 single family or townhomes and 22 students per 100 apartments. This analysis applies that student generation rate to the household estimates for Bremerton, and uses the structure type split from the 2009 through 2013 American Community Survey estimates

Source: BERK, 2015; Bremerton School District, 2014; 5-Year ACS DP04, 2009 - 2013.

In the 2014 *Enrollment Trends and Projections* study by the Bremerton School District, questions about the future of the school district's enrollment are considered. The report responds to fluctuations in the district's enrollment as a result of birth trends, home sales and construction, and population growth. Up until 2012, enrollment had been trending downward for around 20 years. Given the pipeline for new housing in Bremerton, the school district is optimistic that enrollment could grow significantly and that the enrollment share of students in Kitsap County will continue to improve. (Enrollment Trends and Projections, 2014)

Given the pipeline for growth, current preliminary or final permit approvals will contribute most highly to enrollment at the West Hills facility. (Enrollment Trends and Projections, 2014)

Projects

In order to meet the needs of the diverse population of students in Bremerton, the school district has made recent facility additions from 2005 – 2008, which were added to the existing stock of 18-25 year old facilities. However, in addition to the facility investments made from 2005 through 2008, some short term upgrades and some longer term additions and replacements are being considered. (Bremerton School District No. 100-C: Study and Survey, 2012)

Exhibit 97 contains a list of capacity and non-capacity projects planned over the next 20 years.

Exhibit 97. Schools Planned Projects: 2012 (in thousands)

Category / Project Description	Revenue Sources	Total Cost
Category I (Capacity Projects Required to Meet LOS)		
West Hills STEM Capacity Expansion	State Funding Assistance, Bonds	4,000
Category II (Non-Capacity Projects Needed for Maintenance and Operations		
West Hills Re-Roof	Bonds	700
Kitsap Lake Re-Roof	Bonds	600
Crown Hill Re-Roof	Bonds	600
View Ridge Re-Roof	Bonds	600
Administration Building Re-Roof	Bonds	500
Memorial Stadium Restroom/Concessions	Bonds	400
Upgrade Fire Alarm Panels multiple sites	State Funding Assistance, Bonds	500
Update Student Technology	Bonds	500
Replace telephone system	Bonds	900
Add Surveillance cameras	Bonds	300
Demolish old East High building except for gyms	Bonds	100
Fix parking and traffic	Bonds	1,200
Upgrade sports fields at MVMS, Memorial Stadium, and old East High site	Bonds	1,200
Add fire sprinklers to the Admin Building	Bonds	-

Note: Revenue sources are based on criteria outlined in the School Const. Assistance overview. http://www.k12.wa.us/SchFacilities/pubdocs/Folio_final_web_spreads.pdf. They are subject to change.

Source: Bremerton School District No. 100-C Study and Survey, 2012; BERK, 2015; OSPI School Construction Assistance, 2015.

Cost and Revenue

The Bremerton School District has an allowable bonded indebtedness of over $177 million and the District is eligible for matching funds from the state (Bremerton School District No. 100-C: Study and Survey, 2012).

Exhibit 98 contains the cost sources for capital investments over the next six years and through 2036.

Exhibit 98. Schools Planned Projects Cost (in thousands, 2011$)

Category Summary	Total Costs: 2012-2027
Costs	
Category I (Capacity Projects Required to Meet LOS)	4,000
Category II (Other Projects Needed for Maintenance and Operations)	8,100
TOTAL	12,100

Note: The Bremerton School District future plans included approximate cost but does not specify the years for planned projects other than a range of 10-15 years from the date of the 2012 study, which may mean 2022 or 2027. This model assumes these projects will all occur by 2036.

Source: Bremerton School District No. 100-C Study and Survey, 2012; BERK, 2015.

The school district has capital facilities that are eligible for matching funds and intends to address maintenance and facility needs that are not match-able. Revenue sources for the capital projects is assumed to come from the following sources:

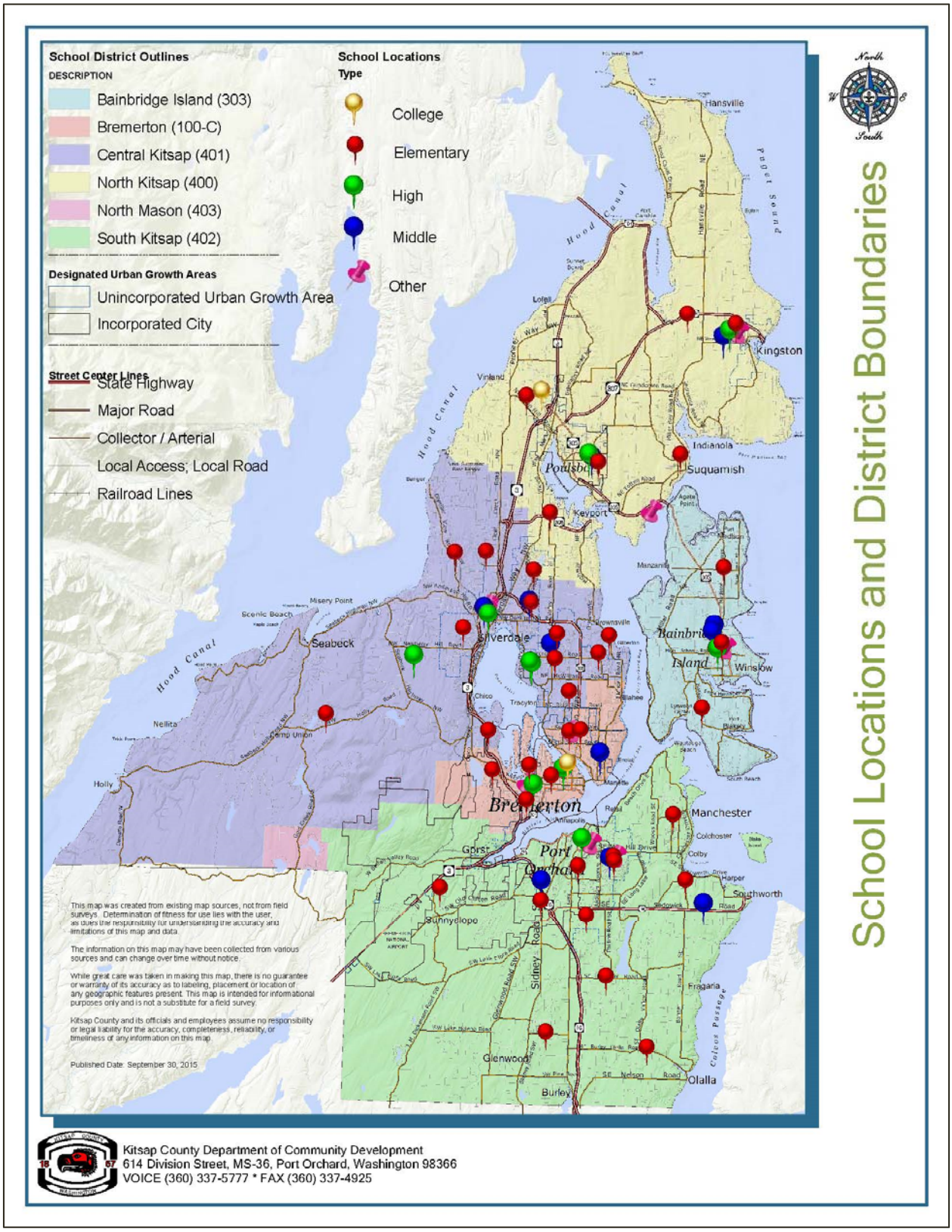
- Voter-approved capital levies
- Capital bonds

According to Bremerton School District staff, capital planning for the Bremerton School District will be considered again in 2017. (Bremerton School District No. 100-C: Study and Survey, 2012)

South Kitsap School District (SKSD) and Central Kitsap School District (CKSD)

Exhibit 99 shows the boundaries for all school districts in Kitsap County, as well as the locations of the schools in each of the districts. A portion of the city limits and most of Bremerton's assigned UGAs are served by South Kitsap School District (SKSD) and Central Kitsap School District (CKSD) (e.g. portions of East Bremerton, West Bremerton, Gorst, and PSIC-Bremerton).

Exhibit 99. Kitsap County School District Boundaries



Source: Kitsap County Department of Community Development, 2015.

Exhibit 100 shows an estimate of student generation based on household estimates for Bremerton's UGA and the Bremerton School District's 2014 analysis of enrollment trends representing a lower range student generation level. An upper range is based on SKSD's rates.

Exhibit 100. Student Generation – Bremerton UGA

Time Period	Student per Household Ratio	Households	Enrollment –BSD Rate	Enrollment –BSD Rate – SKSD Rate
2015	Bremerton: Single Family (SF) & Townhouse = 0.37 Multifamily (MF) = 0.22 Central Kitsap SD SF and MF = 0.46 SKSD SF = 0.52 and MF = 0.36	4,452	1,380	2,030
2021		4,836	1,499	2,205
2036		5,948	1,844	2,712

* Student per Household Ratio is based on analysis done by the Bremerton School District in the 2014 Enrollment Trends and Projections report and reflects an enrollment analysis done in 2014 and based on permits from 2009 to 2014. The Bremerton School District analysis determined that there were 37 students per 100 single family or townhomes and 22 students per 100 apartments. This analysis applies that student generation rate to the household estimates for Bremerton, and uses the structure type split from the 2009 through 2013 American Community Survey estimates.

Source: BERK, 2015; Bremerton School District, 2014; 5-Year ACS DP04, 2009 - 2013.

Capital planning for these districts is outlined in the 2012[3] Kitsap County Capital Facilities Plan, and each district's six-year capital facilities plan, incorporated by reference as amended.

4.10 Solid Waste

Solid waste collection is accomplished by Waste Management Northwest in accordance with an agreement with the City of Bremerton. The hauler provides curbside collection of garbage, recycling and yard/food waste for all residents and businesses.

In Washington, state law requires that counties plan for integrated solid waste management systems that prioritizes waste reduction and recycling (RCW 70.95) as well as managing moderate risk waste, such as household hazardous waste (RCW 70.105). Solid waste disposal services in Bremerton are managed by Kitsap County Public Works.

Although Kitsap County owns the solid waste facilities, they are operated by Waste Management Washington, Inc. (WMWI). WMWI owns and operates a landfill with capacity for 50 to 100 years with additional land with potential for permitting further capacity.

The Kitsap County *2011 Waste Wise Communities: The Future of Solid and Hazardous Waste Management in Kitsap County* and *Kitsap County Capital Facilities Plan 2012*, as amended, are adopted by reference.

[3] Prior to June 2016 the City may determine if the school districts have updated plans or if the 2016 Kitsap County Capital Facilities Plan is available for incorporation by reference.

5.0 UTILITIES DETAIL

5.1 Electrical

Overview

Electricity service in Bremerton is provided by Puget Sound Energy (PSE), which is a privately held, investor-owned utility formed in 1997 with the merger between Puget Sound Power & Light Company and Washington Natural Gas. PSE is the largest electric utility in Washington State, with more than one million electric customers and a service area of 6,000 square miles, primarily in the Puget Sound region. PSE electricity is generated from a variety of sources, including hydroelectric power, thermal power plants, coal, natural gas, wind power, and more. In 2013, the PSE fuel mix for electricity was 31% coal, 32% hydroelectric, 28% natural gas, 7% wind, 1% nuclear, and 1% other. (Puget Sound Energy 2015a)

PSE serves over 115,000 electric customers in Kitsap County and maintains over 132 miles of high-voltage transmission and distribution lines throughout the county. (Puget Sound Energy, 2015; Brobst, Municipal Liaison Manager, 2015)

PSE has divided Kitsap County into two sub-areas (north and south) for the purposes of electric facilities planning. The North Kitsap sub-area is generally from Hood Canal in the north to Sinclair Inlet in the south, and includes Bremerton. The South Kitsap sub-area is generally from Sinclair Inlet to the south county boundary. (Kitsap County, 2012)

Electricity serving the Bremerton area arrives in Kitsap County via 230 kilovolt (kV) transmission lines operated by the Bonneville Power Administration (BPA). These 230 kV lines arrive at a BPA substation in Gorst and then connect to PSE's South Bremerton substation. From this substation, 115kV distribution lines provide power to PSE customers throughout the area. (AECOM and BERK, 2013)

Inventory & Capacity

Electrical facilities in Kitsap County, including Bremerton, include the following:

- Transmission Switching Stations – South Bremerton, Foss Corner, and Valley Junction.
- Transmission Substations– South Bremerton, Bremerton.
- Distribution Substations – Port Gamble, Christensen's Corner, Miller Bay, Silverdale, Central Kitsap, Bucklin Hill, Tracyton, McWilliams, Chico, Sinclair Inlet, South Keyport, Fernwood, Manchester, Long Lake, Fragaria, East Port Orchard, Sheridan, Rocky Point, Poulsbo, Bremerton, Port Madison, Murden Cove, and Winslow, Serwold, Kingston.
- Transmission Lines 115 kV – Foss Corner-Salisbury Point, Foss Corner-Murden Cove, Port Madison Tap, Valley Junction-Foss Corner, Bremerton-Keyport, Foss Corner-Keyport, South Bremerton-Bremerton, South Bremerton-Valley Junction, O'Brien-Long Lake, South Bremerton-Long Lake, South Bremerton-Fernwood Tap, Fernwood Tie, and Bremerton-Navy Yard. Foss Corner - US Navy at Bangor, Miller Bay to Kingston.
- Other Facilities – Command Point Cable Station and Salisbury Point Cable Station.

(Kitsap County, 2012; Brobst, Municipal Liaison Manager, 2015)

Long-range plans are developed by PSE's Total Energy System Planning Department and are based on electrical growth projections. County population projections produced by the OFM are used to

determine new load growth for the next 20 years. Projected load is calculated as the existing load, minus conservation reductions, minus demand side management, plus forecast of new load. PSE's future electrical facilities plan is based on an estimated normal peak winter load. PSE plans to construct additional transmission and distribution facilities to meet demand. The exact timing of individual projects will be determined by the rate of load growth in specific areas. (Kitsap County, 2012)

Projects

South Bremerton switching station: PSE began construction on a series of upgrades to the South Bremerton switching station in 2011 to increase operational flexibility during outages. The improvements will provide increased consistency in the local power distribution system, but do not increase the capacity of the current electrical infrastructure. (Kitsap County, 2012)

BPA Transmission Improvements: BPA is planning to reinforce the Olympic Peninsula with two additional 230 kV transmission lines between the Olympia area and Shelton. (Kitsap County, 2012)

South Bremerton–Foss Corner 115/230 kV Transmission: This project will entail constructing a 115/230 kV transmission line between the South Bremerton transmission station and the Foss Corner switching station. The major portion of this line will be located on a right-of-way parallel to the Kitsap Bangor BPA line. One of the 115/230 kV transmission lines will link the South Bremerton transmission station to the BPA Fairmount transmission substation (Jefferson County) via the Foss Corner switching station and a submarine cable across Hood Canal. A second line from South Bremerton along the corridor will connect to Valley Junction via Silverdale substation. This project is currently in planning. (Kitsap County, 2012; Brobst, Municipal Liaison Manager, 2015)

Long Lake Transmission Loop: This project, designed to improve the reliability of transmission service to south Kitsap County, expands the Long Lake Substation and creates a looped transmission feed and additional capacity between the station and South Bremerton. This project is completed. (Kitsap County, 2012; Brobst, Municipal Liaison Manager, 2015)

Distribution Substations: Several new distribution substations are planned to serve the forecasted load. In North Kitsap, distribution substations are proposed in Tower, Sunset, Newberry, Werner, Brownsville, Agate Pass, and Fletcher. In South Kitsap, distribution substations are proposed in Helena, Colby, Bethel, Phillips, and Sunnyslope. These projects are currently all in planning stages. (Kitsap County, 2012; Brobst, Municipal Liaison Manager, 2015)

5.2 Natural Gas

Overview

Natural gas provision in Bremerton is privately operated and maintained by Cascade Natural Gas Corporation (CNG), a subsidiary of MDU Resources Group, Inc., a multidimensional natural resources enterprise traded on the New York Stock Exchange. CNG serves more than 272,000 customers in 96 communities – 68 of which are in Washington and 28 in Oregon. Cascade serves a diverse territory covering more than 32,000 square miles and 700 highway miles from one end of the system to the other. Interstate pipelines transmit Cascade's natural gas from production areas in the Rocky Mountains and western Canada. The Cascade headquarters is located in Kennewick, Wash. (Cascade Natural Gas, 2015)

CNG serves Bremerton and surrounding unincorporated areas. Note that service is not currently provided to all areas within the service area. Connections are initiated by customer demand and individual requests.

CNG does not plan in advance for individual connections; instead, connections are initiated by customer requests for new construction or conversion. CNG expects to continue developing distribution systems and services to meet growth at the lowest possible cost by maximizing capacity of the existing distribution system. Cascade's customer base grows at a pace of 1% annually (Cascade Natural Gas, 2015).

Factors important in implementing expansion of the CNG system include right-of-way acquisition, permitting, environmental impact assessments, coordination with other projects (e.g., road construction), and locations of other utilities. (Kitsap County, 2012)

Projects

The location, capacity, and timing of improvements to the natural gas system provided by CNG depend on growth in the area and demand for expansion of the system. How the system expands will depend on right-of-way permitting, environmental impact, and opportunities to install gas mains as new development or utility maintenance occurs. CNG has to manage both demand side and supply side investments in their system since they are both receiving and distributing natural gas resources.

Cascade Natural Gas uses computer software to model individual service systems to determine constraint areas based on forecasts for demand. This allows CNG to determine where investments need to be made to meet demand for natural gas supplies. CNG has to manage both demand side (such as distribution capacity) and supply side (such as storage capacity) investments in their system since they are both receiving and distributing natural gas resources. (Cascade Natural Gas, 2014)

The 20-year Load Growth in the Bremerton District area is expected to be 20.8%. (Cascade Natural Gas, 2014)

Increasing capacity on the existing system can occur through the following methods:

- Increasing pressures in the existing lines to add supply and distribution capacity
- Adding new supply and distribution mains for reinforcement
- Increasing existing capacity through replacing existing mains with larger mains
- Adding regulators from supply mains to add pressure gas sources that will meet the needs of new development

Since connections to the system are driven by demand, they cannot be planned in advance of the customer request. CNG plans to continue expanding the distribution system to match growth in an efficient manner.

Cascade Natural Gas has an Integrated Resource Plan and maintains 2-year action plans. Projects planned in the Cascade Natural Gas Bremerton District area in the 2014 Plan include:

- Silverdale Reinforcement @ HWY3
- Port Orchard Reinforcement: ≈ 1,850 ft of 4" PE. 2016 project
- Manchester Reinforcement: ≈ 5,400 ft of 4" PE. 2017 project
- Highway 3 Casing Removal: Replace casing/carrier pipe. High priority.
- R-26 Relocate Bremerton Vault in narrow lot in residential area. Will require a new reg station with a building to reduce noise. Bremerton #2 priority.
- R-64 Reg station in vault in street. Want to relocate, along with valve, to Walgreens property in Silverdale. Bremerton #5 priority.
- V-22 Burwell and Callow in Bremerton. 8" Rockwell plug valve located in driveline at bottom of hill. Need to relocate to parking area, out of driveline. Bremerton #4 priority.
- Chico Check Meter Bremerton Leaking Cameron valves
- V-13 Bremerton Sidney Avenue and Radey Street in Port Orchard. In a vault in drivelane with a bad lid. Want to relocate to back of ROW or in an easement
- Relocation, R-47 Relocate Bremerton County project to restore fish habitat. May replace or remove and add piping.
- Relocation, R-146 Project Tremont Road. Includes relocating R-146, ≈400 ft of 2" steel IP main, ≈300 ft of 2" steel HP main, ≈1,500 ft of 4" steel HP main, and ≈7 HPSS

5.3 Telecommunications

The telecommunications utilities discussed in this section include telephones, cable television, radio communication, and cellular telephones. The Washington Utilities and Transportation Commission (WUTC) regulates telephone and radio communications; cable television and cellular service are not under its jurisdiction. Telecommunications are subject to federal laws and regulations administered by the Federal Communications Commission (FCC). Telecommunication providers must also comply with local regulations such as land use and public rights-of-way.

Telecommunication Services

Telephone service providers are require by state law to provide adequate telecommunications service on demand per Chapter 80.36.090 RCW. Telephone service providers are therefore required to provide services in a manner that accommodates growth within their service area, wherever it may occur. As such, telephone service providers generally do not conduct detailed long-range planning activities. General improvements and maintenance necessary keep the current system operational and to accommodate future growth are implemented as required.

CenturyLink provides local and long-distance telephone service throughout Bremerton and Kitsap County and also provides digital television and DSL Internet (Washignton Utilities and Tranportation Commission, 2015). The Kitsap Public Utility District (KPUD) provides wholesale broadband internet access to retailers in Kitsap County, who in turn provide the service to citizens and businesses (Kitsap Public Utility District, 2015). A variety of other telecommunications companies also provide service in the Bremerton area.

Cable Television

Cable television companies are regulated under the Cable Television Consumer Protection and Competition Act of 1992, which is enforced by the FCC. Cable companies must enter franchise

agreements with the City to regulate service rates according to FCC guidelines. The City's cable franchise agreement is with Comcast and was last renewed in 2013 (Ordinance 5218).

Cellular Telephone

Cellular telephone service in the Bremerton area is provided by a variety of national and regional carriers, including Verizon Wireless, AT&T, T-Mobile, Sprint, and Cricket Wireless. Cellular telephone providers are regulated directly by the FCC. Cellular service depends upon a series of transmitting antennae located on towers throughout a provider's service area. Additional antennae are constructed when a particular area begins to experience capacity overload, and providers will expand capacity in response to consumer demand.

6.0 UGA POPULATION SCENARIO – KITSAP COUNTY PREFERRED ALTERNATIVE

The Kitsap County Comprehensive Plan released a Preferred Alternative in April of 2016, during Bremerton's Comprehensive Plan Update process. The County's Preferred Alternative identified a new growth number of 3,601 new residents between 2015 and 2036 for the Bremerton UGA area. The population number is 293 less than the UGA population growth number identified by Bremerton. The Bremerton City Services Appendix plans for the original UGA growth number of 3,894 between 2015 and 2036, while acknowledging that the County number is slightly lower. As a result, the City Services Appendix provides a conservative analysis by planning for a slightly higher number. The following section provides a brief summary of the scenario where Bremerton would expect a UGA growth number of 3,601 over the next 20 years.

6.1 Fire and Emergency Services

On average, the Fire Department received 0.19 calls per capita annually between 2003 and 2013, including both fire and EMS calls (Fire Department, 2015). Assuming that this rate continues, the UGA areas will add around 2,541 calls by 2036. These added calls will impact the Department's ability to respond quickly and it is likely that investments will be needed in order to run the service at the desired response time of 6.0 minutes. For more analysis on the impacts to fire and emergency services, see the "UGA Analysis" in Section **4.1**.

6.2 Law Enforcement

Given that annexation would result in around 3,600 new residents under the protection of the Bremerton law enforcement officials, Bremerton would need to make investments in the facilities as well as hire more officers on staff in order to meet LOS standards by 2036. An additional 7 officers and 1,750 square feet of facilities would be needed if the UGA area were annexed and served by the Bremerton Police Department. For more analysis on the impacts to law enforcement services, see the "UGA Analysis" in Section **4.2**.

6.3 Parks and Recreation

The addition of 3,600 persons in the UGA would mean a total need for 11.2 acres of neighborhood parks and 20 acres of community parks, which is generally consistent with the park needs when planning for the larger UGA population number. For more analysis on impacts to parks and recreation, see the "UGA Analysis" in Section **4.3.**

6.4 Public Buildings

The level of service (LOS) standard for public buildings in the City of Bremerton maintains the current building square feet at the higher level of growth assumed, and no additional space is needed. For more analysis on the impacts of growth on public buildings see Section **4.4**.

6.5 Transportation

The small difference in population would result in a slightly reduced impact on the transportation system. See Transportation Appendix for more information.

6.6 Sewer/Wastewater

The sewer capital planning analysis includes the UGA areas. With the smaller growth number for the UGA there would be minimal impacts on capital needs for sewer. The sewer service needed in 2036 is 6.7 mgd, with the only difference being an interim need for 5.3 mgd in 2021 rather than 5.4 mgd (see Exhibit 101. LOS Comparison – City Limits and UGA – Wastewater Facilities).

Exhibit 101. LOS Comparison – City Limits and UGA – Wastewater Facilities

Time Period	Population (Bremerton +UGA)	Millions of Gallons per Day (mgd) Needed to Meet LOS **standard** (Larger UGA population)	Millions of Gallons per Day (mgd) Needed to Meet LOS **standard** (Smaller UGA population)
CURRENT LOS STANDARD = 100 gallons PER CAPITA			
2015	48,960	4.9	4.9
2021	53,449	**5.4**	**5.3**
2036	66,558	6.7	6.7

Note: Population numbers include the City of Bremerton and the Bremerton UGA. Projected population for the Kitsap County Sewer District No. 1 and the Naval Shipyard are not included since they are served by a contract that could be renegotiated.
Source: City Services Appendix, 2004; Bremerton Wastewater Comprehensive Plan, 2014.

For more analysis on the impacts to sewer/stormwater, see the "UGA Analysis" in Section **4.6.**

6.7 Stormwater

Level of service for stormwater activities are regulated by the city code and the design standards are regulated by the county standards (which comply with state regulations). All land development are conditioned to meet water quality, runoff control, and erosion control requirements of the county design manual. The manual requires development to provide water quality enhancements at 91 percent of the runoff volume generated at the project site.

A change in UGA population by a few hundred residents is unlikely to have significant impacts on stormwater capital projects or on level of service. For more analysis on the impacts to stormwater, see the "UGA Analysis" in Section **4.7**.

6.8 Water

The lower UGA population number is not likely to significantly change water capital planning. The City's Water Utility service area currently includes West Bremerton, Gorst, and East Bremerton UGAs as well as half of the Central Kitsap UGA. The Water System Plan projects population growth between 2011 and 2031 of over 5,000 in the UGA area. With expected growth of 4,028 between 2012 and 2036, the Water System Plan is consistent with the expected growth numbers and the City would be expected to be able to serve the City and UGA combined regardless of the higher or lower population growth number for the UGA.

For more analysis on the impacts to water, see the "UGA Analysis" in Section **4.8**.

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