

AGENDA
GIG HARBOR CITY COUNCIL STUDY SESSION
Thursday, October 16, 2025 - 3:00 PM
Community Rooms

This meeting may also be accessed through Zoom at <https://zoom.us/j/93216056382> or by calling (253) 215-8782 and entering Meeting ID 932 1605 6382.

CALL TO ORDER/ROLL CALL

DISCUSSION ITEMS

1. **Introduction of Historic Preservation Commission Appointee (Mark Brown confirmed) and Lodging Tax Advisory Committee Appointees (Stephanie Lile, Jannae Mitton)**
2. **State Legislative Pre-Session Discussion**
City Administrator Katrina Knutson
3. **EXECUTIVE SESSION: To discuss pending litigation per RCW42.30.110(1)(i)**
4. **Tiered Water Rates – Structure Review**
Public Works Director Jeff Langhelm, PE

ADJOURN

PUBLIC COMMENT & DECORUM

PUBLIC COMMENT & DECORUM

The city council wants to hear from the public as much as possible. However, the business of the city must proceed in an orderly, timely manner. The primary purpose of council meetings is to conduct the city's business so we have created a variety of ways the community can make their voices heard. Monday city council meetings are just one opportunity. These guidelines are designed to make sure every person who wants to be heard has both the opportunity to be heard and feels welcome to do so.

We receive comments three ways:

1. During council meetings
2. During council study sessions.
3. Email mayorandcouncil@gigharborwa.gov at any time about any issue. This email goes to the elected officials and leadership at the city.

Public Comment at City Council Study Sessions

We welcome comment at Council study sessions following the staff report and clarifying questions of each discussion item. Comments must be related to the discussion item at hand.

When the mayor calls for public comment, please come forward to the table (or raise your hand on Zoom). When it's your turn, we'll ask you to tell us your name and connection to the issue you want to discuss. You'll then have a maximum of two minutes to speak.

Unfortunately, this isn't a time for dialogue, but a staff person or councilmember may be available to talk with you at a break or after the meeting.

Additional guidelines

- Anyone making "out of order" comments may be subject to removal from the meeting.
- Please address your remarks to the city council as a body and not to any specific individual.
- Please be courteous and not engage in derogatory remarks or insinuations.
- No demonstrations, including clapping, are allowed.

Email

You are welcome to email the mayor and councilmembers about any issue facing the city by writing to the address above. Do remember that council sets the policy direction while city departments execute those decisions. A series of online reporting tools might help you resolve an issue more quickly so check them out too: <https://www.gigharborwa.gov/146/Submit>

AMERICANS WITH DISABILITIES (ADA) ACCOMMODATIONS

ADA accommodations can be provided upon request. Those requiring special accommodations should contact the city clerk at cityclerk@gigharborwa.gov or (253) 853-7613 at least 24 hours prior to the meeting.



CITY OF GIG HARBOR

PREPARING FOR THE 2026 LEGISLATIVE SESSION

October 16, 2025

Shelly Helder



TODAY'S AGENDA



2026 SESSION PREVIEW



CONTEXT FOR FUNDING REQUESTS



ASSOCIATION OF WASHINGTON CITIES LEGISLATIVE PRIORITIES



DRAFT LEGISLATIVE AGENDA



NEXT STEPS

2026 SESSION PREVIEW

60-DAY SESSION,
SECOND YEAR OF
THE BIENNIUM

MID-BIENNIAL
BUDGET
ADJUSTMENTS

POLITICAL
MAKEUP SIMILAR
TO 2025

ALL 2025 BILLS
CARRY OVER

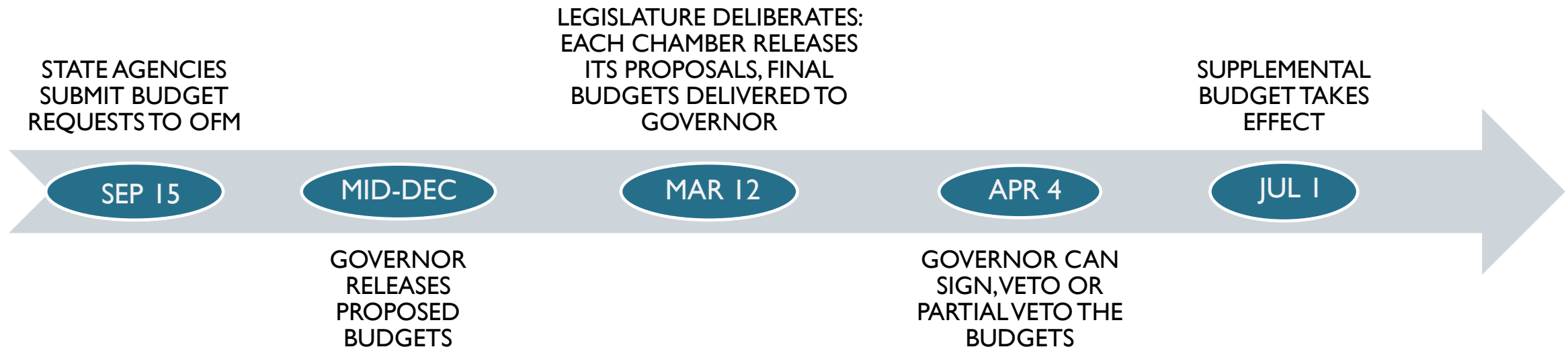
ONGOING EFFORT
TO REDUCE
REGULATORY
REQUIREMENTS
FOR HOUSING

FORTHCOMING
ELECTIONS

FUNDING CONTEXT

- THREE STATE BUDGETS: OPERATING, CAPITAL & TRANSPORTATION
- STATE ADOPTS BIENNIAL BUDGETS
- CURRENT BUDGET RUNS FROM JULY 1, 2025 – JUNE 30, 2027
- 2026 IS A SUPPLEMENTAL BUDGET YEAR

THE STATE BUDGET PROCESS



ASSOCIATION OF WASHINGTON CITIES



Enhance Indigent Defense



Improve Housing Supply



Increase sustainability for
local transportation
preservation, maintenance,
and operation needs



Preserve state shared
revenues

DRAFT 2026 STATE LEGISLATIVE AGENDA



TOP PRIORITY: GIG HARBOR COMMUNITY CENTER

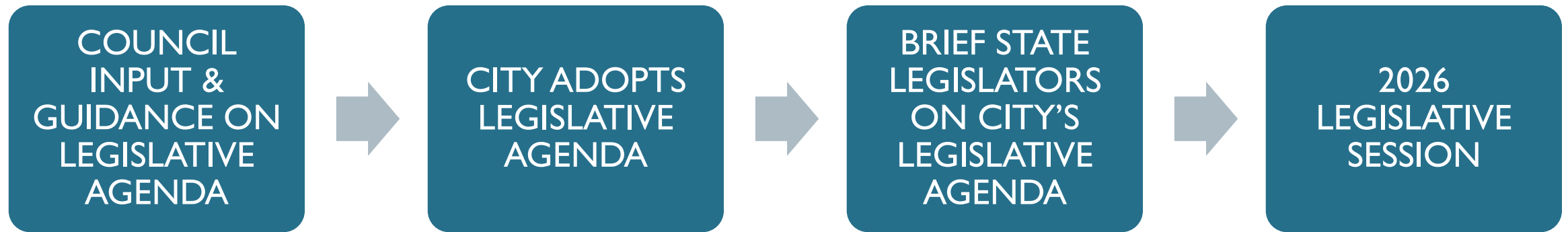


IMPORTANT TOPICS

ACCESS TO CHILDCARE
FISH PASSAGE FUNDING
INDIGENT DEFENSE FUNDING
INFRASTRUCTURE FUNDING
LOCAL CONTROL

MOBILE HOME PARK RESIDENTS
RENTER PROTECTIONS
JUVENILE ACCESS TO ATTORNEY
OTHER TOPICS?

NEXT STEPS



DISCUSSION & FEEDBACK



Shelly Helder

State Lobbyist

shelder@gth-gov.com



Gig Harbor Community Center

The City of Gig Harbor envisions a modern community center to serve as a hub for recreation, wellness, learning, and connection for residents of all ages. With a rapidly growing and aging population, the city faces increasing demand for accessible public spaces and programs that foster social engagement, health, and community resilience. The proposed facility would offer diverse amenities—from fitness and wellness programs to educational and cultural events—while also providing critical support services for seniors and opportunities for civic involvement. The City is in the process of solidifying project partners, soliciting community input and developing a funding strategy. The City will be pursuing all sources of funding including private donations, local dollars, and grant funds. The City anticipates requesting support from the state's 2027-29 capital budget.

Important Topics

The City of Gig Harbor will emphasize the importance of the following issues when they are brought up for discussion by the Legislature.

Childcare: Access to quality, affordable, childcare is a significant barrier to economic development. We will support state efforts to increase access to childcare for working families, including subsidies for childcare providers and additional capital investment for facilities.

Fish Passage Funding: Given the significant number of culverts in the City that need to be replaced, this is a significant issue. The state must increase the assistance it provides to local governments for the cost of providing fish passage.

Indigent Defense: It is the State's responsibility to provide indigent defense services, and the burden of this responsibility has been delegated to cities and counties with little funding. This cost has skyrocketed and places a heavy burden on limited flexible funds available to the City. The City supports increased state funding for public defense services to comply with new caseload standards established by the Washington Supreme Court. Additionally, the City urges the state to invest in workforce development initiatives, such as incentives and training programs, to attract and retain qualified public defenders.

Infrastructure Funding: Cities require stable and growing infrastructure funding to meet the demands of the Legislature and our residents for: affordable housing, reliable utility services, public health and recreation, and access to other city services. The Legislature must protect and increase existing infrastructure programs relied upon by local governments.

Local Control: The best governmental decisions are those that are made closest to the people represented. Cities possess strong local authority to provide for the safety and welfare of their residents, and the Legislature must abstain from restricting, mandating, or otherwise interfering with local decisions. The City will oppose legislative actions that are inconsistent with this view.

Mobile Home Park Residents: The Legislature has recognized the importance of mobile home parks as a source of affordable housing by providing mobile home residents with additional tools to purchase parks when they are placed on the market. The City applauds these efforts and encourages the Legislature to take further action to preserve existing mobile home parks, including providing additional funding to support residents attempting to purchase parks they live in.

Renter Protections: Nearly half of the City's residents are renters. The City supports policies that promote housing stability for renters and prevent displacement.

Juvenile Access to Attorney: The City supports clarifying statutes that govern law enforcement engagement with juveniles to promote community policing and eliminate unnecessary juvenile interaction with the criminal justice system.

The City of Gig Harbor supports the Association of Washington Cities' legislative agenda.

Commented [SH1]: Could we include a specific number here? If too timely to track down, no need, just think it would bolster the statement.



2025 Bills Likely to Return in 2026 & Emerging Topics

Updated October 2, 2025

All bills from the 2025 Session that did not pass will automatically be reintroduced and reconsidered during the 2026 session. The list below highlights legislation that is expected to receive significant discussion during the 2026 session. Additionally, we have identified a few areas of new, emerging issue topics. This is not an exhaustive list; if you are aware of a topic being discussed or is of interest, please let us know.

The Governor and Legislators are placing greater emphasis on cost-saving and efficiency proposals. We encourage you to review the proposals and prepare for the continuation of these policy discussions by indicating whether you have any feedback on these items or whether any of these items are a high priority.

Budget & Finance:

State-Shared Revenues: Preserve state-shared revenues amid likely forthcoming budget cuts (liquor profits, cannabis revenues, municipal criminal justice assistance account, etc.).

Progressive Real Estate Excise Tax: Pursue legislation allowing local jurisdictions to switch the local real estate excise tax from a flat rate to a tiered rate that aligns with the state-imposed real estate excise tax.

Property Tax Levy Lid Lift: While given significant consideration in 2025, this proposal is not likely to be viable in 2026 for a variety of reasons.

Short-Term Rental Tax: [Senate Bill 5576](#) (ESSB 5576), sponsored by Sen. Liz Lovelett (D-40th LD), authorizes counties, cities, and towns to impose a new local excise tax on short-term rental lodging transactions facilitated through short-term rental platforms. The bill establishes the framework for the tax, its rate (not exceeding 4%), collection, and use of proceeds, which must be deposited into the "essential affordable housing local assistance account" to fund affordable housing-related purposes such as construction, operations, rental assistance, and social services.

Declining Model Toxics Control Act Revenues: Revenue for the Model Toxics Control Act (MTCA) primarily comes from the Hazardous Substance Tax (HST), which is levied on the first possession of hazardous substances within the state, including petroleum products, certain pesticides, and industrial chemicals. Over 90% of revenue is generated from a per-barrel tax on petroleum products. However, current revenue projections show a declining trend, driven by

falling oil prices and reduced fuel consumption. MCTA revenue is a primary funding source for Department of Ecology staff so this decline could place more strain on the state's general fund.

Public Safety

Adjustments to HB 2015: In 2025, the Legislature approved [HB 2015](#), authorizing a \$100 million grant program and a new local sales tax option to fund public safety. The Criminal Justice Training Commission is implementing the program. Additional legislation may be needed to clarify the provisions of the bill.

Public Defense: Cities and counties plan to request funding to implement newly approved indigent defense caseload standards. They also plan to seek policies to support developing a workforce of public defenders, prosecutors, and other personnel to ensure the standards can be implemented.

FLOCK/Automated License Plate Readers:

Attorney General Oversight: [House Bill 1056](#), sponsored by Rep. Darya Farivar (D-46th LD), and [Senate Bill 5066](#), sponsored by Sen. Drew Hansen (D-23rd LD), empower the Attorney General to investigate and address systemic misconduct within local law enforcement and corrections agencies through independent investigations and legal actions. The bill focuses on systemic abuses such as excessive force, discriminatory practices, and inadequate confinement conditions, explicitly excluding isolated misconduct or individual officer liability.

Independent Prosecutions: [Senate Bill 5584](#)/[House Bill 1740](#), sponsored by Sen. Manka Dhingra (D-45th LD) and Rep. Monica Jurado Stonier (D-49th LD), would create an Office of Independent Prosecutors to align with the new Office of Independent Investigations (OII) that was established in 2021. The independent prosecutor would conduct reviews of investigations, make charging decisions, and prosecute such cases upon the Governor's request. This bill was considered during the 2025 session and will be considered again in 2026.

Law Enforcement Eligibility: [Senate Bill 5364](#), sponsored by Sen. John Lovick (D-44th LD), and [House Bill 1399](#), sponsored by Rep. Roger Goodman (D-45th LD), establish uniform criteria for law enforcement officers, including U.S. citizenship, a minimum age of 25, a high school diploma or equivalent, no felony or certain gross misdemeanor convictions, and at least two years of full-time law enforcement experience. It mandates certification within 12 months of assuming office, requires background investigations for candidates, limits the roles of volunteers and specially commissioned officers unless certified, repeals outdated provisions, and clarifies the duties of sheriffs to enforce state and federal laws.

Independent Jail Oversight: [Senate Bill 5005](#), sponsored by Senator Rebecca Saldaña (D-37th LD), establishes the Washington Jail Council within the Office of the Governor to oversee and improve the state's jail system. The council is tasked with monitoring jail operations, collecting

and analyzing data, publishing reports, investigating systemic issues, and participating in unexpected fatality review teams, with access to facilities and records necessary for oversight.

Juvenile Interrogations: [Senate Bill 5052](#), sponsored by Sen. Jesse Salomon (D-32nd LD), clarifies law enforcement authority to contact juvenile witnesses and victims not suspected of criminal activity. The bill narrows attorney consultation requirements to juveniles detained based on probable cause of criminal involvement, ensuring these requirements do not apply to witnesses or victims. It also reinforces the admissibility of lawfully obtained evidence and includes legislative intent to provide consistent statewide interpretation of juvenile interrogation laws.

Behavioral Health

Misdemeanor Charge Dismissal Framework: [House Bill 1113](#), sponsored by Rep. Darya Farivar (D-46th LD), establishes a framework for courts of limited jurisdiction to dismiss certain misdemeanor and gross misdemeanor charges if defendants comply with court-ordered conditions aimed at rehabilitation. Courts may dismiss charges upon a defendant's substantial compliance with conditions over a continuance period of 6 to 12 months, which must be tailored to support rehabilitation and address factors such as behavioral health disorders, housing instability, or employment challenges. Exclusions include serious offenses such as DUI-related crimes, domestic violence, firearm-related charges, animal cruelty, traffic offenses involving commercial driver's licenses, and offenses involving sexual motivation or minors.

Competency Evaluations: [House Bill 1218](#), sponsored by Rep. Darya Farivar (D-46th LD), introduces significant changes to the forensic mental health system, focusing on competency evaluation and restoration services. The bill expands the role of forensic navigators to assist with evaluations for class B and C felonies and misdemeanors, prioritizes diversion programs for defendants charged with class C felonies or nonfelony serious offenses, streamlines outpatient competency restoration eligibility, and requires courts to dismiss charges if restoration is deemed unlikely. It also establishes a Behavioral Health Diversion Incentive Program and Fund, while mandating counties to develop diversion plans to reduce jail time for individuals with behavioral health needs.

Land Use/Permit Issues

Annexation: The House Local Government Committee held an interim work session exploring different concepts to facilitate annexations and ease the tensions that exist when potential annexation areas are developed prior to annexation.

Permit Streamlining: [Senate Bill 5729](#), sponsored by Sen. Chris Gildon (R-25th LD), requires local governments to deem building permit applications prepared by licensed engineers or architects as complete upon submission while allowing additional information requests. It mandates deemed approval of project permits after six reviews if applications comply with development regulations and infrastructure capacity, and excludes certain types of projects

from site plan review, such as expansions or remodels that do not modify site layout or involve exterior work adding to the building footprint. The bill also imposes professional liability insurance requirements for architects and engineers and prohibits approvals for applications that fail to meet housing affordability or regulatory compliance standards.

Neighborhood Cafes: [House Bill 1175](#), sponsored by Rep. Mark Klicker (R-16th LD), mandates that cities and towns allow "neighborhood stores" and "neighborhood cafés" to operate in any zoning district permitting residential uses, subject to conditions such as parking regulations, hours of operation, and maximum square footage. Cafés serving alcohol must also offer food, and stores in residential zones are prohibited from selling nicotine products. The bill establishes a phased implementation timeline for cities and exempts related regulatory actions from environmental review under the State Environmental Policy Act (SEPA).

Mandatory Hearing Examiners: [Senate Bill 5719](#), sponsored by Sen. Jesse Salomon (D-32nd LD), mandates adoption of hearing examiner systems for quasi-judicial land use decisions in counties and cities based on population and planning status under the Growth Management Act. Counties fully planning under the GMA and cities with populations over 2,000 must adopt hearing examiner systems for decisions such as plat approvals, variances, and conditional use permits, while smaller jurisdictions may do so optionally. Hearing examiner decisions are final, appealable only through the courts, and must align with comprehensive plans and clear development regulations; jurisdictions may impose fees to recover costs or enter interlocal agreements for shared services.

Clear and Objective Development Regulations and Design Standards: [Senate Bill 5613](#), sponsored by Sen. Jesse Salomon (D-32nd LD), amends the Growth Management Act to require cities and counties to adopt clear and objective development regulations and design standards for residential development. The bill defines "clear and objective development regulations" as those involving no personal or subjective judgment by public officials and ascertainable by measurable written or graphic criteria. "Clear and objective design standards" are similarly defined, with the stipulation that they do not reduce density, height, bulk, or scale below generally applicable development regulations. Cities and counties must comply with these standards by January 1, 2029, and the Department of Commerce must publish a model code by June 30, 2027.

Wildfire Building Codes: [House Bill 1254](#), sponsored by Rep. Davina Duerr (D-1st LD), mandates phased statewide adoption of the International Wildland Urban Interface Code (IWUIC) to address wildfire risks. The bill requires the State Building Code Council to adopt the IWUIC, or portions thereof, by November 1, 2029, following the completion of statewide wildfire hazard and risk maps, and mandates its application in high-risk areas identified by these maps. Local governments may adopt amendments to address specific conditions, but amendments affecting residential buildings require State Building Code Council approval.

Environmental Justice Integration: [House Bill 1303](#), sponsored by Rep. Sharlett Mena (D-29th LD), and [Senate Bill 5380](#), sponsored by Sen. Liz Lovelett (D-40th LD), integrates environmental

justice considerations into State Environmental Policy Act (SEPA) processes. The bill requires the Department of Ecology to amend SEPA rules to include environmental justice as an element of the environment and develop mitigation guidance for addressing potential adverse impacts. Lead agencies must evaluate and mitigate environmental justice impacts under SEPA, with the option to use existing assessments to meet new requirements. The bill's implementation is contingent on funding being allocated in the state budget by June 30, 2025.

Homelessness/Housing

Commercial -> Residential Incentives: Building on Senate Bill 5755 from the 2025 Legislative Session, sponsored by Sen. Emily Alvarado (D-34th LD), the Lieutenant Governor's Office is [conducting a study](#) on the conversion of commercial buildings to residential uses. This process may lead to legislation in 2026.

Revision to Parking Lot -> Housing Incentives: In 2022, the Legislature approved [Senate Bill 5755](#), sponsored by Sen. Yasmin Trudeau (D-27th LD), allowing cities to offer a 10-year sales and use tax exemption to affordable housing projects constructed on parking lots. There is interest amongst staff at some of the largest cities – including Tacoma – in modifying the provisions of the bill to ensure that it can be efficiently implemented.

Religious Property Incentives: [House Bill 1859](#), sponsored by Rep. Osman Salahuddin (D-48th LD), decreases the amount of affordable units required to qualify for a density bonus for affordable housing developed on property owned by a religious organization, and provides a sales and use tax exemption for housing on properties owned by a nonprofit religious organization.

Supportive Housing Permitting: [House Bill 1195](#), sponsored by Rep. Strom Peterson (D-21st LD), facilitates the siting, permitting, and operation of permanent supportive housing, transitional housing, indoor emergency housing, and indoor emergency shelters. Local governments must approve permit applications for these facilities through an administrative process and are prohibited from using local comprehensive plans or regulations to preclude such developments in residential or commercial zones within urban growth areas contiguous with cities. The Department of Commerce is empowered to resolve disputes, enforce compliance, and withhold certain revenues from noncompliant jurisdictions.

Vehicle Residence Protections: [House Bill 1240](#), sponsored by Rep. Strom Peterson (D-21st LD), reforms vehicle impoundment procedures to provide protections for individuals living in their vehicles. The bill defines "vehicle residence" as a vehicle used as a home, residence, shelter, or homestead and establishes that such vehicles are not considered abandoned, requiring additional notifications and procedures before impoundment or auction. Key provisions include expedited court hearings, financial relief for storage fees, protections for personal belongings, and restrictions on auctioning vehicle residences.

Homelessness Regulation Framework: [House Bill 1380](#), sponsored by Rep. Mia Gregerson (D-33rd LD), establishes a framework for regulating the use of public property by individuals experiencing homelessness, requiring that such regulations be "objectively reasonable" in terms of time, place, and manner. The bill applies to laws enacted by cities, towns, code cities, counties, and the state, including those governing capitol building lands. It allows individuals to challenge such laws in court or assert an affirmative defense if enforcement is unreasonable, prohibits claims for monetary damages, and includes an emergency clause making the bill effective immediately upon enactment.

Homes on Wheels: [House Bill 1443](#), sponsored by Rep. Mia Gregerson (D-33rd LD), and [Senate Bill 5332](#), sponsored by Sen. Sharon Shewmake (D-42nd LD), allows placement of up to two mobile dwellings, such as recreational vehicles, travel trailers, or tiny houses on wheels, on residential lots under specific conditions. The bill mandates utility connections, prohibits associations like homeowners' associations from enacting restrictive rules until January 1, 2028, and requires cities and counties to update zoning regulations by their next comprehensive plan update or within two years of the bill's effective date.

Kit Home Building Codes: [Senate Bill 5552](#), sponsored by Sen. Jeff Wilson (R-19th LD), establishes a new category of building codes for "kit homes" to promote affordable housing. The bill defines kit homes as residential structures composed of prefabricated walls, floors, and roofs that are assembled on-site and are 800 square feet or smaller in size. The State Building Code Council is directed to develop specific codes for these homes and is authorized to update these codes as needed.

Affordable Housing Incentives: [House Bill 1717](#), sponsored by Rep. Mari Leavitt (D-28th LD), establishes a sales and use tax remittance program to incentivize affordable housing development. The program allows eligible organizations to apply for a 50 percent remittance of state and local sales and use taxes paid on qualifying affordable housing projects, provided at least 50 percent of residential units are dedicated to low-income households for a minimum of 40 years.

General Government

Email Privacy Exemption: [House Bill 1765](#), sponsored by Rep. Tarra Simmons (D-23rd LD), and [Senate Bill 5707](#), sponsored by Sen. Shelly Short (R-7th LD), exempts email addresses provided to local agencies for subscription communications, such as newsletters, from public disclosure under the Public Records Act. The bill does not alter the scope of existing exemptions or add additional requirements for local agencies beyond protecting these email addresses.

Public Records Requests: [House Bill 1964](#), sponsored by Rep. Mary Fosse (D-38th LD), requires individuals requesting lists of individuals through public records requests to sign a declaration of noncommercial purpose under penalty of perjury. The declaration must attest that the request is not for commercial purposes and include a statement of the request's purpose. The

Office of the Attorney General is directed to provide a template declaration to assist agencies in implementing this requirement.

Flock Safety Cameras Data: Pursue legislation to mitigate public records issue and liability exposure for data that is being purged that may be subject to a public records request. Potential state interest in protecting data that federal enforcement agencies may attempt to access.

Even-Year Local Elections: [House Bill 1339](#), sponsored by Rep. Mia Gregerson (D-33rd LD), and [Senate Bill 5373](#), sponsored by Sen. Bill Ramos (D-5th LD), allows local governments to shift their general elections from odd-numbered years to even-numbered years to increase voter turnout. The bill enables cities, towns, and special purpose districts to adopt this change through ordinances, voter-approved charter amendments, or voter-initiated measures. Key provisions include requirements for two public hearings held at least 30 days apart, term adjustments to align with the new schedule, and a null-and-void clause contingent on funding provided in the omnibus appropriations act by June 30, 2025.

Ranked Choice Voting Framework: [House Bill 1448](#), sponsored by Rep. Mia Gregerson (D-33rd LD), establishes a legal framework for jurisdictions to adopt ranked choice voting (RCV) for local elections. It defines rules and procedures for conducting RCV elections, including voter education requirements, ballot design, and cost allocation. Jurisdictions adopting RCV must implement it within two years, reimburse counties for related expenses, and conduct public education campaigns, while counties are not responsible for implementation costs.

Voting Rights Preclearance: [House Bill 1710](#), sponsored by Rep. Sharlett Mena (D-29th LD), establishes a preclearance process for voting-related changes in political subdivisions designated as "covered jurisdictions." Covered jurisdictions are defined as political subdivisions meeting specific criteria, including histories of voting rights violations, disparities in voter registration or participation among protected classes, or socioeconomic disparities affecting protected classes. Before implementing specific voting-related changes, covered jurisdictions must submit the proposed change to the Attorney General for certification that the changes do not diminish the ability of protected classes to participate in the political process or violate voting rights laws. Aggrieved parties may challenge certifications or compel compliance with the preclearance process through court action. The bill includes a null-and-void clause contingent on funding being provided by June 30, 2025.

Voting Rights Expansion: [House Bill 1750](#), sponsored by Rep. Natasha Hill (D-3rd LD), amends the Washington Voting Rights Act (WVRA) to expand protections against voter suppression and vote dilution for members of protected classes, defined as racial, color, or language minority groups. The bill prohibits election policies or practices that result in, are likely to result in, or are intended to result in a material disparate burden on the ability of protected class members to vote or participate in the political process, without requiring proof of discriminatory intent. Courts may order tailored remedies, including changes to election systems or district

boundaries, and political subdivisions adopting court-approved remedies receive a four-year safe harbor from further challenges.

Ethics in Legislative Conduct: [Senate Bill 5143](#), sponsored by Sen. Chris Gildon (R-25th LD), makes comprehensive updates to the Ethics in Public Service Act, largely focused on clarifying and modifying definitions, gift regulations, and legislative conduct rules. It increases the gift limit from \$50 to \$100, expands the list of acceptable gifts, and adds new provisions about legislative activities. It alters reporting requirements for lobbyists and state officials, aiming to ensure more transparency in how public servants interact with potential sources of influence. Request legislation by ethics board for interest in mirroring the gift portion and removing the blanket provision that you can't accept anything.

Human Resources

AI and Collective Bargaining: [House Bill 1622](#), sponsored by Rep. Lisa Parshley (D-22nd LD), requires employers to bargain over the adoption or modification of AI technologies that impact wages or performance evaluations. Bargaining is not required for updates to existing AI technologies made by third parties that do not meaningfully impact wages or performance evaluations. Contracts in effect before the bill's effective date are exempt from these requirements until they expire, are renewed, or reopened.

Transportation/Infrastructure

Route Transfer Jurisdiction: The Washington Transportation Commission recently [completed a study](#) on Route Transfer Jurisdiction. The Legislature is likely to consider legislation based on their recommendations.

Sidewalk Funding: At the Legislature's direction, the Joint Transportation Committee is [beginning a study](#) on sidewalk funding mechanisms. The study will produce preliminary results prior to the beginning of the 2026 session to develop the framework for a pilot program.

Road Usage Charges: [House Bill 1921](#), sponsored by Rep. Jake Fey (D-27th LD), establishes a road usage charge (RUC) system to replace declining fuel tax revenues with mileage-based fees. The bill creates voluntary and mandatory RUC programs phased in over time, starting with electric and hybrid vehicles in 2027 and expanding to internal combustion engine vehicles by 2035. It introduces a road usage assessment to fund multimodal transportation systems, includes privacy protections, and exempts certain vehicles, such as public transit and firefighting vehicles.

Public Works Contracting: [House Bill 1966](#), sponsored by Rep. Janice Zahn (D-41st LD), standardizes public works contracting rules and limits the use of in-house personnel for exigent projects. The bill allows entities to use in-house personnel for projects costing up to \$300,000 under "exigent public works needs," defined as unforeseen circumstances requiring urgent action to prevent serious impacts, with documentation made publicly available within two

weeks of the project's start. It imposes a 10% cap on the use of in-house personnel relative to the entity's public works construction budget, removes prior provisions allowing work under "prudent utility management," and revises the definition of "lowest responsible bidder" to strictly refer to the lowest bid meeting specified criteria. Entities must annually report public works budgets and expenditures, with violations reported by the state auditor to the state treasurer.

Prevailing Wage Adjustments: [Senate Bill 5061](#), sponsored by Sen. Steve Conway (D-29th LD), amends prevailing wage laws for public works contracts by requiring annual adjustments to prevailing wage rates for most projects to ensure wages reflect the latest rates during the project's duration. It exempts small works roster projects and residential construction from the adjustment requirement while maintaining provisions for reclassifying residential construction projects to commercial rates if necessary. The act is set to take effect on July 1, 2027.

Public Works Payments: [Senate Bill 5176](#), sponsored by Sen. Javier Valdez (D-46th LD), strengthens prompt payment requirements and dispute resolution procedures for public works projects. Public agencies must pay contractors within 30 days of receiving a properly completed invoice, with interest penalties of 1% per month for late payments. The bill also requires timely issuance of change orders within 30 days of additional work completion, mandates that contractors and subcontractors pay lower-tier subcontractors within 10 days, and establishes procedures for addressing payment disputes, including civil remedies for aggrieved parties.

Tribal Transportation Coordination: [Senate Bill 5374](#), sponsored by Sen. Claudia Kauffman (D-47th LD), enhances tribal coordination and representation in transportation planning and safety initiatives. The bill requires counties to coordinate with affected tribal governments when developing transportation plans and programs, ensuring tribal transportation needs and impacts are considered. It also adds a tribal representative to the Cooper Jones Active Transportation Safety Council and establishes a Tribal Traffic Safety Coordinator Program to assist tribes with traffic safety strategies, including public outreach and data analysis.

Impound Fee Assistance: [Senate Bill 5484](#), sponsored by Sen. Mike Chapman (D-24th LD), and [House Bill 1653](#), sponsored by Rep. Brandy Donaghy (D-44th LD), establishes a program within the Department of Licensing to reimburse registered tow truck operators for releasing impounded vehicles to indigent individuals under specific conditions. Vehicle owners must be indigent, legally own the vehicle, demonstrate inability to pay or severe financial hardship, and certify eligibility under penalty of perjury. Tow truck operators must inform vehicle owners about the program, waive any lien or deficiency claim on vehicles released under it, and may apply for reimbursement subject to fund availability. The Department must establish reimbursement rates, convene a stakeholder work group every two years to recommend amendments, and submit annual reports to the legislature detailing program metrics, including vehicles released, funds disbursed, and waitlisted applicants.

E-motorcycles + E-bikes: Pursue legislation (Public Safety + Transportation components) to update statute as it relates to safety and regulation, penalties, etc.



**City of Gig Harbor
City Council Agenda Bill**

Meeting Date: October 16, 2025

SUBJECT: Tiered Water Rates – Structure Review

SUBMITTED BY: Public Works Director Jeff Langhelm, PE

DEPARTMENT: Public Works

PHONE: 253-853-7630

SUGGESTED MOTION: None

BACKGROUND INFORMATION:

At the July 17 study session, staff and the city's consultant, FCS Group, presented their initial findings for setting new utility rates beginning January 1, 2026, and continuing for the following five years. At the August 14 study session staff and FCS Group discussed options for tiered water rate policies.

As requested by council at the August 14 study session, FCS Group is returning at the October 16 study session to review the impacts of implementing either a 3-tier or 5-tier rate structure.

Council's direction at the October 16 study session will allow staff to return to council soon with recommendations for utility-related code updates. These code updates will include rate adjustments for all three utilities, transferring water department special charges to the city's fee resolution, and other minor code adjustments.

FISCAL CONSIDERATION: N/A

ATTACHMENTS:

1. 2025-10-16_Tiered Rates Study Session Slides
-

STRATEGIC PLAN PRIORITY:

Ensure sustainable future for public services and facilities.



City of Gig Harbor Utility Rate Update



October 16, 2025





Agenda

- Short review of the water revenue requirement results
- Review tiered rate results including bill comparisons
- Discuss which rate design option the City would like to consider



Tiered Rate Options



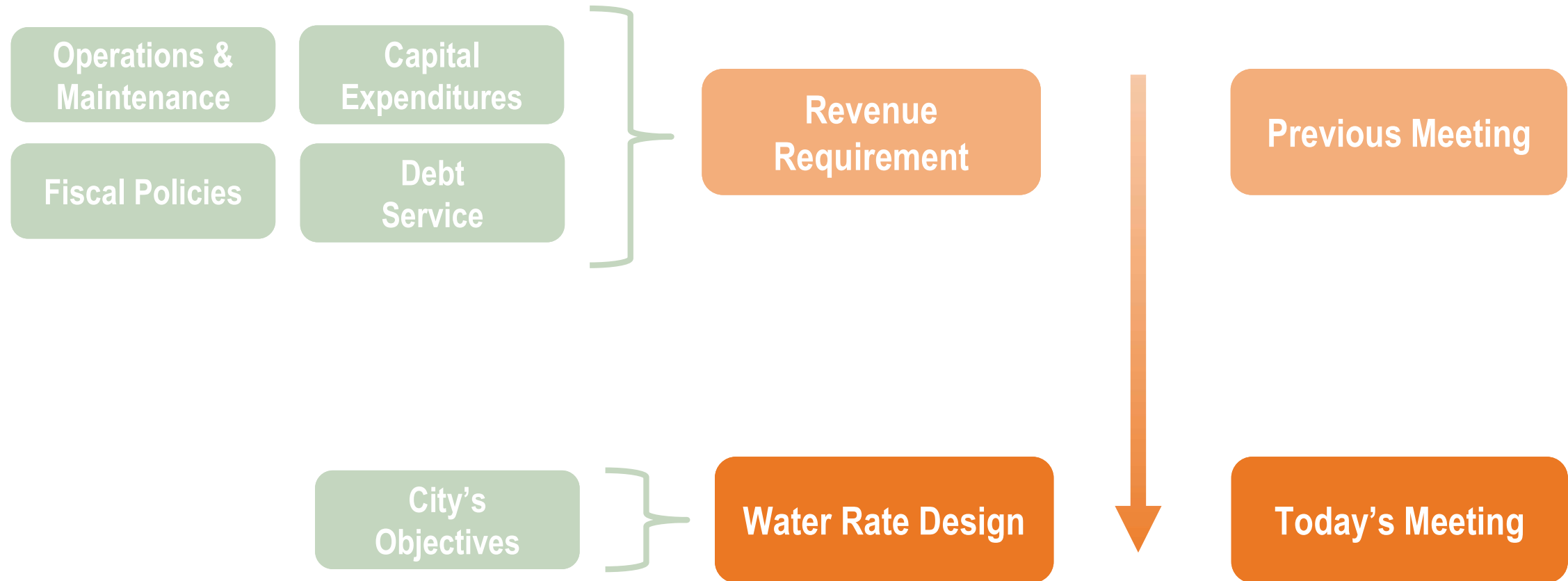
Sample Bills, Discussion,
and Next Steps



Feedback / Tweaks
Welcome



Study Overview





Existing Water Rates

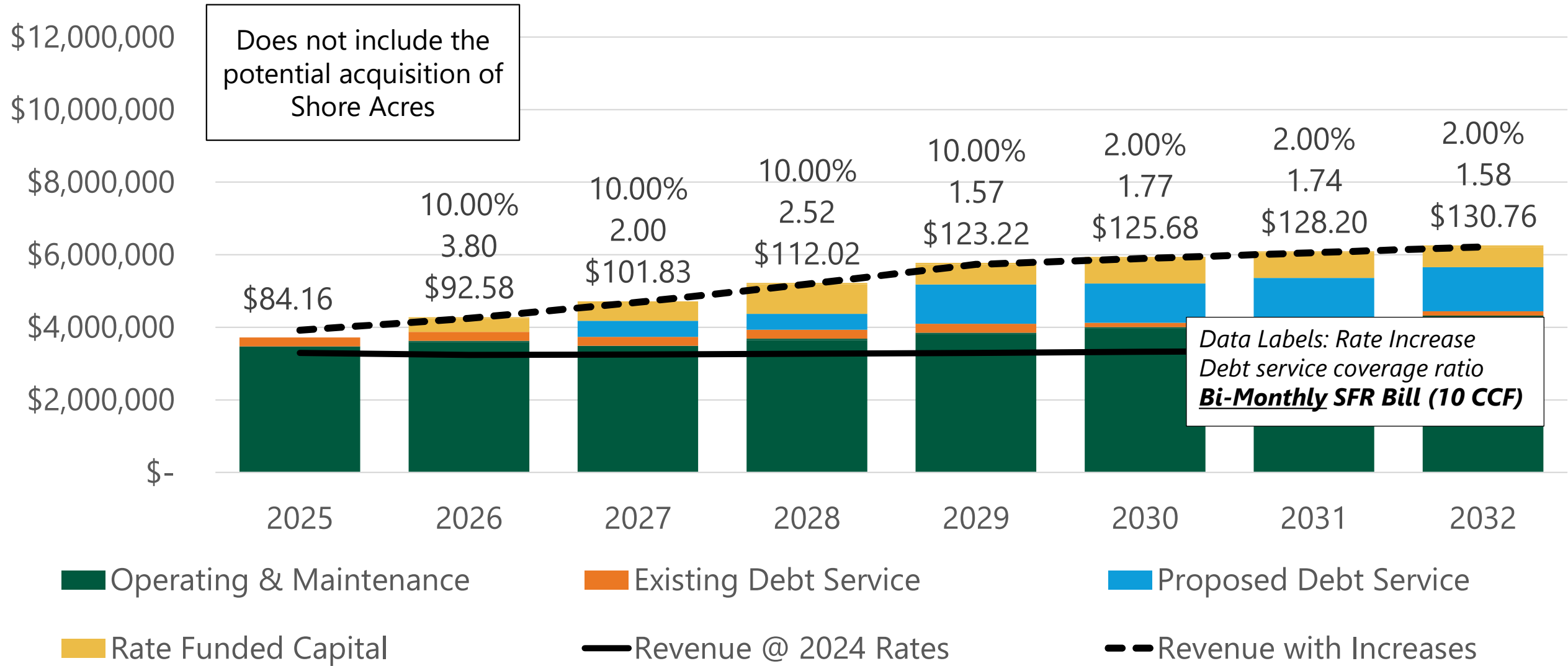
- Existing rates consist of a fixed rate that varies by meter and a uniform commodity charge per CCF

Effective January 1, 2025, the monthly water service rates not including state and city taxes shall be set at the following amounts:

Customer Class/Meter	Customer Base Charge (per meter/month)	Commodity Charge (per ccf)
Residential	\$25.48	\$3.32
Multiresidential		
5/8" & 3/4"	44.76	3.11
1"	61.61	3.11
1-1/2"	103.36	3.11
2"	153.65	3.11
3"	287.66	3.11
4"	438.56	3.11
Commercial/Schools		
5/8" & 3/4"	37.52	3.23
1"	49.57	3.23
1-1/2"	79.32	3.23
2"	115.16	3.23
3"	210.78	3.23
4"	318.43	3.23



Revenue Requirement Results – Water

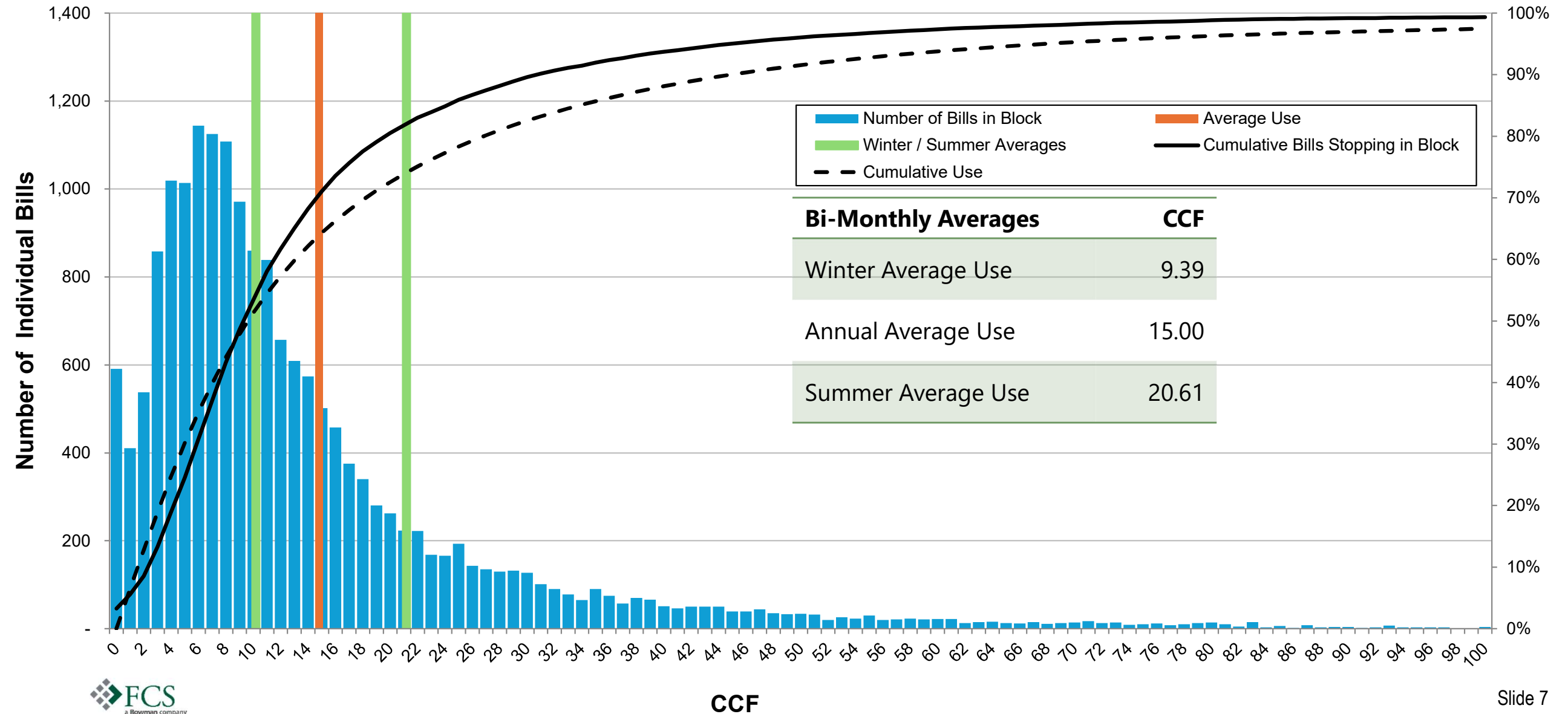




Rate Design Options



Bill Frequency Graph – Single-family Residential





Rate Design Scenario 1 (Bi-Monthly, Taxes not Shown)

Fixed Rate				Inside Rates	Outside Rates
Bi-monthly rate per account				\$56.06	\$84.08
Tier	Threshold	Basis	Share of Bills	Inside Rates	Outside Rates
Tier 1	10 CCF	Average winter use	53.4%	\$2.70	\$4.05
Tier 2	21 CCF	Average summer use	28.4%	\$4.00	\$6.00
Tier 3	>21 CCF	Everything else	18.2%	\$5.40	\$8.10



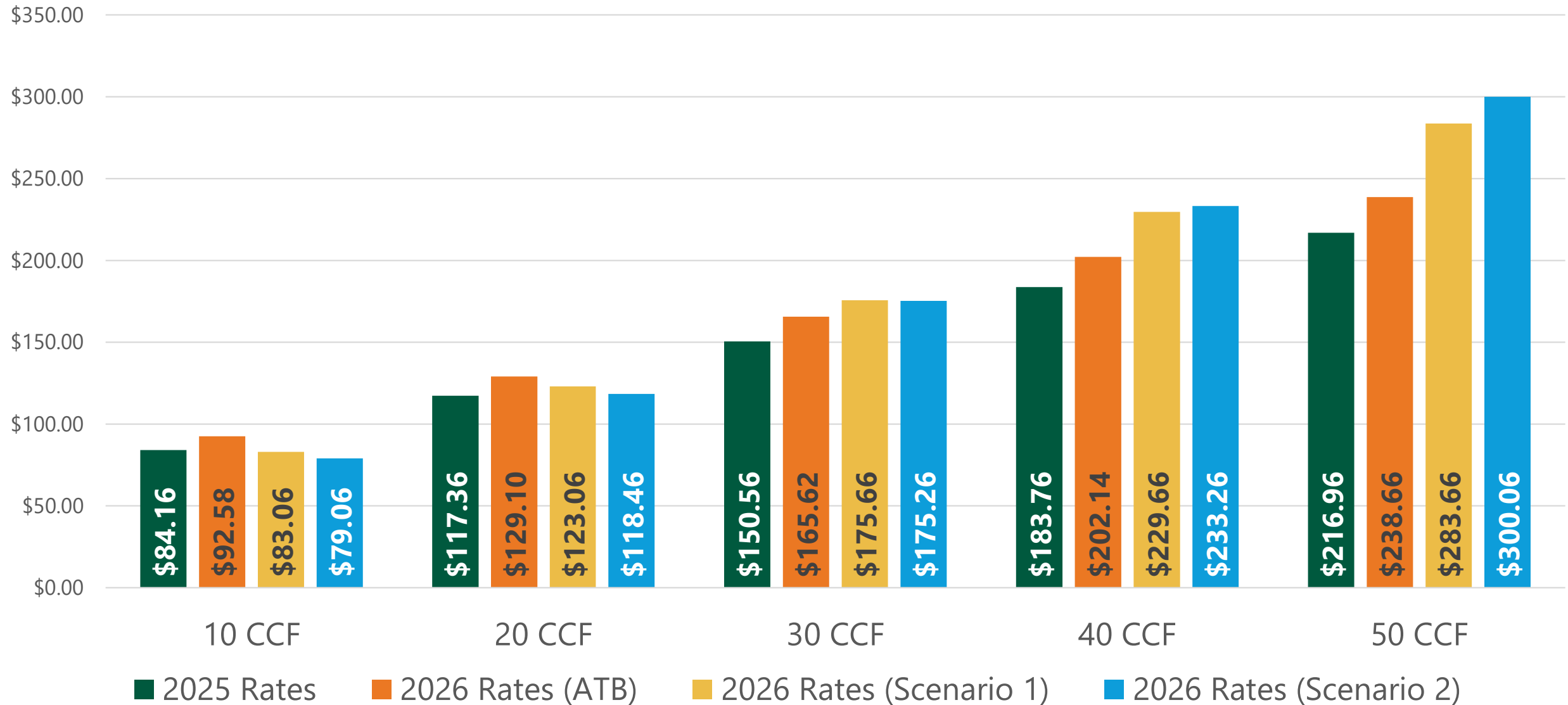
Rate Design Scenario 2 (Bi-Monthly, Taxes not Shown)

Fixed Rate	Inside Rates	Outside Rates
Bi-monthly rate per account	\$56.06	\$84.08

Tier	Threshold	Basis	Share of Bills	Inside Rates	Outside Rates
Tier 1	10 CCF	Average winter use	53.4%	\$2.30	\$3.45
Tier 2	16 CCF	Mid-point between winter and summer	20.2%	\$3.50	\$5.25
Tier 3	21 CCF	Average summer use	8.2%	\$4.60	\$6.90
Tier 4	42 CCF	Twice the average summer use	12.5%	\$5.80	\$8.70
Tier 5	>42 CCF	Everything else	5.7%	\$6.90	\$10.35



Sample Bi-Monthly Bills by Usage (Taxes not Shown)





Sample Bi-Monthly Bills by Usage (Taxes not Shown)

Customer	2025 Rates	2026 Rates (ATB)	2026 Rates (Scenario 1)	2026 Rates (Scenario 2)
10 CCF	\$84.16	\$92.58	\$83.06	\$79.06
20 CCF	\$117.36	\$129.10	\$123.06	\$118.46
30 CCF	\$150.56	\$165.62	\$175.66	\$175.26
40 CCF	\$183.76	\$202.14	\$229.66	\$233.26
50 CCF	\$216.96	\$238.66	\$283.66	\$300.06



Council Discussion

- **What water rate structure is the best fit for Gig Harbor?**
- **If inclining block rates:**
 - » How many blocks?

Thank you! Questions?

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