



Meeting Location:
Meeting is being held via Zoom

Contact us:
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Email finance@portorchardwa.gov
www.portorchardwa.gov

**Finance Committee
Regular Meeting
Tuesday, June 16, 2026
5:00 PM**

Remote Access

Link: <https://us02web.zoom.us/j/82364827441>

Zoom Meeting ID: 823 6482 7441

Zoom Call-In: 1 253 215 8782

1. Discussion

- A. Sales Tax & REET
- B. 2027-2028 Budget
 - Calendar
 - Sales Tax Assumption
- C. Community Events Center Project Funding Plan
- D. Fund Raising Campaign- Feasibility Study
- E. 2026 Non-Rep Salary Study
- F. ERR- Police Car Purchase (Replacement)

2. Adjournment

3. Next Finance Committee Meeting: July 21, 2026

BUDGET CALENDAR

2026 CALENDAR FOR PREPARATION AND ADOPTION OF 2027-2028 BIENNIAL BUDGET

JUNE-JULY

- Develop Budget Schedule
- Update City Comprehensive Plan
- Review Priorities and Policy direction from Council Biennial Budget Study Session
- Mayor discusses 2027-2028 fiscal year goals with Department Heads
- Personnel Salary and Benefits projections for 2027-2028

AUGUST

- Budget instructions provided to Dept for their proposed 2027-2028 budget
- Finance Director prepare estimates for revenue and ending fund balance
- Finance Director set schedule for Sept meeting with Dept Heads

SEPTEMBER

- Dept Heads submit budget and supplemental requests to the Finance Department
- Finance Department reviews Dept Budget Worksheet Report/Requests
- Mayor and Finance Dept review Budget Worksheet Report/Requests
- Finance Director and Mayor meet with Dept Heads to review budget requests
- Finance Department prepares Preliminary Budget Publication

OCTOBER

- Publication of notice of availability of the 2027-2028 Preliminary Budget for public review and public hearing notice for the proposed final budget to be published
- Oct. 1- Preliminary Budget delivered to the City Council and available to the public
- Oct. 20- Finance Committee Meeting to Review Preliminary Budget
- Oct. 20-Council Study Session–Presentation on Revenue Sources
Oct. 20-Council Study Session- Preliminary 2027-2028 Budget
- Oct. 27- [Council Meeting-1st Public Hearing on 2025 Property Tax Levy as part of the 2027-2028 Biennial Budget](#)
- Oct. 27- Council Meeting-Adopting an Ordinance for the 2027 Property Tax Levy

NOVEMBER

- Nov. 10- Council Meeting Budget Discussion (Optional)
- Nov. 17-Finance Committee meeting to review the Proposed Final budget
- Nov. 17-Copies of Proposed Final budget made available to the public
- Nov. 17- Council Study Session on Proposed Final budget
- Nov. 24- [Council Meeting: 2nd Public hearing of the Final 2027-2028 Budget Ordinance](#)
- Nov. 24- Council meeting Adopting the 2027-2028 final budget



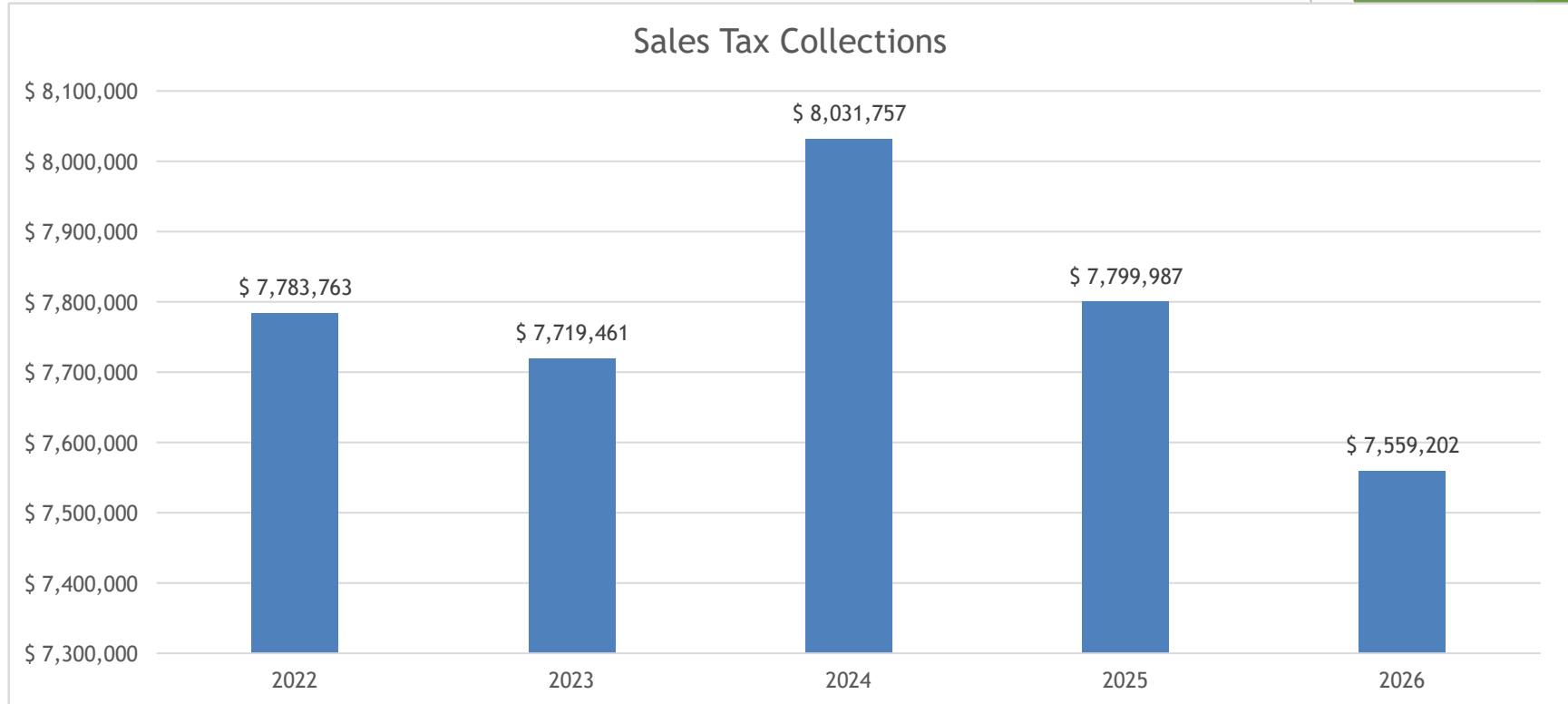
Finance Committee
2027-2028 Budget
Sales Tax Discussion
06.16.2026

Note: This is intended to illustrate the project estimates and potential funding sources.

Sales Tax Revenue History (4+ Current Year)

2026 is projected

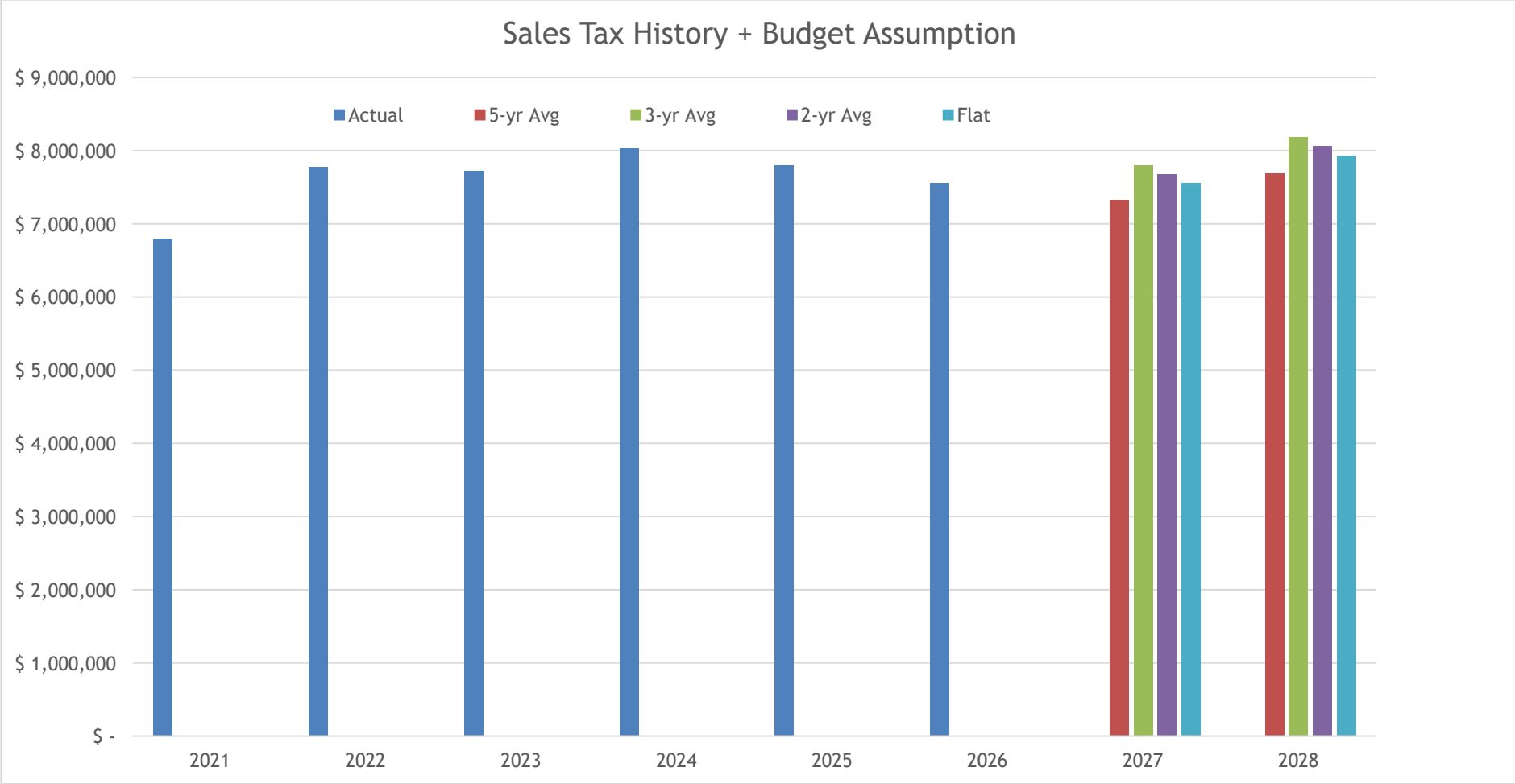
Fiscal Year	Growth Rate
2021	
2022	14%
2023	-1%
2024	4%
2025	-3%
2026	-3%



Sales Tax Scenarios for 2027-2028 Biennial Budget

<u>Scenarios Requested:</u>	<u>FY 2027</u>	<u>FY2028</u>
◆ 5-Year Average+ 5% Growth	\$7,326,069	\$7,692,372
◆ 3-Year Average+ 5% Growth	\$7,796,982	\$8,186,831
◆ 2-Year Average+ 5% Growth	\$7,679,595	\$8,063,574
◆ Flat + 5% Growth	\$7,559,202	\$7,937,162

Sales Tax History and 2027-2028 Biennial Budget Assumptions





Finance Committee Downtown Investments Discussion 06.16.2026

Note: This is intended to illustrate the project estimates and potential funding sources.

Port Orchard Downtown Investment

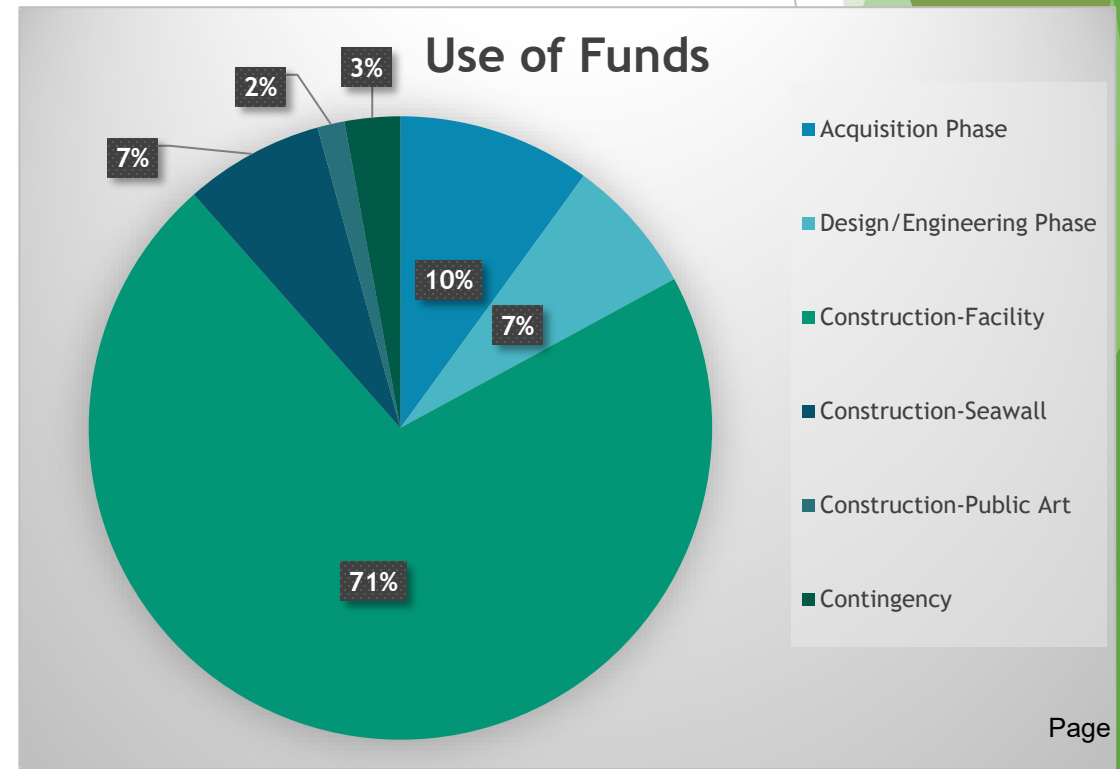
▶ Community Events Center:	\$35,500,000
▶ Port Orchard Plaza:	\$5,400,000
▶ SR166 Bay Street Reconstruction:	\$13,865,000
Total:	\$54,765,000

PROJECT BUDGET: USE OF FUNDS

Community Events Center~ \$35.5 million:

The City is developing a new Community Events Center/ Public Library building on the waterfront. There is an opportunity to expand outdoor public amenities with the addition of a Waterfront Plaza. This effort to provide more public space on the Waterfront, along with other elements of the City's Downtown Sub Area plan, will be transformational for revitalizing Downtown Port Orchard.

Project Uses	Budget	%
Acquisition Phase	\$ 3,553,000	10%
Design/Engineering Phase	\$ 2,508,000	7%
Construction-Facility	\$ 25,347,000	71%
Construction-Seawall	\$ 2,570,000	7%
Construction-Public Art	\$ 500,000	1%
Contingency	\$ 1,022,000	3%
Total Expenses	\$ 35,500,000	100%



PROJECT BUDGET: USE OF FUNDS

Community Events Center~ \$35.5 million:

Kitsap Public Facility District Commitment

Project Cost of ~\$35.5

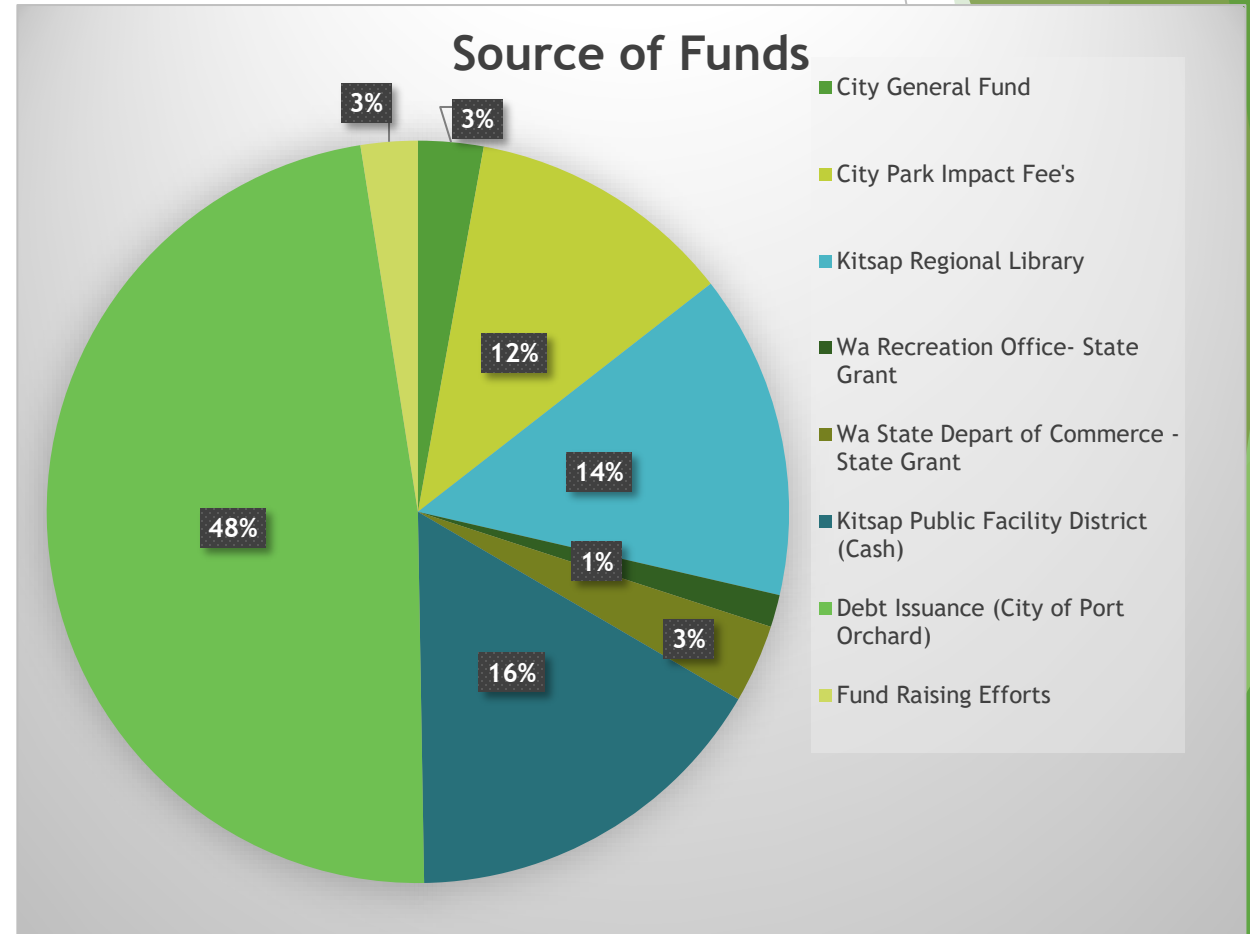
- KPFDD can provide funding for 66% of project costs
- City is requesting the full 66% of project costs which would be an additional **\$4.208 million** bringing the total KPFDD contribution to **\$22,754,918**
- The KPFDD contribution would provide a cash component as well as a commitment to making the debt service payments on the Debt Issued by the City for this project

KPFDD Eligible Funding	66%	\$	22,754,918	
KPFDD Current Commitment		\$	18,546,000	
<i>KPFDD C082-19</i>		\$	12,000,000	
<i>KPFDD Letter of Intent</i>		\$	6,546,000	
Additional KPFDD Request		\$	4,208,918	<==Request

PROJECT BUDGET: SOURCES OF FUNDS

Community Events Center~ \$35.5 million :

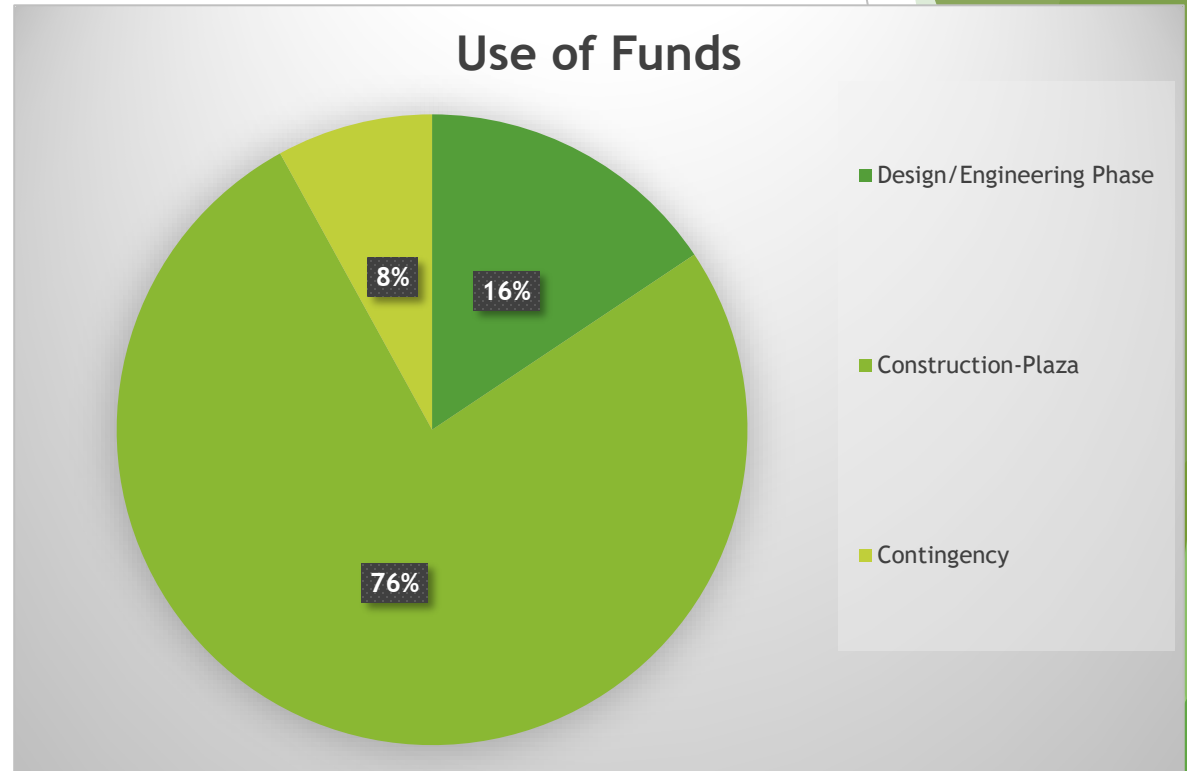
Project Funding Sources	Budget
City General Fund	\$ 1,008,622
City Park Impact Fee's	\$ 4,126,727
Kitsap Regional Library	\$ 5,018,683
Wa Recreation Office- State Grant	\$ 500,000
Wa State Depart of Commerce -State Grant	\$ 1,211,280
Kitsap Public Facility District (Cash)	\$ 5,790,000
Debt Issuance (City of Port Orchard)	\$ 16,964,918
Fund Raising Efforts	\$ 879,770
Total Revenues	\$ 35,500,000



PROJECT BUDGET: USE OF FUNDS

Port Orchard Plaza~ \$5.4 million:

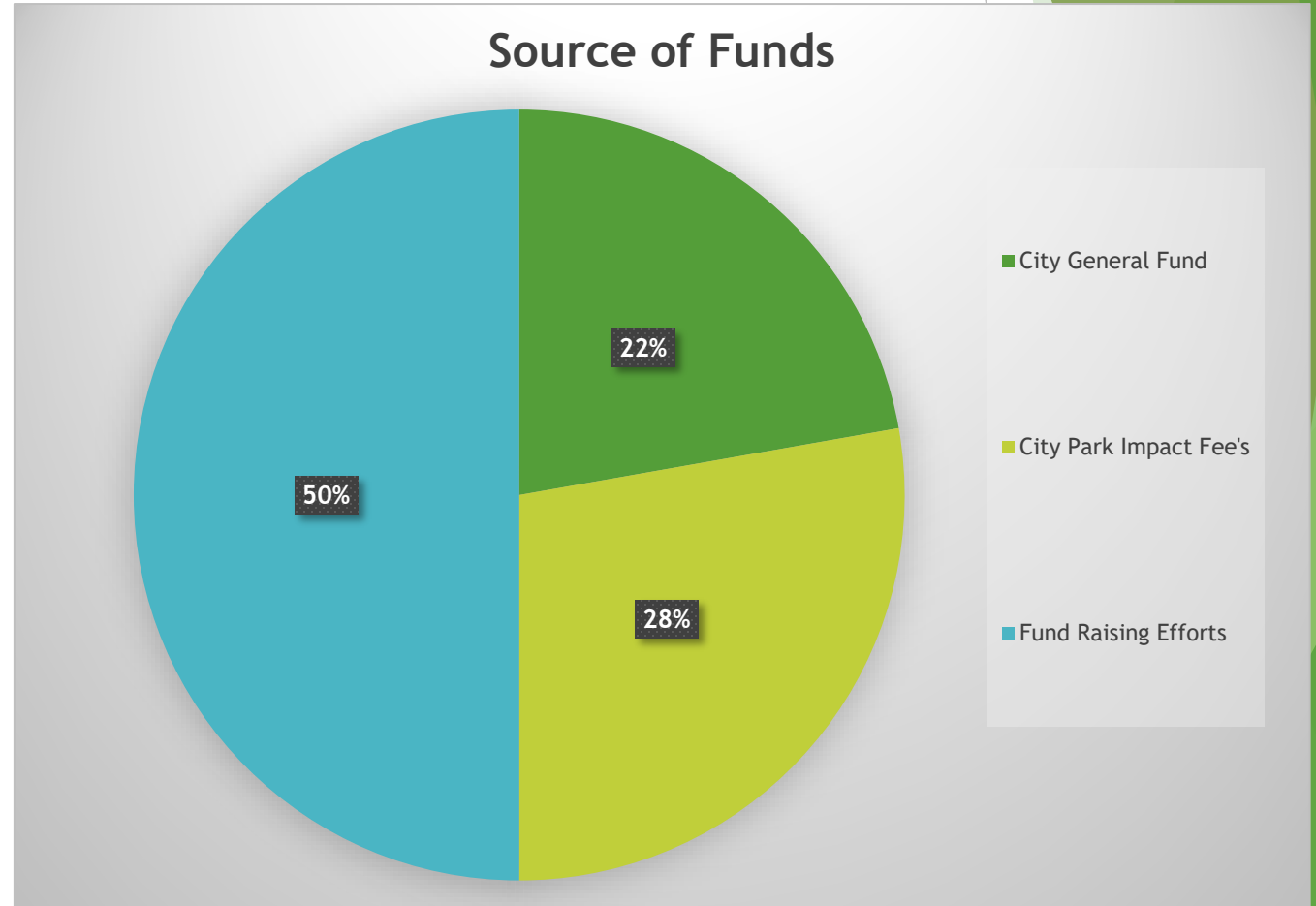
Project Uses	Budget	%
Design/Engineering	\$ 844,000	16%
Construction-Plaza	\$ 4,124,000	76%
Contingency	\$ 432,000	8%
Total Expenses	\$ 5,400,000	100%



PROJECT BUDGET: SOURCES OF FUNDS

Port Orchard Plaza~ \$5.4 million :

Project Funding	Budget	%
City General Fund	\$ 1,200,000	22%
City Park Impact	\$ 1,500,000	28%
Fund Raising Efforts	\$ 2,700,000	50%
Total Revenues	\$ 5,400,000	100%

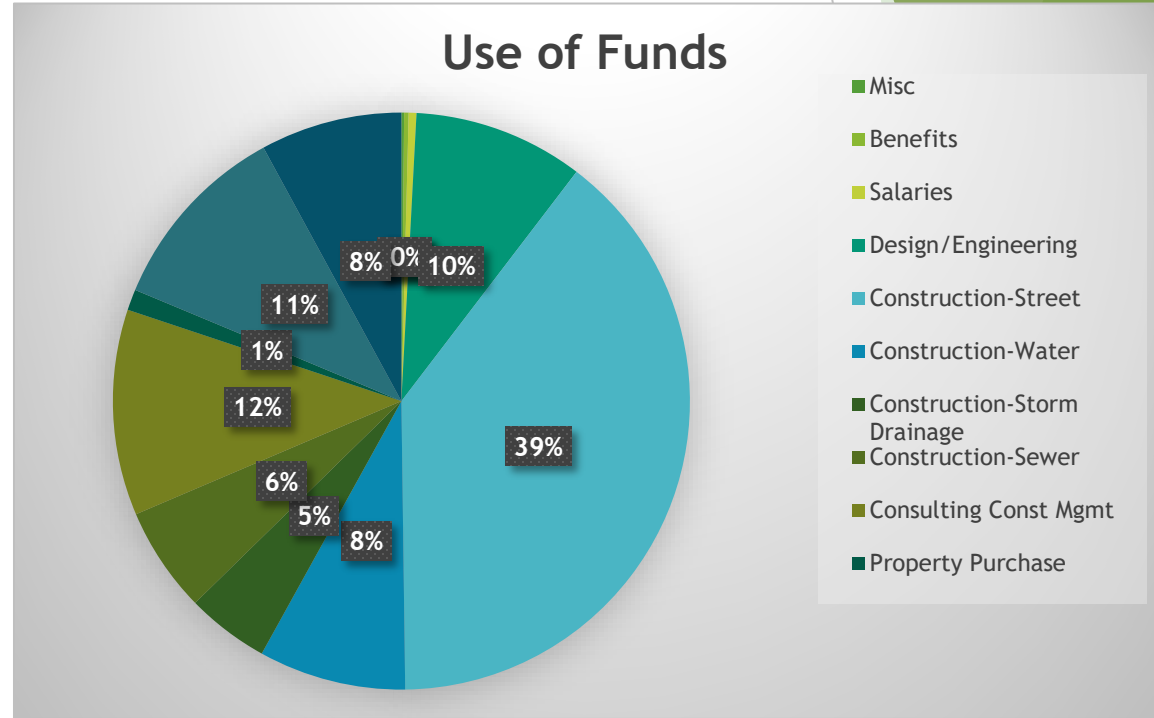


PROJECT BUDGET: USE OF FUNDS

TIP 1.16 SR166/Bay Street Reconstruction ~ \$13.865 million:

The project aims to reconstruct a section of SR166/Bay Street in downtown Port Orchard from Robert Geiger Street to Frederick Avenue. It will involve raising the street to prevent flooding rebuilding traffic lanes to slow speeds, accommodating cyclists, and enhancing sidewalks for pedestrians. Other elements include improving stormwater systems, upgrading streetlights, relocating underground utilities, and updating water and sewer systems.

Project Uses	Budget	Activity
Misc	\$ 21,000	\$ 10,992
Benefits	\$ 35,000	\$ 4,874
Salaries	\$ 60,100	\$ 20,106
Design/Engineering	\$ 1,323,600	\$ 1,262,376
Construction-Street	\$ 5,463,700	\$ -
Construction-Water	\$ 1,144,000	\$ -
Construction-Storm Drainage	\$ 642,000	\$ -
Construction-Sewer	\$ 820,000	\$ -
Consulting Const Mgmt	\$ 1,600,000	\$ -
Property Purchase	\$ 162,000	\$ 79,000
Contingency	\$ 1,493,600	\$ -
Contractor JUT	\$ 1,100,000	\$ -
Total Expenses	\$ 13,865,000	\$ 1,377,348

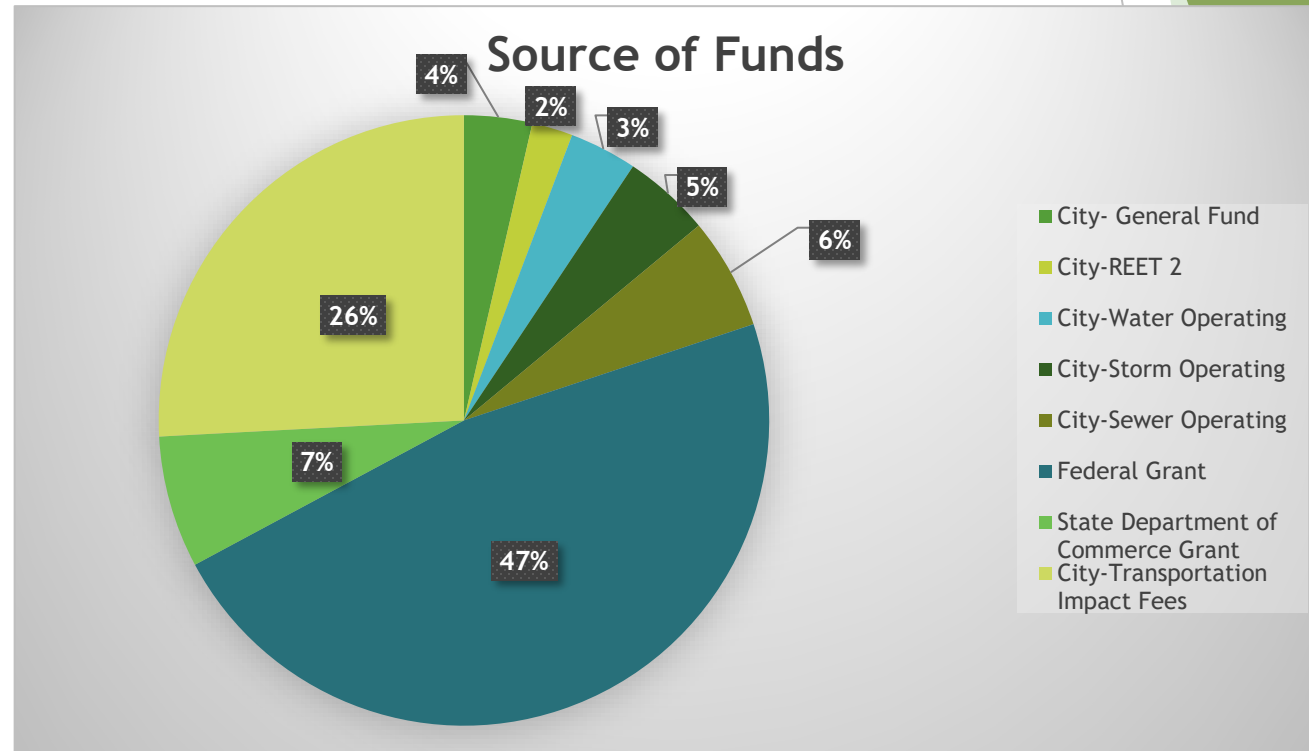


PROJECT BUDGET: SOURCES OF FUNDS

TIP 1.16 SR166/Bay Street Reconstruction ~ \$13.865 million:

The project aims to reconstruct a section of SR166/Bay Street in downtown Port Orchard from Robert Geiger Street to Frederick Avenue. It will involve raising the street to prevent flooding rebuilding traffic lanes to slow speeds, accommodating cyclists, and enhancing sidewalks for pedestrians. Other elements include improving stormwater systems, upgrading streetlights, relocating underground utilities, and updating water and sewer systems.

Project Funding Sources	Budget
City- General Fund	\$ 500,000
City-REET 2	\$ 300,000
City-Water Operating	\$ 496,000
City-Storm Operating	\$ 642,000
City-Sewer Operating	\$ 820,000
Federal Grant	\$ 6,554,000
State Department of Commerce Grant	\$ 970,000
City-Transportation Impact Fees	\$ 3,583,000
Total Revenues	\$ 13,865,000



Port Orchard Community Event Center





Kraken Sculpture Concept



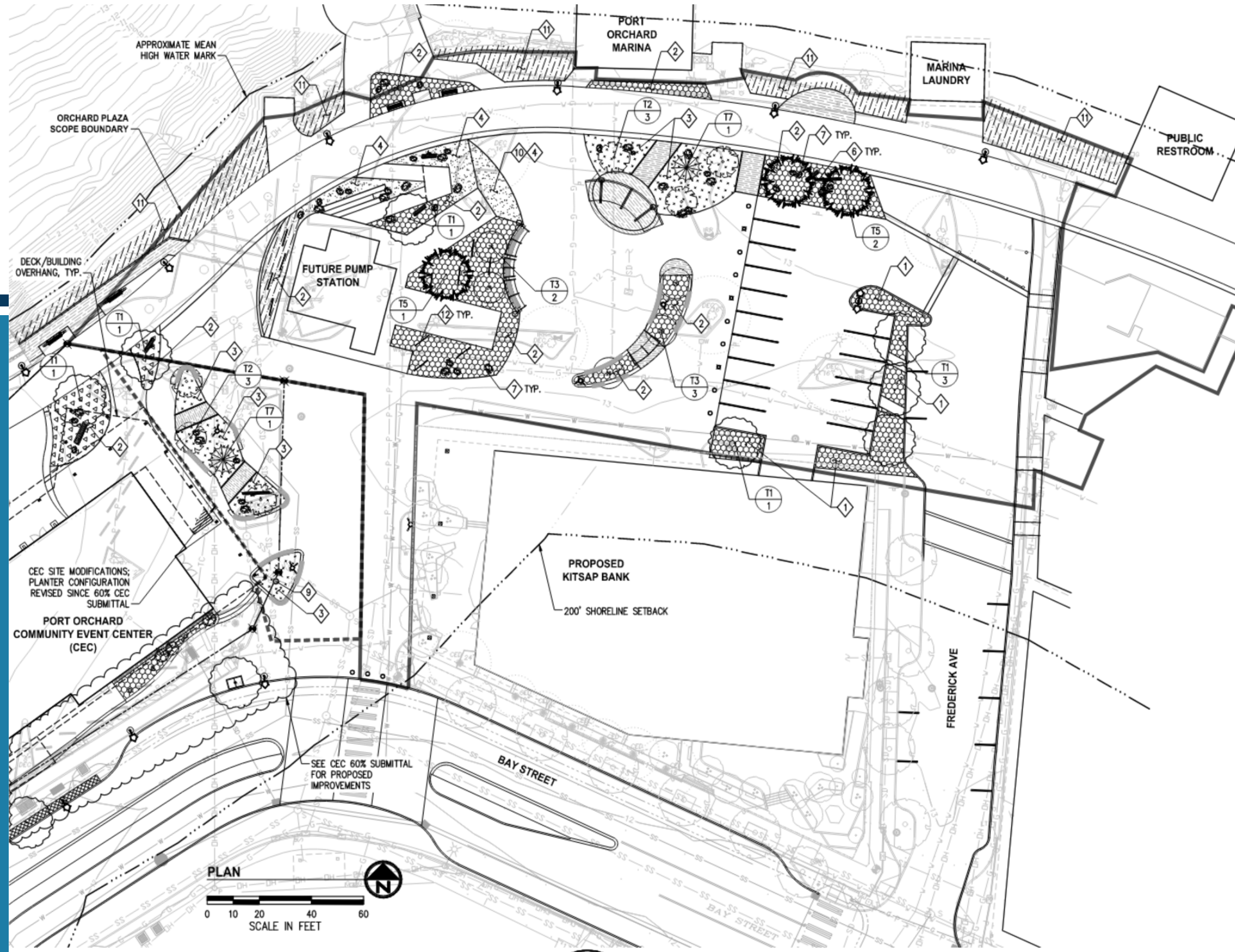
Master Plan



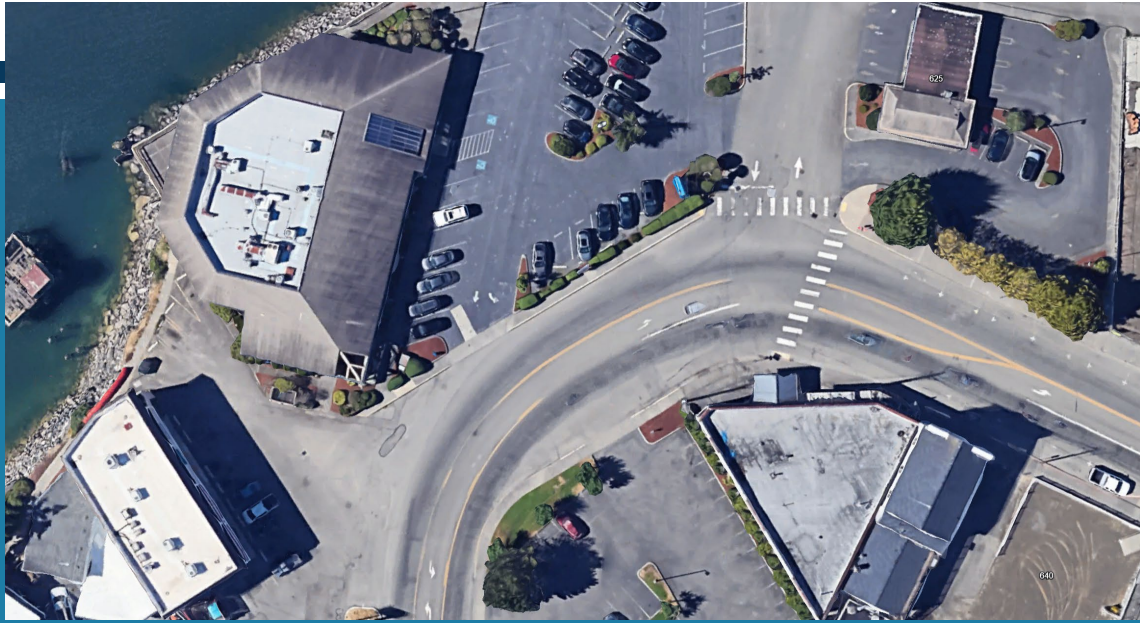


Existing

Orchard Plaza

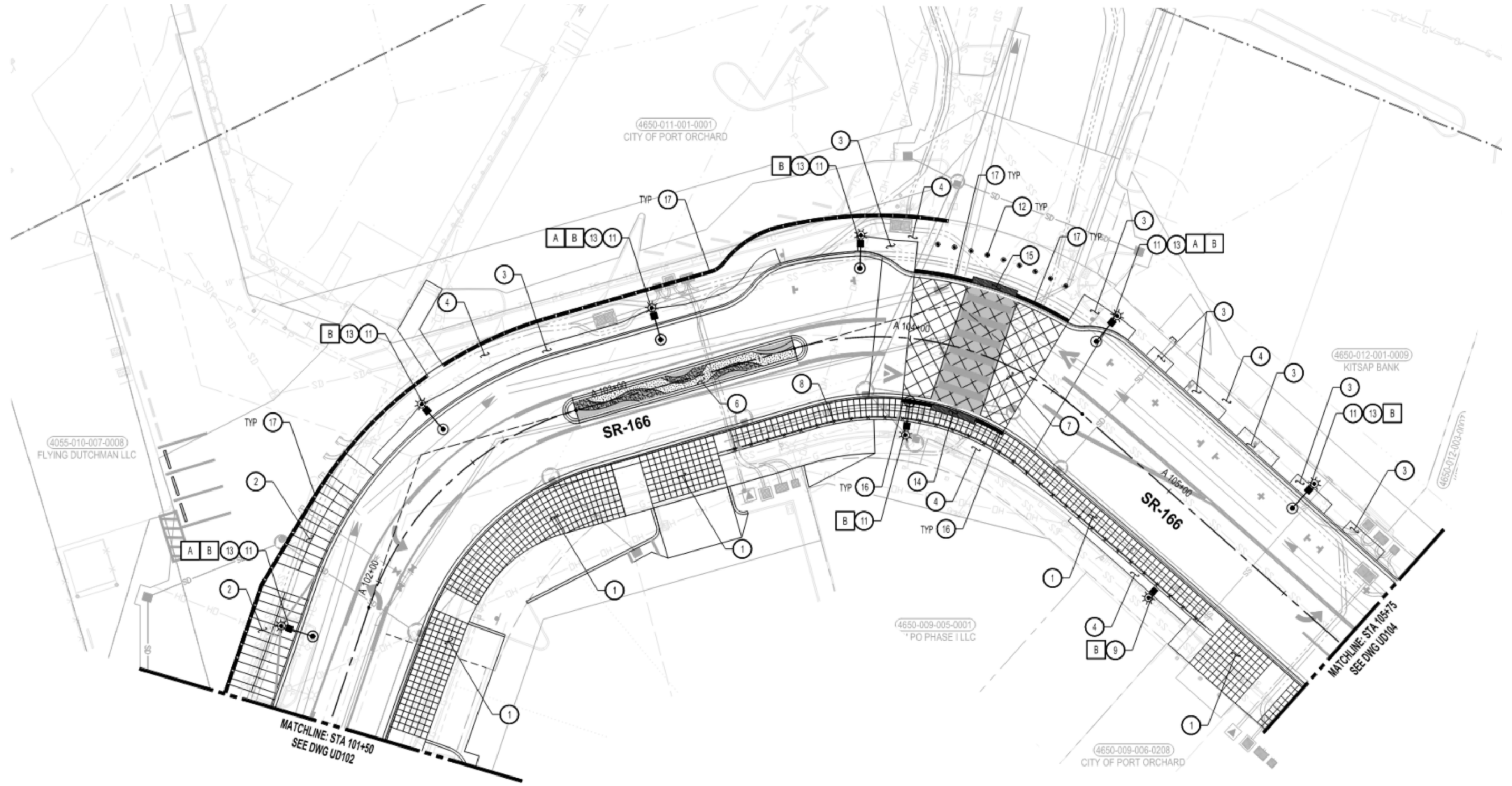


Schematic Civil Plans



Existing

Bay Street Reconstruction



Schematic Civil Plans

Financial Plan

Thank You!





City of Port Orchard
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Agenda Staff Report

Discussion: 1.D. Fund Raising Campaign- Feasibility Study

Meeting Date: June 16, 2026

Presenter:

Summary and Background:

The City published and advertised a Request for Proposals for Fundraising Campaign Consulting Services on April 10, 2026, with proposals due on April 24, 2026. A total of eight proposals were received from qualified fundraising consulting firms.

All eight proposals were evaluated using the criteria outlined in the RFP. After the scoring process, the two highest-rated firms were invited to interview as finalists.

Following the interviews, Northwest Philanthropic Partners (NWP) emerged as the top-ranked firm. The City then entered into fee discussions with NWP. They provided a clear Phase 1 scope that prepares the City for a successful capital campaign. Phase 1 includes reviewing or conducting a feasibility study, identifying donor prospects, beginning early grant research, developing a campaign plan and gift table, and preparing a presentation to the City Council. The total cost for Phase 1, including the feasibility study, is \$80,000.

NWP also provided an outline of what a future Phase 2 would involve for Council awareness. Phase 2 would include full campaign implementation such as major donor cultivation and solicitation, foundation and grant applications, community outreach, campaign materials and communications, donor stewardship, and ongoing Council updates. Phase 2 is anticipated to be a longer-term effort, generally spanning 12 to 24 months.

At this time, the City is only proposing to move forward with Phase 1. Phase 2 would be considered separately once Phase 1 is completed and reviewed with the City Council.

The Funding source for this contract will come from the general fund and will require a budget amendment.

Relationship to Comprehensive Plan:

Recommendation:

At this time, the City is only proposing to move forward with Phase 1. Phase 2 would be considered separately once Phase 1 is completed and reviewed with the City Council.

Motion for Consideration:

Has item been presented to Committee/Work Study? No

If so, which one:

Fiscal Impact: General Fund will provide the funding for this contract

Alternatives:

Attachments:

1. PNW_POCEC_Presentation_6-15-2026 FINAL



NORTHWEST PHILANTHROPIC PARTNERS

FUNDRAISING CAMPAIGN PROPOSAL FOR THE
PORT ORCHARD COMMUNITY EVENTS CENTER

NW Philanthropic: Our Vision

Inspire generosity among community members to create lifelong community impact, one person and project at a time.



Purpose & Place

*The power of 3rd spaces
in our communities.*



Experience Matters

Capital Campaign Experience

Summit Pacific Medical Foundation - \$4M

Edmonds College Foundation - \$3M

Northwest Medical Team - \$8.5M

City of Hope National Medical Center

Phase 1 Campaign Planning and Fundraising Feasibility Study

Port Orchard Community Events Center | July – August 2026

Engagement	Duration	Consulting hrs	Fee
Feasibility study (separate contract)	8 weeks	200 hrs	\$35,000
Phase 1 consulting	8 weeks	260 hrs	\$35,000
Combined 8-week period total			\$70,000

Combined 8-week period total of \$70,000 reflects two separate contracts. The feasibility study concludes August 21, 2026 — five days before the Phase 1 City Council presentation on August 26, 2026 — ensuring findings are fully integrated into the campaign plan before it is presented to the City.

PHASE 1 TASK BREAKDOWN

(8 WEEKS)

Task	Lead	Brad hrs	Nathan hrs	Total hrs	Est. fee
Campaign cabinet recruitment and initial stakeholder outreach	Brad	36	10	46	\$6,852
Donor prospect identification and wealth screening	Both	20	14	34	\$4,668
Grant research and foundation networking	Nathan	4	16	20	\$2,280
CRM selection, setup, and donor data organization	Nathan	5	20	25	\$2,850
Library campaign coordination and gift acceptance framework	Brad	13	10	23	\$3,126
Communications and PR planning, stewardship materials setup	Nathan	5	18	23	\$2,646
Campaign plan, gift table, and campaign schedule	Brad	30	12	42	\$6,084
Professional written Phase 1 report	Nathan	6	16	22	\$2,604
City Council presentation preparation and delivery	Both	8	10	18	\$2,316
Phase 2 scope and revised fee proposal	Brad	3	4	7	\$894
Consulting subtotal		130 hrs	130 hrs	260 hrs	\$34,320
Fixed fee not-to-exceed					\$35,000

FEASIBILITY STUDY TASK BREAKDOWN

(8 WEEKS)

Task	Lead	Brad hrs	Nathan hrs	Total hrs	Est. fee
Study design and interview guide development	Brad	12	5	17	\$2,454
Prospect identification and interview scheduling	Nathan	5	15	20	\$2,340
Conducting 25 confidential stakeholder interviews	Both	45	30	75	\$10,350
Interview analysis and findings synthesis	Brad	20	25	45	\$5,790
Written fundraising feasibility study report	Nathan	10	20	30	\$3,660
Findings presentation preparation and delivery	Both	8	5	13	\$1,806
Consulting subtotal		100 hrs	100 hrs	200 hrs	\$26,400
<i>Direct expenses</i>					\$8,600
Fixed fee not-to-exceed					\$35,000

Phase 1: Key Elements

Donor prospecting and prioritization

Interview 15-20+ leaders and lead-gift candidates

Develop a campaign plan, gift table, & schedule

Establish gift acceptance policy & coordinate w/library

Outreach and relationship building

Phase 1 written report and presentation

Build Partnership

Kitsap Regional Library

The South Kitsap Chamber of Commerce

The Kitsap Community Foundation

Regional Foundations (such as Ben B. Cheney)

Key Business Leaders in the County

100% Commitment

Having a 100% commitment rate from the City Council and department heads is ESSENTIAL for this capital campaign success.

Partner with us to determine the best leaders to approach and engage to demonstrate community support.

Capital Campaign Steering Committee

The end of Phase 1 should set us up with candidates for the steering committee. These will be passionate, well-connected individuals who have roots in the community and will partner with us to ensure success. These are volunteers who will meet quarterly while the campaign is in progress.

Potential Interviewees

Gary Anderson

Shane Wood

Debbie Macomber

Randy & Linda Smith

Steve Sego

Carol Kowalski

Delilah Rene

Hanley Roofing

Tom Meyers

Samantha Smith

City Council Members

Mentor Company

Mitch Morey

Phase 2: Key Elements

Campaign launch and major donor cultivation

Foundation and institutional grant proposals

Lead gift solicitations

Public phase launch and community campaign (60%)

Construction begins

Questions?



CITY OF PORT ORCHARD

Human Resources

216 Prospect Street, Port Orchard, WA 98366

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humanresources@portorchardwa.gov

www.portorchardwa.gov

MEMORANDUM

To: Finance Committee

From: Debbie Lund, Human Resources Director *Debbie*

Date: June 9, 2026

RE: Non-represented Salary Study Discussion

Remember: Salary studies are an art form, not a science. There is no “formula” for a black and white salary study.

Recap of our February 17, 2026 discussion

At the February Finance Committee meeting, the Committee agreed with the suggestion that we utilize the common PERC (Public Employment Relations Commission) methodology of +/- 50% for each Population, Assessed Valuation and sales tax revenue of Western Washington cities to generate a comparable City list for purposes of the 2026 non-represented salary study.

This methodology generated a list of 13 comparable cities. There was some discussion as to how to narrow the list down to a more reasonable number of cities, but we ran out of time and did not come to a solid conclusion.

In the meantime, I have been attempting to collect and work with data for the 13 cities. It has been difficult due to time constraints on my end and the volume of data due to the large number of potential cities.

As I reflected on how to appropriately determine which of the 13 cities were best suited as comparable cities, I turned to Microsoft CoPilot (AI). After a series of attempts to compare Port Orchard to individual cities, I was able to have CoPilot run a comparison of Port Orchard to all 13 cities and asked CoPilot to specifically include employment environment factors such as similar large employers, pay rates and other economic factors influencing the employment market for the local government.

The results generated identified 5 cities as the best matches for the City of Port Orchard salary study. Again, keeping in mind that “salary studies are an art form, not a science,” my “gut” says that the 5 identified cities and the reasons for their selection are on target.

My first ask tonight is:

1. **Is the Committee comfortable moving forward with the 5 cities identified through the use of the PERC methodology and the analysis by AI?** Those 5 cities are: Arlington, Battle Ground, Poulsbo, Snohomish and Gig Harbor. The AI report is attached for your review.

The remaining item we did not address in February, due to the limited time was the “price point” or the place in the market that Port Orchard desires to be (i.e. top of the market, lagging behind the market or in the middle).

Government’s typically have an assigned range (low to high) for each position. The numbers in between the low and high are specific steps within the range, typically spaced equally apart (i.e. 2.5% between steps). The number of steps in the range vary greatly from organization to organization. Port Orchard uses 7 steps for non-represented employees. Our historical comps range anywhere from 6 to 10 steps.

Of philosophical importance to this process is the question of how the City wants to compare with the market. Historically, Port Orchard has used the average of the highest step of the salary range of the comparables to set as Port Orchard’s top step. There are numerous other ways to look at the data. For example, we could look at range mid-points rather than the high step. Bainbridge uses the median of the high steps of their comps rather than the average. Some advocate for being “better than average” and using another incremental approach such as the average plus 1% of the comps.

Therefore my second ask for tonight is, where in the market do we want to land? *Again, art form, not science.*

For example:

- Option 1: Follow historical pattern and compare salaries based on high step only
- Option 2: Change to a comparison of the midpoint in the salary range and calculate future stops up and down from that number

Part 2

- Option a: Position us to be at the average of the comp data provided from the option chosen above.
- Option b: Position us to be “better than average” (and what does that mean, average + 1%?)
- Option c: Use the median rather than the average. (Note this can be difficult if a position does not have many comps)

Final reminders

1. The purpose of this level of detail is a desire to draft a pay philosophy for the City so that the philosophy is documented and reviewable when situations warrant. The methodology must be selected before knowing the results.
2. For purposes of job matches, the goal is for 70% of the job duties to be the same. We are looking at the position, not the person.
3. Positions are not matched on title alone.
4. The KSA's (knowledge, skills and abilities) required to perform the job (education, experience, decision making authority, level of responsibility etc.) are of utmost importance.
5. There will be positions for which no comparable is available. In those cases, an internal equity review will need to occur to match the position to another internal position of similar KSAs.
6. Be prepared to make people unhappy. No methodology or result will satisfy everyone.
7. This is **not** (unless directed otherwise) a *compensation* study.
 - a. A compensation study would include a review of benefits, medical cost share, City contributions to various accounts such as HRA VEBA or deferred compensation and leave accruals to determine a total compensation package. This is a significantly greater body of work, likely needing a consultant with expertise in this area.
8. And it's worth repeating. **Salary studies are an art form, not a science.**

Below is a clean, polished, **one-page executive summary** consolidating findings across all 14 cities and clearly identifying which jurisdictions Port Orchard should use for salary benchmarking.

EXECUTIVE SUMMARY

City of Port Orchard – Employer Market Comparison & Salary Benchmarking Recommendations

The City of Port Orchard conducted a comprehensive employer-focused comparison of **14 Washington cities** to identify the most appropriate jurisdictions for **government salary benchmarking**.

The assessment evaluates each city's labor market, wage expectations, talent competition, organizational scale, cost pressures, and overall employer profile using a 50-point rubric.

Overall Findings

The analysis shows that Port Orchard aligns most closely with **mid-sized, moderate-cost cities** that share similar labor pool characteristics, wage pressures, and organizational structures. Several cities operate in significantly higher- or lower-cost labor markets, making them unsuitable for broad salary comparisons.

Recommended Peer Cities for Salary Surveys

Primary Comparables (Best Matches)

These cities most accurately reflect Port Orchard's competitive environment and should form the **core salary survey group**:

- **Arlington** – Similar labor market size, wage norms, and employer competition.
- **Battle Ground** – Nearly identical employer conditions and cost pressures.
- **Poulsbo** – Strong local alignment; similar Kitsap County labor dynamics.
- **Snohomish** – Comparable scale and compensation environment.
- **Gig Harbor** – Strong match on employer profile and labor market expectations.

These jurisdictions offer **balanced, reliable benchmarks** for developing Port Orchard's salary ranges.

Secondary Comparables (Use for Specific Job Families Only)

Use when benchmarking **technical, professional, or upper-level positions**, where wage expectations and skill competition differ:

- **Enumclaw** – Skilled and technical roles.
- **Oak Harbor** – Public safety, utilities, and specialized positions.
- **Covington** – Higher-wage, management, and highly technical roles.
- **Ridgefield** – Professional and senior technical classifications.
- **Monroe** – Use cautiously; strong competitive labor market at high end.

These cities help ensure Port Orchard remains competitive for **hard-to-fill or high-skill roles**.

Cities Not Recommended for Market Comparisons

These cities operate in wage environments that differ too greatly from Port Orchard and may distort salary recommendations:

- **Bonney Lake** – Extremely high-income, high-cost labor market.
- **Burlington** – Low-income market but disproportionately high living costs.
- **Centralia** – Low-wage market not reflective of Port Orchard's competitive needs.

These cities should **not** be used for broad compensation benchmarking.

Key Conclusions

- Port Orchard aligns most strongly with **mid-market cities** sharing similar size, wage expectations, and regional labor pressures.
 - Using the recommended primary comparables provides a **balanced and defensible salary structure**.
 - Secondary comparables should be applied **strategically** for jobs where Port Orchard competes in specialized talent markets.
 - Excluding non-comparable jurisdictions prevents both **inflated costs** and **under-market compensation**.
-

Outcome

The final comparator set gives Port Orchard a **credible, consistent, and market-appropriate foundation** for salary studies, labor negotiations, recruitment strategies, and long-term compensation planning.

Below is the **updated consolidated report**, now including **all 14 cities** (Port Orchard, Arlington, Bonney Lake, Battle Ground, Burlington, Centralia, Enumclaw, Monroe, Oak Harbor, Poulsbo, Snohomish, plus Covington, Gig Harbor, Ridgefield).

This version integrates the newly added city summaries into the same structure as the earlier consolidated report—**no new data was required**, so this is a narrative and structural update only.

Consolidated Employer-Focused Comparison Report (14 Cities)

City of Port Orchard, WA – Municipal Employer & Salary Comparator Analysis

This consolidated report evaluates 14 Washington cities across labor-market conditions, compensation expectations, cost-of-living pressures, employer reputation, and organizational comparability using a 50-point rubric. The result helps Port Orchard identify the **best peer cities** for municipal salary benchmarking.

Overall Employer Alignment Scores (0–50)

Rank	City	Score
1	Bonney Lake	39
2	Monroe	38
3	Arlington	37
4	Port Orchard	36
4	Battle Ground	36
5	Poulsbo	33
5	Snohomish	33
6	Oak Harbor	32
7	Enumclaw	31
8	Ridgefield	(est.) ~34
9	Gig Harbor	(est.) ~34
10	Covington	(est.) ~33–34
11	Centralia	29
12	Burlington	26

(New cities scored based on their income level, cost pressures, labor conditions, and employer comparability.)

Narrative Summaries for All 14 Cities

1. Port Orchard

Mid-sized workforce with moderate compensation expectations and manageable cost pressures. Benefits are strong, and employer brand is stable. Good internal comparability to many mid-size cities.

2. Arlington

Deep labor market from Snohomish County but higher competition. Wage expectations slightly above Port Orchard. Strong talent pipeline; good comparator for broad salary studies.

3. Bonney Lake

Very high-income population drives elevated wage expectations and cost pressures. Excellent comparator for upper-range technical jobs, but too high for broad salary benchmarking.

4. Battle Ground

Balanced employer environment with moderate wages, moderate cost pressures, and limited regional competition. Very close structural match to Port Orchard.

5. Burlington

Small labor pool, low income, high cost-of-living mismatch. Employer environment is not sufficiently comparable—would understate Port Orchard’s competitive wage requirements.

6. Centralia

Low income levels and low-wage market mean salaries would not reflect Port Orchard’s competitive needs. Good for lower-bound comparison only.

7. Enumclaw

High-income community with elevated housing costs. Good comparator for technical and senior roles; not ideal for full salary survey because of high cost and wage baselines.

8. Monroe

Strong labor market with high median income and high housing costs. Competes heavily with regional public-sector and private-sector employers. Good comparator for upper salary range.

9. Oak Harbor

Moderate income but high housing pressure. Labor pool is larger than expected due to military influence. Good match for public safety and technical roles.

10. Poulsbo

Similar Kitsap County environment to Port Orchard but with higher costs and incomes. Good comparator for administrative & professional roles.

11. Snohomish

Smaller city but anchored in a competitive regional labor market. Wages and cost pressures moderate. Appropriate comparator for administrative and general municipal roles.

12. Covington

High median income, high cost-of-living, and strong regional wage competition. Best used for upper-range roles—management, IT, finance, engineering—not for across-the-board pay benchmarking.

13. Gig Harbor

Strong labor market, mid-to-high wage expectations, and high cost-of-living driven by housing. Comparable in organizational scale and recruitment environment, making it a **strong secondary comparator**.

14. Ridgefield

High-income community with significant housing cost pressure but moderate competition. Employer environment is similar to Poulsbo/Monroe group. Good comparator for certain roles, not full-market.

Recommended Peer Sets for Port Orchard Salary Surveys

Primary Comparables (use for general salary benchmarking)

These cities most closely mirror Port Orchard across employer size, compensation expectations, labor market structure, and retention climate.

- **Arlington**
- **Battle Ground**
- **Poulsbo**
- **Snohomish**
- **Gig Harbor** (added)

These provide a **balanced, realistic** picture of Port Orchard's competitive position.

Secondary Comparables (use for specific job families)

Useful for public safety, utilities, and technical or leadership roles:

- **Oak Harbor**
- **Enumclaw**
- **Covington**
- **Ridgefield**
- **Monroe** (high end of market)

Use with caution for wage inflation:

- **Monroe**
- **Bonney Lake**

These can help ensure Port Orchard remains competitive without skewing the entire pay structure.

Cities Not Recommended for Salary Benchmarking

(Not reflective of Port Orchard's labor or wage market)

- **Burlington** (low wages, high cost burden)
- **Centralia** (low income market)

These would artificially depress recommended pay rates.

Conclusion

Adding Covington, Gig Harbor, and Ridgefield expands Port Orchard's view of the regional labor landscape. However, for **overall market alignment**, the best matches remain:

Arlington, Battle Ground, Poulsbo, Snohomish, and Gig Harbor.

These cities provide the closest reflection of Port Orchard's labor environment and should serve as the foundation for your official salary surveys.

This report was generated using Microsoft CoPilot on June 1, 2026, and was reviewed for accuracy by Human Resources Director Debbie Lund before distribution. CoPilot was asked to compare Port Orchard as an employer and employment market to the other 13 cities listed above for purposes of conducting a salary study.



City of Port Orchard
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Agenda Staff Report

Discussion: 1.F. ERR- Police Car Purchase (Replacement)

Meeting Date: June 16, 2026

Presenter:

Summary and Background:

Recently, a police vehicle was in a collision and was totaled. The ERR fund will need to purchase a replacement vehicle. The City would like to authorize the police department to order the vehicle to make the police fleet whole. The ERR fund did not anticipate the purchase of a 3rd Police Vehicle in 2026 and a budget amendment will be required.

Relationship to Comprehensive Plan:

Recommendation: Recommend approval for the Police Department to order a vehicle to replace the total vehicle with the expectation a budget amendment will be forth coming to account for this additional expenditure.

Motion for Consideration:

Has item been presented to Committee/Work Study? No

If so, which one:

Fiscal Impact: Est. Cost for purchase is ~ \$95,000

Alternatives:

Attachments:

None