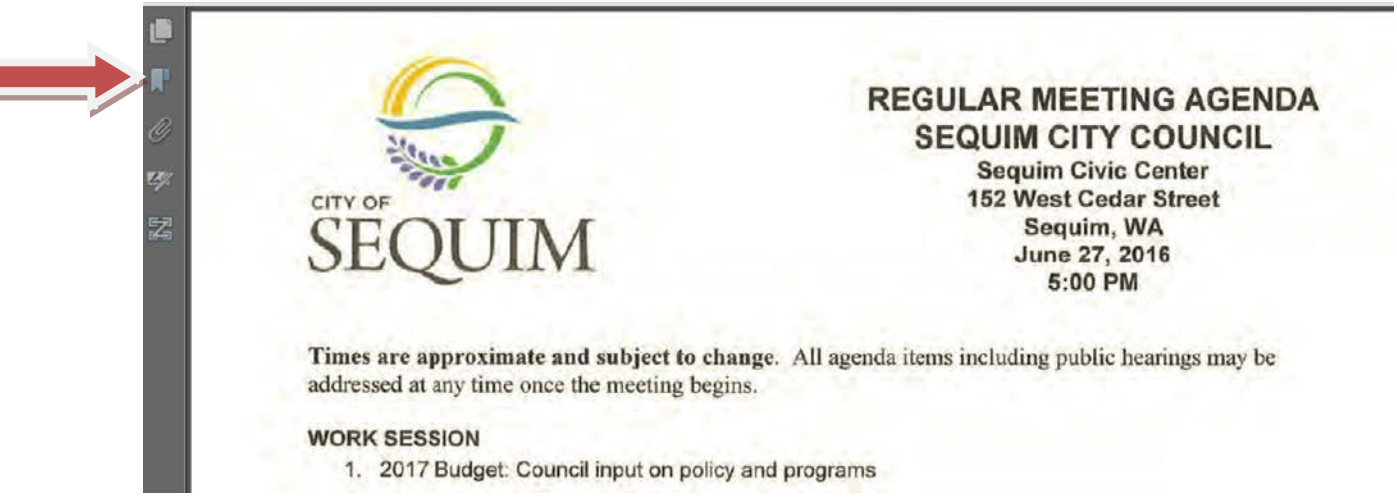
CITY OF SEQUIM

152 West Cedar Street Sequim, WA 98382
City Hall (360) 683-4139 FAX (360) 681-3448
Public Works (360) 683-4908 FAX (360) 681-0552

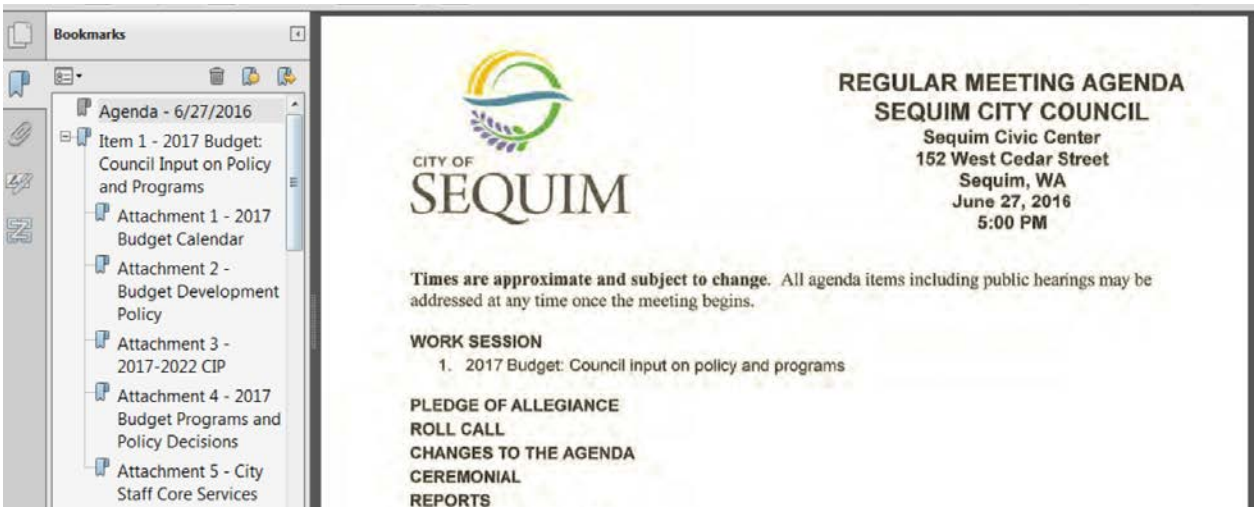
AGENDA - NEW LOOK

The agenda is now set up as one document with "Bookmarks."

When you open the document, you will see one of the screens below:



If you see the screen above - Click on ribbon identified by red arrow above. Now your screen will look like the screen below showing "Bookmarks". Click on any item to view it



REGULAR MEETING AGENDA
SEQUIM CITY COUNCIL

Sequim Civic Center
152 West Cedar Street
Sequim, WA
June 27, 2016
5:00 PM

Times are approximate and subject to change. All agenda items including public hearings may be addressed at any time once the meeting begins.

WORK SESSION

1. 2017 Budget: Council input on policy and programs

PLEDGE OF ALLEGIANCE
ROLL CALL
CHANGES TO THE AGENDA
CEREMONIAL
REPORTS
Committee, Board and Liaison
Presiding Officer
City Manager
Student Liaison Report
PUBLIC COMMENTS *Please limit comments to 3 minutes. Please see "Public Comments" rules attached.*

INFORMATION/COUNCIL QUESTIONS INVITED

PUBLIC HEARINGS

CONSENT AGENDA

2. Approve/Acknowledge
   a. City Council Meeting Minutes – June 13, 2016
   b. Claim Voucher Recap Dated 6/27/16 Total Payments $772,709.05
   c. Resolution R2016-17 Authorizing RCO Application for Washington Wildlife and Recreation Program for Carrie Blake Community Park
   d. Resolution R2016-18 Authorizing Application for Youth Athletic Facilities Grant for Little League Fields at Dr. Standard Park

TBD BUSINESS

UNFINISHED BUSINESS

3. Pavement Rehab Update
4. Approve Guy Cole Scope of Work

NEW BUSINESS

5. Ratify Contract with Cline Irrigation District for City Maintenance Services
6. Approve MOA with Sequim Prairie Tri-Irrigation District

7. Approve Resolution R2016-19 in Support of Dungeness Off-Stream Reservoir Grant Application

GOOD OF THE ORDER

PUBLIC COMMENTS *(Please limit comments to 3 minutes each)*

EXECUTIVE SESSION – Property Acquisition / Potential Litigation

NEXT MEETING DATE *These times are subject to change. Please check our website for any updates. You may also sign up for email notifications at http://sequimwa.gov/list.aspx.*

ADJOURNMENT

PUBLIC HEARING PROCEDURES

1) Members of the public wishing to comment at the public hearing are to sign in with the Clerk giving their names, address, and the agenda item.
2) The Mayor may limit the speaker time for each speaker subject to council concurrence and may also change the order of testimony to maintain a logical sequence.
3) All comments by speakers shall be made from the speaker's rostrum and any individual making comments shall first give their name and address for the official record.
4) No comments shall be made from any other location and anyone making "out of order" comments shall be subject to removal from the meeting.
5) There will be no demonstrations during or at the conclusion of anyone's presentation.
6) These rules are intended to promote an orderly system of holding a public hearing, to give every person an opportunity to be heard and to ensure that no individuals are embarrassed by exercising their right of free speech.

NOTE: Items presented by members of the public during the Council meeting become a public document. Please submit them to the Clerk or her representative. Copies of public documents from Council meetings are available at the City Clerk's Office.

PUBLIC COMMENTS

Although *no* public comment is *required* to be provided for at City Council meetings, City Council members have provided for two public comment periods.

Not all agenda items are appropriate for public comment. Matters which are or were the subject of a public hearing for which required notice was given are topics where public comment outside of the public announced hearing are not allowed by law. Matters that may affect liability for the City are not appropriate for comments from the public even though it may be an agenda item. Frequently questions from the audience to the council or to staff or to consultants are not appropriate to answer at a council meeting. The chairperson will explain when public comment is not appropriate as the need may arise. If you wish to comment on a Public Hearing item, please sign up on the specific Public Hearing sign up sheet.

Public Comment Rules:

1. Come to the lectern; state your name, address, and topic for the record.
2. Please limit your comments to 3 minutes.
3. Please refer to the sign-in sheet for additional rules.

AGENDA ITEM #__1___

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **June 27, 2016**

FROM: **Sue Hagener, Administrative Services Director** **SH** Initials

SUBJECT/ISSUE: **2017 Budget: Council Input on Policy and Programs**

Discussion dates	April 24, 2016			
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		Work Session – 1 hour
	☒ Unfinished Business	☐ New Business		
Reviewed by			Initials	Date
Charlie Bush, City Manager			CPB	6/20/16
Kristina Nelson-Gross, City Attorney			KNG	6/21/2016
David Garlington, Public Works Director			Dmg	6/21/16

PROBLEM/ISSUE STATEMENT:
As staff begins to identify specific programs and projects to accomplish Council goals and address Council priorities in the 2017 budget, we request your input and feedback. It's also appropriate to provide Council the 2017 Budget calendar and to revisit the policy that shapes the budgeting process.

LIST OF ATTACHMENTS:
1. 2017 Budget Calendar
2. Budget Development Policy
3. 2017-2022 CIP
4. 2017 Budget Programs and Policy Decisions
5. City Staff Core Services

DISCUSSION/ANALYSIS:

Council Input on Policy and Program Decisions

Today, staff is seeking input and feedback on policy and program decisions we are contemplating for the 2017 Budget. We are engaging the Council to ensure that your goals and priorities are reflected adequately, upfront. We have performed an initial alignment of your priorities with the vision identified in the Comprehensive Plan and further identified programs we believe will realize that vision, both in the short and long term. Also attached are the 6 year CIP that you will be adopting in July and a document outlining the core services staff already provides.

State of 2017 Budget Process

On schedule and ahead of prior year schedules: All departments are currently in the process of preparing their 2017 budgets. Staffing requests, reorganizations, negotiated union contracts and retirements are being evaluated for financial impact. Capital projects are being loaded into our robust budgeting software. "First pass" budget requests from staff are due in July with a "budget scrub" scheduled for late July, where City staff will realign departmental requests with Council goals and resources. We will use the month of August to review these numbers, presenting them to the City Manager, so that we can be ready to present the preliminary budget to Council in September.

Budget Development Policy

Prudent and thoughtful Financial Policies (and compliance with them) help ensure the City's long-term financial viability. The annual budget, although short term in nature, is an important component in financial planning. The basis for the each year's budget is the Budget Development Policy. It helps staff evaluate current activities and proposals for future programs and directs the City's limited financial resources toward meeting the strategic goals of the City.

Key Budget Concepts

- Ongoing expenses are balanced with ongoing revenues
- Council goals are reflected in departmental budgets with adequate resources to accomplish those goals
- Service levels and priorities are established by Council during the budget process
- Quality service is maintained rather than across the board cuts
- New programs and services are given careful consideration and should be reasonably funded as directed by Council
- Services that provide a private benefit must be supported by fees (instead of general city taxes)
- The cost of central support services shall be allocated appropriately

This policy was prepared with the assistance of key staff, according to published guidelines by the Government Finance Officers Association, the Washington Finance Officers Association and in line with published policies of other Washington Cities.

FINANCIAL IMPLICATIONS:
Our Budget policy and input from Council today will provide guidance during the financial decision-making process for the 2017 Budget. The 2017 Budget is scheduled for adoption in November 2016.

RECOMMENDATION:
There is no recommendation at this time.

MOTION:
None at this time

CITY OF SEQUIM

2017 Budget Calendar

February	2015 City and TBD Financial Results Review and Approval of Financial Policies
March	Management Retreat
March-June	Staff preparation of Capital Improvement Plan Staff preparation of Budget Software Staff preparation of 2016 Forecast (establishes 2017 Beginning Fund Balances)
April	City Council Retreat
May	City Council Re-Retreat
June	Personnel Requests Finalized Council Input on Programs, Budget Calendar and Policy Review Staff completes 2016 Forecast
July	Council Review of 2017-2022 CIP Mid-Year Financial Review Staff engages in 2 day "Budget Scrub"
August	2016 Mid-Year Budget Amendments Budget Narratives Completed
September	6 Year Long Range Financial Plan Preview of Rates and Fees Proposed City Manager Budget delivered to City Council with Citywide Overview
October	Proposed City Manager Budget – Review of Departments Proposed City Manager Budget – Review of Capital Projects, including TBD
November	Public Hearings and Adoption of Revenue Sources, Rates & Fees, Property Tax Levy and 2017 Budgets for City and TBD

Attachment 1

CITY OF SEQUIM

Financial Policies
Budget Development Policy

☒ ADOPTED BY COUNCIL: JANUARY 25, 2016	EFFECTIVE DATE: JANUARY 25, 2016

I. PURPOSE

The purpose of this policy is to help guide the budget development process. There may be differences between this policy and the budget based on the uniqueness of each year's budget.

The City allocates scarce resources to programs and services through the budget process. The budget process is more than balancing revenues and expenditures one year (two year if biennium) at a time. In addition to being a short-term operational plan, it is the primary means for implementing the City's strategic plan. The budget authorizes the level of City services for the year (or biennium), as defined by the City's goals, priorities and objectives and adjusted for the constraints identified in the long range financial plan.

The link between the strategic plan, long range financial plan and the budget can be challenging. Strategic planning sets overall direction for the City, defining what is to be accomplished through its use of resources by identifying the City's goals, priorities, and objectives. The long range financial plan positions the City to remain effective over the long term.

II. POLICY – GENERAL

1. Budget at Fund Level: Budget adoption by the City Council shall be at the fund level. Any changes in appropriations at fund level require City Council approval.

2. Balance Ongoing Revenues with Ongoing Expenses: Current revenues, including unencumbered fund balances should be sufficient to support current expenditures. Although Fund Balance is considered revenue, its use in balancing the budget should be restricted to special situations, such as one-time expenditures or carry-over of a prior year funded project (see Reserves/Fund Balance Policy for more guidance).

3. City Council Goals Identified in Annual Workplan: The City Council identifies specific goals as part of the City's workplan. Departmental budgets should include adequate resources to accomplish those goals in the expected timeframes.

4. Municipal Service Levels: The City Council will establish municipal service levels and priorities prior to and during the development of the preliminary budget. The following will be taken into consideration to determine the proper levels of service:

Attachment 2

a) Maintain Quality Service Programs: If expenditure reductions are necessary as a result of changing economic status, selective service elimination is preferable to across the board cuts which can result in poor or marginal quality programs.

b) New Programs and Services: Adding new programs and services that require additional resources should be limited to the extent that they can be reasonably funded over the near-to-long-term given the current revenue stream.
   i) Funding New vs Existing Programs: If new sustainable funding is not available, then new or enhanced services will compete directly with maintaining existing programs in determining the appropriate allocation of resources. This will provide the best mix of services to citizens and keep pace with the changing needs of the community.
   ii) Adding Fee for Service Revenues: Where practical, new services that provide private benefit should be supported by new fees instead of increasing general City taxes.
   iii) Programs with Dedicated Funding: Programs that are funded through a dedicated revenue source (i.e., grants or other non-tax revenue), that meet the goals of the City Council, will receive priority consideration, as long as ongoing funding is addressed.

5. Cost Allocation: The full cost of providing central support services shall be allocated to other funds and capital projects, and if appropriate to grants and specific programs. Indirect costs are calculated for General Fund Departments, but are not allocated. These indirect costs will be considered in evaluating the total cost of programs.

   a) Meet Federal Indirect Rate Requirements: The cost allocation plan should meet Federal requirements (OMB Circular A-87) to allow for indirect cost recovery on Federal and State grants.

II. POLICY – REVENUES

1. Baseline Revenues: Significant revenues that contain variable components related to economic activity, such as development, or other one-time, non-recurring or unusual items should be identified in order to determine baseline revenues. The variable component of revenues should not be used for ongoing operating programs and services.

   a) Property Tax: Tends to be stable; contains an unpredictable component for new construction and annexation; can be impacted by zoning changes and assessed valuation changes
      i) Variable Component: new construction and annexations in year added to the tax roll (tax is based on levy rate instead of 1% increase)

b) Sales Tax: Minimum base tends to be stable; contains an unpredictable component related to economic changes, particularly the "boom and bust" housing cycles
   i) Variable Component: consider construction sales tax above 10 year average; other sales tax above 3% growth; may need to adjust based on economic conditions or changes in tax base such as new stores or the closing of stores

c) Utility (B&O) Tax: Tends to be stable; subject to changes in utility rates, usage, conservation, regulations
   i) Variable Component: not significant; no exclusions unless specific situations warrant an exclusion

d) Interfund Service Charges: Minimum base tends to be stable; contains an unpredictable component related to capital projects
   i) Variable Component: capital projects above 5 year average; may need to adjust based on unusual large projects or economic conditions

e) Development Related Fees: Minimum base is difficult to determine, large unpredictable component related to "boom and bust" housing cycles
   i) Variable Component: consider amounts above 10 year average or 3% growth based on economic conditions

f) Interest Earnings: Interest on minimum fund balance may be included for baseline revenues.

g) Potential New Revenues: Proposed new revenues that are early in the Council review process are typically not included in the budget. Public input may change the process and revenues may be difficult to quantify. If Council provides a quantifiable commitment to adopt new revenues they could be included in the budget.
   i) Unknown Component: excluded unless Council provides quantifiable commitment

2. Limit Use of One-Time Revenues: Revenues that are not predictable should be identified and should not be used for ongoing operating program and services.

   a) Types of One-time Revenues: This includes significant revenues from sales of assets, bond refunding savings, infrequent intergovernmental revenues, grants, and so forth. It also includes the variable component of taxes and other revenues.

   b) Use of One-Time Revenues: The use of significant one-time revenues should be set aside in reserves or restricted to non-recurring expenses,

such as, research/analysis projects, expenses caused by transition, startup costs, capital projects, debt retirement, and so forth.

3. Revenue Diversification: The City will strive for a diversified mix of revenues to handle fluctuations in revenues and to better distribute the cost of providing services.

   a) Analysis Factors: When evaluating diversification, the following factors should be considered:
      i) Balance amongst taxpayers and ability to diversify tax base such as changes in zoning
      ii) Sensitivity of revenues to changes in economic cycles and rates
      iii) Fairness of the tax or fee
      iv) Regulations or changes in state shared revenue distributions
      v) Impact on economic growth
      vi) Other, such as administrative aspects

   b) Taxes Should be Balanced: When City taxes are changed (increased, decreased, extended) the following factors should be considered:
      i) Stability of tax source over its expected life; suitability for pledge against future debt if that is part of the intent
      ii) Spread of tax burden throughout the City's tax base through a broad array of taxes
      iii) Tax impact to both residential and business taxpayers and its affect on future growth
      iv) Investigation of mitigation for inequities or hardships, such as low-income deferrals, rebates or exemptions

4. Unrestricted Revenues Should Remain Unrestricted: Unless otherwise stated specifically by City Council, unrestricted resources should not be earmarked for specific purpose in the General Fund. This will preserve the ability of the Council to determine the best use of available resources to meet changing service requirements.

5. Interfund Services (Cost Allocations): Indirect costs include general management, facility and equipment costs, and operational costs that are pooled. These costs are accounted for in central support service centers and should be fully allocated to funds that benefit from the services, such as Enterprise Funds, Capital Projects and selective Special Revenue Funds or specific programs where appropriate. Grant applications should include indirect costs where allowed. Indirect costs of General Fund operating units will be calculated for use in evaluating program costs but will not be allocated.

6. Fee for Service Revenues: As much as reasonably possible, City services that provide private benefit or service limited interests should be supported by

fees and charges in order to provide maximum flexibility in use of general City taxes to meet the cost of services of broader public benefit.

a) Recover Full Cost: Fees should be set to recover full costs, including all direct costs and indirect costs (capital costs, department overhead and city-wide overhead (cost allocations)).

b) Justify Subsidy: Charging less than full costs results in using general city taxes to subsidize the cost of the service. A subsidy must be justified, and may be considered if it meets other City interests and objectives, such as remaining competitive. Intentional subsidies will be documented and periodically reviewed with City Council.

c) Cost Studies: Departments that impose fee for service charges should periodically prepare and update cost-of-service studies. These studies may be performed and documented internally. An external consultant may be required for complex studies or where fee surveys are not available or where fees may be contested.

d) Human Needs Type Services: Exception may be considered for human needs type services to persons with limited ability to pay.

7. Intergovernmental Revenues: The City should take advantage of opportunities to enhance service delivery through intergovernmental cooperation, shared revenues and grants. However, this revenue should be treated as temporary, uncertain or unpredictable revenue.

a) Not for Ongoing Basic Services: Typically intergovernmental revenues and grants will not be used to fund ongoing basic service needs. If grants are for new, enhanced or discretionary services, then the service may need to be reduced or eliminated when the funding ends. Before accepting a grant, consideration should include not only the cost/benefits over the life of the grant, but the cost of interruption in service when the grant ends.

b) Capital Projects Consistent with Plan: Grants for capital improvements should be for priority projects or projects consistent with the capital improvement plan. The project should consider resources to support ongoing maintenance, operating, and replacement costs. The grant application should attempt to recover all costs, including ongoing maintenance, operating costs and replacement costs, as well as indirect costs. If a city match is required, this should be reviewed in light of other competing projects.

II. POLICY – EXPENSES

1. Baseline Expenses: Significant expenses that contain variable components related to economic activity, such as development, and other one-time or unusual items, should be identified in order to determine baseline expenses. The variable component of expenses may be funded by associated variable revenue or by one-time revenues and reserves (see Reserves/Fund Balance Policy).

   a) Include Maintaining Facilities and Equipment: Maintenance of facilities, technology infrastructure, operating equipment and vehicles, as well as the planned replacement of such assets should be included as baseline operating expenses. The amount included as baseline operating expenses will be determined by the Capital Improvement Plan Policy.

      i) Lowest Life Cycle Costs: When practical, resources should be allocated for selective preventative investments that can be made to avoid even larger costs in the future.

      ii) Funding Continuous Replacement: The use of short-term financing or lease/purchase arrangements should be minimized because of the ongoing requirement for operating equipment. (See Capital Improvement Plan Policy, Debt Management Policy.) The amount necessary to fund equipment reserves will take into account both financing and transfers to Equipment Reserves.

   b) Include Interfund Operating Transfers: Transfers to operations, such as Street Unrestricted, should be included as baseline operating expenses if General Fund is a significant revenue source for another operating fund.

   c) Exclude Interfund Capital and Reserve Transfers: Transfers for capital projects or to replenish reserve funds should be excluded from baseline operating expenses and would be funded by one-time or excess revenues.

   d) Exclude Community Investments: Discretionary investments for community/public benefit are excluded from baseline operating expenses. Funding from one-time revenues would be decreased if total baseline revenues fall or baseline expenses increase by 5% or more.

      i) Funding Level Health & Human Services: The amount of funds available will fluctuate based on the City's financial situation. Council may want to consider a separate funding policy based on a percent of

sales tax revenues, such as 2%, or an amount per capita, which would be reviewed along with the funding criteria.

ii) Funding Level Community Service Contracts: The amount of funds available will fluctuate based on the City's financial situation and service needs. Funding will be included in the City Manager's proposed Budget based on criteria for similar expenses. They will be included if they address services or facilities that support the city's mission and are a high priority compared to other options and proposed expenditures.

2. Personnel: This is the most significant operating expense.

   a) Competitive Compensation: Salaries and benefits should be comparable to cities and private sector employers that are within the same labor market and with other cities or private sector employers that offer comparable quality services in order to attract and retain high quality staff.

   b) Union Contract Negotiations: If a collective bargaining agreement is, or will be, under negotiations, then a specific amount will not be included in the budget for potential wage adjustments resulting from the negotiation, other than continuing the basis for a COLA adjustment, except a negative COLA will not be budgeted. This is to protect the City from any claims of not "bargaining in good faith". Funding for unknown contract terms must be considered in balancing ongoing revenues with ongoing expenses.

   c) Fluctuation in Staffing Requirements: Additional personnel resources needed for large projects or responding to a "housing" cycle boom may be retained on a temporary, term (non-permanent employee) or contract basis.

3. Technology Investments that Forestall Adding Permanent Staff: Recognizing that personnel related expenditures represent the largest portion of the City's budget, methods to increase efficiency and effectiveness of the delivery of City services through technology improvements should receive priority funding if it can forestall the addition of permanent staff.

4. Contingency: The budgeting for contingencies will be separately identified within each fund. An amount for General Fund contingencies will consider amounts across all departments in which only 50% of the costs are included, since all contingencies are not expected to occur.

III. PROCEDURE

1. City Council: The City Council has final responsibility for approving the annual Operating Budget.

2. City Manager: The City Manager oversees the budget development process and proposes the preliminary budget to City Council.

3. Departments: The Department directors under the guidance of the City Manager are responsible for proposing programs, recommending funding levels, and formulating budget proposals for implementing service programs in accordance with established goals and directives.

4. Finance: The Finance Department is responsible for coordinating the overall preparation and administration of the City's budget in compliance with applicable State of Washington statutes governing local government budgeting practices.

   a. The Finance Department provides revenue budget estimates, assists department staff in identifying budget problems and formulating alternative solutions, and prepares and distributes the final budget document.

   b. The operating budget is classified and segregated according to a standard classification of accounts as prescribed by the State Auditor.

5. Public Hearings: The Council will hold public hearings as required and approve operating and capital budgets prior to the end of the fiscal year in accordance with State law.

6. Quarterly Reporting: The Finance Department will maintain a system for monitoring the City's budget performance. This system will provide the City Council with quarterly reports regarding fund level resource collections and department level expenditures.

7. Budget Amendments: Semi-annually budget amendments will be presented in order to address unanticipated needs, emergencies, or compliance with State of Washington budgetary statutes. Budget amendments requiring City Council approval will occur through a process coordinated by the Finance Department. Significant financial issues that need to be addressed between quarterly reports will be provided to Council as warranted.

IV. REFERENCES

Sequim Municipal Code or Resolutions

- Resolution R-2009-15 Establishing Criteria for Grant Funding to Agencies through United Way (Health and Human Services Funding Criteria)

Revised Code of Washington

RCW 35A.33 provides the authority and the requirement for a code city to adopt a comprehensive annual budget prior to the start of each fiscal year.

- RCW 35A.33 Budgets in code cities
- RCW 35A.34 Biennial budgets

State Auditor's Office:

- Budget, Accounting and Reporting System (BARS) Manual, Part 2 Budgeting Chapter 1 – 3
- Small City Handbook, Section E - Budgeting

Professional Groups:

- National Advisory Council on State and Local Budgeting (NACSLB)
  - Recommended Budget Practices Element 4 Adopt Financial Policies

SEQUIM

DRAFT

2017-2022 - All Funds

Funding Summary and Estimated Cost

		2017 Estimate	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate	6-Year Plan Total
Capital Facilities Fund								
Facility Improvement Improvements								
CFL-003FI	Guy Cole Remodel	336		150	150			636
CFL-007FI	Public Works Facilities Property Development	68	55	57				180
	Capital Facilities Fund Total	**404**	**55**	**207**	**150**			**816**
Parks Restricted Fund								
Facility Improvement Improvements								
PRK-011FI	Carrie Blake Park Access Road Relocation	274						274
PRK-015FI	Carrie Blake Park Pickleball Courts	154						154
PRK-017FI	Carrie Blake Park Tennis Courts	60	230					290
PRK-045FI	City Wide Park Land Acquistion						200	200
PRK-044FI	Gerhart Park Building Removal and Restoration			75	75	75	75	300
PRK-047FI	Gerhart Park Child Play Equipment				60			60
PRK-013FI	Guy Cole Parking Lot Overlay and Drainage Improvements			312				312
PRK-018FI	Keeler Park Access and Parking				599			599
PRK-019FI	Keeler Park Pedestrian Boardwalk					187		187
PRK-020FI	Pioneer Park Sewer Connection	55						55
PRK-046FI	Reuse Demo Site Band Shell Tiered Seating						196	196
	Parks Restricted Fund Total	**543**	**230**	**387**	**734**	**262**	**471**	**2,627**
Sewer Restricted Fund								
Collection System Improvements								
SRR-001CS	Cedar Street Sewer Improvement			308	1,289			1,597
SRR-003CS	Doe Run Lift Station	261						261
SRR-014CS	East Fir Street Sewer Replacement	240	1,211	653				2,104
SRR-002CS	Etta Street Sewer Improvements		195					195
SRR-013CS	North Blake Avenue Sewer Improvements				213			213
SRR-009CS	Sunnyside Sewer Improvement	517						517
SRR-040CS	Upgrade sewer system in 4th Avenue from Washington Street to Cedar Street	164						164
SRR-008CS	West Fir Street Sewer Improvement	204	426	223				853
SRR-007CS	WRF Influent Trunk Line Pipeline Repair/Replacement			201	166	1,572		1,939
Miscellaneous Improvements								
SRR-041MI	General Sewer Plan Update		75					75
Reclaim Water System Improvements								

Amounts in Thousands Inflated $

Attachment 3

6/9/2016

SEQUIM

DRAFT

2017-2022 - All Funds

Funding Summary and Estimated Cost

		2017 Estimate	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate	6-Year Plan Total
Sewer Restricted Fund								
Reclaim Water System Improvements								
SRR-024RW	Reclaimed Water Network Expansion						373	373
SRR-042RW	Reclaimed Water Storage Feasibility Study		109					109
SRR-025RW	WRF Reclaimed Water Pumping Facility Improvements				733			733
Waste Treatment Improvements								
SRR-035W	Aerobics Digester Capacity Upgrades	157		1,977				2,134
SRR-034W	Class A Biosolids Handling & Distribution Center				273	999	1,044	2,316
SRR-004W	Outfall Pipeline Repair/Replc						1,551	1,551
SRR-036W	WRF Headworks Modifications No 2			372				372
SRR-038W	WRF Odor Control	137						137
	Sewer Restricted Fund Total	**1,680**	**2,016**	**3,734**	**2,674**	**2,571**	**2,968**	**15,643**
Stormwater Restricted Fund								
Collection System Improvements								
SMR-003CS	7th Ave and Washington Upgrade		206					206
SMR-010CS	Bell Creek Basin Hydrologic/Hydraulic Assessment		25	75	75	25		200
SMR-009CS	Bell Creek Culvert Under Blake Ave						478	478
SMR-004CS	Emerald Highlands Pond/Clara Crest Abatement			125				125
SMR-005CS	North 5th Ave and Cedar Street Structure Upgrade					156		156
SMR-011CS	Retrofit Discharge to Bell Creek on North Brown			42	81			123
SMR-008CS	Seal Street Drainage Improvements			137				137
SMR-002CS	South 3rd Ave Drainage Improvements			84				84
	Stormwater Restricted Fund Total		**231**	**463**	**156**	**181**	**478**	**1,509**
Streets Restricted Fund								
City Wide Pavement Rehab Improvements								
STR-041PR	City-wide Pavement Rehabilitation	384		562	587	614	642	2,789
STR-064PR	North Sequim Ave Pavement Rehabilitation						268	268
STR-065PR	Washington St Pavement Rehabilitation					499	6,892	7,391
City Wide Safety Projects Improvements								
STR-039SP	City-wide Safety Projects	60	62	65	68	71	75	401
Facility Improvement Improvements								
STR-061FI	East Fir St Rehabilitation from Sequim Ave to Blake Ave	78	656	686				1,420

Amounts in Thousands Inflated $

SEQUIM

DRAFT

2017-2022 - All Funds

Funding Summary and Estimated Cost

Streets Restricted Fund

		2017 Estimate	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate	6-Year Plan Total
Facility Improvement Improvements								
STR-034FI	East Washington St. Bus Turn-Outs from Sequim Ave to Rhodefer Rd			26	123			149
STR-027FI	North Kendall Rd and West Hendrickson Rd Intersection Improvements				48			48
STR-052FI	Washington Street Signal Timing & Coordination	150						150
STR-030FI	West Fir Street Rehabilitation from Sequim Ave and 5th Ave	793	1,596	2,079				4,468
STR-031FI	West Prairie Complete Street Revitalization from Sequim Ave to 5th Ave		77	480	502	525	503	2,087
STR-063FI	West Sequim Bay Rd Shoreline Revetment Repair		546					546
STR-032FI	West Washington Eastbound Auxillary Lane from River Rd Modification				16	77		93
STR-029FI	Whitefeather Way and US 101 Intersection Improvements			261	205			466
Miscellaneous Improvements								
STR-060MI	Transportation Master Plan Update				50			50
Pedestrian Improvement Improvements								
STR-003PI	3rd Ave Bicycle Accommodation from Hwy 101 to Fir St	71						71
STR-014PI	Etta Street Active Alleyway	90	718					808
STR-062PI	ODT East Hendrickson Extension from Sequim Ave to Brown Rd	52	164	171				387
STR-016PI	Seal Street Active Alleyway			23	85			108
STR-015PI	Sunnyside Avenue Sidewalk				68	564		632
STR-020PI	Upper Bell Creek Trail				20	86		106
STR-012PI	Whitefeather Way Multi-user Trail			110	377			487
Road Connectivity Improvements								
STR-066RC	North Blake Ave to North Rhodefer Rd Extension					85	321	406
STR-037RC	West Brownfield Rd Realignment from Sequim Ave 3rd Ave					171	1,298	1,469
STR-038RC	West Maple St Extension from 5th Ave to 4th Ave					561	291	852
	Streets Restricted Fund Total	**1,678**	**3,819**	**4,463**	**2,149**	**3,253**	**10,290**	**25,652**

Water Restricted Fund

Booster Station Improvements								
WTR-003BS	5th & McCurdy Booster Station Improvement	745						745
WTR-004BS	Simdars Road Booster Station		62	411	68			541
Distribution System Improvements								
WTR-059DS	4th Ave Water Line	140						140
WTR-007DS	5th Avenue Water Main					255		255
WTR-006DS	Brown Road Water Main - Pt Williams to Hendrickson				233	976		1,209
WTR-017DS	Brown Road Water Main from East Fir Street to East Washington Street			692				692

Amounts in Thousands Inflated $

SEQUIM

DRAFT

2017-2022 - All Funds

Funding Summary and Estimated Cost

Water Restricted Fund

		2017 Estimate	2018 Estimate	2019 Estimate	2020 Estimate	2021 Estimate	2022 Estimate	6-Year Plan Total
Distribution System Improvements								
WTR-024DS	Craftsman Court PRV Station						75	75
WTR-019DS	East Etta Street Water Main		156					156
WTR-016DS	East Fir Street Water Main	190	512	209				911
WTR-061DS	New Water Line at New CB Park Entrance	209						209
WTR-056DS	North and South Sunnyside - Bell to Fir	481						481
WTR-023DS	Pressure Relief Valve	107						107
WTR-015DS	West Fir Street Transmission Main Replacement	200	373	194				767
WTR-032DS	West Prairie from S Sequim to S 5th		22	309	323	337	326	1,317
WTR-031DS	West Washington Street Isolation Valves			20	175			195
Miscellaneous Improvements								
WTR-036MI	Fixed Base Automatic Meter Reading System		574					574
WTR-060MI	General Water System Plan Update		75					75
WTR-034MI	SCADA Upgrade Report		57					57
WTR-062MI	Utility Rate Study - Water AND Sewer			50				50
Source Improvements								
WTR-044SC	Infiltration Gallery Improvements					903		903
WTR-045SC	New Water Rights Analysis	50						50
WTR-040SC	New Well - Silberhorn Deep Well	52	164		1,015			1,231
WTR-039SC	Port Williams Well No.4						1,089	1,089
Storage Improvements								
WTR-050ST	Repurpose the 500,000 Gallon Reservoir			239				239
	Water Restricted Fund Total	**2,174**	**1,995**	**2,124**	**1,814**	**2,471**	**1,490**	**12,068**
	Project Total By Year	**6,479**	**8,346**	**11,378**	**7,677**	**8,738**	**15,697**	**58,315**

Amounts in Thousands Inflated $

2017 Budget Programs and Policy Decisions

Sequim 120 Vision:	The heart of a rural valley	A "connected" community	A great place to live from childhood through retirement	A community built of friendly, safe neighborhoods	A steward of the environment... a natural landscape
	As residents of a growing urban center... heart of a productive agricultural landscape... City plays the role of a much larger city... compact, efficient community affords urban dwellers a respite... help preserve the rural Valley...	Sequim is both a **socially and functionally connected** community...movement through and among neighborhoods is seamless... multiple route choices... **Residents *feel* connected... safety** with "eyes on the street."	Sequim now grows with diversity in age and family type. Family –wage employment... range in housing... urban amenities of urban parks, trails and entertainments complement our world-class outdoor recreation.	Sequim grows with the quality of a traditional "small-town" formed of compact neighborhoods...close-knit. Sidewalks are conduits...core values of small-town living, friendliness, convenience, safety and connection.	Sequim values its legacy as a place born from an abundance of natural resources... **stewardship over the water, air, habitat and other ecological elements**...Effective treatment of water, **manage limited water resources**, conservation through technology and low-impact design... **water and waste water systems**... extend through the Valley.
Short Term Priorities (1-2 yrs)					
Fund and carry out the transporation plan: **Projects consistent with CIP, TIP and PMP reviewed and approved by Council/Pedestrian friendly community alleys/Safety and interconnection projects/Sustainable LRFP**	👍	👍	👍	👍	👍
Develop a solid waste plan: **Develop solid waste and recycling strategies**	👍		👍		👍
Encourage regional cooperation for common interests: **Sports and recreation, economic development, solid waste, corridor safety and mobility improvements, regional transportation improvements, tourism and tourism marketing, sewer services, investigations, School Resource Officer program, equipment sharing, County wide planning policies, VIPS services, Homelessness taskforce, neighborhood improvements...**	👍	👍	👍	👍	👍
Partner with NPOs and faith organizations to help the homeless: **Maintain and manage the PD Emergency Human Services fund, participation in Homelessness Taskforce**	👍		👍	👍	
Develop an Economic Development Plan: **Proactively connect with businesses and partners, ECO DEVO efforts w/ staffing shifts**	👍		👍		

Attachment 4

Sequim 120 Vision:	The heart of a rural valley	A "connected" community	A great place to live from childhood through retirement	A community built of friendly, safe neighborhoods	A steward of the environment... a natural landscape
Complete improvements to the Guy Cole Convention Center, reopen for rental and seek further funding for additional improvements: Complete Phase 1 by 1st Q 2017, define Phase 2, Submit requests for funding Phase 2, Revisit fee structure					
Take short term Emergency Preparedness measures: Continue to improve the EOC and training efforts, Engage EOC for snow and other events including non-emergency events (e.g., Irrigation FST), Address propane tank safety issues					
Create a plan for neighboorhood improvements: Impliment the CIP with citizen engagement to prioritize public improvements, Habitat for Humanity Rally's in the Alley's year-long, research funding strategies, proactive code compliance/enforcement					
Other Projects: Shop property development, web-site redesign, research other means of providing greater access to Council meetings, Art's program, Programming of the plaza, Centennial Place improvements, Music in the Park, water main projects to reduce water loss, upgrades of sewer system					
Renew the TBD: Moved from Mid-Term Goals as efforts will begin in 2017					
Mid-Term Priorities (3-4 yrs)					
Renew the TBD					

Sequim 120 Vision:	The heart of a rural valley	A "connected" community	A great place to live from childhood through retirement	A community built of friendly, safe neighborhoods	A steward of the environment... a natural landscape
Coordinate with Human Service Providers to address drug, mental health and homelessness: Consider updates to Human Services policy and funding - current policy through 2018, regional partnerships, School Reserouce Officer program, Emergency Human Services fund, research and analyze	👍	👍	👍		
Focus on Crime Prevention: Recommend shifting resources to PD in 2017			👍	👍	
Explore affordable housing solutions: Research and analyze	👍	👍	👍	👍	
Integrate private streets into City plan: Identify conditions, criteria, funding, deficiencies	👍	👍	👍	👍	👍
Explore Local Improvement Districts: Research and analyze	👍	👍	👍	👍	👍
Further develop parks as outlined in the Master Plan: Continue to identify programs and projects, develop as funding is available	👍	👍	👍		👍
Update the SMC: Review and rewrite as needed	👍	👍	👍	👍	👍
Increase Code Enforcement: Research and analyze to facilitate health and safety	👍	👍	👍	👍	👍
Develop long-term water sources - Moved from Long-term Goals: New water rights analysis, deep well installation, grant research and writing, stormwater maintenance and projects identified in Master Plan funded by grants, increasing infiltration capacity, eliminating toxic runoff, protecting surface infrastructure.	👍		👍		👍
Long-Term Priorities (5 yrs plus)					

Sequim 120 Vision:	The heart of a rural valley	A "connected" community	A great place to live from childhood through retirement	A community built of friendly, safe neighborhoods	A steward of the environment... a natural landscape
Consider solar energy to make reuse water potable	👍		👍		👍
Identify and implement ways to reduce solid waste	👍		👍		👍
Continue emphasis on emergency preparedness	👍	👍	👍	👍	👍
Increase higher education opportunities	👍		👍		👍
Creation of an MPD	👍		👍		👍
Realize an emergency medical facility	👍		👍		👍

CORE SERVICES

City Council

- Adopts local ordinances and resolutions
- Approves contracts
- Establishes policy
- Approves the budget
- Approves various land use actions
- Listens to concerns and suggestions from the residents
- Appoints the City Manager
- Establishes various committees and confirms appointments to those committees
- Mayor serves as the ceremonial head of the City

City Manager, Clerks, Communications/Tourism, City Attorney, HR

City Manager

- Execution of city-wide operations and special projects integral to the management of the city
- Review and conduct studies on operational, administrative, policy and legislative issues
- Research, analyze, recommend and administer approved policies and procedures necessary to provide and improve services

Clerks

- Prepare council meeting agendas, packets and minutes
- Manage official City records and serves as Public Records Officer
- Publish, update & distribute City ordinances & code
- Open Public Meetings Act & legal notice compliance
- Passport Acceptance Agent
- Gifting & Donations, and Volunteer Program
- Coordinates City facility rentals
- Human Services Funding and Contract Management
- Manages the City Arts Advisory Commission programming and master planning efforts

City Attorney

- Employment / Labor law / Contracts
- Prepare ordinances and resolutions
- Advise City representatives on all legal issues
- Supervise court and jail services contracted with other agencies
- Criminal legal services
- Review filings, pleas or offers

Communications/Tourism

- Direct City's communication strategy & development
- Serve as internal consultant on communications
- Handle or advise on media issues
- Manage content & publishing of monthly utility newsletter
- Develop & implement marketing plan
- Increase tourism through advertising & public relations vehicles

Human Resources

- Compensation & benefits administration
- City-wide policy manual and administration
- Recruitment and selection processes
- Employee training and compliance
- Employee labor relations
- Union contract negotiation and administration
- Civil Service Examiner and Sergeant assessment centers
- Performance evaluations and job classifications
- Federal leave law compliance with Payroll
- Employee recognition awards

Administrative Services

- Utility Billing/Customer Service
- Receipting/Cashier
- Accounting, Budget and Financial Reporting
- Accounts Payable & Payroll
- Grants/Contracts
- Cost Allocation
- Debt Management
- Risk Mgmt/Insurance
- Cash & Investment Management
- Transfers
- REET Management
- Equipment Reserve Fund
- Capital Facilities Fund Management
- Trust, Agency and Internal Service Funds
- Back-end Systems (servers, data storage, and telecom)
- Front-end Systems (desktops, laptops, mobile/land phones)
- Network Systems and Cyber Security
- Audio, Visual
- Physical Security
- UPS/Generator backup systems
- Disaster Recovery

Department of Community Development

- Comprehensive Plan & Future Land Use Map
- Subarea plans & functional planning
- SMC development codes
- Public participation programs
- Land use and demographic databases
- Regional growth coordination & issues
- Annexation Program
- Customer Service: permit intake & general information
- Permit administration for land use & building activity
- Building plan review / inspections
- Permit tracking
- Site plan review and inspections
- Plan review, permits renewal & fire systems inspections
- SMC, IBC, design standards, and other development codes
- SEPA review
- Process subdivisions
- Compliance with SMC including but not limited to: Abandoned vehicles, Parking, Sign Code, Nuisances, Peddlers and zoning violations
- Animal Control Officer
- Code Compliance files/logs
- Police Dept. support
- SMC updates to strengthen compliance

Police

- Patrol/911 Response
- Investigations
- Training
- K-9 Unit
- Reserve Unit
- Emergency Preparedness Coordinater
- WSP Target Zero partner
- Regional drug team
- Sex offender checks
- Customer Service
- Licensing, permits & fingerprints
- Records
- Property & Evidence
- Crime Data Reports
- Project Lifesaver
- Child car seat safety program
- Pawnshop detail
- Chaplain
- Vacation house check
- Block Watch/Business Watch
- Subpoena service

Public Works

- Development Review
- Project and Construction management
- Streets & Stormwater Operations, Maintenance & Repair
- Right of Way Landscaping
- Safety, Lighting and Sidewalks
- Traffic Signals and Signs
- Snow & Ice Control
- Striping and traffic controls
- Facilities Management
- Janitorial Service
- Parks Operations and Master Planning
- Water supply and distribution
- Water rights management
- Sewer collections and sewerage systems
- Water Reclamation Facility (WRF)
- Reclaimed water distribution
- Industrial pre-treatment
- Coordinate Park Docents
- Parks Board Liaison
- Community Signage
- GIS and Engineering
- Water Rights Management
- Reclaimed Water and Biosolids Utilization Management
- Capital Projects Tracking
- Purchasing and Acquisition
- Utility Rate and Fee Review
- Fleet Management

attachment 5

CITY OF SEQUIM
CITY COUNCIL MINUTES
SEQUIM CIVIC CENTER
152 WEST CEDAR STREET
SEQUIM, WA
June 13, 2016

Work Session

City Manager Bush introduced City Engineer Matt Klontz, Public Works (PW) Director David Garlington, and Sarah VanAusdle, PW Management Analyst, all of whom have worked on the CIP along with the Finance Department.

Klontz stated the Public Works and Finance Departments are currently preparing the (2017-2022) 6-year Capital Improvement Program (CIP). The CIP is both a scheduling and anticipated funding document that programs realistic improvements the City intends to make during a 6-year time period. The CIP does not appropriate funds or replace the Capital Facilities Element of the Comprehensive Plan; instead, it functions as a financial planning tool, guiding the actual appropriations that are made by the City Council through adoption of the annual budget. The CIP is to be updated annually as part of the City's budget process to reflect City Council goals and changes in the availability of funds and the anticipated schedule for planned improvements.

The CIP is one of the vital implementation tools that work in concert with the Comprehensive Plan's Capital Facilities/Utilities and Transportation Elements, and the City's Long Range Financial Plan to fulfill the goals and visions the Land Use Element of the Comprehensive Plan. The document is also used to validate the need for grant funds, state subsidized loans and other financial borrowing instruments needed to fund improvements. All of these policy actions must be coordinated and consistent with each other. While the Comprehensive Plan articulates the vision and goals for how Sequim will develop over the next 20 years, it is the CIP that makes the critical link between the City's physical planning policy and the financial resources needed to maintain or improve public services.

Sequim has five Capital Facilities Plans (CFP) which provide long-range policy guidance for the development of capital improvements over a 20-year horizon. They are: The Parks and Recreation Master Plan (2015), Transportation Master Plan (2013), General Sewer Master Plan (2013), Water System Comprehensive Plan (2013), and the Stormwater Master Plan (2016). Each CFP contains an inventory of existing publicly-owned capital facilities describing their locations and capacities; a forecast of schedule and costs for new or refurbished capital facilities; and the proposed locations and capacities of new or expanded capital facilities. Each CFP also recommends a strategy to finance those facilities with either public funds or through developer exactions.

The CIP was reviewed in detail for years 2017-2019 with Klontz commenting on areas where grants have been received or applications are being considered.

Garlington commented this CIP ties in with the long-range financial plan. If you have specific questions, please contact us.

Klontz stated we are evaluating timing plans for our signals on Washington Street. On Thursday, June 23, at 5:30 p.m., we are holding a public workshop to hear what some of the operational issues are regarding signals.

Lake thanked staff for getting grants and loans to stretch our dollars.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Bob Lake, Pam Leonard-Ray, Dennis Smith, Ted Miller, John Miller, Candace Pratt, Genaveve Starr, Wendall Lorenzen

CHANGES TO THE AGENDA

Due to public interest in #7, fireworks, it will be discussed prior to reports.

CEREMONIAL

A Certificate of Recognition was presented to Wendall Lorenzen for his service as Student Liaison to Council.

A Certificate of Recognition was presented to Thomas McCulloch for his Eagle Scout Project; 7 members of Boy Scout Troop #90 who assisted were included. A photo presentation was shown.

PUBLIC COMMENTS regarding Fireworks and Lanterns, Item 7

David Westman, 311 Eunice Street, pastors a church involved with fireworks sales for over 40 years. They want to work in cooperation with the City in this matter. It is disconcerting to come up with an agenda item and they were not informed it was discussed. He stated 25 years ago a shorter season was imposed.

T.Miller said this issue is for 2017 season, not this year.

Rev. Randy Hurlbut, 138 Atterberry Road, Sequim Valley Four Square Church, has sold fireworks for 14 years. The children's ministries appreciates raising the funds. He is a piro and loves the 4th of July. They promote safety in their sales. If we cannot sell, people will go to the tribes to buy unsafe fireworks. There will be bigger problems if you buy outside the City.

Sean Clift, 21 Elk Pass, pastors a Sequim youth group who sells fireworks. The funds are used to take kids to winter camp, retreats, 20-40 teens attend weekly. Youth are there because they want to be there. Half block has been active for years; the youth group reaches out to the kids who hang there. They did a mission trip to the Dominic Republic in the spring. The kids were able to go because of the fireworks stand sales.

Karen Gower, 910 N. G Street, Tacoma, has worked with clubs that sell fireworks for 47 years. The state fire marshal states the 2016 fire season in the northwest is expected to be a normal fire season. She said 80% or more of all fireworks that come to Washington State go to the reservations. Illegal fireworks are not available to non-profit organizations. Lacey banned fireworks and after the ban, fires increased. They educated people on use.

Anne Goetzman, 702 E. Alder, loves Sequim for 51 weeks out of the year. On fireworks week she is starting to water and prune her landscape. She has to prepare for the fireworks going off where she lives. She uses too much water and sits outside her house with her hose. She has no remedies for the fireworks sales. She'd like to contribute money to a large fireworks display.

John Butler, 302 Reservoir Road, suggests creating a committee to designate areas within the City limits that would be safe for people to use fireworks. Whenever you have the potential for someone to get hurt, it is best to do it in a controlled setting. He would like to see the stats for increases in fires. He suggests an independent or City study to get more viable information to help citizens to enjoy fireworks.

Ron Fairclough, 153 W. Spruce, was an fireworks lover as a young man. While looking at this you have people who want to ban fireworks and other who like to enjoy fireworks. He enjoys watching fireworks. Let's enjoy the 4th, and the best way it to have fireworks.

Deanna Anderson, 2147 Cays Road, said the 4th of July is important for her family. It is a time to be celebrated for independence and freedom. Her brother-in-law is in the military and will be home from duty in Turkey; it is a special time of year. They have a big party and fireworks. She has never left Sequim to buy fireworks on the reservations. What is legal is good enough for her.

Gabriele Simonson stated her parents sell fireworks through the church- she doesn't recall when they haven't. She would dress up as a firework and would dance on the sidewalk to bring people in to buy. It has made her break out of her shell and talk to people. If a customer comes in, she helps them. It is a big part of her life.

David Westman, 311 Eunice, has a copy of the Gazette article published after last year's fireworks season. There were only two fireworks related incidents responded to by the fire department last year. He was told both incidents were the results of unattended children using illegal fireworks.

Caleb Simonson has sold fireworks through the church for many years. He has had fun. He can't recall when it has resulted in anything wrong. He would light fireworks supervised as a kid. He is always teaching people to be as safe as they can be. At his age there are minors and people not of legal age buying illegal fireworks. He feels it is smarter to keep fireworks legal and let us buy them instead of buying them illegally.

Roxanne Butler, 302 Reservoir Road, is glad to hear about the safety issues addressed. People do have issues with the noise of fireworks. Service members, domestic animals, have issues with the noise. It can be terrifying in many ways. She appreciates the safety as it is important. Statistics can answer anything we want to say yes or no, too.

NEW BUSINESS

7. Fireworks Ordinance Discussion

Mayor Smith said the discussion tonight is whether we are going to enhance the code on fireworks and sky lanterns. If we took action tonight it would be in place for 2017.

Bush said, however, you do not have to take action tonight; we can call a special meeting next week if you want to take action.

T.Miller expressed his appreciation for those who spoke. The issue is whether you can set off the fireworks within the City of Sequim. There are no issues on the sale of fireworks. The issues are fire and safety, and the noise issue. We have more dogs in this City and it terrifies the animals.

Pratt loves fireworks, as do her kids. The noise has become difficult for many people. She appreciates that. She recommends the dates fireworks are allowed be reduced to July 3-5 instead of starting June 28 to July 5. With this change, people can go out-of-town during fireworks times.

Lake likes a controlled area where they would bring their fireworks to one of the parks during a certain timeframe. It seems better than shooting them off in the neighborhoods.

Leonard-Ray stated fireworks drive wildlife into the City - she recently had a deer in her yard. The noise affects many aspects in the City.

Starr doesn't like fireworks, but she doesn't want to tell citizens they can't use legal fireworks. Maybe reducing the amount of time is a good idea. She is not in favor of banning it.

Mayor Smith agrees with the folks trying to sell safe fireworks to raise funds. As long as we are living here, people cannot stop illegal fireworks. It would increase the workload

on the Police Department. He doesn't feel a ban on fireworks of any kind will work in Sequim.

Pratt likes the idea of educating citizens about the use of legal fireworks and where they can be purchased. Leonard-Ray does not want to ban the use in the City but would be willing to reduce the number of days in the City limits they can be used.

There was no clear direction from Council to take action. They can consider it over the next few months or year and can talk to their constituents.

REPORTS

Committee, Board and Liaison

Starr said the Shiso contingent will be here September 23-27. They are sending 10 students and 3 chaperones to Shiso. Jamestown S'Klallam Tribe has offered to transfer the children from the ferry to Sequim, and then from Sequim to the airport. There are applications from 5/5 boys/girls along with 3 chaperones, including Pam Leonard-Ray from Council.

Pratt said Tom McCullough was a student ambassador when she chaperoned.

Pratt stated at the LTAC meeting 3 grants were approved 1) Little League; 2) Boys & Girls Club for Lavender Shuttle; and 3) Lavender Growers Association for advertising.

T.Miller met with the North Olympic Peninsula Resource Conservation Group (NOPRCG). They finalized a survey for Clallam and Jefferson and planned how to handle it. Bylaw amendments were approved.

Presiding Officer

Mayor Smith attended the Planning Commission meeting. Focus groups will start meeting this week regarding the zoning code.

City Manager

Bush welcomed Kristina Nelson-Gross as City Attorney.

There was a prior question about the status of the Civic Center. Garlington stated we had some problems with the HVAC system. The LEED application was submitted this week and we have enough credit to get the LEED Silver. We are hoping to possible get to a LEED Gold level. He will be working with Lydig regarding warranty items.

Chief Dickinson gave an update on the Cascadia Rising Exercise last week. He called it a wild success. We learned a lot of things we didn't know. We also found out that our EOC in the Transit Center works. We received favorable comments from the National Guard and evaluator. Some people said they would rather be in our EOC than some of

the others. We identified some needs. We had some ham radio operators come in and help. We are busy ordering what we don't have. We will improve on our training in several ways for our staff. We all need more training and will be sponsoring a class in September with staff from Texas A&M. Council is invited.

Bush thanked Garlington and Dickinson for getting us organized for our EOC. We will keep working on it.

Lorenzen advised graduation was Friday the 10th. The underclassmen are in school until the 15th. He met with Karen Kuznek-Reese and they discussed the plans some of the students would like to see, and feasibility of whether the City has control over.

Councilor Pratt left the meeting to catch a flight.

PUBLIC COMMENTS Please limit comments to 3 minutes. Please see "Public Comments" rules attached.

Jody Wilkinson, 732 Parrish Road, is the president of the Sequim Tennis Club. Scholarships were given to three Sequim and two Port Angeles students, although 23 applied. There is a tournament for doubles on the 25th at the high school with the proceeds going to the scholarship program.

Marc Connelly, 41 Pinehurst Loop, said we should be proud of mutual investment in the community. The Sequim Picklers appreciate the investment the City has made for pickleball, and other investments of staff time writing the parks master plan. We commends the staff for leadership and vision in adopting it. The investment in staff time seeking grants for infrastructures and for parks is important. The Carrie Blake Master Plan investment will be recognized over the future years. There is work to be done for the courts and he appreciates staff assistance in starting that work. You have made a great investment for the community.

Emily Westcott, 853 N. Oxford, is here for Council to sponsor a flower basket. Bob Lake will be in charge of collecting the funds. The high school students have made the flower baskets for 20 years; she sells them and the City waters them. She also works in the community with persons needing to perform community service. She has been using them to clean up messy areas of the City.

INFORMATION/COUNCIL QUESTIONS INVITED

PUBLIC HEARINGS (Legislative)

2. Ordinance No. 2016-003 Adopting the 2015 International and Uniform Building Codes

Mayor Smith read the rules for the public hearing; it opened at 7:26 p.m.

Building Official Ann Hall gave the staff report. The building codes change every 3 years. The state building code council has adopted the new code and the effective date is July 1. We are also adopting the 2015 Washington State Energy Code.

There is no state code language that requires strapping of above-ground gas tanks unless you are in a flood zone. The good news is Sequim can adopt or amend our code. We are working with the fire department to bring something back on this issue.

Public hearing closed at 7:30 p.m.

MOTION by T.Miller to adopt Ordinance No. 2016-003 relating to 2015 International and Uniform Building Codes; seconded by Lake. Carried Unanimously.

3. Review Wifi Moratorium Extension Findings, and Adopt Findings of Ordinance No. 2016-02 Wifi/Cell Tower Moratorium Extension

Mayor Smith stated the same public hearing rules apply. The public hearing open at 7:31 pm.

Nelson-Gross stated she wasn't here when Council adopted the moratorium but stated you also need to adopt findings. This will also extend the existing moratorium another 6 months. We are still working on this draft code and will need to do more research.

Lake encouraged them to look at health codes as to radiation. Nelson-Gross said federal law prohibits us regulating certain areas. We can regulate land use; location, and radio frequency can be tested to show they are in compliance with federal law. We do not know yet whether we can require additional testing.

This extension is for another 6 months and we would be hard-pressed not to provide an ordinance beyond this one.

Public hearing closed at 7:36 p.m.

MOTION by T.Miller to adopt Resolution 2016-14 as proposed; seconded by Leonard-Ray. Carried Unanimously.

CONSENT AGENDA

4. Approve/Acknowledge

a. City Council Meeting Minutes May 19, 2016
b. City Council Retreat Minutes May 23, 2016
c. Claim Voucher Recap Dated 6/13/16 Total Payments $789,490.45
d. Reappointments to Park & Recreation Board
e. Reappointments to Lodging Tax Advisory Committee

T.Miller said he appreciates re-appointments to the boards.

Consent Agenda was unanimously approved.

TBD BUSINESS

UNFINISHED BUSINESS

5. Adopt Short and Long-Term Council Goals

Bush asked if any changes need to be made to the Council goals.

Starr suggested changing long term goal “increased higher education opportunities in Sequim” to "increase higher education…" or "investigate the potential of higher education opportunities." There was consensus to remove the "d" from increase.

Starr asked how would we increase higher education. Bush said it would be working with local high school and Peninsula College; it would need to be something we work on over time. She prefers "explore" not "increase".

Motion to approve goals as presenting changing “increased” to “increase” by Lake; second by Leonard-Ray.

Move to amend to state “short, mid and long-term goals” by T. Miller; second by Leonard Ray.

VOTE on amendment: Carried 6-0.

Bush said we will do more work on this and include the short-term goals in the budget.

VOTE on main motion: Carried 6-0.

6. Ratify Resolution R2016-13 Recognizing Craig Ritchie's Years of Service

MOTION to adopt and ratify Resolution R2016-13 Recognizing Craig Ritchie's Years of Service by Leonard-Ray; seconded by Starr. Carried 6-0.

GOOD OF THE ORDER

PUBLIC COMMENTS (Please limit comments to 3 minutes each)

T.Miller stated he was impressed by the public comment and discussion on the fireworks issue.

Mayor Smith stated Pratt left a flier for the League of Women Voter's Youth Empowerment Project. Starr said it is important to have elected representatives there.

EXECUTIVE SESSION - Personnel/Contract Negotiations

Mayor Smith announced an Executive Session re Personnel/Contract Negotiations for 10 minutes. There will not be action taken. Meeting recessed at 7:50 p.m. The meeting resumed at 8:00 p.m.

NEXT MEETING DATES: June 27, 2016 (5:00 p.m.) and July 11, 2016 (5:00 p.m.)

ADJOURNMENT

The meeting adjourned at 8:01 p.m.

Respectfully submitted,

_____	_____
Roberta J. Usselman, MMC	Dennis Smith
Deputy City Clerk	Mayor

Minutes approved at a regular Council meeting held on June 27, 2016.

SEQUIM CITY COUNCIL

CONSENT AGENDA RECAP - June 27, 2016

Voucher Number	Voucher Date	Payment Type	Payment Detail		Amount
1	6/3/2016 AP Vendor	Check	Ck 69543 thru 69579	$	58,874.67
		Electronic	E-3770 thru E-3772	$	272,042.02
				$	-
	Comments: None			Total $	330,916.69
2	6/7/2016 Payroll	Check	Ck 69580 thru 69585	$	7,479.67
		Direct Debit	Count of 77	$	142,262.85
		Electronic	E-3774*	$	61,129.87
	Comments: For Pay Period 5/16/16 - 5/31/16;			Total $	210,872.39
3	6/7/2016 PY Liabilities	Check	Ck 69586 thru 69595	$	89,056.38
		Electronic	E-3775 thru E-3778	$	74,612.49
				$	-
	Comments: For Pay Period 5/16/16 - 5/31/16;			Total $	163,668.87
4	6/10/2016 AP Vendor	Check	Ck 69596 thru 69641	$	61,252.00
		Electronic	E-3773 & E-3780 thru E-3784	$	2,517.94
				$	-
	Comments: None			Total $	63,769.94
5	6/17/2016 Utility Refunds	Check	UBR Ck 69642 throu UBR 69669	$	3,481.16
				$	-
				$	-
	Comments: None			Total $	3,481.16

**Out of Sequence Numbering; E-3773 with 6/10/2016 AP*

Finance Certification: Sue Hagener

Sue Hagener,
Admin. Svcs. Director

TOTAL PAYMENTS: $ 772,709.05

Agenda Item # __2c___

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: June 27, 2016

FROM: Joseph D. Irvin, Asst. to the City Manager JDI
Initials

SUBJECT/ISSUE: Approve Resolution No. R-2016-17, Authorizing RCO Application for Washington Wildlife and Recreation Program for Carrie Blake Community Park

Discussion dates	CC – March 28, 2016 CC – April 11, 2016			Time
CATEGORY	☐ City Manager Report	☐ Reports		5 mins.
	☐ Public Hearing	☐ Consent Agenda		
	☒ Unfinished Business	☐ New Business		
Reviewed by			Initials	Date
Charlie Bush, City Manager			CPB	6/21/16
Sue Hagener, Administrative Services Director			SH	6/21/16

PROBLEM/ISSUE STATEMENT:
The City has made a grant submittal to the Washington State Recreation and Conservation Office (RCO) for state grant funding which requires a 50-percent match. RCO requires the attached Resolution No. R-2016-17 (Attachment 1) be adopted by the City of Sequim City Council to complete the grant submittal. On April 11, 2016 City Council adopted Resolution No. R-2016-10 (Attachment 2) which provided direction to the City Manager to include $60,000 for tennis courts at Carrie Blake Community Park in the proposed 2017 City of Sequim Budget.

ATTACHMENTS:
1) Resolution No. R-2016-17
2) Resolution No. R-2016-10 *(Adopted on April 11, 2016)*

DISCUSSION/ANALYSIS:
Carrie Blake Community Park
It is estimated that the following capital improvements will cost between $700k and $800K to build. Pickleball Courts are estimated to cost $185K to $215K, Tennis Courts are estimated to cost $230K to $270K, the new southern road access at Carrie Blake Community Park is estimated to cost $260K and moving playground equipment is estimated to cost $25K. The RCO grant requires a 50-percent match so the City of Sequim is interested in pooling together $400K in public and private funds.

FINANCIAL IMPLICATIONS:
In December 2016, the City of Sequim will make its last debt service payment for the purchase of the 45-acre Keeler Memorial Park located at the southwest corner of the Happy Valley Road and US 101 intersection. The City's adopted Park Impact Fee structure was designed to collect

fees for growth related projects including the purchase of this property and tennis courts among other projects. That being the case, staff is recommending the Park Impact Fee ending fund balance be designated for tennis courts in 2017.

To help provide a context of historic funding for capital park projects, staff has provided the below overview:

2012 - $0 (Actual)
2013 - $14,110 (Actual)
2014 - $79,562 (Actual)
2015 - $55,127 (Actual)
2016 - $226,000 (Budget before Mid-Year amendments)

RECOMMENDATION:
Staff recommends City Council adopt Resolution No. R-2016-17 to complete the RCO grant submittal requirements.

MOTION:
I move to adopt Resolution No. R-2016-17 to complete the RCO grant submittal requirements.

Recreation and Conservation Office
Washington Wildlife and Recreation Program (WWRP)
Application Resolution/Authorization

CITY OF SEQUIM
Resolution No. R2016-17

Project Name and Number 16-2047 (D), Carrie Blake Community Park

This form authorizes submitting application(s) for grant funding assistance for Washington Wildlife and Recreation Program (WWRP) project(s) to the Recreation and Conservation Funding Board as provided in Chapter 79A.15 and 79A.25 RCW, WAC 286, and other applicable authorities.

WHEREAS, our organization has approved a comprehensive parks and recreation or habitat conservation plan that includes this project; and

WHEREAS, under provisions of the WWRP program, state grant assistance is requested to aid in financing the cost of *facility development and renovation*; and

WHEREAS, our organization considers it in the best public interest to complete the project described in the application(s).

NOW, THEREFORE, BE IS RESOLVED that:

1. The City of Sequim, City Manager or their designee is authorized to make formal application to the Recreation and Conservation Funding Board for grant assistance.

2. Our organization has reviewed the sample project agreement on the Recreation and Conservation Office's web site at: http://www.rco.wa.gov/documents/manuals&forms/SampleProjAgreement.pdf and authorizes The City of Sequim, City Manager or their designee to enter into such a project agreement, if funding is awarded. We understand and acknowledge that the project agreement will contain the indemnification (applicable to any sponsor) and waiver of sovereign immunity (applicable to Tribes) and other terms and conditions that are contained in the sample project agreement. The sample project agreement may be revised periodically by the Recreation and Conservation Office. Our organization recognizes that such changes might occur prior to our authorized representative signing the actual project agreement, and we accept the responsibility and the presumption that our authorized representative shall have conferred with us as to any such changes before he/she executes the project agreement on behalf of our organization and so executes with our authorization.

3. Any grant assistance received will be used for only direct eligible and allowable costs that are reasonable and necessary to implement the project(s) referenced above.

4. Our organization expects our matching share of project funding will be derived from Impact Fees, Real Estate Excise Tax, and Private Donation revenues and that pursuant to WAC 286-13-040 we must certify the availability of match at least one month before funding approval. In addition, our organization understands it is responsible for supporting all non-cash commitments to this project should they not materialize.

5. We acknowledge that if the Recreation and Conservation Funding Board approves grant assistance for the project(s), the Recreation and Conservation Office will pay us on only a reimbursement basis. We understand reimbursement basis means that we will only request payment from the Recreation and Conservation Office after we incur eligible and allowable costs and pay them. The Recreation and Conservation Office may also determine an amount of retainage and hold that amount until the project is complete.

6. We acknowledge that any property owned by our organization that is developed, renovated or restored with grant assistance must be dedicated for the purpose of the grant in perpetuity after the project is

complete unless otherwise provided and agreed to by our organization and the Recreation and Conservation Funding Board in the project agreement or an amendment thereto.

7. We acknowledge that any property not owned by our organization that is developed, renovated or restored with grant assistance must be dedicated for the purpose of the grant for at least twenty-five (25) years after the project is complete unless otherwise provided and agreed to by our organization and the Recreation and Conservation Funding Board in the project agreement or an amendment thereto.
8. This application authorization becomes part of a formal application to the Recreation and Conservation Funding Board for grant assistance.
9. We provided appropriate opportunity for public comment on this application.
10. We certify that this application authorization was properly and lawfully adopted following the requirements of our organization and applicable laws and policies and that the person signing as authorized representative is duly authorized to do so.

This application authorization was adopted by our organization during the meeting held in Sequim, Washington on June 27, 2016 at 6:00PM.

Signed and approved on behalf of the resolving body of the organization by the following authorized representative:

Adopted by the City Council this ___ day of _____, 2016.

_____
Dennis Smith, Mayor

ATTEST:

_____
Karen Kuznek-Reese, MMC, City Clerk

APPROVED AS TO FORM:

_____
Kristina Nelson-Gross, City Attorney

Washington State Attorney General's Office

Approved as to form _____ March 15, 2016

Assistance Attorney General *Date*

RESOLUTION NO.R2016-10

A Resolution of The City of Sequim To Commit Financial Resources and Support Towards the Construction of Tennis Courts at Carrie Blake Community Park and Site Improvements at Dr. James Standard Park (Sequim Little League Fields), While Directing The City Manager to Include $60,000 for Tennis Courts at Carrie Blake Community Park and $20,000 for Site Improvements at Dr. James Standard Park in the Proposed 2017 City of Sequim Budget.

WHEREAS, it is the City's plan to submit a grant request to the Washington State Recreation and Conservation Office for Washington Wildlife and Recreation Program funding, which provides funding for a broad range of land protection and outdoor recreation, including park acquisition and development, habitat conservation, farmland preservation, and construction of outdoor recreation facilities; and

WHEREAS, it is the City's intent to implement its recently approved Carrie Blake Park Community Master Plan and the allocation of $60,000 for tennis courts at Carrie Blake Community Park will help to bring forward required match funding for a capital project that will include the construction of tennis courts, pickleball courts, a new southern access road and the relocation of playground equipment; and

WHEREAS, It is the City's plan to submit a grant request to the Washington State Recreation and Conservation Office for Youth Athletic Facilities Program funding, which provides funding to buy land and renovate outdoor athletic facilities such as ball fields, courts, swimming pools, BMX tracks, and skate parks that serve youth; and

WHEREAS, it is the City's intent to work collaboratively with the Sequim Little League to provide little league field perimeter fencing, flood lighting, field fencing repairs, bleacher replacement and a docent site and the allocation of $20,000 for these improvements will serve to be adequate match funding in conjunction with Sequim Little League funding; and

WHEREAS, the City of Sequim's Parks and Recreation Master Plan states that the City's Vision for Parks and Recreation is that "Sequim is a city that values the health of its citizens and provides cost-effective parks, recreation and leisure opportunities which will continue to make Sequim a great place to live and play"; and

WHEREAS, the commitment of financial resources for the two aforementioned capital projects clearly shows that the City of Sequim is dedicated to implementing the City's Vision for Parks and Recreation;

NOW, THEREFOR, the Sequim City Council declares its support of this Resolution that directs the City Manager to include $60,000 for tennis courts at Carrie Blake Community Park and $20,000 for site improvements at Dr. James Standard Park in the proposed 2017 City of Sequim Budget.

Adopted by the Sequim City Council on this 14th day of April, 2016.

Dennis Smith, Mayor

Karen Kuznek-Reese, MMC, City Clerk

Approved as to Form:

Craig Ritchie, City Attorney

Agenda Item # __2d___

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: June 27, 2016

FROM: Joseph D. Irvin, Asst. to the City Manager JDI
Initials

SUBJECT/ISSUE: Approve Resolution No. R-2016-18, Authorizing Application for Youth Athletic Facilities Grant for Little League Fields at Dr. Standard Park

Discussion dates	CC – March 28, 2016 CC – April 11, 2016			Time
CATEGORY	☐ City Manager Report	☐ Reports		5 mins.
	☐ Public Hearing	☐ Consent Agenda		
	☒ Unfinished Business	☐ New Business		
Reviewed by			Initials	Date
Charlie Bush, City Manager			CPB	6/21/16
Sue Hagener, Administrative Services Director			SH	6/21/16

PROBLEM/ISSUE STATEMENT:
The City has made a grant submittal to the Washington State Recreation and Conservation Office (RCO) for state grant funding which requires a 50-percent match. RCO requires the attached Resolution No. R-2016-18 (Attachment 1) be adopted by the City of Sequim City Council to complete the grant submittal. On April 11, 2016 City Council adopted Resolution No. R-2016-10 (Attachment 2) which provided direction to the City Manager to include $20,000 for field and site improvements at Dr. James Standard Little League Park in the proposed 2017 City of Sequim Budget.

ATTACHMENTS:
1) Resolution No. R-2016-18
2) Resolution No. R-2016-10 *(Adopted on April 11, 2016)*

DISCUSSION/ANALYSIS:
Dr. James Standard Park – Little League Park
It is the City's intent to work collaboratively with the Sequim Little League to provide little league field perimeter fencing, flood lighting, field fencing repairs, bleacher replacement and a docent site and the allocation of $20,000 for these improvements will serve to be adequate match funding in conjunction with Sequim Little League funding. Both the City of Sequim and the Sequim Little League would like to make park improvements that provide a safe and secure complex that can provide youth recreation dedicated to baseball and softball. Perimeter fencing, a docent site and modest flood lighting would be designed to minimize crime and delinquent behavior at the park during the evening hours. Field fencing will help to increase spectator and player safety, specifically along the first and third base lines. The current wooden

bleachers would be replaced with aluminum bleachers and positioned for better viewing and maintenance needs on new concrete pads.

FINANCIAL IMPLICATIONS:
To help provide a context of historic funding for capital park projects, staff has provided the below overview:

2012 - $0 (Actual)
2013 - $14,110 (Actual)
2014 - $79,562 (Actual)
2015 - $55,127 (Actual)
2016 - $226,000 (Budget before mid-year amendments)

RECOMMENDATION:
Staff recommends City Council adopt Resolution No. R-2016-18 to complete the RCO grant submittal requirements.

MOTION:
I move to adopt Resolution No. R-2016-18 to complete the RCO grant submittal requirements.

Recreation and Conservation Office
Youth Athletic Facilities (YAF)
Application Resolution/Authorization

CITY OF SEQUIM
Resolution No. R2016-18

Project Name and Number(s): 16-1514 Dev, Dr. Standard Little League Park

This form authorizes submitting application(s) for grant funding assistance for Youth Athletic Facilities (YAF) project(s) to the Recreation and Conservation Funding Board as provided in 79A.25 RCW, WAC 286, and other applicable authorities.

WHEREAS, under provisions of the YAF program, state grant assistance is requested to aid in financing the cost of *development and renovation*; and

WHEREAS, our organization considers it in the best public interest to complete the project described in the application(s).

NOW, THEREFORE, BE IT RESOLVED that:

1. The City of Sequim, City Manager or their designee is authorized to make formal application to the Recreation and Conservation Funding Board for grant assistance.

2. Our organization has reviewed the sample project agreement on the Recreation and Conservation Office's website at: http://www.rco.wa.gov/documents/manuals&forms/SampleProjAgreement.pdf and authorizes the City of Sequim, City Manager or their designee to enter into such a project agreement, if funding is awarded. We understand and acknowledge that the project agreement will contain the indemnification (applicable to any sponsor) and waiver of sovereign immunity (applicable to Tribes) and other terms and conditions that are contained in the sample project agreement. The sample project agreement may be revised periodically by the Recreation and Conservation Office. Our organization recognizes that such changes might occur prior to our authorized representative signing the actual project agreement, and we accept the responsibility and the presumption that our authorized representative shall have conferred with us as to any such changes before he/she executes the project agreement on behalf of our organization and so executes with our authorization.

3. Any grant assistance received will be used for only direct eligible and allowable costs that are reasonable and necessary to implement the project(s) referenced above.

4. Our organization expects our matching share of project funding will be derived from Real Estate Excise Tax revenues and that pursuant to WAC 286-13-040 we must certify the availability of match at least one month before funding approval. In addition, our organization understands it is responsible for supporting all non-cash commitments to this project should they not materialize.

5. We acknowledge that if the Recreation and Conservation Funding Board approves grant assistance for the project(s), the Recreation and Conservation Office will pay us on only a reimbursement basis. We understand reimbursement basis means that we will only request payment from the Recreation and Conservation Office after we incur eligible and allowable costs and pay them. The Recreation and Conservation Office may also determine an amount of retainage and hold that amount until the project is complete.

6. We acknowledge that any property not owned by our organization that is developed, renovated or restored with grant assistance must be dedicated for the purpose of the grant for at least twenty (20) years after the project is complete unless otherwise provided and agreed to by our organization and the Recreation and Conservation Funding Board in the project agreement or an amendment thereto.

7. This application authorization becomes part of a formal application to the Recreation and Conservation Funding Board for grant assistance.
8. We provided appropriate opportunity for public comment on this application.
9. We certify that this application authorization was properly and lawfully adopted following the requirements of our organization and applicable laws and policies and that the person signing as authorized representative is duly authorized to do so.

This application authorization was adopted by our organization during the meeting held in Sequim, Washington on June 27, 2016 at 6:00PM.

Signed and approved on behalf of the resolving body of the organization by the following authorized representative:

Adopted by the City Council this ___ day of _____, 2016.

_____
Dennis Smith, Mayor

ATTEST:

_____
Karen Kuznek-Reese, MMC, City Clerk

APPROVED AS TO FORM:

_____
Kristina Nelson-Gross, City Attorney

Washington State Attorney General's Office

Approved as to form Brian Faller March 18, 2016

Assistant Attorney General *Date*

RESOLUTION NO.R2016-10

A Resolution of The City of Sequim To Commit Financial Resources and Support Towards the Construction of Tennis Courts at Carrie Blake Community Park and Site Improvements at Dr. James Standard Park (Sequim Little League Fields), While Directing The City Manager to Include $60,000 for Tennis Courts at Carrie Blake Community Park and $20,000 for Site Improvements at Dr. James Standard Park in the Proposed 2017 City of Sequim Budget.

WHEREAS, it is the City's plan to submit a grant request to the Washington State Recreation and Conservation Office for Washington Wildlife and Recreation Program funding, which provides funding for a broad range of land protection and outdoor recreation, including park acquisition and development, habitat conservation, farmland preservation, and construction of outdoor recreation facilities; and

WHEREAS, it is the City's intent to implement its recently approved Carrie Blake Park Community Master Plan and the allocation of $60,000 for tennis courts at Carrie Blake Community Park will help to bring forward required match funding for a capital project that will include the construction of tennis courts, pickleball courts, a new southern access road and the relocation of playground equipment; and

WHEREAS, It is the City's plan to submit a grant request to the Washington State Recreation and Conservation Office for Youth Athletic Facilities Program funding, which provides funding to buy land and renovate outdoor athletic facilities such as ball fields, courts, swimming pools, BMX tracks, and skate parks that serve youth; and

WHEREAS, it is the City's intent to work collaboratively with the Sequim Little League to provide little league field perimeter fencing, flood lighting, field fencing repairs, bleacher replacement and a docent site and the allocation of $20,000 for these improvements will serve to be adequate match funding in conjunction with Sequim Little League funding; and

WHEREAS, the City of Sequim's Parks and Recreation Master Plan states that the City's Vision for Parks and Recreation is that "Sequim is a city that values the health of its citizens and provides cost-effective parks, recreation and leisure opportunities which will continue to make Sequim a great place to live and play"; and

WHEREAS, the commitment of financial resources for the two aforementioned capital projects clearly shows that the City of Sequim is dedicated to implementing the City's Vision for Parks and Recreation;

NOW, THEREFOR, the Sequim City Council declares its support of this Resolution that directs the City Manager to include $60,000 for tennis courts at Carrie Blake Community Park and $20,000 for site improvements at Dr. James Standard Park in the proposed 2017 City of Sequim Budget.

Adopted by the Sequim City Council on this 11th day of April, 2016.

Dennis Smith, Mayor

Karen Kuznek-Reese, MMC, City Clerk

Approved as to Form:

Craig Ritchie, City Attorney

AGENDA ITEM #___3___

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **June 27, 2016**

FROM: **David Garlington, PW Director** **DMG** Initials

SUBJECT/ISSUE: **2016 Pavement Preservation Projects**

Discussion dates			
CATEGORY	☐ City Manager Report	☒ Information Only	Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda	10 Minutes
	☐ Unfinished Business	☐ New Business	

Reviewed by	Initials	Date
Charlie Bush, City Manager		
Sue Hagener, Deputy Administrative Services Director	SH	6/22/16
Matt Klontz, City Engineer	MK	6/22/16

PROBLEM/ISSUE STATEMENT: Public Works staff has developed a list of streets that will be part of the 2016 Pavement Preservation project. This memo is intended to present the selected streets to Council for informational purposes.

LIST OF ATTACHMENTS:

1. Pavement Preservation Concept
2. Pavement Preservation Investment
3. Pavement Preservation Map

DISCUSSION/ANALYSIS: The streets slated to be paved in 2016 is shown below:

Project No.	Location	Treatment
1	W. Fir St (between 5th and 9th)	Overlay
2	Klahn Pl (Cul-de-sac)	Overlay
3	N. 7th Avenue (water main break near W Alder Loop)	Reconstruction

Public Works is taking a proactive approach to correcting roadway pavement deficiencies early, before the pavement has deteriorated to the point where a costly full

depth reconstruction of the road is required. The roadway lives for both W. Fir Street from 5th to 9th and the Klahn Pl Cul-de-sac (Project No. 1 & 2) can be extended through an asphalt overlay. Overlaying a roadway extends the road life at a comparatively low cost to major roadway repair and reconstruction. At this time, both streets are strong candidates for pavement preservation investment with pavement condition index (PCI) ratings ranging between 73 and 46. In addition to overlaying the streets, the project will replace ADA deficient curb ramps. A bike facility consisting of sharrow pavement markings (share the road with cyclist arrows) and supporting traffic signs will be installed on W Fir St as well.

Besides restoring the pavement, there are several strategic benefits to paving W Fir St. One, the W Fir St corridor was identified as part of the city wide bicycle network in the *Transportation Master Plan*. Two, the City will be demonstrating a commitment to improving pedestrian and bicycle facilities along the W Fir St corridor. Doing so strengthens the City's grant applications currently being pursued by Public Works for the W Fir St Rehabilitation Project between Sequim and 5th Ave. Three, the east end of the W. Fir St overlay project connects to N. 9th Ave. The long-term plan for N. 9th Ave, is to widen and extend the road to connect from the roundabout on W. Washington St to W. Hendrickson Rd, thereby providing an additional north-south collector.

In addition to W. Fir St and Klahn Pl, a 250 linear feet section of N. 7th Avenue (Project No. 3) will require the more costly full depth pavement repair as a result of the water main break that occurred in April 2016. It will also require repair of the aggregate base supporting the pavement and repair to sections of concrete curb and gutter.

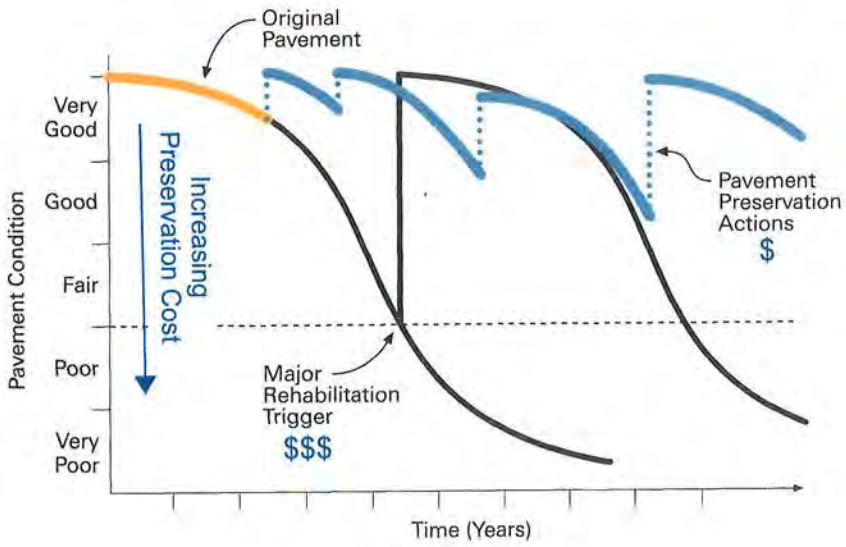
This fall and winter, Public Works will be administering a safety improvement project that includes replacing ADA deficient curb ramps, driveways, and sidewalk along N. Brown Road, Blake Avenue, and in the Oak Tree subdivision. There will be a follow on pavement overlay project N. Brown Road from E. Washington to E. Fir St in the spring of 2017.

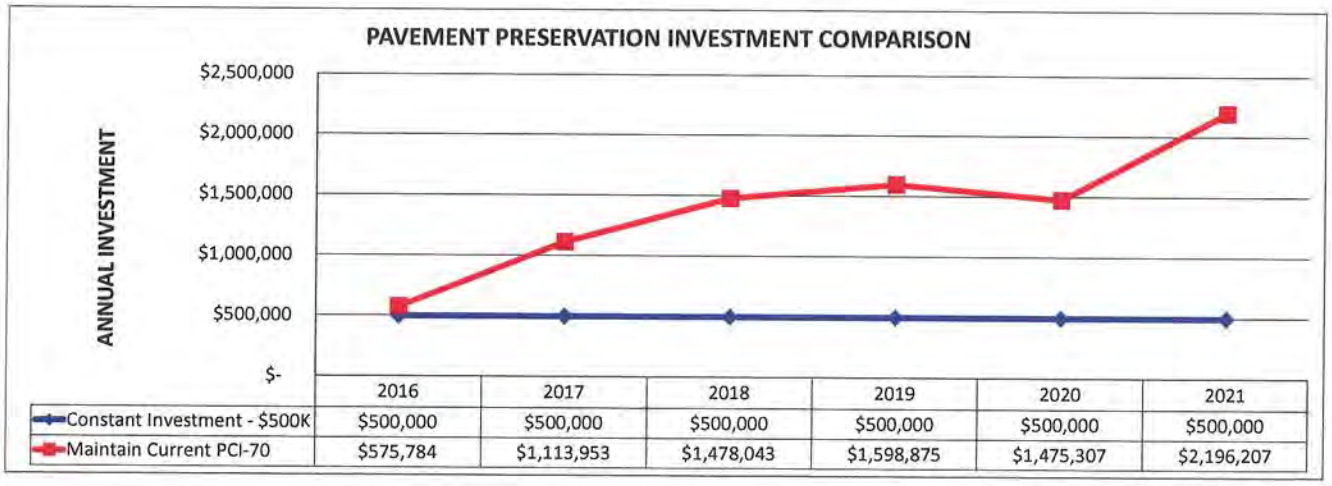
FINANCIAL IMPLICATIONS: This project is funded from the 2016 Pavement Rehabilitation budget in the amount of $473,000 ($199,000 in TBD and $274,000 in Utility.)

RECOMMENDATION: None

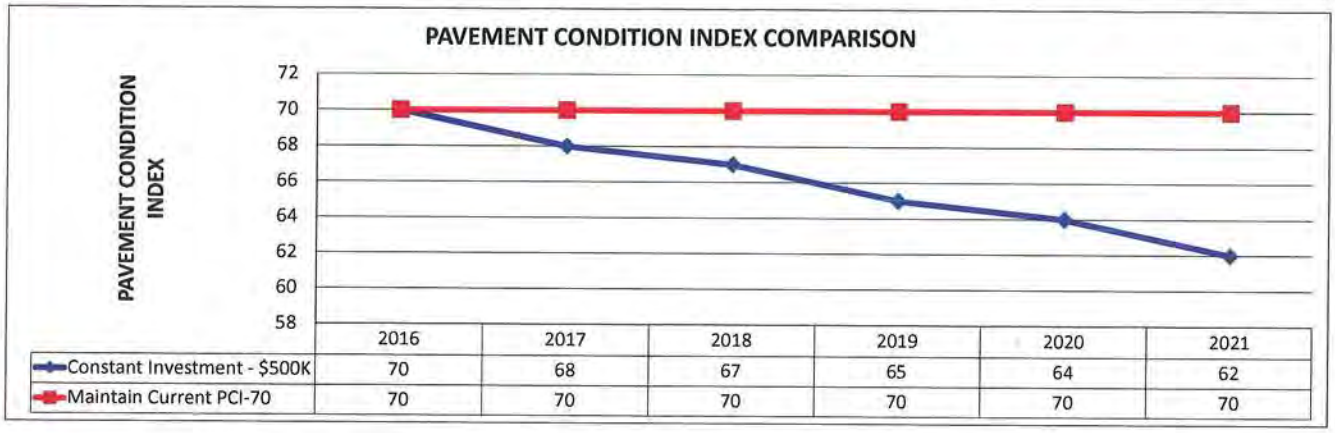
MOTION: None. Update only.

The Pavement Preservation Concept





	2016	2017	2018	2019	2020	2021
Constant Investment - $500K	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Maintain Current PCI-70	$575,784	$1,113,953	$1,478,043	$1,598,875	$1,475,307	$2,196,207



	2016	2017	2018	2019	2020	2021
Constant Investment - $500K	70	68	67	65	64	62
Maintain Current PCI-70	70	70	70	70	70	70

W. Fir St Construction Scope
1) 4' wide tapered HMA milling along gutter line & butt joint @ match points,
2) 0.15' HMA Overlay,
3) Curb Ramp reconstruction to meet ADA Stds.
4) Pavement marking including sharrows, cross-walks, and stop bars.
CURB RAMP REPLACEMENT
CURB RAMP REPLACEMENT
0.15' HMA OVERLAY 1,100 TONS (90,000 SF)
4,000 SY PLANING
PCI 46 LOCAL RD
W FIR ST
PCI 73 LOCAL RD
N Fir St
2,700 Ft
PCI 56 CUL DE SAC
N Klahn Pl
Klahn PL
DRIVEWAY REPLACEMENT
250 Ft
N 9th Ave
N 7th Ave
N 5th Ave
N 7th Construction Scope
1) Full Depth 0.35' HMA Replacement,
2) Repair Pavement Base,
3) Repair Concrete Curb & Gutter
W Spruce St
Eureka Way
Cameron Farm Dr
W Helen St
Rose St
Redwood St
Rhododendron St
Juniper Mobile Estates
PAVEMENT PRESERVATION MAP
Google earth
N

AGENDA ITEM #__4___

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **June 27, 2016**

FROM: Joseph D. Irvin, AICP
Assistant to the City Manager

JDI
Initials

SUBJECT/ISSUE: Approve Guy Cole Scope of Work

Discussion Date(s)	CC – March 28, 2016			
CATEGORY	☐ City Manager Report ☐ Public Hearing ☒ Unfinished Business	☐ Information Only ☐ Consent Agenda ☐ New Business		Time Needed for Presentation 5 mins.
Reviewed by			Initials	Date
David Garlington, Acting City Manager			dmg	6/21/16
Kristina Nelson-Gross, City Attorney			KNG	6/22/2016

PROBLEM/ISSUE STATEMENT:
This item has been brought to the Council for their consideration of a proposed scope of work for the Guy Cole revitalization project. The proposed scope of work helps the City prioritize how best to expense the $436,500 secured as part of the 2015-2017 Washington State Capital Budget through the Department of Commerce Direct Grant Program. From the beginning, the Guy Cole project has been promoted to improve the aesthetics, function and amenities offered by the City of Sequim to appeal to a broad audience of users.

LIST OF ATTACHMENTS:
1) Investment Grade Audit Proposal

DISCUSSION/ANALYSIS:
In late 2014 the City Council endorsed a conceptual design which had an estimated value of improvements that ranged from $800K to $1.2M. The City has $436,500 to make improvements to the Guy Cole Building and the proposed scope of work helps the City prioritize how to expense that amount.

On March 28, 2016 the City Council approved a motion to endorse an Inter-Agency Agreement between the City of Sequim and the Washington State Department of Enterprise Services (DES), with the understanding that we would receive a preliminary energy audit for recommended improvements. The attached Investment Grade Audit Proposal is what the City has received and while it does clearly provide an overview of the services the City could receive from moving forward with DES it is staff's recommendation that the City of Sequim self-manage a contract with a General Contractor to complete the scope of work as proposed.

Staff would like to present the City Council with the following scope of work:

1) Interior lighting with a dropped ceiling.
2) Replacement of HVAC units.
3) Replacement of windows and doors.
4) Remodel of kitchen, including an upgrade of kitchen appliances and the cook line suppression system.
5) New flooring throughout the building.
6) New interior paint and window treatments.
7) New metal roofing.

Once the scope of work is approved by the City Council, it is staff's plan to work with an Architect to develop specifications for the aforementioned scope of work before the end of July 2016. After the specifications have been developed, it is staff's plan to post a Request for Proposal (RFP) for General Contractor services with the intent to start the work by September 2016. It is staff's proposal to have all the work completed by March 31, 2017.

FINANCIAL IMPLICATIONS:
The City has secured $436,500 as part of the 2015-2017 Washington State Capital Budget through the Department of Commerce Direct Grant Program. Mid-year budget amendments will be brought to Council to formally add this project to the 2016 budget.

RECOMMENDATION:
Staff recommends the City Council approve the proposed scope of work as presented.

MOTION:
I move to approve the scope of work for the Guy Cole revitalization project as presented.

June 22, 2016

Lisa Steel
Department of Enterprise Services
PO Box 41476
Olympia, WA 98504-1476

SUBJECT: Investment Grade Audit Proposal, City of Sequim, Guy Cole Convention Center Renovation

Dear Lisa:

We are pleased to submit this Investment Grade Audit (IGA) Proposal for City of Sequim's Guy Cole Convention Center. Trane will provide an investment grade audit in accordance with Master Energy Services Agreement 2015-181 K (11), including engineering services, project development, cost estimating, energy/operational savings calculations, pre-retrofit measurements and verification, and coordination with the utility provider for the subject project. The IGA and resulting energy services proposal (ESP) will define a project that addresses systems described below, meets the defined cost effectiveness criteria, achieves the City's operational goals, and secures applicable incentives from utilities.

Primary IGA Focus/Scope of Work

The audit will address of variety of energy and water conservation measures at the Guy Cole Convention Center.

1. Energy Conservation Measures (ECMs):
    a. Programmable thermostat(s) to initiate time of day scheduling and provide remote access capability
    b. Interior lighting with occupancy control, diming and zoning (including new drop ceiling grid)
    c. Exterior lighting
    d. Water-efficient fixtures
    e. Energy-efficient windows
2. Other Improvements: These improvements are directly related to the aesthetics and functionality of the assembly area and are not energy related. The IGA will include an architectural workshop to determine City aesthetic requirements for the assembly area and guaranteed maximum (GMAX) pricing for the project will include the following.
    a. Flooring
    b. Interior Paint
    c. Interior and Exterior Doors
    d. Acoustical treatments
3. Scope of Work Development
    a. Procure and manage sub-consultants
    b. Conduct a design workshop with the City and DES to review design features, equipment options, and operational requirements
    c. Conduct architectural workshop to establish City requirements of interior finishes including floors, walls, acoustical treatments, and doors (may be combined with design workshop)
    d. Conduct basic structural load calculations to ensure the weight of the proposed equipment less existing equipment to be removed is within 5% of existing weight supported by the structure. This IGA assumes that IBC chapter 34 will apply and no provisions are included in this proposal for detailed structural analysis or improvements to the existing structure.
    e. Complete preliminary electrical design to include a reflected ceiling plan of the interior lighting, a lighting fixture schedule, switching/zoning, and identification of what circuit(s) and panel(s) will feed the new interior lighting. The exterior lighting will not require electrical design; Trane will propose a one-for-one replacement of existing fixtures.
    f. Prepare draft preliminary design drawings and scope of work narrative for City and DES review. Final preliminary design drawings will incorporate comments and feedback from City and DES.
    g. Conduct preliminary design review meeting with the City and DES, and a formal pre-bid meeting and contractor site walk.
    h. Prepare and review preliminary safety plan
4. Energy/Operational Savings Calculations

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a. Calculate energy and operational savings calculations for the ECMs listed above
b. Create pre- and post-retrofit measurement and verification plan
c. Coordinate with the City regarding historical operational costs
d. Coordinate with local utility provider regarding applicable incentives

5. Cost Estimating
   a. Create RFP documents
   b. Coordinate subcontractor site visits, respond to bidder questions, solicit vendor and contractor proposals, evaluate proposals, determine costing per trade
   c. Prepare project financial analysis, review project options and pricing with the City and DES, develop final guaranteed maximum project pricing and project financial proforma

6. Pre-Construction
   a. Coordinate with subcontractors and vendors post-City approval of the project, and in advance of the Notice to Proceed
   b. Develop construction schedule with the City
   c. Create and route contracts
   d. Review construction logistics with the City
   e. Review/update safety plan

7. Regular IGA progress meetings with the DES and the City – as required

8. Energy Services Proposal (ESP)
   Trane will present the City and DES with a written Energy Services Proposal (ESP), including the IGA Documentation. The ESP will set forth at least the following:
   a. A description of the Facility and a description of those buildings and systems for which Trane will provide equipment or services
   b. The scope of work documents created during the IGA phase for the Energy Conservation Measures (ECMs) to be installed or caused to be installed by Trane and a description of the ECMs analyzed but not implemented
   c. The services that Trane will perform on or in the facilities, including but not limited to engineering, construction management, the operations and maintenance procedures for use on Trane-provided equipment, training for facility personnel, providing warranty service, and equipment maintenance
   d. The maximum allowable project cost
   e. Recommendations for replacement of existing equipment, along with recommendations for improvements to existing equipment and operating conditions
   f. The standards of comfort and service appropriate for the facility
   g. The baseline energy consumption for the facilities, including the data, methodology and variables used to compute the baseline, and the baseline calendar period which will not be less than twelve (12) months
   h. The estimated energy savings and operational savings that are expected to result from the installation of Trane-provided equipment and from Trane-provided service, and an explanation of the method used to make the estimates
   i. The method by which energy savings and energy cost savings will be calculated during the term of the Energy Services Agreement
   j. A description of how the energy cost savings will be guaranteed by Trane
   k. A description of how Trane proposes to be compensated
   l. The term of the Energy Services Agreement (ESA)
   m. The termination value for each year during the term of the Energy Services Agreement
   n. The schedule for project completion

9. Assumptions
   a. New HVAC equipment will not be studied or proposed at this stage and HVAC design is not included in this proposal.
   b. The existing building does not have a fire suppression system, and per direction from the City this project will not trigger the requirement for a fire suppression system as the use of the building is not changing.
   c. Abatement of asbestos or lead will not be required.

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d. This project will not trigger restroom modifications or ADA compliance.
e. The existing structure is adequate to support the weight of the new t-bar ceiling, lighting and other items associated with this project.
f. The City will complete any HVAC, kitchen, classroom, storage and A/V, or roofing/structural upgrades separately from this project.

City Responsibilities:

1. Provide good faith surveys of the proposed work area (addressing at minimum asbestos and lead)
2. Provide access to record drawings, O&M data, submittals, startup/TAB reports, etc. as required to allow Trane to fully develop the baseline operation of the existing systems to be studied
3. Provide access to 36 months of historical electrical utility data
4. Provide access to staff and occupants with knowledge of history and operation of the systems to be studied as part of this IGA
5. Provide access to the sites, buildings and systems to be studied as required
6. Provide access to City stakeholders as needed during the IGA phase

Fixed Fee for IGA:

1. Engineering and Definition of Interior Finishes ..... $ TBD
2. Energy Services / Project Development..... $ TBD
   a. Customer meetings
   b. Design review and development of scope / RFP for subcontractors
   c. Job walk with subcontractors / pricing development
   d. Energy calculations, measurement and verification plan, production of energy services proposal
3. Total Fixed Investment Grade Audit Fee: ..... $ TBD

Trane will present a 20-year cash flow for implementation of recommended energy conservation measures (ECMs). Because energy savings will be relatively small compared to the total project cost, and the project includes improvements that generate no savings at all, the 20-year cash flow may not be neutral or positive over the life of the installed equipment. Trane will propose options with a total project cost within the available budget of $420,000.

The cash flow will include all ECM implementation costs in accordance with the DES Master Energy Services Agreement, the cost of any ongoing measurement and verification services, and any financing costs. Project benefits shown in the cash flow will include the cost of ancillary infrastructure upgrades (e.g. code-required electrical, mechanical or structural upgrades), capital cost avoidance, guaranteed utility savings including savings resulting from an elevated baseline, utility incentives, increased use and revenue potential, and operational or maintenance benefits agreed to by Trane, the City and DES.

The cost of the Investment Grade Audit will be rolled into the final cost of the project should the City proceed with implementation of the subject project. Should Trane complete the scope outlined in this IGA proposal and identify a project that meets the identified Cost Effectiveness Criteria, and the City chooses not to implement subject project with Trane, the City will reimburse Trane the entire IGA fee within 60 days after the submission of the ESP. If Trane is unable to identify a project that meets the identified Cost Effectiveness Criteria, the City will not be financially obligated to Trane for the Investment Grade Audit fee.

Cost Effectiveness Criteria:

Trane will present a 20-year cash flow for implementation of recommended energy conservation measures (ECMs) that is neutral or positive over the life of the installed equipment. Windows and other (non-energy) improvements are capital investments that will not be part of the cost-effectiveness calculation.

The cash flow will include all ECM implementation costs in accordance with the DES Master Energy Services Agreement, the cost of any ongoing measurement and verification services, and any financing costs. Project benefits shown in the cash flow may include the cost of ancillary infrastructure upgrades (e.g. code-required electrical, mechanical or structural upgrades), capital cost avoidance, guaranteed utility savings including savings resulting from an elevated baseline, utility incentives, increased use and revenue potential, and operational or maintenance benefits agreed to by Trane, the City and DES.

Schedule for IGA Services:

Substantial completion of this IGA will be within 60 days, and full completion within 90 days, of Notice to Proceed.

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We at Trane appreciate the opportunity to provide these services. We look forward to reviewing this proposal with you and the City of Sequim.

Sincerely,

Matt Emlen
Account Executive, Trane
2333 158th Court NE, Bellevue, Washington 98008

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AGENDA ITEM #__5__

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **June 27, 2016**

FROM: David Garlington
Public Works Director

dmg
Initials

SUBJECT/ISSUE: **Cline Irrigation District Contract**

Discussion dates				
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		5 min.
	☐ Unfinished Business	[X] New Business		
Reviewed by			Initials	Date
Charlie Bush, City Manager				
Kristina Nelson-Gross, City Attorney			KNG	6/21/2016
Sue Hagener, Administrative Services Director			SH	6-21-2016

PROBLEM/ISSUE STATEMENT:
Irrigation managers recently requested the use of the City's vac truck to clean the fish screen channel where the Agnew, Cline and Clallam ditch enters their system located on Taylor Cutoff Road.

ATTACHMENTS:

1. **Cline Irrigation District Contract**

DISCUSSION/ANALYSIS:
Silt and gravel collecting in a fish screen structure managed by Cline Irrigation District had accumulated to the point that the screens were no longer functional. This prevented water delivery to agricultural interests served by the Cline District, Clallam Irrigation Company, and Dungeness Irrigation Group. The 14 foot deep channel was partially excavated by backhoe but needed the capabilities of a vactor truck to clear the screens. As time was of the essence and the City has the only equipment on the North Peninsula capable of doing this work, the City entered into a short term, one-time contract with Cline to do the work. The screens were successfully cleared and water is again flowing.

BUDGET IMPLICATIONS:
Standard rates for equipment and personnel will apply for this activity as stated in the contract. The sewer fund will be reimbursed for the costs incurred by the service.

RECOMMENDATION:
Staff recommends Council ratification of the maintenance services contract between the City and Cline Irrigation District for the cleaning of their fish screens.

MOTION:
I move to ratify the contract dated June 16, 2016 between the City of Sequim and Cline Irrigation District for maintenance of a fish screen located at 1053 Taylor Cutoff Road.

CONTRACT BETWEEN
CITY OF SEQUIM
AND
CLINE IRRIGATION DISTRICT
FOR
CITY MAINTENANCE SERVICES

THIS IS AN AGREEMENT between the **City of Sequim**, a municipal corporation of the State of Washington, hereinafter referred to as "City," and the **Cline Irrigation District**, hereinafter referred to as "Cline," providing for the City to use its vac truck (aka, jet truck) at its convenience to conduct maintenance at fish screen located at 1053 Taylor Cutoff Road managed by Cline, for agreed-upon consideration indicated herein.

IT IS HEREBY AGREED by the parties as follows:

A) **Term of Agreement**. This agreement shall commence upon signature by all parties and shall expire on June 30, 2016.

B) **Payment**. The costs for regular shift (non-overtime) City services are established at the beginning of each calendar year by the City; for 2016 they are $140.02 per hour for use of the City's vac/jet truck, $26.00 for a one ton pick-up, $8.81 each for 4" trash pumps, and $36.80 per employee per hour for operator(s), plus a 15% administrative fee. This work would be planned to not extend beyond the crew's normally scheduled work week but, if it does, time-and-a-half rates would be charged.

C) **Right of Entry**. Cline grants the City right of entry to the subject site for the purpose of maintenance as requested by Cline, provided that such right of entry shall be subject to any and all applicable permitting or other legal requirements.

D) **Disposal of Material**. Cline will provide a site for disposal of material removed during cleaning which is appropriate and permitted as required by law.

E) **Hold Harmless and Indemnification**. Cline shall defend, indemnify and hold harmless the City and its appointed and elected officers and employees from and against any and all liability, loss, cost, damage and expenses, including costs and attorney's fees in defense thereof, because of actions, claims or lawsuits for damages for personal or bodily injury, including death at any time resulting therefrom, sustained or alleged to have been sustained by any person or persons, and on account of damage to the environment or to property, including loss thereof, asserted or arising or alleged to have arisen directly or indirectly out of or in consequence of the City's performance of this Agreement or the negligence or willful acts of the City or its employees, except for injuries and damages caused by the sole negligence of the City.

As to injuries and damages caused by the sole negligence of the City, the City shall defend, indemnify and hold harmless Cline and its appointed and elected officers and employees from and against any and all liabilities, losses, costs, damages and expenses, including costs and attorney's fees in defense thereof, because of actions, claims or lawsuits for

damages for personal or bodily injury, including death at any time resulting therefrom, sustained or alleged to have been sustained by any person or persons, and on account of damage to the environment or to property, including loss thereof, asserted or arising or alleged to have arisen directly or indirectly out of the City's sole negligence.

This agreement to indemnify expressly includes claims that would be barred by the State of Washington Workmen's Compensation Act (RCW Title 51) if brought directly by the claimant against the indemnitor. The parties acknowledge that this indemnification provision has been specifically negotiated.

No liability shall attach to the parties to the agreement by reason of entering into this agreement except as expressly provided herein.

F) **Insurance**. Cline shall obtain and keep in force during the full term of this Agreement the following insurance coverages:

a. Worker's Compensation Insurance in compliance with the laws of the State of Washington covering all Cline employees who perform under this Agreement.

b. Commercial General Liability Coverage including Bodily Injury/Property Damage, Personal Injury/Advertising Injury, Products and Completed Operations, Contractual Liability, Premises and Operations, Independent Contractors, and Stop Gap Liability for minimum limits of:

General Aggregate	$1,000,000
Products Completed Aggregate	$1,000,000
Each Occurrence	$1,000,000

The City and its directors, officers, employees, agents, and volunteers shall be named as an Additional Insured.

c. Automobile Liability, including all owned, non-owned, and hired vehicles $1,000,000
Each Occurrence $1,000,000

THIS CONTRACT is entered into this 16 day of June, 2016.

CITY OF SEQUIM

David Martin FOR
Charles R. Bush, City Manager

CLINE IRRIGATION DISTRICT

SOhnstad
Steve Ohnstad, President

ATTEST:

Karen Kuzniek-Reese, MMC, City Clerk

APPROVED AS TO FORM:

Kristina Nelson-Gross, City Attorney

Kathy Johns <kjohns@enduris.us>
to "johnstad@olympicwi-fi.com" <johnstad@olympicwi-fi.com>
Insurance Binder

June 16, 2016 9:06 AM

1 Attachment, 20 KB

Per your request. ☺

Kathy Johns
Administrative Assistant to Sheryl Brandt/Marc Antonietti
enduris
1610 S. Technology Blvd., Suite 100
Spokane, WA 99224
T. 800.462.8418
F. 509.747.3875
kjohns@enduris.us

BINDER

MEMBER: Cline Irrigation District
322 Clark Rd
Sequim, WA 98382-7351

Memorandum # 2016-00-301

This is to certify that the Memorandum of Coverage has been issued to the Member named above for the period indicated.

EFFECTIVE: September 1, 2015 to September 1, 2016

COVERAGE:	LIMIT	DEDUCTIBLE
Comprehensive General Liability		
General Liability	$20,000,000	$1,000
Professional Liability	$20,000,000	$1,000
Personal Liability	$20,000,000	$1,000
Auto Liability		
Combined Single Limit	$20,000,000	$1,000
Hired and Non-Owned Auto Coverage	$20,000,000	$1,000
Temporary Substitute Auto Coverage	$20,000,000	$1,000
Public Officials Errors and Omissions Liability		
Each Wrongful Act	$20,000,000	$1,000
Aggregate Per Member	$20,000,000	$1,000
Terrorism Liability		
Terrorist Liability	$500,000	$1,000
Aggregate for Pool distribution per Enduris Board	$1,000,000	$1,000
Cyber Coverage		
Aggregate Per Member	$2,000,000	20% Co Pay
Employment Practices Liability		
Aggregate Per Member	$20,000,000	20% Co Pay*
*Co Pay may be waived as per Memorandum of Coverage		
Crime Blanket Coverage with Faithful Performance of Duty		
Per Occurrence	$10,000	$1,000
Aggregate	$10,000	$1,000
Identity Fraud Expense Reimbursement	$25,000	N/A
Property Mobile Equipment/Boiler and Machinery		
Property	Replacement Cost Per Enclosed Schedule	
Mobile Equipment	Replacement Cost Per Enclosed Schedule	
Boiler & Machinery	Replacement Cost Per Enclosed Schedule	

Rafaela Ortiz
Authorized Representative
Chief Operating Officer
September 9, 2015

enduris

1610 S. Technology Blvd. Ste 100 – Spokane Washington – 99224
Tel. (509) 838-0910 – Toll Free (800) 462-8418 – Fax (509) 747-3875

AGENDA ITEM #__6__

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **June 27, 2016**

FROM: David Garlington
Public Works Director

dmg
Initials

SUBJECT/ISSUE: **MOA with Sequim-Prairie Tri-Irrigation Association**

Discussion dates	Short-term contract 2/22/16			
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		5 minutes
	☐ Unfinished Business	☒ New Business		

Reviewed by	Initials	Date
Charlie Bush, City Manager		
Kristina Nelson-Gross, City Attorney	KNG	6/22/2016
Sue Hagener, Administrative Services Director	SH	6/21/16

PROBLEM/ISSUE STATEMENT:
Public Works crews coordinate closely with irrigation managers during storms to prevent and address flooding problems on City streets associated with irrigation ditches and ditch culverts. In the past few years, coordination has improved due to increased awareness of our mutual reliance; irrigators have essential infrastructure installed in the City and the City has runoff to manage.

The subject MOA with Sequim Prairie Tri-Irrigation Association (SPTI), a privately held for-profit company, addresses the following potential concerns and furthers the public benefit of stormwater management for the City:

- Hold harmless guidance in the event of a dispute over damage
- Minimum insurance coverage criteria
- Right of entry
- Close regulation or prevention of River diversions into the ditch system during storms
- Reliable stormwater conveyance
- Getting timely input from SPTI on permit applications

ATTACHMENTS:

1. **MOA with Sequim Prairie Tri-Irrigation Company**

DISCUSSION/ANALYSIS:
Stormwater management in the City of Sequim is now and will always be influenced by inputs, e.g., stormwater coming into the City via the irrigation ditches, from areas outside the City in addition to precipitation falling on urban and suburban areas within City limits. A partial list of water managers that handle storm and surface water upgradient of or within the City and its urban growth areas includes:

- Clallam County
- Highland Irrigation District
- Sequim Prairie Tri-Irrigation Company
- Washington Dept. of Transportation
- Sequim School District
- Dozens of homeowner associations
- Several privately-owned businesses with large parking lots or other impervious surfaces

Effective and collaborative stormwater management provides a benefit to City residents and to our community as a whole. It is important for the City to maintain strong working relationships with its water management partners in order to promptly and effectively manage runoff such that property damage and transportation interruptions are avoided for all residents and visitors. Collaborating with the SPTI allows the City to continue to enjoy the benefits of stormwater management derived from utilizing the irrigation ditches as part of its stormwater management plan. City initiated the process of negotiating this agreement to facilitate close coordination and proper maintenance in the future and to provide a basis for local resolution of local issues, should they come up.

BUDGET IMPLICATIONS:
No budget implications related to this agenda item.

RECOMMENDATION:
Staff recommends Council approval of the proposed MOA.

MOTION:
I move to authorize the City Manager to sign the MOA with Sequim Prairie Tri-Irrigation Association for general maintenance, with terms including fees for requested services.

Memorandum of Agreement
Between
City of Sequim
and
Sequim Prairie Tri-Irrigation Association

THIS IS AN AGREEMENT between the City of Sequim, a municipal corporation of the State of Washington, hereinafter referred to as "City," and the Sequim Prairie Tri-Irrigation Association, a for-profit corporation of the State of Washington, hereinafter referred to as "SPTI," providing for mutually beneficial maintenance of irrigation ditches and pipelines, infiltration and conveyance of storm water within the city limits.

WHEREAS:

1. Open and piped SPTI irrigation ditches traverse the Sequim City limits and affect the natural flow of storm drainage waters through local drainage basins.
2. These ditches were established between 1896 and 1906, prior to the City's incorporation.
3. As the City has grown some portion of these ditches have been piped, first as road crossings and then to traverse large developed areas.
4. The piping was installed by construction contractors or the City in most cases without consultation or approval from SPTI or its predecessors.
5. There is a drainage ditch that drains the Sporseen Road area of Burnt Hill in Clallam County, south of the City, which empties into the SPTI ditch system just before the irrigation ditch crossing of Falcon Road. This drainage ditch sometimes delivers more water than the irrigation system can handle.
6. There has been property damage including within the City limits as a result of the flooding described in Item #5.

IT IS HEREBY AGREED by the parties as follows:

A. Term of Agreement. This agreement shall commence upon signature by all parties and shall automatically renew on January 1st each calendar year unless one party gives 30 days' notice not to renew.

B. Right of Entry. SPTI grants the City right of entry for maintenance purposes, provided that such right of entry shall be subject to any and all applicable permitting or other legal requirements.

C. Agreements.
   1. SPTI will cooperate in any way possible with transporting storm water for the City so long as it does not create legal liability and is within the capacity of the current ditch system.
   2. SPTI will do regular maintenance on its open ditches and culverts to maintain capacity and clean trash racks on a regular basis.
   3. The City will help clean trash racks when there are high water flows.
   4. SPTI will provide a site for disposal of material removed during cleaning which is appropriate and permitted as required by law.

5. SPTI will regulate River diversions and water flows within the ditch system to supply its shareholders' needs and to avoid overflow during storms.
6. During winter time high water flows, SPTI will not add any river water to the ditch system affected by the Sporseen area run-off.
7. The City will discourage landowners from planting any trees or constructing any structures within 15 feet of an open ditch or pipeline when a City permit is involved, unless there has been direct consultation with SPTI.
8. SPTI will comment in a timely fashion on city permit applications regarding specifications or standards for irrigation culverts, trash racks, vegetation control, rights of entry to easements, and ditch maintenance.
9. The City will work with SPTI to control, within the City rights of way, wild blackberry in and adjacent to the ditch, and encourage landowners to control blackberry and other noxious weeds.
10. The City will continue to implement its 6-year CIP which includes projects resolving inadvertent entry of storm flows from City property into irrigation facilities.
11. SPTI may request in writing vac truck and other maintenance services (not storm-related) that the City is willing and able to provide. The City's Operations Manager in the Public Works Department may accept in writing to provide requested services, at the City's convenience, on a cost-recovery basis plus 15% administrative fee. This work would be planned to not extend beyond the crew's normally scheduled work week, but, if it does, time-and-a-half rates would be charged.

D. Hold Harmless and Indemnification. SPTI shall defend, indemnify and hold harmless the City and its appointed and elected officers and employees from and against any and all liability, loss, cost, damage and expenses, including costs and attorney's fees in defense thereof, because of actions, claims or lawsuits for damages for personal or bodily injury, including death at any time resulting therefrom, sustained or alleged to have been sustained by any person or persons, and on account of damage to the environment or to property, including loss thereof, asserted or arising or alleged to have arisen directly or indirectly out of or in consequence of the City's performance of this Agreement or the negligence or willful acts of the City or its employees, except for injuries and damages caused by the sole negligence of the City.

The City shall defend, indemnify and hold harmless SPTI and its appointed and elected officers and employees from and against any and all liability, loss, cost, damage and expenses, including costs and attorney's fees in defense thereof, because of actions, claims or lawsuits for damages for personal or bodily injury, including death at any time resulting therefrom, sustained or alleged to have been sustained by any person or persons, and on account of damage to the environment or to property, including loss thereof, asserted or arising or alleged to have arisen directly or indirectly out of or in consequence of SPTI's performance of this Agreement or the negligence or willful acts of SPTI or its employees, except for injuries and damages caused by the sole negligence of SPTI.

This agreement to indemnify expressly includes claims that would be barred by the State of Washington Workmen's Compensation Act (RCW Title 51) if brought directly by the claimant against the indemnitor. The parties acknowledge that this indemnification provision has been specifically negotiated.

No liability shall attach to the parties to the agreement by reason of entering into this agreement except as expressly provided herein. This agreement is not intended to benefit any third parties.

E. Insurance. SPTI shall obtain and keep in force during the full term of this Agreement the following insurance coverages:

a. Worker's Compensation Insurance in compliance with the laws of the State of Washington covering all SPTI employees who perform under this Agreement.

b. Commercial General Liability Coverage including Bodily Injury/Property Damage, Personal Injury/Advertising Injury, Products and Completed Operations, Contractual Liability, Premises and Operations, Independent Contractors, and Stop Gap Liability for minimum limits of:

General Aggregate	$2,000,000
Products Completed Aggregate	$2,000,000
Each Occurrence	$1,000,000

The City and its directors, officers, employees, agents, and volunteers shall be named as Additional Insured(s), 152 W. Cedar St., Sequim, WA 98382.

c. Automobile Liability, including all owned, non-owned, and hired vehicles: $1,000,000
Each Occurrence: $1,000,000

THIS CONTRACT is entered into this ____ day of _____, 2016.

CITY OF SEQUIM

_____
Charles P. Bush, City Manager

SEQUIM PRAIRIE TRI-IRRIGATION ASSOCIATION

Gary A. Smith
Gary Smith, Executive Director

ATTEST:

_____
Karen Kuznek-Reese, MMC, City Clerk

APPROVED AS TO FORM:

_____
Kristina Nelson-Gross, City Attorney

AGENDA ITEM #__7__

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **June 27, 2016**

FROM: David Garlington
Public Works Director

_____
Initials

SUBJECT/ISSUE: **Support of Dungeness Off-Stream Reservoir grant application**

Discussion dates	Study Session 1/11/2016			
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		10 minutes
	☒ Unfinished Business	☐ New Business		
Reviewed by			Initials	Date
Charlie Bush, City Manager				
Kristina Nelson-Gross, City Attorney			KNG	6/22/2016

PROBLEM/ISSUE STATEMENT:
The City is a stakeholder that stands to benefit from the construction and operation of a large water storage reservoir south of the City limits off River Road (the proposal was presented at a Study Session on January 11). One of the most likely sources of funding to assist with this expensive project is Washington Department of Ecology's "Floodplains by Design" grant program.

Washington Water Trust, another stakeholder with an interest in streamflow restoration, has prepared an application for $4 million (the estimated amount needed for both land acquisition and final design/engineering) to be submitted to Ecology by June 30th.

It is very beneficial in the grant seeking process for stakeholders to provide indication of support whether monetary, in-kind, or simple endorsement.

ATTACHMENTS:
1. **Resolution R2016-19**

DISCUSSION/ANALYSIS:
The attached resolution lists numerous benefits of the proposed reservoir, including several directly advantageous to the City such as reduced flood damage to City streets

and private property in western Sequim, reduced transportation impacts from flooding on Silberhorn and River Roads, reduced flood flows in Bell Creek through the City, and fewer water quality impacts to creeks and bays.

Other significant benefits include:

- The stored water would provide a reliable supply of irrigation water to support the agriculture industry in and around Sequim.
- The proposed reservoir would allow reduction of irrigation diversions by up to 50% from the Dungeness River when salmon are migrating.
- Aquifer recharge (which helps maintain drinking water supplies), public recreation, enhanced wildlife habitat, and improved water quality.

Key unanswered questions to be determined during final design:

- Ownership (Clallam County is pursuing purchase or transfer from DNR)
- Complete cost of construction (early estimates range from $20-30 million)
- Operational roles and assignments (irrigation managers are most likely)
- Specific maintenance needs

BUDGET IMPLICATIONS:
There is no cost directly associated with this action since it is supporting the work of outside entities.

The City has been clear in its participation with other stakeholders in the planning stages of this project that we cannot afford to take on costs associated with acquisition, design, or construction of the project unless fully grant reimbursable and directly related to alleviating flooding or other stormwater impacts within the City.

RECOMMENDATION:
Staff recommends Council approval of the attached resolution.

MOTION:
I move to approve Resolution R2016-19 which urges Washington Department of Ecology to fund property acquisition and design of the Dungeness Off-Stream Reservoir.

RESOLUTION NO. R2016-19

A RESOLUTION URGING WASHINGTON DEPARTMENT OF ECOLOGY TO FUND ACQUISITION AND DESIGN OF THE DUNGENESS OFF-STREAM RESERVOIR

Whereas, with the majority of its jurisdiction in the Dungeness watershed, Sequim recognizes that careful management of water supplies on a watershed scale is important to provide resiliency for times of drought and as the City population grows; and

Whereas, the Dungeness River watershed has been the subject of multiple water supply and habitat studies and plans over three decades and an off-stream reservoir has been identified as an appropriate way to store water available when river flows and storm runoff are high, without adversely affecting the ecosystem; and

Whereas, the benefits of capturing runoff from county areas uphill from western Sequim include: reduced flood damage to City streets and private property in western Sequim, reduced transportation impacts from flooding on Silberhorn and River Roads, reduced flood flows in Bell Creek through the City, and fewer water quality impacts to creeks and bays; and

Whereas, the stored water would provide a reliable supply of irrigation water to support the agriculture industry in and around Sequim—especially during drought and low-snowpack years; and

Whereas, the proposed reservoir was sized to store the volume of water needed by irrigators over 4-6 weeks during late summer, thereby reducing diversions by up to 50% from the Dungeness River when salmon are migrating.

Whereas, additional potential benefits of stored water include aquifer recharge (which helps maintain drinking water supplies), public recreation, enhanced wildlife habitat, and improved water quality.

Whereas, if funded and implemented, the proposed grant project will reduce flood hazard risk in the City, its urban growth area, and in the Dungeness River.

Now, therefore, be it resolved:

1. The City will continue to provide limited, in-kind technical assistance and staff support in pursuit of funding for the proposed reservoir.

2. The City urges Washington Department of Ecology to support and fully fund property acquisition and final design of the Dungeness Off-Stream Reservoir, as proposed by Washington Water Trust through the 2017-19 Floodplains by Design grant program and other funding avenues.

Adopted this _____day of _____2016.

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Dennis Smith, Mayor

ATTEST:

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Karen Kuznek-Reese, MMC, City Clerk

APPROVED AS TO FORM:

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Kristina Nelson-Gross, City Attorney