REGULAR MEETING AGENDA SEQUIM CITY COUNCIL/ TRANSPORTATION BENEFIT DISTRICT

Sequim Civic Center
152 West Cedar Street
Sequim, WA
October 24, 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. Jaymarc Audio Training
2. Small Business Development Center

PLEDGE OF ALLEGIANCE

ROLL CALL

CHANGES TO THE AGENDA

CEREMONIAL

REPORTS

Committee, Board and Liaison

Presiding Officer

City Manager

- Storm Update
- Rally in the Alley

Student Liaison Report

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

INFORMATION/COUNCIL QUESTIONS INVITED

3. Third Quarter Human Services Reports
   a. Parenting Matters
   b. Boys & Girls Club
   c. Dungeness Valley Health & Wellness Clinic

PUBLIC HEARINGS (Legislative)

4. Ordinance No. 2016-18 Establishing SMC 12.25 Protection and Preservation of Public Trees in Parks and Rights-of-Way (Tree City Designation)
5. WCF (WiFi) Moratorium Extension
6. Ordinance No. 2016-15 Wireless Communication Facilities

CONSENT AGENDA

7. Approve/Acknowledge
   a. City Council Meeting Minutes – October 10, 2016
   b. Claim Voucher Recap Dated 10/24/16 Total Payments $639,692.23
   c. Approve City Invoice to Transportation Benefit District for 3rd Quarter 2016 Safety & Maintenance Services

UNFINISHED BUSINESS

8. 3rd Quarter Financial Reports – City and Transportation Benefit District
9. Presentation of 2017 City of Sequim and Transportation Benefit District Budget – Public Works and Capital Projects
10. Ordinance No. 2016-16 Amending SMC 2.62 Park, Arbor and Recreation Board

NEW BUSINESS

11. Approve Cooperative Agreement with Washington Department of Natural Resources

GOOD OF THE ORDER

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

EXECUTIVE SESSION

NEXT MEETING DATE November 14, 2016 (5:00 p.m.) and November 28, 2016 (6:00 p.m.) *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 #_2_

SEQUIM CITY COUNCIL
WORK SESSION - AGENDA COVER SHEET

MEETING DATE: **October 24, 2016**

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

JDI
Initials

SUBJECT/ISSUE: **Small Business Development Center Overview and Presentation**

Discussion dates				
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		30 mins.
	☐ Unfinished Business	☒ Work Session		
Reviewed by			Initials	Date
Charles P. Bush, City Manager			CPB	10/18/2016
Kristina Nelson-Gross, City Attorney			KNG	10/18/2016
Sue Hagener, Administrative Services Director				

PROBLEM/ISSUE STATEMENT:
The Small Business Development Center (SBDC) has extended a request to the City of Sequim to provide services to the City that would provide businesses with technical assistance on all areas of business operation.

ATTACHMENTS:
1) Sequim Start-up story from 2015 (Little Explorers Early Learning Center)
2) Sequim Start-up story from 2016 (Forage Gifts and Northwest Treasures)
3) SBDC Washington Statewide Presentation
4) SBDC Letter Request for Funding

DISCUSSION/ANALYSIS:
The Small Business Development Center (SBDC) services are comprised of three legs that are outlined below.

1. One-on-one, no cost and in-depth advising services. This technical assistance covers all areas of business operation. Additionally, this includes local and broad access to 28 other advisors, including their particular expertise, in the form of co-advising with the local SBDC representative for Sequim clients.

   Kevin Hoult, Certified Business Advisor and local representative with SBDC has indicated that because of all the activity in Sequim, he is spending a significant amount of time with local businesses and has no indication of that slowing in the foreseeable future. He has assisted 22 businesses in Sequim. He is currently and actively working with 16 clients to assist and/or expand their business by, delivering them 235 hours of advising, which will result in approximately $180,000 of new capital investment and 4 new business starts.

2. Low or no-cost training in a wide variety of topics. Kevin has delivered workshops on:
   - Understanding and preventing cybercrime in small businesses
   - Seven steps to Marketing Magnificence
   - When Customers Attack - dealing with negative online reviews
   - Understanding financial statements
   - Financial management for small business
   - How to get on Google Maps

3. Market intelligence research at no-cost to their clients. SBDC has a market research program that is looked at as a national best practice that does both domestic and international market intelligence research for SBDC clients to help them build their business expansion plans. Typically they have 8-10 interns as part of this program.

FINANCIAL IMPLICATIONS:
There are no financial implications at this time. However, if the City of Sequim should choose to allocate funds for services to the SBDC, such funding would be matched with federal Small Business Administration funding. The SBDC did request $4,000 in a letter to the City of Sequim for 2017.

RECOMMENDATION:
Staff has no formal recommendation at this time and has brought this information to the Council at your request. Staff intends to recommend 2018 funding for the SBDC in the City's pending Economic Development Plan that we will be bringing to you in December. We did not recommend funding in the 2017 budget because we had not yet had a broad economic development conversation with you around our pending plan.

MOTION:
None proposed from staff at this time; however City Council may consider a motion to direct staff to allocate funding for the SBDC services as part of the 2017 budget. The budget has flexibility to allocate $4,000 from the General Fund to contract with the SBDC for services.

SCANNED
AUG 23 2016

AMERICA'S SBDC WASHINGTON

Washington Small Business Development Centers

August 16, 2016

Mr. Mayor Dennis Smith
City of Sequim, City Hall
152 W. Cedar St.
Sequim, WA 98382

Dear Mr. Smith,

Last May I joined our Certified Business Advisor Kevin Hoult to visit several stakeholders in the area to discuss the Small Business Development Center. While unable to meet with you then, you're probably familiar with Kevin since he has clients throughout the North Peninsula. The purpose of this letter is to inform you that we are in the process of submitting our budget to the U.S. Small Business Administration for CY 2017. To establish a stable presence, I am appealing to everyone that supports local businesses to consider a contribution at some level for CY 2017. The total amount we are seeking is $46,693 in 2017. As you can see in the attached budget proposal, I can match that with $45,694 of federal funds. Our request is minimal, yet the return on investment to the North Peninsula is great.

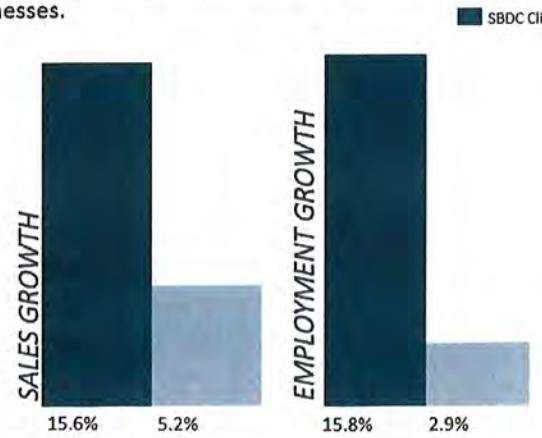
For example, since Kevin re-opened the office in January 2015, his clients attribute 9 new businesses, 34 new or retained jobs, $300,000 of new revenue and $779,500 of additional finance or investments for local businesses. Kevin's clients attribute these impacts as a result of his expert advice and the resources of a statewide network of 28 other Certified Business Advisors.

To put the above data into perspective, consider the results of a recent statewide economic impact study of the Washington SBDC's clients:

$4.77 *SBDC advising provided to our clients generated **$4.77** in incremental tax revenue for every **$1** spent on the Washington SBDC program.*

$12,245,726 *SBDC clients generated **$8,581,956** of State tax revenue and **$3,663,770** of Federal tax revenue...totaling **$12,245,726**!*

COMPARED TO AVERAGE WA BUSINESSES The Washington SBDC clients increase revenue and create jobs at significantly greater rates than other Washington businesses.



Independent Annual Survey Source: Dr. James Chisman, Mississippi St. University

AMERICA'S SBDC WASHINGTON

Washington Small Business Development Centers

While cash match for the next calendar year ensures leverage of federal dollars to the North Peninsula, a three year commitment would ensure even greater stability, strength and value of the SBDC long term.

With the economy starting to gain momentum in pockets across Washington State, we want to ensure that small business owners in the Peninsula have the support they seek to improve productivity and revenue growth while spurring more local economic growth.

As you know, the SBDC is a confidential, personalized and objective advising and training resource available to any local business. And while there is no cost or fee to our clients, we are not free. So I am including a proposed budget showing how local dollars can be leveraged with federal dollars from the SBA, effectively doubling the value to your constituents. We are sensitive to the financial constraints of our funding partners. And though we do our best to control costs, we are at a point where we must ask for local support to allow Kevin to focus on preparing entrepreneurs who want to start, survive and thrive.

I know that together, we can continue to strengthen and grow Washington's entrepreneurial spirit. I am glad to answer any questions, and I look forward to hearing from you soon.

With Kind Regards,

Duane Fladland

Duane Fladland, State Director

Enclosure: Proposed Interagency Agreement – 2017 – Port Angeles

I hope to meet you next time I'm in the area!

1235 N. Post, Ste. 201, Spokane, WA 99201 * Campus Mailing Address: PO Box 1495, Spokane, WA 99210-1495
509-358-7765 * Fax: 509-358-7764 * www.wsbdc.org

Interagency Agreement - 2017 - Port Angeles
(Proposed)

(ESTIMATED COSTS)

Name of SBDC Center: Port Angeles/Port Townsend

DESCRIPTION	SBA	CASH MATCH	IN-KIND MATCH	TOTAL
A. PERSONNEL (Salaries & Wages) ***(Please complete page 2, Personnel List)*** CBA FTE	30,540	30,000		
Total Salaries and Wages	**30,540**	**30,000**		**60,540**
B. FRINGE BENEFITS (please indicate rate % below) Full-time CBA staff 36 %	10,994	10,800		
Total Fringe Benefits	**10,994**	**10,800**		**21,794**
C. TRAVEL Lodging & Transportation - State and National Professional Development Conferences In-State: 4,000 miles , $0.54 per mile reimb. Rate, plus other related travel expenses and annual ASBDC conf.	2,000 2160	1,000		
	4,160	**1,000**		**5,160**
D. EQUIPMENT (items over $5,000)				
Total Equipment	**0**	**0**		**0**
E. SUPPLIES office supplies, computer supplies, subscriptions, postage	0	1,000		
Total Supplies	**0**	**1,000**		**1,000**
F. CONTRACTUAL				
Total Contractual	**0**	**0**		**0**
G. CONSULTANTS				
Total Consultants	**0**	**0**		**0**
H. OTHER Other Goods and Services Facilities Advertisement Postage/Phone Printing/repoduction	0	2000 1893		
Total Other	**0**	**3,893**	**0**	**3,893**
I. TOTAL DIRECT COST	**45,694**	**46,693**		**92,387**
J. INDIRECT COSTS				
K. TOTAL BUDGET	**45,694**	**46,693**	**0**	**92,387**

Making a Difference

Kevin Hoult
North Peninsula SBDC

AMERICA'S SBDC WASHINGTON

WASHINGTON STATE UNIVERSITY

Statewide Host of Washington SBDC

Insight *Solutions* *Success*

The proverb "A friend in need is a friend indeed" applies to business advisors as much as middle school buddies. Entrepreneurs on the North Peninsula are discovering that SBDC advisor Kevin Hoult provides critical assistance when they need it most.

Sequim - Erin Bell and Helena Coddington, Sequim's Little Explorers Early Learning Center

"We could not have done it without him," said **Erin Bell** who is working with her partner **Helena Coddington** to open a childcare center in Sequim.

Working with Hoult, they created a strong business plan that eventually earned them $40,000 in funding from Craft3 and $10,000 from a local lending group. They plan to open in February and already have a list of more than 20 families who are interested in grabbing one of the 34 spaces they'll have available. The two entrepreneurs will also be hiring six childcare workers to staff **Sequim's Little Explorers Early Learning Center**.

Getting funding was a huge hurdle, Bell said, but she knows there will be other hurdles moving forward. She and Coddington plan to meet with Hoult at least monthly to make sure they stay on track. "He's just such a positive person," Bell said. Every time they had a setback, she said, he managed to see the silver lining and helped them stay focused on their goal. "He's been amazing," she said.

LaPush - Emily Foster, Lonzo's Seafood Company

"I just can't say enough good things about him," echoed **Emily Foster**, a resident of LaPush and member of the Quileute tribe. She first met Hoult and SBDC advisor Eric Stewart in Forks, Wash., at the launch of Washington Coast Works, a six-week sustainable business plan competition, where both Hoult and Stewart had volunteered to be mentors.

The three of them discussed her goal of creating a business to smoke local, Quileute-caught salmon and sell it on the North Peninsula. She plans to name it **Lonzo's Seafood Company** after her dad, who has been a fisherman all his life. After the Forks workshop ended, Foster continued to consult with Hoult via email messages. Hoult responded both quickly and in detail, Foster said. "His help was invaluable." In October she was notified that she had won the $10,000 top prize.

"Just because the competition has ended doesn't mean our work together has ended," she said.

Port Townsend - Mike Harbin, Mo-Chillin BBQ

Mike Harbin, a U.S. Marine for nine years and an insurance appraiser for 16 years, thought moving from Texas to his wife's hometown of Port Townsend and opening Mo-Chillin BBQ would be, well, chillin'.

Instead, opening a new business in a new town—including getting the necessary permits and approvals—has been one of the most stressful experiences of his life.

Fortunately, he said, he'd already heard about the SBDC from a veterans organization in Texas, so that was one of the first calls he made. Hoult, he said, was a constant source of encouragement, information and new ideas during a difficult time.

"I think we've peaked stress-wise" said the father of two boys, ages 9 and 10. With his truck up and running and successful events under his belt, he hopes things will get easier, but the past 18 months have been difficult.

The problem, he said, is that after spending 20 years perfecting his Central Texan BBQ, his dream was to own a food truck, not a restaurant, and so he was taking a route less traveled, at least in Jefferson County. He ran into obstacles and setbacks at every turn, he said, and was fortunate to receive help from various people or programs, but the SBDC was key.

"I don't know where I would be right now without that," he said. Meeting with Hoult made him feel that he was not alone, he said. "I don't know how else to explain it."

Kevin Hoult, Certified Business Advisor * kevin.hoult@wsbdc.org * 360-865-4938* www.wsbdc.org

AMERICA'S SBDC WASHINGTON

Forage Gifts and NW Treasures
Sequim

Congressional District 6

WASHINGTON STATE UNIVERSITY

Statewide Host of Washington SBDC

Sequim entrepreneur forages to offer best local souvenirs and gifts

SEQUIM, Wash.--Theresa Rubens is a third-generation resident of Sequim and her grandchildren now attend the same schools she and her husband once did.

She knows as much about her community as anyone, but she didn't know where a visitor could buy a Sequim souvenir. And that, Rubens said, was a problem.

When a 1,000-square-foot retail space became available in the main downtown core, just two doors down from her women's boutique and retreat, Solar City, she knew the time was right to create a shop for Sequim-branded souvenirs and gifts.

In December 2015, she made an appointment to talk with Kevin Hoult, a certified business advisor with the Washington Small Business Development Center (SBDC).

"I didn't have anyone else to brainstorm the idea with," Rubens said. "I can talk to my husband or my friends, but they are not business experts." Rubens said she wanted to develop a team that could help her make informed, strategic decisions, and Hoult was the first recruit.

At the first meeting, and the second, Rubens talked and Hoult listened. The target market at this new store would share very little common ground with her first store, which mostly catered to locals, she said. She wanted the new store to be vintage Sequim, with tee-shirts, candles, walking sticks, vintage postcards and more. Rubens said she really wanted to highlight the mountains-to-sea beauty of the area, both in the items for sale and the way the store looked.

"If I was going to do this right, I needed to have another store," she said.

Hoult agreed, but they still looked at market research, financial projections and other data to make sure her idea penciled out on paper and was viable. Rubens also moved quickly to lock in the space at 121 W. Washington St.

One huge problem was that it was already January and Rubens needed to have the store open by late spring or early summer at the very latest to hit the peak of the tourist season.

> *"If it weren't for entities like the SBDC, I am not sure where small business owners could turn for help. It is costly working with business financial advisors, attorneys or CPAs. This gives you that step up and over the hump of creating that business or putting that dream into action."*

Her retail shop wasn't a good fit for a traditional bank loan, and Rubens wasn't interested in the high-interest loans she was being offered by other lenders. She began to wonder if her plans were going to all fall apart. Then, in February she got a meeting with Gerad Nucci, a loan officer with Craft3, a non-profit Community Development Financial Institution that was at the top of her list of non-traditional lenders. Again she and Hoult went through her loan application to make sure it was as strong as it could be. By March she had her loan.

Forage Gifts and Northwest Treasures

Her husband Jeff, a contractor, tackled interior renovations to create the look and feel of a L1950's lodge on the Olympic Peninsula. They used Dungeness Valley River Rock for a fireplace hearth, a huge slab of redwood for a mantle and recycled railroad ties for the shelving units.

Forage Gifts and Northwest Treasures opened in early June and Rubens hit the ground running. One recent day she helped one customer who wanted to bring a couple dozen small Sequim-related gifts with her on a trip to Norway, and another customer who was returning home to Japan, and wanted to stock up on hostess gifts for Japanese friends and family.

"That's exactly the market I was targeting," Rubens said.

Theresa Rubens, owner
Forage Gifts and Northwest Treasures
121 W. Washington St.
Sequim, WA, 98382
(360) 797-1018

The Washington SBDC is a partnership with the U.S. Small Business Administration, Washington State University's Office of Economic Development & External Affairs, and other Washington institutions of higher education and economic development organizations.

AMERICA'S SBDC WASHINGTON

WASHINGTON STATE UNIVERSITY

Washington Small Business Development Center

27 Certified Business Advisors

2 International Trade Specialists

WASHINGTON STATE UNIVERSITY

AMERICA'S SBDC WASHINGTON

SBA U.S. Small Business Administration

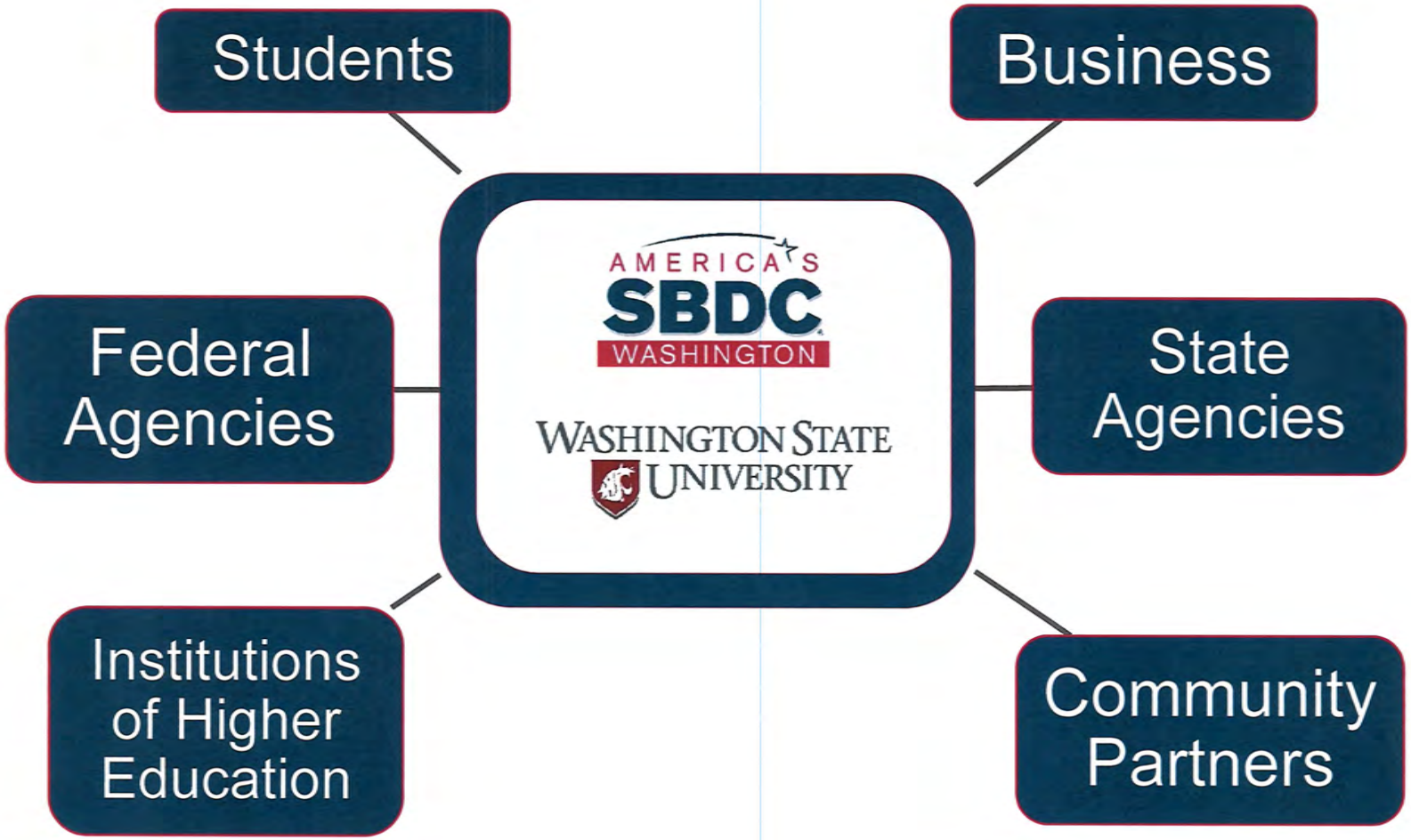
AMERICA'S SBDC WASHINGTON

WASHINGTON STATE UNIVERSITY

The Washington SBDC is a highly collaborative statewide network supported by the Lead Office in Spokane with various services, licenses, tools, training and resources.

Every client that we serve has access to 29 advisors with years of experience and knowledge that spans every industry and phase of business operation.

Together…we deliver *Insights, Solutions and Success*!


Students
Business
Federal Agencies
AMERICA'S SBDC WASHINGTON
WASHINGTON STATE UNIVERSITY
State Agencies
Institutions of Higher Education
Community Partners

AMERICA'S SBDC WASHINGTON

WASHINGTON STATE UNIVERSITY

The Lead Office supplies a wide variety of tools, training and resources to every center at no cost. These include:

- Robust professional development program
- Client Management System used by all advisors
- Tools for loan applications and lender relationship management for clients along with financial intelligence and industry metrics
- Sophisticated platform for telecommunications that enables collaboration among advisors
- Market and Industry Research Program: made up of students trained and supervised for domestic and international research

The value of licenses, services and training total over **$229,000** annually, NONE of which is passed on to the individual center. Approximate annual value of **$8,179** per advisor!

Accredited Member with 36 years of recognition by our National Association.

AMERICA'S SBDC

"SBDCs offer an example of best practices."

GAO
Accountability * Integrity * Reliability

Government Accountability Office nationwide review of 52 Entrepreneurial Assistance Programs.

AMERICA'S SBDC WASHINGTON

WASHINGTON STATE UNIVERSITY

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COMPARED TO AVERAGE WA BUSINESSES

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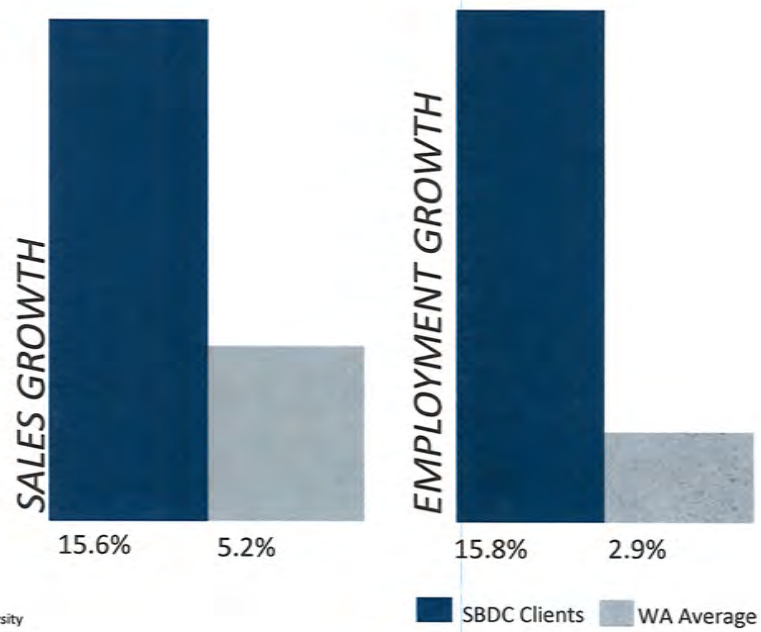
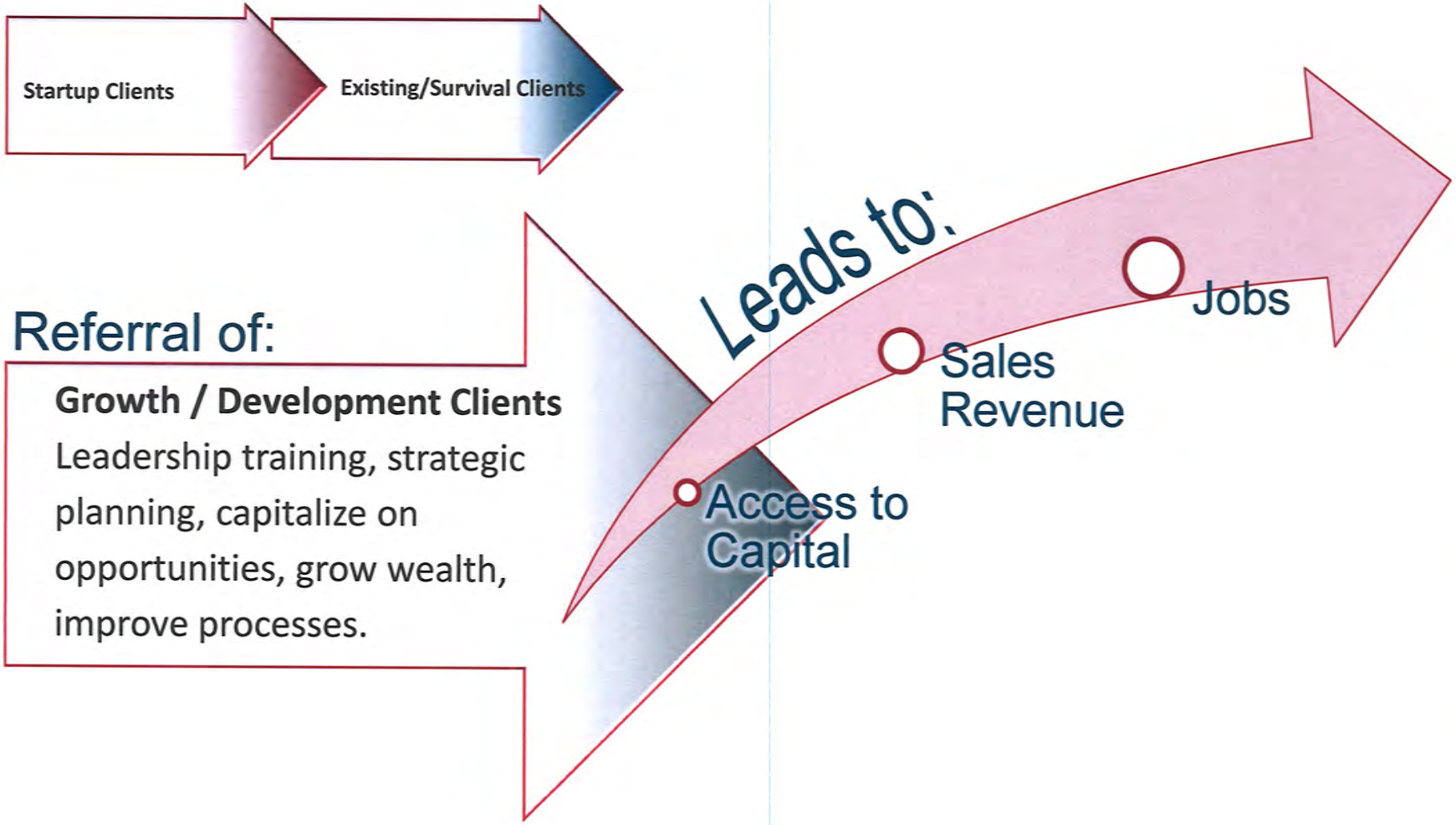


Independent Annual Survey Source: Dr. James Chisman, Mississippi St. University

AMERICA'S SBDC WASHINGTON

WASHINGTON STATE UNIVERSITY

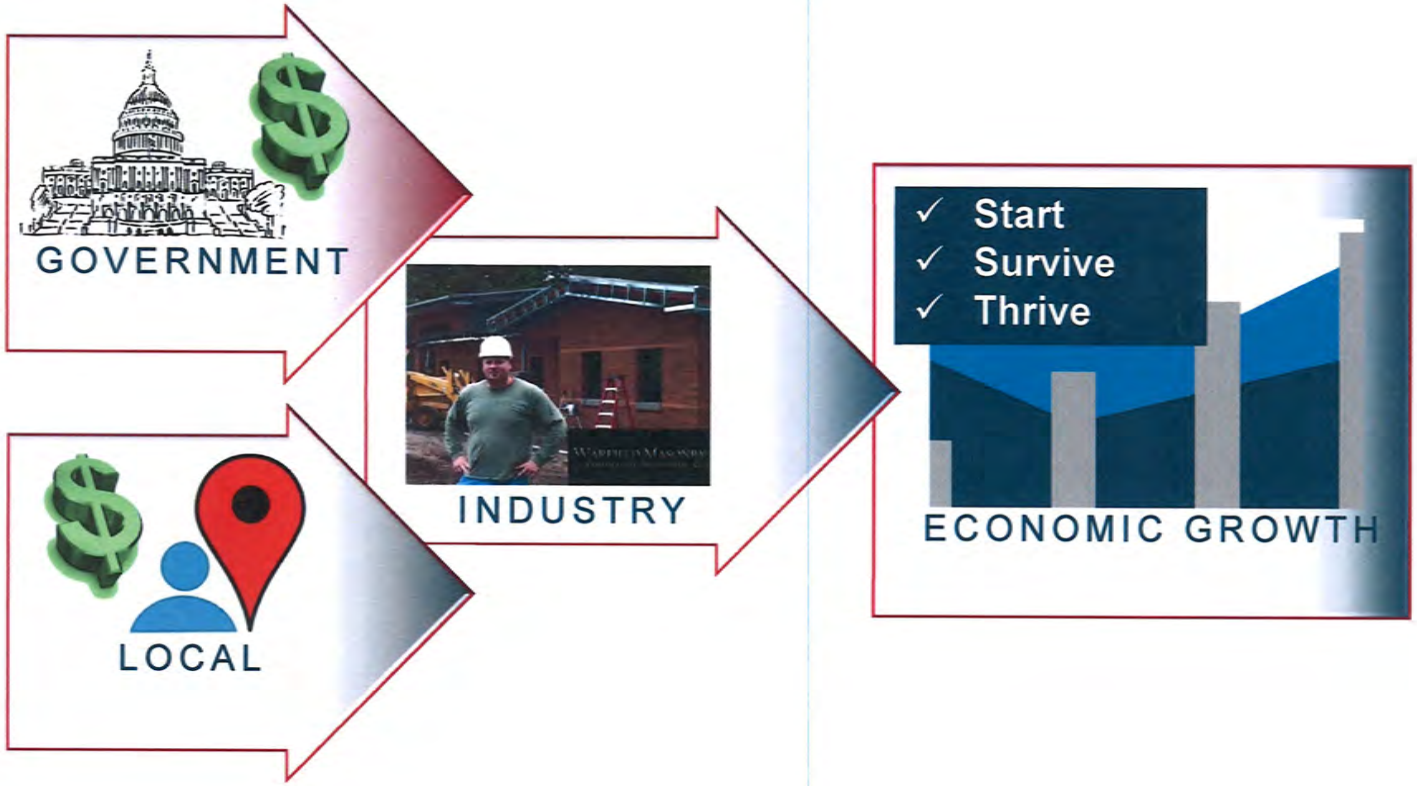
Washington SBDC Target Clients



AMERICA'S SBDC WASHINGTON

WASHINGTON STATE UNIVERSITY

"Coming together is a beginning. Keeping together is progress. Working together is success." -- Henry Ford



CITY OF SEQUIM

Human Services Funding 2016

Reporting Period (Circle One)
Jan-Mar Apr-June **July-Sept** Oct-Dec

Parenting Matters

Provide educational services to Sequim citizens and/or low-income or infirm citizens within the city limits, and to increase the number of low-income or infirm citizens who have access to such services.

Quarterly Payment Amount $1,312.50	Annual Payment Amount $5,250

Resolution #R-2011-013 established that human services funding would focus on the below-listed areas. Please mark an X to indicate your area of focus:

Vulnerable (early childhood development (0-4YOA), Youth, Seniors	Essential medical/ dental access for uninsured	Mental health services for school-age children and adults	Youth and senior development activities which include education, life skills, intellectually stimulating activities, physical exercise/ recreational activities and social connections
X			

Describe how residency in the City of Sequim is determined.
We have consulted with our mailing service vendor to determine that 224 of our 540 households are within City of Sequim limits.

Describe how income levels are verified.
Income levels are based on Free and Reduced Lunch percentages from Sequim School District. Families with young children are more likely to live at or below poverty percentages. 47% Greywolf, 57% of Helen Haller students, or approximately 1,231 of 2,850 students (May 2016 OSPI data), qualified for the free and reduced lunch. One can extrapolate that of the 224 households being served, at least 116 of those are low income. In all probability, it is a higher number than that.

# of newsletter subscriptions distributed to residents in the City of Sequim **224 for all City of Sequim addresses.**	# of days of First Teacher Room services provided to City of Sequim residents July – First Teacher room closed August – 900 parents & children attended the Sequim Back to School Fair on 8/27) September – 70 Parents, 52 Kids (9/12, 9/19, 9/26 & a parenting class on 9/12, 9/19, 9/26)

Describe what you were able to provide with the funding from the City of Sequim that you would otherwise not have been able to provide.
Funding allowed us to produce First Teacher and send to families in Sequim. We send to 689

families and professionals in the community.

We held a Back to School Fair event in August, where families learned more about school readiness and local support and resources for success. The First Teacher parenting newsletter included library story times, community events, Kindergarten readiness articles, among our normal articles about teaching appropriate behaviors, healthy habits, the importance of reading, math, discipline and more. The Sequim Boys & Girls Club continues to partner and offer a space for us to host our weekly story-time which is being volunteer-led. Additionally, a 5-session parenting class began in September, encouraging parents to calmly show their children love, build their decision making skills, and learn from consequences of their choices. For this class, the Shipley Center (Sequim Senior Center) partnered with us to provide a room where we facilitated the class and students from Sequim High School volunteered their time to watch children while the parents were in the class. None of these would be possible without the help of the City of Sequim Human Services funding.

Dated this 15th day of October.

Name of person completing this report Nicole Brewer

Phone number 360-681-2250 or toll free (866)-943-5437 Email nicole@firstteacher.org

CITY OF SEQUIM

Human Services Funding 2016

Reporting Period (underline one)

Jan-Mar Apr-June <u>July-Sept</u> Oct-Dec

Boys & Girls Clubs of the Olympic Peninsula – Carroll C. Kendall Unit

Provide youth activity programs and services of a full service center within the city limits and to assist in providing youth development and recreational programming for youth in order to increase the public health, safety, and quality of life for the residents of the City of Sequim

Quarterly Payment Amount $5,062.50	Annual Payment Amount $20,250

Resolution #R-2013-014 established that human services funding would focus on the below-listed areas. Please mark an X to indicate your area of focus:

Vulnerable (early childhood development (0-4YOA), Youth, Seniors	Essential medical/ dental access for uninsured	Mental health services for school-age children and adults	Youth and senior development activities which include education, life skills, intellectually stimulating activities, physical exercise/ recreational activities and social connections
			X

Indicate number of hours and number of youth served in the following programs this quarter:

	Character & leadership		Arts		Sports, fitness & recreation		Health & life skills		Education & career preparedness		Special events on school-year weekends	
	Hours	# served	Hours	# served	Hours	# served	Hours	# served	Hours	# served	Hours	# served
Ages 6-12	15	132	141	397	187	393	137	399	194	387	16	46
Ages 13-18	43	73	49	69	121	82	89	91	122	107	16	25

How do you determine City of Sequim residency? The residency address on the membership form is verified by staff to determine if the address is within or outside the City of Sequim. This is done by using the tax rate tool function at dor.wa.gov .

Total # of youth served in facility this quarter	Total # of youth living in city limits served in facility this quarter	Total cost of operation for teen program funded by the City and provide detailed copy of expenses
Ages 6-12: 625 Ages 13-18: 168	Ages 6-12: 190 (36%) Ages 13-18: 59 (35%)	$ 13,072.90

What affordable after-school solutions did you provide to assist the adult city workforce in sustainable employability?

Our low $30 annual membership fee ($2.50/month) provides access to Teen Club services, activities and programs 6 days per week, 289 days per year. We provide healthy snacks and home cooked meals, sports, recreation and educational programming, homework assistance, computer/internet, and mentoring programs. Scholarships are available to youth unable to afford the membership fee and we also provide clothing, hygiene products and food to take home. We also now offer two $1500 scholarships to graduating seniors thanks to the Maytag Dependable Leader Award. This scholarship will happen annually until we reach $20,000. The Teen Club is open extended hours on weeknights and Saturdays in order to accommodate families with working parents.

Describe what you were able to provide with funding from the City of Sequim that you would otherwise not have been able to provide.

This past quarter, our kids took part in several of our programs based on the areas that our Club focuses on -- character, academics and healthy life styles and occurs during our Summer Camp. It is geared towards teaching our kids about physical activity while taking advantage of our natural environment with an emphasis on getting outside. We partner with the National Park Service which provides two park rangers to deliver the curriculum. The kids receive free access to the park and have hands on experiences with the guidance of park rangers who lead field trips within the park and teach about the history, wildlife and plants of the park.

Our kids also took part in Hope Foundation's "Kids Take Heart" program which teaches our kids about heart health. We had a kid's cooking club and the kids took part in a "Fruit & Veggie" challenge with other clubs in the state. Our club won second place for number of participants and quantity of fruits and veggies consumed.

We offered our "Summer Brain Gain" program again this summer. This program is based on bridging the summer learning loss gap kids encounter during summer vacation. We had more than 40 kids participate and the program was a huge success.

Describe the goals and outcome of these programs.

Goal: Youth have access to tutoring and homework assistance to help them be successful in school.
Outcome: Youth who are struggling in school have a safe place to go and get support with their studies. Staff members identify teens at risk of not graduating, and intervene to help them stay on track. Tutoring and academic coaching is provided.

Goal: The teen center provides youth with opportunities for community involvement and career exploration.
Outcome: Research shows that youth who volunteer, do better in school are more likely to avoid risky behaviors. They tend to feel more positive about themselves. Teens are required to give back to the club and community.

Goal: Youth gain knowledge of how to avoid risky behaviors and make healthy lifestyle choices.
Outcome: Teens are participating in regular physical activity. They learn the basics of planning and preparing healthy meals. Staff mentors build trusting relationships with youth so they can learn about and discuss sensitive issues in a safe, confidential setting. Self-worth and physical/emotional safety is taught through evidence based programs.

Attach accounting and detailed copy of the operation cost for the services provided to teen program this quarter.

Following the fourth quarter, please provide written report which includes the results of a survey given to a sample of those participating in the program. This will outline participants' perception of the program and services provided with funds from the City.

Dated this 11th day of July 2016.

Name of person completing this report Mary Budke

Phone number 360-683-8095 Email mbudke@bgc-op.org

CITY OF SEQUIM

Human Services Funding 2016

Reporting Period (Circle One)
Jan-Mar Apr-June July-Sept Oct-Dec

Dungeness Valley Health & Wellness Clinic

Provide health care services to infirm and low-income individuals within the city limits and to increase the number of low-income persons who have access to the Clinic's services

Quarterly Payment Amount $5,625	Annual Payment Amount $22,500

Resolution #R-2014-021 established that human services funding would focus on the below-listed areas. Please mark an X to indicate your area of focus:

Vulnerable (early childhood development (0-4YOA), Youth, Seniors	Essential medical/ dental access for uninsured	Mental health services for school-age children and adults	Youth and senior development activities which include education, life skills, intellectually stimulating activities, physical exercise/ recreational activities and social connections
	X		

Describe how these services increased the quality of life, health and safety for low-income residents of the City of Sequim.
The Clinic's services provide a critical health care safety net to low-income adults who lack access to medical care. The ability of low-income Sequim residents to obtain medical and dental care results in their being less likely to defer preventive health care until a serious health issue, such as diabetes, surfaces. Early diagnosis and treatment increases the likelihood of successful treatment. Also, through access to care and through forums and education, clients experience a greater sense of wellbeing and are more reliable and dependable in their work and home lives.

Explain how infirmity requirements were determined.
The volunteer doctors and nurses in the DVHWC determine the need of each client based upon established medical screening procedures and protocol.

Describe how City of Sequim residency was determined.
Clients complete an intake form, which asks if they are residents of Sequim and includes their addresses. Clients are also interviewed during patient assessment. During data entry, residency is confirmed and coded. Unfamiliar addresses are checked against a map to ensure that the clients reported on this document live within the city limits.

Indicate number of patients living in the Sequim city limits who used the following services and the value of such services.					
Medical – basic urgent care, chronic healthcare, clinical lab and diagnostic imaging testing, pharmaceutical samples, pharmaceutical vouchers, prescription assistance, program support, diabetes education (one on one counseling and group classes), specialty referrals, mental health referrals, vision testing referrals		Dental – Urgent dental care (provided locally), complex or out-of-area referrals		Wellness – Stanford Chronic Disease Self-Management program, "It's Time for Health Eating" classes, education videos and written materials in waiting area, two computers for clients' use in research online, free monthly health forums, compilation of educational materials on prevention and disease management (library/reference materials for clients and community)	
# city residents served	Value of such service	# city residents served	Value of such service	# city residents served	Value of such service
42 patients made 57 visits	$11,769	2 residents made 2 visits	$822	72	unknown

Please provide an accounting of how the funds provided by the City were used.
City of Sequim funding of $5625 for the 3rd Quarter of 2016 provided 44% of the value of the visit for each Sequim client who was served in the DVHWC as determined using billing codes for labs, imaging, prescriptions, and examinations for each patient's visit.

Dental vouchers in the amount of $200 - $400 each are provided to clients who then use them through one of the ten dentists in Sequim who have agreed to provide dental service at a reduced rate.

WOW monthly health forum topics were July – "Cancer: Current Therapies & Treatments"; August – "Active Isolated Stretching"; and September–"How to Stay Healthy in Cold and Flu Season". 64% of the people who completed a session follow-up survey reported that they believed they would make changes as a result of attending a forum.

Dated this 11th day of October 2016.

Name of person completing this report Sara Nicholls

Phone number 360-582-2976 Email admindir@dvhwc.org

AGENDA ITEM #__4__

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **October 24, 2016**

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

JDI
Initials

SUBJECT/ISSUE: **Ordinance No. 2016-18 Establishing SMC 12.25 – Protection and Preservation of Public Trees in Parks and Right-of-Ways (Tree City Designation)**

Discussion dates	City Council – 9/26/16	Parks & Recreation Board – 10/3/16	Planning Commission – 10/4/16	
CATEGORY	[ ] City Manager Report	[ ] Information Only		Time Needed for Presentation
	[x] Public Hearing	[ ] Consent Agenda		10 mins.
	[ ] Unfinished Business	[ ] New Business		

Reviewed by	Initials	Date
Charles P. Bush, City Manager	CPB	10/18/16
Kristina Nelson-Gross, City Attorney	KNG	10/19/2016
David Garlington, Public Works Director	dmg	10/18/16

PROBLEM/ISSUE STATEMENT:
In August 2016 the City of Sequim learned we were successful in getting a work crew as part of our application that we submitted to the Washington State Department of Natural Resources Urban and Community Forestry Program. Successful applicants receive approximately four weeks of Puget Sound Corps crew time to assist with urban forestry tasks that enhance the health and function of urban trees and forests. Activities may include:

- Control of non-native invasive plant species;
- Planting native vegetation in natural areas, riparian zones or open spaces;
- Tree planting in landscaped parks or along streets;
- Pruning young trees for structure and stability;
- Other maintenance and management tasks that benefit trees.

As part of our application we informed the Community Forestry Program that we are moving towards becoming a tree city, which would require us to designate a City Tree Board, adopt a tree care ordinance, ensure we implement a community forestry program with an annual budget of at least $2.00 per capita and hold an annual Arbor Day proclamation and observance. The City's budget already reflects an investment at this level.

ATTACHMENTS:

1. Ordinance No. 2016-18: SMC 12.25 – Protection and Preservation of Public Trees in Parks and Right-of-Ways

DISCUSSION/ANALYSIS:
The Tree City USA program has been greening up cities and towns across America since 1976. It is a nationwide program that provides the framework necessary for communities to manage and

expand their public trees. More than 3,400 communities have made the commitment to becoming a Tree City USA. They have achieved Tree City USA status by meeting four core standards of sound urban forestry management: maintaining a tree board or department, having a tree care ordinance, spending at least $2 per capita on urban forestry and celebrating Arbor Day.

The attached ordinance (SMC 12.25) is proposed to serve as the City's public tree care ordinance.

FINANCIAL IMPLICATIONS:
The implementation of a community forestry program with an annual budget of at least $2.00 per capita equates to approximately $14,000. There is no additional impact to the budget from this program; rather our parks maintenance duties will be tracked an accounted towards this program.

RECOMMENDATION:
Both the Parks and Recreation Board and the Planning Commission approved motions to recommend the City Council hold a public hearing, take testimony and approve the addition of Sequim Municipal Code (SMC) Chapter 12.25, establishing a public tree care ordinance.

MOTION:
I move to approve the addition to Sequim Municipal Code (SMC) Chapter 12.25, which establishes a public tree care ordinance.

ORDINANCE NO. 2016-18

AN ORDINANCE OF THE CITY OF SEQUIM, WASHINGTON ADOPTING A NEW MUNICIPAL CODE CHAPTER 12.25 - PROTECTION AND PRESERVATION OF PUBLIC TREES IN PARKS AND RIGHT-OF-WAYS.

WHEREAS, Sequim Municipal Code, Chapter 12.25 covers the responsible management of public tree resources within the City of Sequim in a fashion consistent with the goals and policies of the Parks and Recreation Master Plan; and

WHEREAS, Sequim Municipal Code, Chapter 12.25 covers tree planting, tree pruning and maintenance, tree removal, landmark trees, trees on private property overhanging public right-of-ways and damage to city trees; and

WHEREAS, Tree City USA provides the City of Sequim with the distinguished designation as a Tree City, which helps to increase our success at future funding and grant submittal opportunities; and

WHEREAS, the new chapter of the Sequim Municipal Code has the purpose to encourage the planting of new trees and the maintenance of existing trees for all the benefits they may provide to the community; and

WHEREAS, the Sequim Planning Commission held a public meeting on October 4th, 2016 and recommended adoption of this ordinance to the City Council;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEQUIM, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Adoption of New SMC Chapter 12.25. A new chapter of the Sequim Municipal Code, entitled "Protection and Preservation of Public trees in parks and right-of-ways", is adopted, with the language set forth in attached Exhibit A.

Section 2. Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 4. Effective Date. This Ordinance shall become effective five days after publication of the ordinance, or a summary thereof, in the official newspaper of the City.

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

_____
Approved Date

_____
Publication Date

_____
Effective Date

Exhibit A

Chapter 12.25
PROTECTION AND PRESERVATION OF PUBLIC TREES IN PARKS AND RIGHT-OF-WAYS

Sections:
12.25.010 Purpose.
12.25.020 Definitions.
12.25.030 Tree planting.
12.25.040 Tree pruning and maintenance.
12.25.050 Tree removal.
12.25.060 Landmark trees.
12.25.070 Trees on private property overhanging public right-of-ways.
12.25.080 Damage to city trees.
12.25.090 Penalties.

12.25.010 Purpose.
The purpose of these regulations is to encourage responsible management of public tree resources within the City of Sequim in a fashion consistent with the goals and policies of the Parks and Recreation Master Plan. Trees growing on public property provide benefits to the greater public at large and the purpose of this chapter is to provide for the maintenance and enhancement of city street and park trees, and to provide for the preservation of landmark trees, to secure the benefits conferred by a prudently managed urban forest. Proper protection, planting, and maintenance is required to promote tree health and aesthetics; foster species diversity; and to preserve the public tree canopy. Therefore, the purposes of this chapter are:

A. Encourage the planting of new trees and the maintenance of existing trees for all the benefits they provide to the community.
B. Maintain public trees in a healthy and nonhazardous condition through good arboricultural practices.
C. Manage trees and vegetation on public property in a manner that represents the best interests of the public.
D. Encourage a diversity of appropriate species of trees.
E. Remove and replace trees in a timely manner so they do not cause damage to city infrastructure such as streets, sidewalks, sewer and water pipes, conduit, and other subsurface elements.
F. Improve the quality of air and water, reduce storm water runoff and help prevent soil erosion.
G. Increase the aesthetic quality of a community and the sense of community pride.
H. The city recognizes the importance of trees to the ambiance of a city, the environment and property values.

12.25.020 Definitions.
For the purpose of this chapter certain words and terms are defined as follows:

A. "Appropriate Tree" An appropriate tree is a tree suited at maturity for the space which it occupies without creating a hazard to public health and safety.
B. "City" means the City of Sequim.
C. "City tree" or "public tree" means a tree, shrub, bush, and/or other woody plant on land in public rights-of-way of all streets, avenues or ways within the city, within parks, upon the grounds of city buildings and facilities, or otherwise located upon public property within the city.
D. "Climbing spurs" means sharp, pointed devices affixed to the climber's leg used to assist in climbing trees (also known as gaffs, hooks, spurs, spikes, climbers).
E. "Crown reduction pruning" means the reduction of the top, sides, or individual limbs by the means of removal of the leader or longest portion of a limb to a lateral no less than one-third of the total diameter of the original limb removing no more than one-quarter of the leaf surface.
F. "Hazard Tree" A hazard tree is any tree with a combination of structural defect and/or disease (which makes it subject to a high probability of failure) and a proximity to persons or property which makes it an imminent threat.
G. "Landmark tree" means a tree designated by the city council as significant because of association with historic figures or events, rarity or extraordinary aesthetic value.
H. "Park tree" means trees growing on property owned in fee-simple by the City of Sequim.
I. "Specimen tree value" means an objective evaluation process used to determine the public value of a tree. The evaluation looks at the size, condition, and location of a public tree to determine whether a tree has a significant public value.
J. "Street tree" means trees growing within the city's rights-of-way.
K. "Topping" means cutting a branch or stem back to a stub or lateral branch not sufficiently large enough to assume the terminal role (also known as heading, stubbing, lopping).
L. "Vegetation management plan" means a plan identifying how vegetation is to be managed on city-owned property.
M. "Urban forester" means the City of Sequim's designated urban forester, either a designated city employee within the parks department, or a certified arborist contracted by the city.

12.25.030 Tree planting.

A. Tree Planting on City of Sequim Property. Private parties may plant trees on property owned by the city with written permission. To obtain permission the applicant(s) shall:

1. Submit a written request to the city a minimum of thirty days prior to the scheduled planting.
2. Prepare a tree planting plan identifying the species, size, and location of trees to be planted. The proposed species and locations of trees must not create sight distance issues and be consistent with current and potential future uses of the property as determined by city staff review.
3. Comply with the standards for planting, as required per public works standards and policy.
4. Have underground utilities located and obtain approval from any utilities located within fifteen feet prior to planting.

12.25.040 Tree pruning and maintenance.

A. Pruning Street Trees. Private parties may have street trees pruned with written permission from the city. To obtain permission the applicant(s) shall:

1. Submit a written request to the city a minimum of thirty days prior to pruning;
2. Identify the trees to be pruned and describe the specific work to be performed;
3. Pay for all costs associated with the proposed pruning; and
4. Comply with the pruning standards as required per public works standards and policy.

B. Public Tree Care. The City shall have the right to plant, prune, maintain and remove trees, plants and shrubs within the lines of all streets, alleys, avenues, lanes, squares and public grounds, as may be necessary to ensure public safety or to preserve or enhance the symmetry and beauty of such public grounds.

The City Tree Board may recommend removal or cause or order to be removed, any tree or part thereof which is in an unsafe condition or which by reason of its nature is injurious to sewers, electric power lines, water lines, or other public improvements, or is affected with any injurious fungus, insect or other pest.

C. Topping and climbing trees with spurs is prohibited. Topping of park and street trees is prohibited. Climbing spurs may be used to climb a park or street tree only if it is to be removed.

D. Insect and Disease Abatement. The city may prune, spray, or otherwise maintain park and street trees in order to control infestations of insects or disease or to maintain public safety. Private parties may with written permission hire a certified pest controller to spray street trees adjacent to their property.

12.25.050 Tree removal.

A. Hazard Trees—City's Authority to Remove. The city may remove any park or street tree determined to be a hazard by the urban forester.

B. Park or Street Tree Removal Process. No city trees shall be cut down, killed, or removed for any reason without complying with the following procedure:

1. File an application with the urban forester;
2. Receive approval from the City for removal.

12.25.060 Landmark trees.

A. The director of public works or his/her designee shall maintain a register of trees designated as landmark trees because of association with historic figures or events, rarity or extraordinary aesthetic value.

B. The director of public works or his/her designee shall nominate city trees for designation as landmark trees, and prepare a report for the City Tree Board, who will make a recommendation to the City Council to review such nominations.

C. City council shall designate landmark trees by resolution containing sufficiently specific identification of the tree or trees so designated.

D. After designation of a city tree as a landmark tree, it shall not be removed unless city council makes at least one of the following findings:

1. The tree is dead or diseased and poses a danger to public safety.
2. After consideration of potential alterations to the project to preserve the tree, there is no feasible alternative to accomplishing a public project without removal of the tree.
3. The tree is causing damage to city streets, rights-of-way or buildings or facilities that cannot be corrected without removal of the tree.
4. There are other facts city council deems of greater public value to justify removal of the tree.

12.25.070 Trees on private property overhanging public rights-of-way.
Every owner of any tree overhanging any street or right-of-way within the city shall prune the branches so that such branches shall not obstruct the light from any street lamp or obstruct the view of any street intersection and so that there shall be a clear space of eight feet above the surface of the street or sidewalk. Such owners shall remove all dead, diseased or dangerous trees, or broken or decayed limbs which constitute a menace to the safety of the public.

12.25.080 Damage to city trees.
Any person negligently damaging or deforming a city tree shall be liable to the city for the cost of replacement of the tree, including the cost of nursery stock in close as size to the damaged or deformed tree as is feasible and the city's costs for soil preparation, planting and actual or estimated costs of establishment.

12.25.090 Penalties.
A. As an additional concurrent penalty, it shall be a civil infraction for a person, firm, or corporation to cut down, prune, kill, or otherwise damage any park or street tree without lawful authority. Each tree cut, pruned or damaged shall be a separate infraction. A person, firm, or corporation found to have committed a civil infraction shall be assessed a monetary penalty as follows:

1. First offense: Class 1 (two hundred fifty dollars), not including statutory assessments.
2. Second offense: It shall be a gross misdemeanor for any person, firm, or corporation to knowingly cut down, prune, kill, or otherwise damage any park or street tree without lawful authority. The penalty for such violation shall be a fine not to exceed one thousand dollars, and/or imprisonment not to exceed ninety days or both such fine and imprisonment. Each tree cut, pruned or damaged shall constitute a separate offense. In the event of continuing violation or failure to comply, the second and subsequent days shall constitute a gross misdemeanor, punishable by a fine not to exceed five thousand dollars and/or imprisonment for not more than three hundred sixty-five days or both such fine and imprisonment.

AGENDA ITEM #__5__

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **October 24, 2016**

FROM: Kristina Nelson-Gross, City Attorney KNG
Initials

SUBJECT/ISSUE: **Ordinance 2016-17 Extending the Wireless Communications Facilities Moratorium and Resolution R2016-26 Adopting Findings and Fact**

Discussion dates				
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☒ Public Hearing	☐ Consent Agenda		10 min
	☐ Unfinished Business	☐ New Business		
Reviewed by			Initials	Date
Charlie Bush, City Manager			CPB	10/18/2016

PROBLEM/ISSUE STATEMENT: City staff has been working diligently preparing a draft Wireless Communications Facilities ordinance. A public hearing on the draft ordinance is scheduled for this evening; however, the current moratorium expires on October 25, 2016. Even if the City Council adopts the proposed ordinance tonight, there is a five-day delay before the new ordinance would be effective. This would leave a gap that would leave the City without any means of regulating wireless facilities, defeating the purpose of a moratorium. Our previously-adopted moratorium -- Ordinance 2016-02 -- needs to be extended. To do so, the City Council must also adopt Findings of Fact supporting the Ordinance.

ATTACHMENTS:

1. Proposed Resolution R2016-26 Moratorium Findings of Face
2. Proposed Ordinance 2016-17 Extending Moratorium

DISCUSSION/ANALYSIS: City staff has been working on a draft ordinance that will be presented to you for public hearing at this meeting. These ordinances are based on the City of Spokane (Ch. 18.61) and MRSC's model ordinance on Eligible Facilities (18.61A). Staff have had several discussions with the Planning Commission on this topic and received a recommendation for adoption on October 18, 2016.

Should the Council adopt the proposed ordinance, the moratorium will expire before the ordinance goes into effect, leaving the City would an effective means of regulating new facilities. Any project proponents who applied during this gap would be vested without any regulatory constraints, defeating the purpose of a moratorium. Therefore, Staff propose that the moratorium be extended for a period *not to exceed 28 calendar days* from the date of adoption to allow for the new WCF ordinance to become effective. The moratorium would be immediately repealed upon the effective date of the new WCF ordinance.

BUDGET IMPLICATIONS: None

RECOMMENDATION: Adopt an extension to the moratorium by adopting Ordinance 2016-17 (*requires a majority plus one*).

MOTION: I move to adopt proposed Resolution R2016-26 adopting Findings of Fact and proposed Ordinance 2016-17 extending an immediate moratorium on the acceptance of applications for land use permits for new wireless communication support towers and declaring an emergency.

City of Sequim, Washington
Resolution No. R2016-26

A Resolution Adopting Findings and Conclusions
Regarding Wireless Communications Facilities Installation Moratorium
Pursuant to Ordinance 2016–17 adopted October 24, 2016

WHEREAS, the Sequim City Council, after considering staff presentations and public testimony at a public hearing on October 24, 2016, makes the following Findings of Fact and Conclusions of Law:

1. The Telecommunications Act of 1996 (Pub. L. No. 104-104, 110 Stat. 56, 31-136, hereafter the "Telecommunications Act"), was designed to remove regulatory barriers and encourage competition among all types of communications companies; and

2. The Telecommunications Act ratified the authority of local government to regulate the construction and modification of wireless communications service facilities, but also limits local governments' authority in certain respects; and

3. State and federal laws addressing the scope and manner of local regulation of wireless communications facilities continues to develop and evolve, as evidenced by the recent passage of the Middle Class Tax Relief and Job Creation Act of 2012 (the "Spectrum Act"), and rules recently adopted by the Federal Communications Commission ("FCC") implementing the Spectrum Act; and

4. Through Chapter 18.20 of the Sequim Municipal Code, the City has established some zoning standards applicable to wireless communications facilities; and

5. In its review and approval of applications for the construction of wireless communications facilities since the adoption of Title 18 SMC, and particularly applications for wireless communications support towers, the City has discovered that certain provisions of that code do not achieve the City's land use objectives in residentially zoned and otherwise zoned areas of the City as previously expected; and

6. The City needs to review its current codes and ordinances in a comprehensive fashion to (1) ensure that its existing regulations are consistent with the Telecommunications Act, the Spectrum Act, and recently adopted FCC rules, and (2) to more adequately protect residentially zoned areas of the City from the aesthetic, visual, and noise impacts associated with wireless communications support towers; and

6A. The Department of Community Development has been working with the Planning Commission integrating the WCF structure provisions into Sequim City Code; and

6B. The public hearing before the City Council on the proposed WCF ordinance is set for October 24, 2016; however, the moratorium expires on October 25, 2016.

6C. More time is needed because if the City Council adopts the proposed ordinance on October 24, the ordinance will not be effective until five days after publication. This would leave a regulatory gap that would defeat the purpose of imposing a moratorium.

7. Washington State's vested rights doctrine, which may or may not allow certain land use applications to vest to land use regulations which are in effect early in the application process, could allow applications for wireless communications support towers to vest in inadequate regulations while the City studies the changes needed in those regulations, undermining effective City planning for these facilities; and

8. RCW 35.99.050 and FCC guidelines authorize a city to place a moratorium on the acceptance and processing of applications for wireless communications facilities when the city needs time to review and possibly amend its land use regulations to adequately address issues relating to the siting of wireless telecommunications facilities in a manner that addresses local concerns, provides the public with access to wireless services for its safety, convenience and productivity, and complies with the Telecommunications Act; and

9. If the City adopts a moratorium, FCC guidelines require the City to work together with affected wireless service providers to expeditiously and effectively address issues leading to the lifting of the moratorium; and

10. Pursuant to FCC guidelines, a moratorium should be for a fixed and reasonable period of time with a specified termination date, typically 180 days; however, in this instance, the moratorium needs to be extended only until the final ordinance becomes effective, which is a period not to exceed 28 calendar days from the date this moratorium is adopted; and

11. While a moratorium is in effect, FCC guidelines indicate that the City should continue to accept and partially process applications (e.g., assigning docket numbers and other administrative acts associated with the filing of applications), subject to ordinance provisions as may be revised during the moratorium; and

12. While a moratorium is in effect, FCC guidelines also encourage wireless service providers to assist cities in reviewing and revising regulations by providing appropriate, relevant and non-proprietary information requested by the local government for the purposes of siting wireless telecommunications facilities; and

13. Pursuant to RCW 36.70A.390, where a city adopts a moratorium without holding a public hearing on the proposed moratorium, it must hold a hearing on the adopted moratorium within at least sixty days of its adoption, whether or not the city has received a recommendation on the

matter from the planning commission, and if the city has not adopted findings of fact justifying the moratorium before this hearing, it must do so immediately after the public hearing; and

14. Consistent with FCC guidance, the moratorium may be effective for not longer than six months, but may be effective for up to one year if a work plan is developed for related studies providing for such a longer period, and may be renewed for one or more six-month periods if subsequent public hearings are held and findings of fact are made prior to each renewal; and

15. The City should impose a moratorium barring the acceptance of applications relating to all permits or approvals for wireless communications support towers in residential and all other zones except public facility zones; and

16. Pursuant to WAC 197-11-880, the adoption of this ordinance is exempt from the requirements of a threshold determination under the State Environmental Policy Act, but will comply with SEPA after adoption of the Moratorium; and

17. The City Council adopts the foregoing as findings of fact and conclusions of law justifying its adoption of this ordinance; and

18. The City Council finds that the moratorium imposed by this ordinance is necessary for the protection of the public health, safety, property or peace; and

19. The City should consider federal and State of Washington laws including but not limited to the Telecommunications Act, RCW 35.21.860 and the Middle Class Tax Relief and Job Creation Act of 2012 ("Spectrum Act");

NOW, THEREFORE, be it resolved by the City Council of the City of Sequim that the above findings and conclusions be, and hereby are, adopted by the City Council at open meeting this ____ day of October, 2016.

_____
Dennis Smith, Mayor

Attest:

_____
Karen Kuznek-Reese, MMC, City Clerk

Approved as to form:

_____
Kristina Nelson-Gross, City Attorney

ORDINANCE NO. 2016-17

AN ORDINANCE OF THE CITY OF SEQUIM, WASHINGTON, IMPOSING AN IMMEDIATE MORATORIUM AND EXTENDING PREVIOUS MORATORIUMS ON THE ACCEPTANCE OF APPLICATIONS FOR LAND USE PERMITS FOR WIRELESS COMMUNICATION SUPPORT TOWERS IN RESIDENTIAL ZONES AND OTHER ZONES; AND DECLARING AN EMERGENCY.

WHEREAS, the Telecommunications Act of 1996 (Pub. L. No. 104-104, 110 Stat. 56, 31-136, hereafter the "Telecommunications Act"), was designed to remove regulatory barriers and encourage competition among all types of communications companies; and

WHEREAS, the Telecommunications Act ratified the authority of local government to regulate the construction and modification of wireless communications service facilities, but also limits local governments' authority in certain respects; and

WHEREAS, state and federal laws addressing the scope and manner of local regulation of wireless communications facilities continues to develop and evolve, as evidenced by the recent passage of the Middle Class Tax Relief and Job Creation Act of 2012 (the "Spectrum Act"), and rules recently adopted by the Federal Communications Commission ("FCC") implementing the Spectrum Act; and

WHEREAS, through Chapter 18.20 of the Sequim Municipal Code, the City has established some zoning standards applicable to wireless communications facilities; and

WHEREAS, in its review and approval of applications for the construction of wireless communications facilities since the adoption of Title 18 SMC, and particularly applications for wireless communications support towers, the City has discovered that certain provisions of that code do not achieve the City's land use objectives in residentially zoned and otherwise zoned areas of the City as previously expected; and

WHEREAS, the City needs to review its current codes and ordinances in a comprehensive fashion to (1) ensure that its existing regulations are consistent with the Telecommunications Act, the Spectrum Act, and recently adopted FCC rules, and (2) to more adequately protect residentially zoned areas of the City from the aesthetic, visual, and noise impacts associated with wireless communications support towers; and

WHEREAS, Washington State's vested rights doctrine, which may allow certain land use applications to vest to land use regulations which are in effect early in the application process, could allow applications for wireless communications support towers to vest in inadequate regulations while the City studies the changes needed in those regulations, undermining effective City planning for these facilities; and

WHEREAS, RCW 35.99.050 and FCC guidelines authorize a city to place a moratorium on the acceptance and processing of applications for wireless communications facilities when the city needs time to review and possibly amend its land use regulations to adequately address issues relating to the siting of wireless telecommunications facilities in a manner that addresses local concerns, provides the public with access to wireless services for its safety, convenience and productivity, and complies with the Telecommunications Act; and

WHEREAS, if the City adopts a moratorium, FCC guidelines require the City to work together with affected wireless service providers to expeditiously and effectively address issues leading to the lifting of the moratorium; and

WHEREAS, pursuant to FCC guidelines, a moratorium should be for a fixed and reasonable period of time with a specified termination date, typically 180 days; however, in this instance, the moratorium needs to be extended only until the final ordinance becomes effective, which is a period not to exceed 28 calendar days from the date this moratorium is adopted; and

WHEREAS, while a moratorium is in effect, FCC guidelines indicate that the City should continue to accept and process applications (e.g., assigning docket numbers and other administrative associated with the filing of applications), subject to ordinance provisions as may be revised during the moratorium; and

WHEREAS, while a moratorium is in effect, FCC guidelines also encourage wireless service providers to assist cities in reviewing and revising regulations by providing appropriate, relevant and non-proprietary information requested by the local government for the purposes of siting wireless telecommunications facilities; and

WHEREAS, pursuant to RCW 36.70A.390, where a city extends and adopts a moratorium without holding a public hearing on the proposed moratorium extension, it must hold a hearing on the adopted moratorium within at least sixty days of its adoption, whether or not the city has received a recommendation on the matter from the planning commission, and if the city has not adopted findings of fact justifying the moratorium before this hearing, it must do so immediately after the public hearing; and

WHEREAS, consistent with FCC guidance, the moratorium may be effective for not longer than six months, but may be effective for up to one year if a work plan is developed for related studies providing for such a longer period, and may be renewed for one or more six-month periods if subsequent public hearings are held and findings of fact are made prior to each renewal; and

WHEREAS, the City should impose a moratorium barring the approval of applications relating to permits or approvals for wireless communications support towers in residential and all other except public facility zones; and

WHEREAS, pursuant to WAC 197-11-880, the adoption of this ordinance is exempt from the requirements of a threshold determination under the State Environmental Policy Act; and

WHEREAS, additional time is needed to allow for the SEPA comment period to close on the draft ordinance; and

WHEREAS, the Department of Community Development has been working with the Planning Commission integrating the WCF structure provisions into Sequim City Code; and

WHEREAS, the public hearing before the City Council on the proposed WCF ordinance is set for October 24, 2016; and

WHEREAS, the moratorium expires on October 25, 2016; and

WHEREAS, more time is needed because if the City Council adopts the proposed ordinance on October 24, the ordinance will not be effective until five days after publication; and

WHEREAS, the gap between the moratorium expiration date and the effective date of the adopted ordinance could allow a WCF applicant to circumvent the newly adopted code requirements, which defeats the purpose of imposing a moratorium; and

WHEREAS, this ordinance will be repealed upon the effective date of the adopted WCF ordinance; and

WHEREAS, the City Council held a public hearing on October 24, 2016 to consider extending this moratorium; and

WHEREAS, the City Council adopts the foregoing as its findings of fact justifying its adoption of this ordinance; and

WHEREAS, the City Council finds that the moratorium imposed by this ordinance is necessary for the protection of the public health, safety, property or peace; now, therefore

THE CITY COUNCIL OF THE CITY OF SEQUIM, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Moratorium Imposed. A moratorium is imposed on the establishment, location, permitting or franchising of new wireless communications support towers, as said term is used in Chapter 18.08.020 of the Sequim Municipal Code (SMC), within all residentially and commercially zoned areas of the City, regardless whether said facilities are located upon private or public property or the public streets. During the term of this

moratorium, the City will continue to accept and process applications (e.g., assigning docket numbers and other administrative aspects associated with the filing of applications), subject to ordinance provisions as may be revised during the moratorium. Provided, however, that this moratorium shall not apply to any pending applications that were counter complete, as provided in the Sequim Municipal Code prior to the effective date of this ordinance. Provided further, that this moratorium shall not apply to modifications to existing wireless communications support towers.

Section 2. Purpose. The purpose of this moratorium is to allow the City adequate time to complete the SEPA comment period for the draft ordinance and to grant enough time for the adopted ordinance to become effective.

Section 3. Duration of Moratorium. The moratorium imposed by this Ordinance shall be in effect for a period not to exceed 28 calendar days, beginning on the date of the adoption of this Ordinance.

Section 4. Dispute Resolution Process. The City will, pursuant to FCC guidelines, at the request of a service provider impacted by the moratorium, participate with the service provider in the informal dispute resolution process included with the guidelines for facilities siting implementation.

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

Section 6. Declaration of Emergency and Effective Date. This ordinance, passed by a majority plus one of the whole membership of the City Council as a public emergency ordinance, necessary for the protection of the public health, public safety, public property, or public peace, shall be effective immediately upon its passage. Without an immediate moratorium on the City's acceptance of permit applications for new wireless communications support towers, processing of such applications by the City could occur under regulations that are inconsistent with the City's legitimate policy of protecting residentially zoned areas from the aesthetic, visual, and noise impacts associated with wireless communications support towers and related attachments. Wireless communications support towers that are incompatible with adjoining land uses could be permitted, since current City regulations have not anticipated the proliferation of support towers that are being constructed in response to rapid increases in demand for and changes in wireless communications technology and law. Therefore, the City's moratorium must be imposed immediately to prevent any development rights from vesting and preserve the City's ability to process applications under valid codes.

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

Approved Date

Publication Date

Effective Date

Item _6_

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: October 24, 2016

FROM: Kristina Nelson-Gross, City Attorney;
Chris Hugo, Community Development Director

SUBJECT/ISSUE: Ordinance 2016-15 Wireless Communications Facilities (WCFs)

Discussion dates	CC 8/8/2016	PC 8/16/2016 9/6/2016 9/20/2016 10/4/2016 10/18/2016	CC 9/26/2016	
CATEGORY	☐ City Manager Report ☒ Public Hearing ☐ Unfinished Business	☐ Information Only ☐ Consent Agenda ☐ New Business		Time Needed for Presentation
Reviewed by			Initials	Date
Charles P. Bush, City Manager			CPB	10/18/2016
Chris Hugo, DCD Director			CRH	10/18/16

PROBLEM/ISSUE STATEMENT: The Federal Communications Commission (FCC) regulates wireless communications facilities and imposes limitations on the authority local jurisdictions have over WCFs. The City currently does not have an ordinance on WCFs and has adopted a moratorium to give staff time to draft one that complies with federal law. The moratorium expires October 25, 2016 (unless extended by City Council this evening).

LIST OF ATTACHMENTS:

1. DRAFT Ordinance 2016-15 Wireless Communications Facilities

DISCUSSION / ANALYSIS: The major sources of federal regulation are from the 1996 Telecommunications Act and the 2012 Middle Class Tax Relief and Job Creation Act (aka "Spectrum Act"). These laws work together to limit a local agency's ability to regulate wireless facilities.

FCC regulations prohibit local agencies from 1) actually prohibiting or having the effect of prohibiting cellular facilities, 2) discriminate among providers that offer functionally equivalent services, 3) unreasonably delay applications, 4) deny permits based upon RF emissions when FCC RF emissions guidelines are met, 5) deny a permit absent substantial evidence in a written record, and 6) fail to follow federal law and FCC rules and guidelines.

The draft ordinance is based upon the City of Spokane for new facilities (18.61) and MRSC's model ordinance (18.61A) for existing facilities.

Staff has tried to accommodate concerns regarding RF emissions by requiring a compliance report. In the last City Council meeting, Council indicated an interest in doing something more regarding RF emissions. While local jurisdictions cannot regulate facilities that are in compliance, there is some ability to monitor to these facilities for compliance. In the FCC's *Local Official's Guide to RF Emissions,* the FCC suggests that if a jurisdiction is concerned about ongoing RF emissions compliance, it could seek the assistance of a qualified radio professional. The radio professional could conduct testing, and those results could be forwarded to the FCC for their review. This would also assist the FCC in its compliance determination, as set forth below:

> In particular, if a local government were to make a Commission inquiry regarding a site's compliance with RF exposure limits in a case where compliance cannot be readily demonstrated by applying the principles set forth in the Local Official's Guide, we would require the operator of the facility to provide sufficient information to demonstrate compliance. Therefore, we do not believe any binding rule governing demonstrations of compliance is necessary. To the extent that any party may argue in a properly filed case that a particular requirement to demonstrate compliance violates Section 332(c)(7), we will consider the issue in that context.

FCC Rule and Order, 00-408, November 2000

Staff recommends that if Council is concerned about ongoing RF emissions compliance, that it follow this advice and contract with a qualified professional as the Council saw fit. The ordinance also requires the checklists and other appendices identified in the *Local Official's Guide* to demonstrate RF compliance at application submittal. Staff believes that these requirements, along with possible periodic review by a qualified radio professional, provide the best protection that the City can legally provide to its residents.

The Planning Commission discussed the proposed response to the FCC mandate on many occasions. The Commission's final draft code deliberation, at the conclusion of its October 18 Public Meeting, included the alignment of proposed height, type and zone district standards with existing code provisions for permitting towers and antennae for general broadcasting and receiving. This includes the provisions in the code that currently permit these types of structures / improvements typically by conditional use permit. The proposed permitting rules for WCF follow that existing practice – and by so doing, adds insurance about appropriate fit of WCF facilities within our community that consists of 80% residential geography.

Maximum height was another much discussed standard by the Commission. The recommendation is to allow tall towers in limited locations – major city parks and utility sites, and in two zone districts flanking US 101 – where impacts on residential neighborhoods are reduced.

RECOMMENDATION: Move to adopt proposed Wireless Communications Facilities ordinance 2016-15, establishing Chapter 18.61 relating to new WCFs and Chapter 18.61A relating to existing WCFs as recommended by the Planning Commission with the concurrence of staff.

MOTION: I move to adopt Ordinance 2016-015 Wireless Communications Facilities that adds new SMC chapters 18.61 and 18.61A and amends existing chapters 18.20, 18.44, 18.56 and 18.57, and repeals Ordinance 2016-17 upon its effective date.

ORDINANCE NO. 2016-015

An Ordinance Relating to Wireless Communication Facilities; amending parts of SMC Chapters 18.20, 18.44, 18.56 and 18.57 relating to towers, adopting two new chapters, Chapter 18.61 and SMC 18.61A, , relating to regulations effecting wireless communication facilities; and repealing Ordinance 2016-17, relating to a wireless communications facilities moratorium.

WHEREAS, Chapters SMC 18.20, 18.44, 18.56 and 18.57 currently govern the City's regulation of all towers; and

WHEREAS, some of the existing regulations which apply to wireless communication facilities are more than ten years old and federal laws, regulations and court decisions, wireless technology and consumer usage have reshaped the environment within which Wireless Communications Facilities are permitted and regulated; and

WHEREAS, federal laws and regulations that govern local zoning standards and procedures for wireless communications have substantially changed since the City adopted its zoning codes related to towers; and

WHEREAS, in 1934, Congress enacted the Communications Act of 1934, creating the FCC and granting it authority over common carriers engaged in the provision of interstate or foreign communications services; and

WHEREAS, in 1996 Congress enacted Pub. L. No. 104-104, 110 Stat. 70 (the "1996 Act"), amending the Communications Act of 1934 and implementing regulations applicable to both wireless and wireline communications facilities for the purpose of removal of barriers to entry into the telecommunications market while preserving local government zoning authority except where specifically limited under the 1996 Act; and

WHEREAS, in the 1996 Act, Congress imposed substantive and procedural limitations on the traditional authority of state and local governments to regulate the location, construction, and modification of wireless facilities and incorporated those limitations into the Communications Act of 1934; and

WHEREAS, in 2012 Congress passed the "Middle Class Tax Relief and Job Creation Act of 2012" (the "Spectrum Act") (PL-112-96; codified at 47 U.S.C. § 1455(a)); and

WHEREAS, Section 6409 (hereafter "Section 6409") of the Spectrum Act implements additional substantive and procedural limitations upon state and local government authority to regulate modification of existing wireless antenna support structures and base stations; and

WHEREAS, Congress through its enactment of Section 6409 of the Spectrum Act, has mandated that local governments approve, and cannot deny, an application requesting modification of an existing tower or base station if such modification does not substantially change the physical dimensions of such tower or base station; and

WHEREAS, the 1996 Act empowers the Federal Communications Commission (the "FCC") to prescribe such rules and regulations as may be necessary in the public interest to carry out the provisions of the 1996 Act, and subsequently added portions of the 1996 Act such as Section 6409; and

WHEREAS, the City Council finds that it is required under Section 6409 of the Spectrum Act and the FCC's 2015 Report and Order clarifying Eligible Facility Request Rules, to adopt and implement local development and zoning regulations that are consistent with Section 6409 and the Order; and

WHEREAS, This Chapter also implements Section 6409(a) of the Spectrum Act and the FCC's Report & Order, which requires a state or local government to approve any Eligible Facilities Request for a modification of an existing tower or base station that does not result in a substantial change to the physical dimensions of such tower or base station.

WHEREAS, on October 26, 2015, the City Council adopted Ordinance No. 2015-018 imposing a moratorium on applications for new wireless communications support towers within the City limits; and

WHEREAS, following the adoption of the moratorium, the City adopted findings after a public hearing regarding and supporting the moratorium and has other cities' regulations relating to wireless communications facilities, particularly the City of Spokane's regulations; and

WHEREAS, on April 25, 2016, the City Council adopted Ordinance No. 2016-002, extending the moratorium on applications for new wireless communications support towers within the City limits; and

WHEREAS, following appropriate procedures and public notice, on October 18, 2016, the Sequim Planning Commission conducted a meeting on proposed amendments to the City's wireless communication facility regulations and recommended that the City Council approve the proposed amendments; and

WHEREAS, at the conclusion of its public meeting, the Planning Commission approved written findings, conclusions, and recommendation (the "Planning Commission Recommendation") which is incorporated into this Ordinance as if set if forth fully herein; and

WHEREAS, on October 24, 2016, the City Council conducted a lawfully-noticed public hearing and received the report and recommendation of the Planning Commission regarding the

Ordinance which modifies existing and establishes new code sections relating to wireless communication facilities; and

WHEREAS, the City Council finds that the proposed development and zoning regulations are reasonable and necessary in order to bring the City's development regulations into compliance with the mandate imposed upon the City by Congress pursuant to Section 6409 and the regulations imposed upon the City by the FCC pursuant to its Report and Order, and are therefore in the public interest; and

WHEREAS, the City Council of the City of Sequim desires to update its local standards and procedures to protect and promote the public health, safety and welfare of the City of Sequim community, to reasonably regulate wireless communication facilities aesthetics, to protect and promote the City's unique character in a manner consistent with State and federal laws and regulations;

NOW, THEREFORE, THE CITY OF Sequim DOES ORDAIN:

Section 1. Repeal of Ordinance 2016-17. Ordinance 2016-17, extending a moratorium on new wireless communications facilities, is repealed.

Section 2. Amendment. Amendment of Chapters 18.20, 18.44, 18.56 and 18.57 of the Sequim Municipal Code are hereby amended to read as set forth in Exhibit "A."

Section 3. Adoption of New Code Chapter. A new chapter of the Sequim Municipal Code, entitled "Wireless Communications Facilities" SMC 18.61, is adopted, with the language set forth in attached Exhibit A.

Section 4. Adoption of a New Code Chapter. A new chapter of the Sequim Municipal Code, entitled "Eligible Facilities Modifications" SMC 18.61A, is adopted, with the language set forth in attached Exhibit A.

Section 5. Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 6. Savings Clause. Those portions of Ordinances 2007-014 and 98-005 which are repealed or amended by this ordinance shall remain in force and effect until the effective date of this ordinance.

Such repeals and amendments shall not be construed as affecting any existing right acquired under the ordinances repealed or amended, nor as affecting any proceeding instituted thereunder, nor any rule, regulation, or order promulgated thereunder, nor the administrative action taken thereunder. Notwithstanding the foregoing actions, obligations under such ordinances or permits

issued thereunder and in effect on the effective date of this ordinance shall continue in full force and effect, and no liability thereunder, civil or criminal, shall be in any way modified. Further, it is not the intention of these actions to reenact any ordinances or parts of ordinances previously repealed or amended, unless this ordinance specifically states such intent to reenact such repealed or amended ordinances.

Section 7. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 8. Effective Date. This Ordinance shall become effective five days after publication of the ordinance, or a summary thereof, in the official newspaper of the City.

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

_____
Approved Date

_____
Publication Date

_____
Effective Date

ORDINANCE 2016-015
EXHIBIT A

18.20.020 Residential districts and uses.

The following residential districts shall be designated consistent with the city of Sequim comprehensive plan optimum land use map:

A. R4-8, Single-Family Residences. The intent of the R4-8 zoning district is to provide land for lower residential densities within the city. The R4-8 zone provides for consistency and predictability in established single-family neighborhoods. New subdivisions shall provide a minimum of three and a maximum of five dwelling units per acre. The minimum number of units may be reduced based on access constraints or the presence of critical areas.

1. Permitted uses in the R4-8 zone include the following: Agriculture; bed and breakfast inns (home business) (up to and including two guest rooms); churches or religious places of worship; day care, family day care homes (up to 12 charges); group homes (other), 12 or fewer persons; group homes for the functionally disabled (12 or fewer persons); residences, single-family; electric vehicle charging station – private.

2. Conditional uses in the R4-8 zone include the following:

a. Major. Day care centers (more than 12 charges); group homes for the functionally disabled (13 or more persons); mobile home and manufactured home parks consistent with Chapter 18.62 SMC; special needs housing; towers, antennas (including amateur radio) and supporting structures, 65 feet or less; wireless communications facilities as set forth in SMC 18.61.

b. Minor. Agricultural processing, light; bed and breakfast inns (three to six guest rooms); equestrian facilities; nursing homes and congregate care facilities (up to 10 residents); residences, multifamily, in conformance with R4-8 densities.

3. Special uses in the R4-8 zone include the following: Cemeteries; communication relay or transmission facilities; hospitals and sanitariums (except animal clinics, hospitals); parks, playgrounds, golf courses, recreation or community centers, swimming pools, public and private; schools, public; towers, antennas, and supporting structures, including amateur radio towers, more than 65 feet, other than wireless communications facilities; electric vehicle charging station – public.

B. R-III. The intent of the R-III zoning district is to allow moderate density residential development within the city. New subdivisions shall provide a minimum of six and a maximum of 10 dwelling units per acre. Medium density single-family homes and multifamily residential developments are allowed in the R-IIII zoning designation.

1. Permitted uses within the R-III zone include the following: Bed and breakfast inns (home business) (up to and including two guest rooms); churches or religious places of worship; day care, family day care homes (up to 12 charges); group homes (other), 12 or fewer persons; group homes for the functionally disabled (12 or fewer persons); nursing homes and congregate care facilities (up to 10 residents); residences, single-family; electric vehicle charging station – private; residences, multifamily in conformance with R-III densities; residences, manufactured homes, consistent with Chapter 18.62 SMC.

2. Conditional uses within the R-III zone include the following:

a. Major. Agricultural process, light; clinics; convenience stores, neighborhood; day care center (more than 12 charges); nursing home and congregate care facilities (over 10 residents); towers, antennas (including amateur radio), and supporting structures, 65 feet or less; wireless communications facilities as set forth in SMC 18.61; electric vehicle charging station – public.

b. Minor. Bed and breakfast inns (three to six guest rooms); bakeries, retail.

3. Special uses within the R-III zone include the following: Cemeteries; communication relay or transmission facilities; group homes for the functionally disabled (13 or more persons); hospitals and sanitariums (except animal clinics, hospitals); parks, playgrounds, golf courses, recreation or community centers, swimming pools, public and private; schools, public; special needs housing; towers, antennas, and supporting structures including amateur radio, more than 65 feet, other than wireless communications facilities; electric vehicle charging station – public.

18.20.030 Commercial districts.

The following commercial districts shall be designated consistent with the city of Sequim comprehensive plan optimum land use map:

A. C-I(NC) – Neighborhood Commercial. The intent of the C-I(NC) zoning district is to provide commercial convenience services, limited in size and uses, for neighborhood residences. Single-family and multifamily residential uses are permitted when located above ground-floor commercial uses and shall meet International Building Code standards.

1. Permitted uses in the C-I(NC) zone include the following: Alcoholic beverage sale (packaged); bakeries, retail; barbers and beauty shops; churches or religious places of worship; convenience stores, neighborhood; day care centers (more than 12 charges); dry cleaners and laundries; hardware stores; nursery, landscape material; lumber yards; offices, including professional offices, agencies and services; pharmacy, dispensing; photographic studios; private gymnasiums, fitness centers, tanning salons, dance studios, body building, and martial arts, etc.; radio, television and small electronics repair and service; restaurants; schools, private; towers, antennas (including amateur radio) and supporting structures, 65 feet or less, other than wireless communications facilities; veterinary hospitals; electric vehicle charging stations, public and private.

2. Conditional uses in the C-I(NC) zone include the following:

a. Major. Bars and taverns; communication relay or transmission facilities; towers, antennas, and supporting structures including amateur radio towers, 65 feet or more; wireless communications facilities as set forth in SMC 18.61.

b. Minor. Agricultural processing, light; bed and breakfast inns (three to six guest rooms); bed and breakfast inns (home business) (up to and including two guest rooms); espresso stands (drive-through).

3. Special uses in the C-I(NC) zone include the following: Cemeteries; essential public facilities and utilities; parks, playgrounds, golf courses, recreation or community centers, swimming pools, public and private.

B. C-II(G) – General Retail District. The intent of the C-II(G) zoning district is to allow retail and service sector businesses. Single-family and multifamily residential uses are permitted when located above ground-floor retail and service sector commercial uses and shall meet International Building Code standards.

1. Permitted uses in the C-II(G) zone include the following: Alcoholic beverage sale (packaged); bakeries, retail; bakeries, wholesale; banks and financial institutions; barbers and beauty shops; car washes; churches or religious places of worship; clinics; convenience stores; day care centers (more than 12 charges); dry cleaners and laundries; equipment rental and repair; espresso stands (drive-through); hardware stores; laboratories for research and testing; lock and gunsmiths; lumber yards; Washington State Liquor Control Board licensed marijuana (recreational/medical use) retail store; nursery, landscape material; offices, including professional offices, agencies and services; pharmacy, dispensing; photographic studios; plumbing shops and yards; printing, publishing and reproduction establishments; private gymnasiums, fitness centers, tanning salons, dance studios, body building, and martial arts, etc.; radio, television and small electronics repair and service; recycling, low intensity; repair shops (not auto); restaurants; retail stores less than 5,000 square feet; schools, private; sign manufacture, painting and maintenance; towers, antennas (including amateur radio) and supporting structures, 65 feet or less; wireless communications facilities as set forth in SMC 18.61; undertaking establishments; vehicle repair and service; veterinary hospitals; electric vehicle infrastructure.

2. Conditional uses in the C-II(G) zone include the following:

a. Major: Bars and taverns; communication relay or transmission facilities; mini-storage; nursing homes and congregate care facilities (over 10 residents); recreational vehicle parks, seasonal (up to 180-day stay); recreational vehicle parks, transient (up to 30-day stay); theaters, drive-in; transient accommodations (including hotels and motels); towers, antennas (including amateur radio) and supporting structures 65 feet or more, other than wireless communications facilities.

b. Minor: Agricultural processing, light; bed and breakfast inns (three to six guest rooms); bed and breakfast inns (home business) (up to and including two guest rooms); espresso stands (sidewalk); group homes (other), 12 or fewer persons; group homes for the functionally disabled (12 or fewer persons); nursing homes and congregate care facilities (up to 10 residents).

3. Special uses in the C-II(G) zone include the following: Cemeteries; essential public facilities and utilities; group homes (other), 13 or more persons; group homes for the functionally disabled (13 or more persons); hospitals and sanitariums (except animal clinics, hospitals); parks, playgrounds, golf courses, recreation or community centers, swimming pools, public and private; special needs housing.

C. C-II(M) – Medical and Professional Offices. The intent of the C-II(M) zoning district is to provide for medical and professional offices and supporting services. Single-family and multifamily residential uses are permitted when located above ground-floor permitted uses and shall meet International Building Code standards.

1. Permitted uses in the C-II(M) zone include the following: Banks and financial institutions; barbers and beauty shops; churches or religious places of worship; clinics; espresso stands (sidewalk); hospitals and sanitariums (except animal clinics, hospitals); laboratories for research and testing; nursing homes and congregate care facilities (up to 10 residents); nursing homes and congregate care facilities (over 10 residents); offices, including professional offices, agencies and services; pharmacy, dispensing; private gymnasiums, fitness centers, tanning salons, dance studios, body building, and martial arts, etc.; recycling, low intensity; restaurants; towers, antennas (including amateur radio) and supporting structures,

65 feet or less; wireless communications facilities as set forth in SMC 18.61; undertaking establishments; veterinary hospitals; electric vehicle infrastructure.

2. Conditional uses in the C-II(M) zone include the following:

a. Major. Communication relay or transmission facilities; day care centers (more than 12 charges); group homes (other), 13 or more persons; group homes for the functionally disabled (13 or more persons); special needs housing; towers, antennas (including amateur radio) and supporting structures over 65 feet ~~or more~~, other than wireless communications facilities.

b. Minor. Bakeries, retail; group homes (other), 12 or fewer persons; group homes for the functionally disabled (12 or fewer persons).

3. Special uses in the C-II(M) zone include the following: Cemeteries; essential public facilities and utilities; parks, playgrounds, golf courses, recreation or community centers, swimming pools, public and private.

D. C-II(S) – Shoreline Commercial District. The intent of the C-II(S) zoning district is to provide for commercial, retail, and service uses related to or dependent upon the shoreline. Transient accommodations supporting tourism are also intended uses. Single-family and multifamily residential uses are permitted when located above ground-floor permitted uses and shall meet International Building Code standards.

1. Permitted uses within the C-II(S) zone include the following: Alcoholic beverage sale (packaged); aquaculture; bakeries, retail; barbers and beauty shops; boat building and repair, commercial; boat marinas; churches or places of worship; convenience stores, neighborhood; espresso stands (sidewalk); private gymnasiums, fitness centers, tanning salons, dance studios, body building, and martial arts, etc.; restaurants; towers, antennas (including amateur radio), and supporting structures 65 feet or less; transient accommodations (including hotels and motels); electric vehicle infrastructure.

2. Conditional uses within the C-II(S) zone include the following:

a. Major. Bed and breakfast inns (three to six guest rooms); communication relay and transmission facilities; recreational vehicle parks, seasonal (up to 180 days); recreational vehicle parks, transient (up to 30 days); towers, antennas, and supporting structures, including amateur radio, over 65 feet ~~or more~~.

b. Minor. Offices, including professional offices, agencies, and services.

3. Special uses within the C-II(S) zone include the following: Essential public facilities and utilities; parks, playgrounds, golf courses, recreation or community centers, swimming pools, public and private.

E. C-III – General Commercial. The intent of the C-III zoning district is to provide areas for diversified commercial activities that serve a more regional clientele. Single-family and multifamily residential uses are permitted when located above ground-floor permitted uses and shall meet International Building Code standards.

1. Permitted uses within the C-III zone include the following: Alcoholic beverage sale (packaged); bakeries, retail; bakeries, wholesale; banks and financial institutions; barbers and beauty shops; boat building and repair, commercial; bus stations and terminals; car washes; churches or religious places of

worship; convenience stores; dry cleaners and laundries; equipment rental and repair; espresso stands (sidewalk); gas stations; grocery stores; hardware stores; kennels; laboratories for research and testing; lock and gunsmiths; Washington State Liquor Control Board licensed marijuana (recreational/medical use) retail store; nursery, landscape material; offices, including professional offices, agencies and services; pawnshops or secondhand stores; pharmacy, dispensing; photographic studios; plumbing shops and yards; printing, publishing and reproduction establishments; private gymnasiums, fitness centers, tanning salons, dance studios, body building, and martial arts, etc.; radio, television and small electronics repair and service; radio, television broadcasting; recycling, low intensity; regional retail; repair shops (not auto); restaurants; restaurants, fast food; retail stores; schools, private; sign manufacture, painting and maintenance; theaters, excluding drive-in theaters; towers, antennas (including amateur radio) and supporting structures, 65 feet or less; wireless communications facilities as set forth in SMC 18.61; transient accommodations (including hotels and motels); undertaking establishments; vehicle repair and service; veterinary hospitals; warehousing associated with retail uses; electric vehicle infrastructure.

2. Conditional uses within the C-III zone include the following:

a. Major. Agricultural processing, light; bars and taverns; communication relay or transmission facilities; construction yards; day care centers (more than 12 charges); recreational vehicle parks, seasonal (up to 180-day stay); recreational vehicle parks, transient (up to 30-day stay); towers, antennas, and supporting structures, including amateur radio, over 65 feet ~~or more~~.

b. Minor. Espresso stands (drive-through).

3. Special uses within the C-III zone include the following: Essential public facilities and utilities; group homes (other), 13 or more persons; group homes for the functionally disabled (13 or more persons); parks, playgrounds, golf courses, recreation or community centers; swimming pools, public and private; special needs housing. (Ord. 2015-012 § 1 (Exh. A); Ord. 2014-003 § 1 (Exh. A); Ord. 2012-002 § 2 (Exh. B); Ord. 2011-012 § 1 (Exh. A); Ord. 2011-003 § 1 (Att. 3); Ord. 2005-028 § 2; Ord. 97-019 § 4, Exh. B)

18.20.050 Mixed use district.

The following mixed use district shall be designated consistent with the city of Sequim comprehensive plan optimum land use map:

A. MU – Mixed Use. The intent of the mixed use zoning district is to allow campus-style business parks, industrial parks (light), professional offices, general retail, restaurants, and residential uses under specified conditions to create shared settings of living and working.

B. Permitted uses within the MU zone include the following: Agricultural processing, light; agriculture; bakeries, retail and wholesale; boat building and repair, commercial; construction yards; churches/religious places of worship; industrial parks; industrial uses, light; laboratories for research and testing; nursery, landscape material; professional offices; printing, publishing and reproduction; radio, television broadcasting; recycling, low intensity; general retail; restaurants, including fast food; residential use subject to the provisions of subsection (B)(1) of this section; sign manufacture, painting and maintenance; theaters; towers, antennas (including amateur radio) and supporting structures less than 65 feet ~~or less~~; wireless communications facilities as set forth in SMC 18.61; vehicle repairs and service; vehicle sales, repair, and service; warehousing associated with retail uses; and wholesale; electric vehicle infrastructure*.

1. Residential use is allowed in the MU zone subject to the following conditions:

a. Residential use is only permitted if developed as an element of a common site plan and developed at the same time with a permitted nonresidential use, whether integrated vertically within a common building or integrated horizontally in a master-planned site development; and

b. To ensure the establishment of mixed use development, the minimum ratio of commercial use, either retail or office, to residential use is 1,000 square feet of commercial use per 10 residential units, developed concurrently or in use-balanced phases of development.

C. Conditional uses within the MU zone include the following:

1. Major. Communication relay or transmission facilities; day care centers (over 12 charges); mini-storage; recreational vehicle park, seasonal (up to 180 days); recreational vehicle park, transient (up to 30 days); schools, private; theaters, drive-in; towers, antennas including amateur radio and supporting structures 65 feet or more, other than wireless communications facilities.

2. Minor. Bed and breakfast inns (three to six guest rooms); bed and breakfast inns (home business) (up to and including two guest rooms).

D. Special uses within the MU zone include the following: Cemeteries; hazardous waste treatment and storage facilities – moderate and high risk; hospitals and sanitariums (except animal clinics); parks, playgrounds, golf courses, recreation centers; swimming pools; schools, public. (Ord. 2012-013 § 1 (Exh. A); Ord. 2012-002 § 2 (Exh. B); Ord. 2011-012 § 1 (Exh. A); Ord. 2011-003 § 1 (Att. 3); Ord. 2005-028 § 3; Ord. 97-019 § 4, Exh. B)

*Code reviser's note: Ordinance 2012-013 amended this section inadvertently not taking into account the amendments of Ordinance 2012-002, adding electric vehicle infrastructure as a permitted use.

18.20.060 Other districts.

The following other districts shall be designated consistent with the city of Sequim comprehensive plan optimum land use map:

A. PF – Public Facilities. The intent of the public facilities zoning district is to provide lands for publicly owned parks, government buildings, civic buildings, utilities, schools, and fire stations, and other similar public uses.

1. Permitted uses in the PF zone include the following: Airports and airfields; boat marinas; bus stations and terminals; cemeteries; communication relay or transmission facilities; construction yards; correctional institutions; essential public facilities and utilities; government buildings; group homes (other), 13 or more persons; group homes for the functionally disabled (13 or more persons); hazardous waste treatment and storage facilities – high risk; hazardous waste treatment and storage facilities – moderate risk; hospitals and sanitariums (except animal clinics); laboratories for research and testing; parks, playgrounds, golf courses, recreation centers; swimming pools; recycling, high intensity; recycling, low intensity; schools, public; special needs housing; towers, antennas (including amateur radio) and supporting structures ~~less than 65 feet~~; ~~towers, antennas (including amateur radio) and supporting structures 65 feet or more~~; wireless communications facilities as set forth in SMC 18.61; electric vehicle infrastructure.

B. RDP – Research and Development Park. The intent of the research and development park zoning district is to establish a land use designation that allows campus-style research and development facilities, which includes but is not limited to environmental, biotechnology, energy efficiency, and marine and coastal security research. Furthermore, the RDP zone also allows private and public educational partnerships, which may also provide on-site educational facilities.

1. Permitted uses within the RDP zone include the following: Accessory uses; aquaculture; day care centers for on-site personnel; laboratories for research and testing; offices, professional; towers, antennas (including amateur radio) and supporting structures less than 65 feet ~~or less~~; electric vehicle infrastructure.

2. Conditional uses within the RDP zone include the following:

a. Major. Communication relay or transmission facilities; towers, antennas (including amateur radio) and supporting structures 65 feet or more; wireless communications facilities as set forth in SMC 18.61. (Ord. 2012-002 § 2 (Exh. B); Ord. 2011-012 § 1 (Exh. A); Ord. 2011-003 § 1 (Att. 3); Ord. 2009-046 § 4 (Exh. D); Ord. 97-019 § 4, Exh. B)

18.44.030 Exceptions.

The bulk, dimensional and general requirements found in SMC 18.44.020 shall apply to specifically permitted and conditional uses tabulated in Chapter 18.60 SMC, excepting the following:

A. The maximum building height provided in SMC 18.44.020 shall not apply to towers and antennas as set forth in SMC 18.61; provided, that towers and antennas are set back from all exterior property lines at a minimum ratio of one foot of setback for every three feet of vertical height as measured from grade.

B. Antennas, satellite dishes, or other communication devices shall not be located in the front setback area.

C. All structures excepting fences, hedges, and berms shall not be established within the front setback area.

D. Maximum building height in the C-II(G), C-III, and MU zones may be exceeded only under the following exceptions:

1. Elevator towers, HVAC equipment, solar and wind energy facilities, building maintenance equipment, and communications antennas or dishes may exceed the height limit of the zone or the greatest height of the finished roof, whichever is less, by up to 12 feet; provided, that HVAC equipment and screening and antennas/dishes shall be set back from the roof perimeter a distance equal to the height of these features above the finished roof; and

2. One incidental roof and its supports covering not more than the lesser of 256 square feet or five percent of the total roof area and standing not more than 12 feet high over a single, fully open roof-top patio is permitted; provided, that the roof covering cannot be more than 48 inches high in cross section at any point, the covering structure cannot be more than 20 feet in any dimension, and the roof design must be consistent with the building architecture in material and design. (Ord. 2013-008 § 1 (Exh. A); Ord. 2012-018 § 1 (Exh. A); Ord. 97-019 § 4, Exh. B)

18.56.030 Permitted uses.

The council may permit the following uses in districts from which they are now prohibited by this title:

A. Airport and airfields.
B. Government buildings.
C. Educational institutions.
D. Hospitals and sanitariums (except animal clinics and hospitals.)
E. Nursing homes and boarding homes for the aged.
F. Correctional institutions.
G. Towers and antennas over 100 feet in height, subject to the requirements of SMC 18.61.
H. Essential public facilities and utilities.
I. Parks, playgrounds, recreation or community centers.
J. Group homes, alcoholism or drug treatment centers, detoxification centers, work release facilities for convicts or ex-convicts, or other housing serving as an alternative to incarceration with 12 or more residents.
K. Energy facilities.
L. Hazardous waste treatment and storage facilities.
M. Shelters for the transient or for the homeless.
N. Master planned resorts.
O. Solid waste facilities
P. Sewage treatment facilities.
Q. Bus stations and transit facilities. (Ord. 97-019 § 4, Exh. B)

18.57.020 Downtown zones allowed and prohibited uses.

A. Because these districts are intended to encourage a wide mixture of uses, all uses listed in Chapter 18.20 SMC, except those listed in subsection D of this section, are permitted, subject to the additional use requirements of subsections B and C of this section. Nonetheless, the director of the department of community development retains the authority to determine if any proposed use does not comport with the intent of the district.

B. Conditional uses within the DC, DMU-I, and DMU-II zones include the following:

1. Major. Agricultural processing, light; bars and taverns; communication relay or transmission facilities; construction yards; day care centers (more than 12 charges); recreational vehicle parks, seasonal (up to 180-day stay); recreational vehicle parks, transient (up to 30-day stay); towers, antennas (including amateur radio) and supporting structures less than 65 feet, and wireless communications facilities as set forth in SMC 18.61.

2. Minor. Espresso stands (drive-through).

C. Special uses within the DC, DMU-I, and DMU-II zones include the following: essential public facilities and utilities; group homes (other), 13 or more persons; group homes for the functionally disabled (13 or more persons); parks, playgrounds, golf courses, recreation or community centers; swimming pools, public and private; special needs housing.

D. Prohibited Uses in the Downtown Zones.

1. Uses Prohibited in All Three Districts. Adult entertainment; gasoline stations and car washes; halfway houses and rehabilitation centers; jails and other detention or correction facilities; kennels; manufacturing and fabrication; sales, leasing, servicing, or repair of vehicles, unless entirely within a structure; warehousing, including mini-storage; battery exchange stations; marijuana (recreational or medical use) retail store.

2. Additional Uses Prohibited in the Downtown Core and Mixed Use 1 Districts. Outdoor storage of inventory, materials or supplies, unless behind a building or along an alley.

3. Additional Uses Prohibited in the Downtown Core. Residential use on the ground level (except in rear 40 percent of commercial building or in a rear, secondary building); commercial uses with drive-through windows or service kiosks. (Ord. 2015-012 § 1 (Exh. A); Ord. 2014-003 § 1 (Exh. A); Ord. 2012-006 § 1 (Exh. A); Ord. 2012-002 § 2 (Exh. B); Ord. 2011-017 § 2; Ord. 2011-016 § 2 (Exh. B))

SECTION 2. That there is adopted a new Chapter SMC 18.61 of the Sequim Municipal Code to read as follows:

Section 18.61.010 Purpose
Section 18.61.020 Additional Definitions
Section 18.61.030 Towers
Section 18.61.040 Collocation of Antennas, DAS, and Small Cells
Section 18.61.050 Tower Sharing, Collocation and Preferred Tower Locations
Section 18.61.060 Application Submittal Requirements
Section 18.61.070 General Development Standards Applicable to WCFs
Section 18.61.080 Regulations for Facilities Subject to a Conditional Use Permit
Section 18.61.090 Exception from Standards
Section 18.61.100 Final Inspection
Section 18.61.110 FCC Permit Revocation
Section 18.61.120 Discontinuation of Use
Section 18.61.130 Independent Technical Review
Section 18.61.140 Exempt Facilities
Section 18.61.150 Indemnification

Chapter 18.61

Wireless Communication Facilities

Section 18.61.010 Purpose

The purpose of this Chapter is to regulate the development and operation of wireless communication facilities within the City and accommodate the balanced provision of wireless communication services that meet community's needs while promoting and protecting the public health, safety and welfare, including the community's natural beauty, visual quality and environmental health.

Section 18.61.020 Definitions Specific to Wireless Communication Facilities

In addition to the definitions provided in SMC 18.08, the definitions set forth below shall apply to this Chapter.

Section 18.61.0201

"Antenna" means one or more rods, panels, discs or similar devices used for wireless communication, which may include, but is not limited to, omni-directional antenna (whip), directional antenna (panel), and parabolic antenna (dish).

"Antenna Array" means a single or group of antenna elements and associated mounting hardware, transmission lines, or other appurtenances which share a common attachment device such as a mounting frame or mounting support structure for the sole purpose of transmitting or receiving electromagnetic waves.

Section 18.61.0202

"Base Station" means a structure or equipment at a fixed location that enables Commission-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a tower as defined in this chapter or any equipment associated with a tower.

1. The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

2. The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small cell networks).

3. The term includes any structure other than a tower that, at the time the relevant application is filed with the City under this section, supports or houses equipment described in this section that has been reviewed and approved under the applicable zoning or siting process, or under Washington or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.

4. The term does not include any structure that, at the time the relevant application is filed with Washington or the City under this section, does not support or house equipment described in this section.

Section 18.61.0203

"Collocation" means the mounting or installation of transmission equipment on an eligible support structure for the purpose of transmitting and/or receiving radio frequency signals for communications purposes.

"Commission" means the Federal Communications Commission ("FCC").

Section 18.61.0204

"Deemed approved" means and refers to an eligible facilities modification application that has been deemed approved upon the City's failure to act, and has become effective, as provided pursuant the FCC Eligible Facilities Request Rules.

"Distributed Antenna System" or "DAS" means a network consisting of transceiver equipment at a central hub site to support multiple antenna locations throughout the desired coverage area.

Section 18.61.0205

"Eligible Facilities Request" means any request for modification of an existing tower or base station that does not substantially change the physical dimensions of such tower or base station, involving collocation of new transmission equipment; removal of transmission equipment; or replacement of transmission equipment.

"Eligible Support Structure" means any tower or base station as defined in this section, provided that it is existing at the time the relevant application is filed with the City under this section.

"Existing" means a constructed tower or base station is existing for purposes of this Chapter if it has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, provided that a tower that has not been reviewed because it was not in a zoned area when it was built, but was lawfully constructed, is existing for purposes of this section.

Section 18.61.0206

"Site" means for towers other than towers in the public rights-of-way, the current boundaries of the leased or owned property surrounding the tower and any access or utility easements currently related to the site, and, for other eligible support structures, further restricted to that area in proximity to the structure and to other transmission equipment already deployed on the ground.

"Small Cells" mean compact wireless base stations containing their own transceiver equipment and function like cells in a mobile network but provide a smaller coverage area than traditional macrocells. Small cells will meet the two parameters in subsections (a) and (b). For purposes of these definitions, volume is a measure of the exterior displacement, not the interior volume of the enclosures. Antennas or equipment concealed from public view in or behind an otherwise approved structure or concealment are not included in calculating volume.

(a) Small Cell Antenna: Each antenna shall be no more than three (3) cubic feet in volume.

(b) Small Cell Equipment: Each equipment enclosure shall be no larger than seventeen (17) cubic feet in volume. Associated conduit, mounting bracket or extension arm, electric meter, concealment, telecommunications demarcation box, ground-based enclosures, battery back-up power systems, grounding equipment, power transfer switch, and cut-off switch may be located outside the primary equipment enclosure(s) and are not included in the calculation of equipment volume.

"Stealth design" means technology that minimizes the visual impact of wireless communications facilities by camouflaging, disguising, screening, and/or blending into the surrounding environment. Examples of stealth design include but are not limited to facilities disguised as trees, flagpoles, bell towers, and architecturally screened roof-mounted antennas.

Section 18.61.0207

"Tower" means any structure built for the sole or primary purpose of supporting any Commission-licensed or authorized antennas and their associated facilities, including structures that are constructed for wireless communications services including, but not limited to, private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul, and the associated site.

"Tower Height" means the vertical distance measured from the base of the tower structure at grade to the highest point of the structure including the antenna.

"Transmission Equipment" means equipment that facilitates transmission for any Commission-licensed or authorized wireless communication service, including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, and regular and backup power supply. The term includes equipment associated with wireless communications services including, but not limited to, private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

Section 18.61.0208

"Utility Support Structure" means utility poles or utility towers supporting electrical, telephone, cable or other similar facilities; street light standards; pedestrian light standards; traffic light structures; traffic sign structures; or water towers.

18.61.0209

"Wireless Communication Facilities" or "WCF" means a staffed or unstaffed facility or location for the transmission and/or reception of radio frequency (RF) signals or other wireless communications or other signals for commercial communications purposes, typically consisting of one or more antennas or group of antennas, a tower or attachment support structure, transmission cables and other transmission equipment, and an equipment enclosure or cabinets.

Section 18.61.030 Towers

A. Towers shall be located only in those areas and pursuant to the process and standards prescribed in SMC Table 18.61.0301, provided that towers that are proposed to be located in a residential zone or within 150 feet of a residential zone shall be subject to the siting priorities set forth for preferred tower locations in SMC 18.61.050.

Table SMC 18.61.0301

Zones, Types / Heights, Setbacks, and Permit Type

PLAN DISTRICT	ZONE	TYPE AND MAX. HEIGHT	SETBACK: NON-ROW	PERMIT TYPE
Single Family Residential	R4-8	Stealth or DAS only; 30 feet	20'	C-2
Lifestyle District	LD (R-III; C-II(M)	Stealth or DAS only; 40 feet	20'	A-1
Neighborhood Center	NC (C-1)	Stealth or DAS only; 30 feet	20'	C-2
Community / General Business	CB (C-II, C-III)	Stealth or DAS only; 40 feet	20'	C-2
Downtown	DC; DMU-I /-II	Stealth or DAS only; 40 feet	n/a	C-2
Regional Commercial	RC (C-III)	Stealth or DAS only; 35 feet	20'	A-1
Highway Commercial	HC	100' / 150'	100'	C-2
Schools	R4-8	Stealth or DAS only; 60 feet	20'	C-2
High Tech / Light Industry	HTLI	Stealth or DAS only; 60 feet	20'	C-2

Heavy Commercial / Warehouse	HC-W	100' / 150'	100'	C-2
Economic Opportunity Area	EOA	Stealth or DAS only; 60 feet	n/a	A-1
Planned Resort Community	PRC	Any (decided by master plan)	n/a	A-1
Major Parks / Open Space	POS	Any (decided by contract)	Equal to tower height	C-2

[1]See adjusted standards for locations adjacent to a residence in SMC 18.61.070(B).
[2] If an applicant wants to construct a tower in a residential zone or within 50' of a residential zone, then stealth design is required.
[3] See exceptions for locations adjacent to a residence in SMC 18.61.070(B).
[4] An additional 20 feet in height is allowed if applicant uses stealth design.

Section 18.61.040 Collocation of Antennas, DAS, and Small Cells

A. To the extent not otherwise covered by Chapter 18.61A (Eligible Facilities Requests), collocation and new wireless communication antenna arrays are permitted in all zones via administrative approval provided that they are attached to or inside of an existing structure that provides the required clearances for the array's operation without the necessity of constructing a tower or other apparatus to extend the antenna array more than 15 feet above the structure; however, in no case shall the tower height exceed the maximum height allowance in the underlying zone.

B. Installation requires the granting of development permits prescribed by Chapter 20.01 and Title 15 SMC.

C. For antenna arrays on City-owned property, the execution of necessary agreements is also required.

D. If any support structure must be constructed to achieve the needed elevation or if the attachment adds more than 15 feet above the existing structure, the proposal is subject to Type A-1 review. The limitation to15 feet applies to cumulative increases and any previously approved additions to height made under this section must be included in its measurement.

E. Any equipment shelter or cabinet and other ancillary equipment are subject to the general development standards of SMC 18.61.070.

F. Distributed Antenna Systems and Small Cells.

1. Distributed Antenna Systems (DAS) and Small Cells are allowed in all land use zones, regardless of the siting preferences listed in SMC 18.61.050.

2. DAS and small cells that meet the requirement of Stealth technology as provided in SMC 18.61.030 are subject to approval via administrative review only if their installation requires the construction of a new utility support structure or building. Type A-1 review is always required when the applicant proposes a new utility support structure or building.

3. Multiple Site DAS and Small Cells.

a. A single permit may be used for multiple distributed antennas that are part of a larger overall DAS network.

b. A single permit may be used for multiple small cells spaced to provide wireless coverage in a contiguous area.

Section 18.61.050 Tower Sharing, Collocation and Preferred Tower Locations

A. Tower Sharing and Collocation. New WCF facilities must collocate on existing towers or other structures of a similar height to avoid construction of new towers, unless precluded by zoning constraints such as height, structural limitations, inability to obtain authorization by the owner of an alternative location, or where an alternative location will not meet the service coverage objectives of the applicant. Applications for a new tower must address all existing towers or structures of a similar height within 1/2 mile of the proposed site as follows: (a) by providing evidence that a request was made to locate on the existing tower or other structure, with no success; or (b) by showing that locating on the existing tower or other structure is infeasible.

B. Preferred Tower Locations. All new towers proposed to be located in a residential zone or within 150 feet of a residential zone are permitted only after application of the following siting priorities, ordered from most-preferred (1) to least-preferred (8);

1. City-owned or operated property and facilities, not including right-of-way and right-of-way facilities, that are not in residential zones or located within 150 feet of residential zones;

2. City-owned or operated property and facilities in any zone, as long as the tower is inconspicuous from a public street, public open areas, or property that is being used for residential purposes;

3. Regional Commercial zone (RC);

4. Highway Commercial (HC) and Heavy Commercial / Warehouse (HC-W) zones;

5. Employment Opportunity Area (EOA) and Planned Resort Community (PRC) pursuant to a sub-area plan;

6. Community Business (CB) and High Tech / Light Industry (HTLI) zones;

7. other City-owned or operated property and facilities; and

8. sites in residential zones.

The applicant for a tower located in a residential zone or within 150 feet of a residential zone shall address these preferences in an alternative sites analysis meeting the requirements of section 18.61.060 below.

Section 18.61.060 Application Submittal Requirements

In addition to the application materials identified in SMC 20.01.120, applications submitted under this chapter shall include the following materials.

A. Requirement for FCC Documentation. The applicant shall provide a copy of:

1. its documentation for FCC license submittal or registration, and

2. the applicant's FCC license or registration.

B. Site plans. Complete and accurate plans and drawings to scale, prepared, signed and sealed by a Washington-licensed engineer, land surveyor and/or architect, including (1) plan views and all elevations before and after the proposed construction with all height and width measurements called out; (2) a depiction of all proposed transmission equipment; (3) a depiction of all proposed utility runs and points of contact; and (4) a depiction of the leased or licensed area with all rights-of-way and/or easements for access and utilities in plan view.

C. Visual analysis. A color visual analysis that includes to-scale visual simulations that show unobstructed before-and-after construction daytime and clear-weather views from at least four angles, together with a map that shows the location of each view.

D. Statement of Purpose / RF Justification. A clear and complete written Statement of Purpose shall minimally include: (1) a description of the technical objective to be achieved; (2) a to-scale map that identifies the proposed site location and the targeted service area to be benefited by the proposed project; and (3) full-color signal propagation maps with objective units of signal strength measurement that show the applicant's current service coverage levels from all adjacent sites without the proposed site, predicted service coverage levels from all adjacent sites with the proposed site, and predicted service coverage levels from the proposed site without all adjacent sites. These materials shall be reviewed and signed by a Washington-licensed professional engineer or a qualified employee of the applicant. The qualified employee of the applicant shall submit his or her qualifications with the application.

E. Design justification. A clear and complete written analysis that explains how the proposed design complies with the applicable design standards under this chapter. A complete design justification shall identify all applicable design standards under this chapter and provide a factually detailed reason why the proposed design either complies or cannot comply.

F. Collocation and alternative sites analysis.

1. All Towers. All applications for a new tower will demonstrate that collocation is not feasible, consistent with SMC 18.61.050.

2. Towers in a residential zone or within 150 feet of a residential zone.

a. For towers in or within 150 feet of a residential zone, the applicant must address the City's preferred tower locations in SMC 18.61.050 with a detailed explanation justifying why a site of higher priority was not selected. The City's tower location preferences shall be addressed in a clear and complete written alternative site analysis that shows at least five (5) higher ranked, alternative sites considered that are in the geographic range of the service coverage objectives of the applicant, together with a factually detailed and comparative analysis between each alternative candidate and the proposed site that explains the substantive reasons why the applicant rejected the alternative candidate. An applicant may reject an alternative tower site for one or more of the following reasons:

1. preclusion by structural limitations;

2. inability to obtain authorization by the owner;

3. failure to meet the service coverage objectives of the applicant;

4. failure to meet other engineering requirements for such things as location, height and size;

5. zoning constraints, such as the inability to meet setbacks;

6. analysis or documented evidence of physical or environmental constraints, such as unstable soils or wetlands, that qualify sites as unsuitable Critical Areas; and / or

7. being a more intrusive location despite the higher priority in this chapter as determined by the Community Development Director or Hearing Examiner, as applicable.

b. A complete alternative sites analysis provided under this subsection (F)(2) may include less than five (5) alternative sites so long as the applicant provides a factually detailed written rationale for why it could not identify at least five (5) potentially available, higher ranked, alternative sites.

3. Required description of coverage objectives. For purposes of disqualifying potential collocations and/or alternative sites for the failure to meet the applicant's service coverage objectives, the applicant shall provide (a) a description of its objective, whether it be to close a gap or address a deficiency in coverage, capacity, frequency and/or technology; (b) detailed technical maps or other exhibits with clear and concise RF data to illustrate that the objective is not met if using the alternative (whether it be collocation or a more preferred location); and (c) a written statement based on the site analyses of why the alternative (collocation or a more preferred location) does not meet the objective.

G. Radio frequency emissions compliance report. A written report, prepared, signed and sealed by a Washington-licensed professional engineer or a competent employee of the applicant, which assesses whether the proposed WCF demonstrates compliance with the exposure limits established by the FCC. The report shall also include a cumulative analysis that accounts for all emissions from all WCFs located on or adjacent to the proposed site, identifies the total exposure from all facilities and demonstrates planned compliance with all maximum permissible exposure limits established by the FCC. The report shall include a detailed description of all mitigation measures required by the FCC. Any report supplied by an applicant's employee must also submit the qualifications for the employee responsible for the report. Such documentation must include a copy of the fully completed FCC form "A Local Government Official's Guide to Transmitting Antenna RF Emission Safety: Rules, Procedures, and Practical Guidance: Appendix A" titled "Optional Checklist for Determination Of Whether a Facility is Categorically Excluded" for each frequency band of RF emissions to be transmitted from the proposed facility upon the approval of the application. All planned radio frequency emissions on all frequency bands must be shown on the Appendix A form(s) attached to the application. All planned radio frequency emissions are to be entered on each Appendix A form only in wattage units of "effective radiated power."

H. Noise study. A noise study, prepared, signed and sealed by a Washington-licensed engineer, for the proposed WCF and all associated equipment in accordance with the Sequim Municipal Code.

I. Collocation consent. A written statement, signed by a person with the legal authority to bind the applicant and the property owner, allowing the applicant to collocate on facilities.

J. Collocation engineering requirements. All applications for collocations must include a site determination by an engineer licensed to conduct business within Washington State that the structure is designed to accommodate the additional load. The determination must take into account, at a minimum, all facilities currently located on the roof/structure, the cumulative load after accounting for all existing facilities, and the cumulative load with the proposed facilities, and any required engineering changes to the structure needed to accommodate additional load.

Section 18.61.070 General Development Standards Applicable to WCFs

The following criteria shall be applied in approving, approving with conditions or denying a WCF. Unless otherwise provided in this chapter, WCF construction shall be consistent with the development standards of the zoning district in which it is located.

A. Height. Refer to SMC Table 18.61.0301.

B. Setback Requirements. Refer to SMC Table 18.61.0301 for towers. All equipment shelters, cabinets or other on-the-ground ancillary equipment shall be buried or meet the setback requirement of the zone in which located. Notwithstanding the setbacks provided for in Tables 18.61.0301 and .0302, when a residence is located on an adjacent parcel, the minimum side setback from the lot line for a new tower must be equal to 110 percent of the height of the proposed antenna support structure, unless the following are met:

1. The tower is constructed with breakpoint design technology. If the tower has been constructed using breakpoint design technology, the minimum setback distance shall be equal to 110 percent (110%) of the distance from the top of the structure to the breakpoint level of the structure, or the applicable zone's minimum side setback requirements, whichever is greater. (For example, on a 100-foot tall monopole with a breakpoint at eighty [80] feet, the minimum setback distance would be twenty-two [22] feet [110 percent of twenty (20) feet, the distance from the top of the monopole to the breakpoint] or the minimum side yard setback requirements for that zone, whichever is greater.)
2. The issuance of building permits for the tower shall be conditioned upon approval of the tower design by a structural engineer.

C. Landscaping. All landscaping shall be installed and maintained in accordance with this chapter. Existing on-site vegetation shall be preserved and/or improved, and disturbance of the existing topography shall be minimized. The Community Development Director may grant a minor deviation from the required landscaping based on written findings and conclusions that a different design better serves the intent of this chapter, provided that the total landscape area is not reduced.

1. Tower bases, when fenced (compounds), or large equipment shelters (greater than three feet by three feet by three feet), shall be landscaped following the provisions of this section. In all R zones, all C zones (including HC and RC), Downtown zones, and all other non-residential zones, landscaping shall consist of a six-foot wide strip of

landscaping as described in SMC 18.24.130. Street Frontage and perimeter property landscaping where required shall follow these standards:

a. The six-foot wide strip of plantings shall provide a continuous three- to four-foot tall screen (the plants shall be evergreen when adjacent to parking areas in order to block headlights), while maintaining buffered views into and out of the site. Shrubs of a species that will achieve a minimum approximate height of three feet and maximum approximate height of four feet shall be included for the entire length of the planting area. Groundcovers shall be included as necessary to fill in the width of the planting area. Trees shall cover the length of the planting strip and be spaced at intervals resulting in touching of branches after ten years of normal growth.

2. If fencing is installed, it shall meet the standards of SMC 18.24.140.

3. Applicant shall ensure the full establishment of plantings for two years.

4. Landscaping and buffering requires Landscape design plans shall incorporate a mix of indigenous and native plants that are hardy and drought-tolerant, and shall include a minimum of 40 percent evergreen plantings (trees, shrubs, groundcovers, ornamental grasses, and evergreen herbs). Permanently installed irrigation systems are required.

5. Minimum planting specifications are:

CATEGORY	**SPECIFICATIONS**
Deciduous shade trees	2½ to 3 inch caliper measured 6 inches above ground
Evergreen trees	6 to 8 feet in height
Small deciduous or ornamental trees	1 to 1½ inch caliper measured 6 inches above ground
Multi-trunk clusters (3 or more trunks)	the smallest trunk shall be ¾ inch
Deciduous and Evergreen Shrubs	24 inch high plant size. Spacing from 3 to 5 feet apart depending upon species

6. The developer, its successor and/or subsequent owners and their agents, shall maintain landscaping on the property on a continuing basis for the life of the development.

7. The property owner shall maintain landscape areas in good condition and in a way that presents a healthy, neat and orderly appearance. This maintenance shall include weeding, watering, fertilizing, pruning, mowing, edging, mulching or other maintenance, in accordance with acceptable horticultural practices. Plant materials which exhibit evidence of insect pests, disease and/or damage shall be appropriately treated. Dead plants shall be promptly removed and replaced within the next planting season after installation.

D. Visual Impact. All WCFs in residential zones and within 150 feet of residential zones, including equipment enclosures, shall be sited and designed to minimize adverse visual impacts on surrounding properties and the traveling public, consistent with the proper functioning of the WCF. Such WCFs and equipment enclosures shall be integrated through location and design to blend in with the existing characteristics of the site. Such WCFs shall also be designed to either resemble the surrounding landscape and other natural features where located in proximity to natural surroundings; be compatible with the urban, built environment, through matching and complimentary existing structures and specific design considerations such as architectural

designs, height, scale, color and texture; and / or be consistent with other uses and improvements permitted in the relevant zone.

E. Use of Stealth Design/Technology. The applicant shall make an affirmative showing as to why they are not employing stealth technology. More specifically:

1. Stealth design is required in residential zones and to the extent shown in Table SMC 18.61.0301. Stealth and concealment techniques must be appropriate given the proposed location, design, visual environment, and nearby uses, structures, and natural features. Stealth design shall be designed and constructed to substantially conform to surrounding building designs or natural settings, so as to be visually unobtrusive. Stealth design that relies on screening wireless communications facilities in order to reduce visual impact must screen all substantial portions of the facility from view. Stealth and concealment techniques do not include incorporating faux-tree designs of a kind that are not native to the Pacific Northwest.

F. Lighting. For new wireless communication support towers, only such lighting as is necessary to satisfy FAA requirements is permitted. All FAA-required lighting shall use lights that are designed to minimize downward illumination. Security lighting for the equipment shelters or cabinets and other on-the-ground ancillary equipment is also permitted as long as it complies with SMC 18.24.170 to keep light within the boundaries of the site.

G. Noise. At no time shall transmission equipment or any other associated equipment (including, but not limited to, heating and air conditioning units) at any wireless communication facility emit noise that exceeds the applicable limit(s) established in Washington Administrative Code 173-60-040 as currently enacted and as may be amended.

H. Signage. No facilities may bear any signage or advertisement(s) other than signage required by law or expressly permitted/required by the City.

I. Code compliance. All facilities shall at all times comply with all applicable federal, State and local building codes, electrical codes, fire codes and any other code related to public health and safety.

J. Building-mounted WCFs.

1. In residential zones, all transmission equipment shall be concealed within existing architectural features. Any new architectural features proposed to conceal the transmission equipment shall be designed to mimic the existing underlying structure, shall be proportional to the existing underlying structure or conform to the underlying use and shall use materials in similar quality, finish, color and texture as the existing underlying structure.

2. In residential zones, all roof-mounted transmission equipment shall be set back from all roof edges to preclude visibility from public streets and ground elevation of adjacent properties.

3. In all other zones, antenna arrays and supporting transmission equipment shall be installed so as to camouflage, disguise or conceal them to make them closely compatible with and blend into the setting and/or host structure.

K. WCFs in the public rights-of-way.

1. *Preferred locations.* Facilities shall be located as far from residential uses as feasible, and on main corridors and arterials to the extent feasible. Facilities in the rights-of-way shall maintain at least a two hundred (200) foot separation from other wireless facilities (except with respect to DAS or Small Cells), except when collocated or on opposite sides of the same street.

2. *Pole-mounted or tower-mounted equipment.* All pole-mounted and tower-mounted transmission equipment shall be mounted as close as possible to the pole or tower so as to minimize the overall visual profile to surrounding streets and properties. All pole-mounted and tower-mounted transmission equipment shall be painted with flat, non-reflective colors that blend with the visual environment.

3. For all WCFs to be located within the right-of-way, prior to submitting for a building permit, the applicant must have a valid municipal franchise or exemption otherwise granted by applicable law, to the extent consistent with RCW 35.21.860.

L. Accessory Equipment. In residential zones, all equipment shall be located or placed in an existing building, underground, or in an equipment shelter that is (a) designed to blend in with existing surroundings, using architecturally compatible construction and colors; and (b) located so as to be minimize obtrusiveness while maintaining proper functioning of the WCF.

M. Spacing of Towers. A tower over 40 feet in height shall maintain a minimum spacing of one-half mile from any other tower over 40 feet in height, unless it is proven that physical limitations (such as topography, terrain, tree cover or location of buildings) in the immediate service area prohibit adequate service by the existing facilities or that collocation is not feasible under SMC 18.61.050.

N. Site Design Flexibility. Individual WCF sites vary in the location of adjacent buildings, existing trees, topography and other local variables. By mandating certain design standards, there may result a project that could have been less intrusive if the location of the various elements of the project could have been placed in more appropriate locations within a given site. Therefore, the WCF and supporting equipment may be installed so as to best camouflage, disguise, or conceal them to make the WCF more compatible with and blend into the setting and/or host structure, upon approval by the Planning Director or the Hearing Examiner. The design flexibility allowed under this subsection includes additional height for a tower located within tall trees on (i) City property or (ii) other parcels at least 5 acres in size, so that the impact of the tower may be minimized by the trees while still allowing for the minimum clearance needed for the tower to achieve the applicant's coverage objectives. A formal exception from standards under SMC 18.61.090 is not required for proposals meeting this subsection by being a less intrusive design option.

O. Structural Assessment. The owner of a proposed tower shall have a structural assessment of the tower conducted by a professional engineer, licensed in the State of Washington, which shall be submitted with the application for a building permit.

Section 18.61.080 Regulations for Facilities Subject to a Conditional Use Permit

A. Approval criteria. In addition to the development standards in this chapter and the approval criteria in SMC 20.01.170, the following additional approval criteria apply:

1. The need for the proposed tower shall be demonstrated if it is to be located in a residential zone or within one hundred fifty feet of an existing residential lot. An evaluation of the operational needs of the wireless communications provider, alternative sites, alternative existing facilities upon which the proposed antenna array might be located, and collocation opportunities on existing support towers within one-half mile of the proposed site shall be provided. Evidence shall demonstrate that no practical alternative is reasonably available to the applicant.

2. The proposed tower satisfies all of the provisions and requirements of this chapter 18.61.

B. Public Notice. In addition to the notice requirements of SMC 20.01.140, for proposals in residential zones and within 150 feet of a residential zone public notice shall include:

1. A black and white architectural elevation and color photo simulation rendering of the proposed WCF.

2. The sign required by SMC 20.01.140 shall include that same architectural elevation and color photo simulation combination selected by the City that depicts the visual impact of the WCF.

Section 18.61.090 Exception from Standards

A. Applicability. Except as otherwise provided in this chapter (under Site Design Flexibility), no WCF shall be used or developed contrary to any applicable development standard unless an exception has been granted pursuant to this Section. These provisions apply exclusively to WCFs and are in lieu of the generally applicable variance and design deviation provisions in SMC Title 18, provided this section does not provide an exception from this chapter's visual impact and stealth design requirements or the approval criteria set forth in Section 18.61.080.

B. Procedure Type. A wireless communications facility exception is a Type C-2 procedure.

C. Submittal Requirements. In addition to the general submittal requirements for a Type C-2 application, an application for a wireless communication facility exception shall include:

1. A written statement demonstrating how the exception would meet the criteria.

2. A site plan that includes:

a. Description of the proposed facility's design and dimensions, as it would appear with and without the exception.

b. Elevations showing all components of the wireless communication facility as it would appear with and without the exception.

c. Color simulations of the wireless communication facility after construction demonstrating compatibility with the vicinity, as it would appear with and without the exception.

D. Criteria. An application for a wireless communication facility exception shall be granted if the following criteria are met:

1. The exception is consistent with the purpose of the development standard for which the exception is sought.

2. Based on a visual analysis, the design minimizes the visual impacts to residential zones through mitigating measures, including, but not limited to, building heights, bulk, color, and landscaping.

3. The applicant demonstrates the following:

   a. A significant gap in the coverage, capacity, or technologies of the service network exists such that users are regularly unable to connect to the service network, or are regularly unable to maintain a connection, or are unable to achieve reliable wireless coverage within a building;
   b. The gap can only be filled through an exception to one or more of the standards in this chapter; and
   c. The exception is narrowly tailored to fill the service gap such that the wireless communication facility conforms to this chapter's standards to the greatest extent possible.

4. Exceptions in Residential Zones. For a new tower proposed to be located in a residential zone or within 150 feet of a residential zone, unless the proposal qualifies as a preferred location on City-owned or operated property or facilities under SMC 18.61.050(B)(3), the applicant must also demonstrate that the manner in which it proposes to fill the significant gap in coverage, capacity, or technologies of the service network is the least intrusive on the values that this chapter seeks to protect.

Section 18.61.100 Final Inspection

A. A Certificate of Occupancy will only be granted upon satisfactory evidence that the WCF was installed in substantial compliance with the approved plans and photo simulations. WCFs may not become operational until a Certificate of Occupancy has been granted.

B. Failure to Comply. If it is found that the WCF installation does not substantially comply with the approved plans and photo simulations, the applicant immediately shall make any and all such changes required to bring the WCF installation into compliance.

Section 18.61.110 FCC Permit Revocation

If any FCC, State or other governmental license or any other governmental approval to provide communication services is ever revoked as to any site permitted or authorized by the City, the permittee must inform the City of the revocation within thirty (30) days of receiving notice of such revocation.

Section 18.61.120 Discontinuation of Use

A. Any wireless communication facility that is no longer needed and its use is discontinued shall be reported immediately by the service provider to the planning director. Discontinued facilities shall be completely removed within six months and the site restored to its pre-existing condition.

B. There shall also be a rebuttable presumption that any WCF that is regulated by this chapter and that is not operated for a period of six (6) months shall be considered abandoned. This presumption may be rebutted by a showing that such WCF is an auxiliary back-up or emergency utility or device not subject to regular use or that the WCF is otherwise not abandoned. For those WCFs deemed abandoned, all equipment, including, but not limited to, antennas, poles, towers, and equipment shelters associated with the WCF shall be removed within six (6) months of the cessation of operation. Irrespective of any agreement among them to the contrary, the owner or operator of such unused facility, or the owner of a building or land upon which the WCF is located, shall be jointly and severally responsible for the removal of abandoned WCFs. If the WCF is not thereafter removed within ninety (90) days of written notice from the City, the City may remove the WCF at the owner of the property's expense or at the owner of the WCF's expense, including all costs and attorneys' fees. If there are two or more wireless communications providers collocated on a single support structure, this provision shall not become effective until all providers cease using the WCF for a continuous period of six (6) months.

Section 18.61.130 Independent Technical Review

Although the City intends for City staff to review administrative matters to the extent feasible, the City may retain the services of an independent, radio frequency technical expert of its choice to provide technical evaluation of permit applications for WCFs, including administrative and conditional use permits. The technical expert review may include, but is not limited to (a) the accuracy and completeness of the items submitted with the application; (b) the applicability of analysis and techniques and methodologies proposed by the applicant; (c) the validity of conclusions reached by the applicant; and (d) whether the proposed WCF complies with the applicable approval criteria set forth in this chapter. The applicant shall pay the cost for any independent consultant fees, along with applicable overhead recovery, through a deposit, estimated by the City, paid within ten (10) days of the City's request. When the City requests such payment, the application shall be deemed incomplete for purposes of application processing timelines. In the event that such costs and fees do not exceed the deposit amount, the City shall refund any unused portion within thirty (30) days after the final permit is released or, if no final permit is released, within thirty (30) days after the City receives a written request from the applicant. If the costs and fees exceed the deposit amount, then the applicant shall pay the difference to the City before the permit is issued.

Section 18.61.140 Exempt Facilities

The following are exempt from this chapter:

A. FCC licensed amateur (ham) radio facilities;

B. Satellite earth stations, dishes and/or antennas used for private television reception not exceeding one (1) meter in diameter;

C. A government-owned WCF installed upon the declaration of a state of emergency by the federal, state or local government, or a written determination of public necessity by the City; except that such facility must comply with all federal and state requirements. The WCF shall be exempt from the provisions of this chapter for up to one week after the duration of the state of emergency; and

D. A temporary, commercial WCF installed for providing coverage of a special event such as news coverage or sporting event, subject to approval by the City. The WCF shall be exempt from the provisions of this chapter for up to one week before and after the duration of the special event.

E. In locations more than 150 feet from a residential zone, other temporary, commercial WCFs installed for a period of 90 days, subject to renewals at the City's discretion; provided, that such temporary WCF will comply with applicable setbacks and height requirements.

F. Eligible Facilities Requests permitted under Chapter SMC 18.61A.

Section 18.61.150 Indemnification

Each permit issued shall have as a condition of the permit a requirement that the applicant defend, indemnify and hold harmless the City and its officers, agents, employees, volunteers, and contractors from any and all liability, damage, or charges (including attorneys' fees and expenses) arising out of claims, suits, demands, or causes of action as a result of the permit process, granted permit, construction, erection, location, performance, operation, maintenance, repair, installation, replacement, removal, or restoration of the WCF on City property or in the public right-of-way.

SECTION 3. That there is adopted a new Chapter SMC 18.61A of the Sequim Municipal Code to read as follows:

Section 18.61A Eligible Facilities Modifications

18.61A.010 Adoption of Findings and Conclusions
18.61A.020 Definitions
18.61A.030 Applicability – Relationship to Other Rules and Regulations
18.61A.040 Permit Classification
18.61A.050 Submittal Requirements
18.61A.060 Application Review
18.61A.070 Non-Conforming Structure – Termination
18.61A.080 Enforcement; Violation

18.61A.010 Adoption of Findings and Conclusions. The recitals set forth in the ordinance adopting this code are adopted as findings and conclusions of the City Council.

18.61A.020 Definitions

Definitions applicable to this Chapter are included in SMC 18.61.

18.61A.030 Applicability - Relationship to other Rules and Regulations.

A. Sole and Exclusive Procedure. Except as may be otherwise provided in this chapter, and not withstanding any other provisions in the City Code, the provisions of this chapter shall be the sole and exclusive procedure for review and approval of a proposed facilities modification which the applicant asserts is subject to review under Section 6409 of the Spectrum Act. To the extent that other provisions of the City Code establish a parallel process for review and approval of a project permit application for a proposed facilities modification, the provisions of this chapter shall control. In the event that any part of an application for project permit approval includes a proposed facilities modification, the proposed facilities modification portion of the application shall be reviewed under the provisions of this chapter. In the event that an application for project permit approval includes a proposal to modify an eligible support structure, and the applicant does not assert in the application that the proposal is subject to review under Section 6409 of the

Spectrum Act, such proposal shall not be subject to review under this Chapter and may be subject to review under other applicable provisions of the City Code.

B. Non-conforming Structures. This chapter shall not apply to a proposed facility modification to an eligible support structure that is not a legal conforming, or legal nonconforming, structure at the time a competed eligible facilities modification application is filed with the City. To the extent that the non-conforming structures and use provisions of the City code would operate to prohibit or condition approval of a proposed facilities modification application otherwise allowed under this chapter, such provisions are superseded by the provisions of this chapter and shall not apply.

C. Replacement of Eligible Support Structure. This chapter shall not apply to a proposed facility modification to an eligible support structure that will involve replacement of the tower or base station.

D. First Deployment; Base Station. This chapter shall not apply to a proposed facility modification to a structure, other than a tower, that does not, at the time of submittal of the application, already house or support transmission equipment lawfully installed within or upon, or attached to, the structure.

E. Interpretation. Interpretations of this Chapter shall be guided by Section 6409 of the Spectrum Act; the FCC Eligible Facilities Request Rules, the FCC's Report and Order in, *In re Acceleration of Broadband Deployment by Improving Wireless Facilities Siting Policies*, WT Docket Nos. 13-238, 13-32; WC Docket No. 11-59; FCC 14-153; and other applicable laws, regulations, and associated guidance.

F. SEPA Review. Unless otherwise provided by law or regulation, decisions pertaining to an eligible facilities modification application are not subject to, and are exempt from, the requirements of RCW 43.21C.030(2)(c), if:

1. The proposed facilities modification would not increase the height of the eligible support structure by more than ten percent, or twenty feet, whichever is greater; or
2. The mounting of equipment that would involve adding an appurtenance to the body of the eligible support structure would not protrude from the edge of the structure more than twenty feet, or more than the width of the structure at the level of the appurtenance, whichever is greater;* or
3. The authority to condition or deny an application pursuant to Chapter 43.21 RCW is preempted, or otherwise supplanted, by Section 6409 of the Spectrum Act.

*Note: See, RCW 43.21C.0384 and WAC 197-11-800(25)

G. Reservation of Authority. Nothing herein is intended or shall operate to waive or limit the City's right to enforce, or condition approval on, compliance with generally applicable building, structural, electrical, and safety codes and with other laws codifying objective standards reasonably related to health and safety.

18.61A.040 Permit Classification. An eligible facilities modification permit shall be classified as an administrative permit subject to review and approval or denial by the approval authority.

18.61A.050 Submittal Requirements. The purpose of the submittal requirements is to ensure that the City has all information and documentation that is reasonable necessary to determine if the applicant's proposed facilities modification will substantially change the physical dimensions of an eligible support

structure. The submittal requirements are not intended to require the applicant to establish the need for the proposed modifications or to justify the business decision to propose such modifications. No eligible facilities modification application shall be deemed complete unless it is, in writing, accompanied by the applicable application and review fee, includes the required submittals, and is attested to by the authorized person submitting the application on behalf of the applicant, certifying the truth and accuracy of the information provided in the application. The application shall include the following submittals, unless waived by the approval authority:

1. The following contact information for the Authorized Person:
   a. Name;
   b. Title;
   c. Mailing Address;
   d. Phone Number; and
   f. Electronic Mail Address (Optional).

2. The legal and dba names, mailing address, Washington tax number, and contact phone number(s) of Applicant.

3. If a corporation, the name and address of the registered agent of Applicant in the Washington State, and the state of incorporation of Applicant.

4. If Applicant is an entity, other than a corporation, such as a partnership or limited liability company, the names and business addresses of the principals.

5. An assertion that the proposed facilities modification is subject to review under Section 6409 of the Spectrum Act.

6. If the applicant is not the owner or person in control of the eligible support structure and/or site, the following shall be required:

   An attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facilities modification. If the eligible support structure is located in a public right of way, the applicant must also attest that applicant has authorization to install, maintain and operate transmission equipment in, under and above the public right of way.

7. If the applicant proposes a modification involving collocation of transmission equipment or the replacement of transmission equipment, the following shall be required:

   a. Complete copies of the underlying land use approvals for siting of the tower or base station proposed to be modified, establishing that, at the time of submittal of the application, such tower or base station constituted an eligible support structure.

   b. For collocations, proof of current compliance with the FCC's RF emissions standards before the collocation and written documentation signed under penalty of perjury under the laws of the State of Washington that the proposed collocation will still fall within the FCC's RF emissions standards after collocation. For purposes of this section, "current compliance" means documentation within one calendar year of the date of submittal. Such documentation must include a copy of the fully completed FCC form "A Local Government Official's Guide to Transmitting Antenna RF Emission Safety: Rules, Procedures, and Practical Guidance: Appendix A" titled "Optional Checklist for Determination Of Whether a Facility is Categorically Excluded" for each frequency band of RF emissions to be transmitted from the proposed facility upon the approval of the application. All planned radio frequency emissions on all frequency bands must be shown on the Appendix A form(s) attached to the application. All planned radio frequency emissions are to be entered on each Appendix A form only in wattage units of "effective radiated power."

   c. All applications for collocations must include a site determination by an engineer licensed to conduct business within Washington State that the structure is designed to accommodate the additional load. The determination must take into account, at a minimum, all facilities currently located on the roof/structure, the cumulative load after accounting for all existing facilities, and

the cumulative load with the proposed facilities, and any required engineering changes to the structure needed to accommodate additional load.

8. If the applicant proposes a modification that will result in an increase in height of the eligible support structure, the following shall be required:

Record drawings, as-built plans, or the equivalent, showing the height of the eligible support structure, (a) as originally constructed and granted approval by the City or other applicable local zoning or similar regulatory authority, or (b) as of the most recent modification that received city, or other local zoning or regulatory approval, prior to the passage of the Spectrum Act, whichever height is greater.

9. If the applicant proposes a modification to an eligible support structure, which structure, or proposed modification of the same, is subject to pre-existing restrictions or requirements imposed by a reviewing official or decision-making body pursuant to authority granted under the City Code, or an ordinance or a municipal code of another local government authority, the following shall be required:

A copy of the document (e.g., *CUP or SUP*) setting forth such pre-existing restrictions or requirements together with a certification that the proposed facilities modification conforms to such restrictions or requirements; provided that, such certification shall have no application to the extent the proposed facilities modification relates solely to an increase in height, increase in width, addition of cabinets, or new excavation, that does not result in a substantial change in the physical dimensions of the eligible support structure.

10. If the applicant proposes a modification to an eligible support structure, which structure, or proposed modification of the same, is subject to pre-existing concealment restrictions or requirements, or was constructed with concealment elements, the following shall be required:

Applicant shall set forth the facts and circumstances demonstrating that the proposed modification would not defeat the existing concealment elements of the eligible support structure. If the proposed modification will alter the exterior dimensions or appearance of the eligible support structure, applicant shall include a detailed visual simulation depicting how the eligible support structure will appear after the proposed modification is complete. The visual simulation shall depict to scale the eligible support structure in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.

11. If the applicant proposes a modification that will protrude from the edge of a non-tower eligible support structure, the following shall be required:

Record drawings, as-built plans, or the equivalent, showing at a minimum the edge of the eligible support structure at the location of the proposed modification.

12. If the applicant proposes a modification to an eligible support structure that will (a) include any excavation, (b) would result in a protrusion from the edge of a tower that exceeds an existing protrusion of any transmission equipment attached to a tower, or (c) would protrude from the edge of a non-tower eligible support structure, the following shall be required:

A description of the boundaries of the site together with a scale drawing based on an accurate traverse, with angular and lineal dimensions, depicting the boundaries of the site in relation to the tower or base station proposed to be modified and depicting the proposed location, elevation and dimensions of the new or replacement transmission equipment. The city may require a survey by a land surveyor licensed in the state of Washington when, in the judgment of the approval authority, a survey is reasonably necessary to verify the boundaries of the site to determine if the proposed facilities modification would result in a substantial change in the physical dimensions of the eligible support structure.

13. If the applicant proposes a modification to the eligible support structure that includes hardening through structural enhancement, the following shall be required:

A technical report by a qualified engineer accredited by the state of Washington demonstrating that the structural enhancement is performed in connection with and is necessary to support the

proposed collocation, removal, or replacement of transmission equipment and conforms to applicable code requirements. The City may retain the services of an independent technical expert to review, evaluate, and provide an opinion regarding the applicant's demonstration of necessity.

14. If the applicant proposes a modification to a tower, the following shall be required:

A stamped report by a state of Washington registered professional engineer demonstrating that the tower with the proposed modifications will comply with applicable structural, electrical and safety codes, including by way of example, and not limitation, EIA/TIA-222-Revision G, published by the American National Standards Institute (as amended), allowable wind speed for the applicable zone in which the tower is located, and describing the general structural capacity of the tower with the proposed modifications, including:

a. The number and type of antennas that can be accommodated;

b. The basis for the calculation of capacity; and

c. A written statement that the proposal complies with all federal guidelines regarding interference and ANSI standards as adopted by the FCC, including but not limited to nonionizing electromagnetic radiation (NIER) standards. The City may retain the services of an independent technical expert to review, evaluate, and provide an opinion regarding the applicant's demonstration of compliance.

15. If the applicant proposes a modification to a base station, the following shall be required:

A stamped report by a state of Washington registered professional engineer demonstrating that the base station, with the proposed modifications, will comply with applicable structural, electrical and safety codes.

16. If the applicant proposes a modification requiring, alteration to the eligible support structure, excavation, installation of new equipment cabinets, or any other activities impacting or altering the land, existing structures, fencing, or landscaping on the site, the following shall be required:

A detailed site plan and drawings, showing the true north point, a graphic scale and, drawn to an appropriate decimal scale, indicating and depicting,

(a) the location, elevation and dimensions of the existing eligible support structure,

(b) the location, elevation and dimensions of the existing transmission equipment, (c) the location, elevation and dimensions of the transmission equipment, if any, proposed to be collocated or that will replace existing transmission equipment,

(d) the location, elevation and dimensions of any proposed new equipment cabinets and the intended use of each,

(e) any proposed modification to the eligible support structure,

(f) the location of existing structures on the site, including fencing, screening, trees, and other significant site features, and

(g) the location of any areas where excavation is proposed showing the elevations, depths, and width of the proposed excavation and materials and dimensions of the equipment to be placed in the area excavated.

17. Copies of any environmental documents required by any federal agency. These shall include the environmental assessment required by 47 C.F.R. Part 1 (PART 1 – PRACTICE AND PROCEDURE), Section 1.1307, as amended, or, in the event than an FCC environmental assessment is not required, a statement that described the specific factors that obviate the requirement for an environmental assessment.

C. Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, is not reasonably related to the substantial change criteria. A wavier, to be effective, must be in writing and signed by the approval authority.

D. When Received. An eligible facilities modification application, and any supplemental submittals, shall be deemed received by the City upon the date such application, or supplemental submittal, is filed. An application, and any supplemental submittals, must be filed in person during regular business hours of the

City and must be accompanied by the applicable permit review fee(s). Any application received by the City without contemporaneous payment or prior deposit of the applicable permit review fees will be rejected.

18.61A.060 Application Review

1. Review. The approval authority shall review an eligible facilities modification application to determine if the proposed facilities modification is subject to this chapter, and if so, if the proposed facilities modification will result in a substantial change to the physical dimensions of an eligible support structure.

2. Application. The department shall prepare and make publicly available an application form which shall be limited to the information necessary for the department to consider whether an application is an Eligible Facilities Request. The application may not require the applicant to demonstrate a need or business case for the proposed modification.

3. Modification of Application. In the event that after submittal of the application, or as a result of any subsequent submittals, applicant modifies the proposed facilities modification described in the initial application, the application as modified will be considered a new application subject to commencement of a new application review period; provided that, applicant and the approval authority may, in the alternative, enter into a mutually agreeable tolling agreement allowing the City to request additional submittals and additional time that may be reasonably necessary for review of the modified application.

4. Approval; Denial.

    a. An eligible facilities application shall be approved, and an eligible facilities permit issued, upon determination by the approval authority that the proposed facilities modification is subject to this chapter and that it does not substantially change the physical dimensions of an eligible support structure.
    b. An eligible facilities application shall be denied upon determination by the approval authority that the proposed facilities modification is not subject to this chapter or will substantially change the physical dimensions of an eligible support structure. A denial of an eligible facilities modification application shall set forth in writing the reasons for the denial and shall be provided to the applicant. A proposed facilities modification will substantially change the physical dimensions of an eligible support structure if it meets any of the substantial change criteria.

5. Type of Review. Upon receipt of an application for an Eligible Facilities Request pursuant to this Chapter, the department shall review such application to determine whether the application so qualifies.

    a. Substantial Change. A modification substantially changes the physical dimensions of an eligible support structure if it meets any of the following criteria:

        For towers other than towers in the public rights-of-way, it increases the height of the tower by more than 10% or by the height of one additional antenna array with separation from the nearest existing antenna not to exceed twenty feet, whichever is greater; for other eligible support structures, it increases the height of the structure by more than 10% or more than ten feet, whichever is greater;

For towers other than towers in the public rights-of-way, it involves adding an appurtenance to the body of the tower that would protrude from the edge of the tower more than twenty feet, or more than the width of the Tower structure at the level of the appurtenance, whichever is greater; for other eligible support structures, it involves adding an appurtenance to the body of the structure that would protrude from the edge of the structure by more than six feet;

For any eligible support structure, it involves installation of more than the standard number of new equipment cabinets for the technology involved, but not to exceed four cabinets; or, for towers in the public rights-of-way and base stations, it involves installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the structure, or else involves installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the structure;

It entails any excavation or deployment outside the current site;

It would defeat the concealment elements of the eligible support structure; or

It does not comply with conditions associated with the siting approval of the construction or modification of the eligible support structure or base station equipment, provided however that this limitation does not apply to any modification that is non-compliant only in a manner that would not exceed the thresholds identified in this section.

For purposes of this section, changes in height should be measured from the original support structure in cases where deployments are or will be separated horizontally, such as on buildings' rooftops; in other circumstances, changes in height should be measured from the dimensions of the tower or base station, inclusive of originally approved appurtenances and any modifications that were approved prior to the passage of the Spectrum Act. 47 CFR § 1.40001(b)(7)(i)(A).

6. Timeframe for Review. Within 60 days of the date on which an applicant submits an application seeking approval under this Chapter, the department shall approve the application unless it determines that the application is not covered by this Chapter.

7. Tolling of the Timeframe for Review. The 60-day review period begins to run when the application is filed, and may be tolled only by mutual agreement by the department and the applicant, or in cases where the department determines that the application is incomplete. The timeframe for review is not tolled by a moratorium on the review of applications. To toll the timeframe for incompleteness, the department must provide written notice to the applicant within 30 days of receipt of the application, specifically delineating all missing documents or information required in the application. The timeframe for review begins running again when the applicant makes a supplemental submission in response to the department's notice of incompleteness.

8. Following a supplemental submission, the department will notify the applicant within 10 days that the supplemental submission did not provide the information identified in the original notice delineating missing information. The timeframe is tolled in the case of second or subsequent notices pursuant to the procedures identified in paragraph (d) of this section. Second or subsequent notices of incompleteness may not specify missing documents or information that were not delineated in the original notice of incompleteness.

9. Interaction with Section 332(c)(7). If the department determines that the applicant's request is not covered by Section 6409(a) as delineated under this Chapter, the presumptively reasonable timeframe under Section 332(c)(7), as prescribed by the FCC's Shot Clock order, will begin to run from the issuance of the department's decision that the application is not a covered request. To the extent such information is necessary, the department may request additional information from the applicant to evaluate the application under Section 332(c)(7), pursuant to the limitations applicable to other Section 332(c)(7) reviews.

10. Failure to Act. In the event the department fails to approve or deny a request seeking approval under this Chapter within the timeframe for review (accounting for any tolling), the request shall be deemed granted. The deemed granted status does not become effective until the applicant notifies the applicable reviewing authority in writing after the review period has expired (accounting for any tolling) that the application has been deemed granted.

11. Deemed Approved Application. An application that has been deemed approved shall be and constitute the equivalent of an eligible facilities modification permit, except as may be otherwise determined by a court of competent jurisdiction, and shall be subject to generally applicable enforcement and compliance requirements in the same manner as an eligible facilities modification permit issued pursuant to this chapter.

12. Code Requirements. Any eligible facilities modification permit issued pursuant to this chapter, and any application that has been deemed approved, shall be and is conditioned upon compliance with any generally applicable building, structural, electrical, and safety codes and other laws codifying objective standards reasonably related to health and safety. Violation of any such applicable code or standard shall be deemed to be a violation of the eligible facilities modification or deemed approved application.

13. Term of Eligible Facilities Modification Permit. An eligible facilities modification permit issued pursuant to this chapter, and any deemed approved application, shall be valid for a term of 180 days from the date of issuance, or the date the application is deemed approved.

H. Remedies. Notwithstanding any other provisions in the City code, no administrative review is provided for review of a decision to condition, deny or approve an application. Applicant and the City retain any and all remedies that are available at law or inequity, including by way of example and not limitation, those remedies set forth in the FCC Eligible Facilities Request Rules and remedies available under the Land Use Petition Act. In the event no other time period is provided at law for bringing an action for a remedy, any action challenging a denial of an application or notice of a deemed approved remedy, shall be brought within thirty (30) days following the date of denial or following the date of notification of the deemed approved remedy.*

*Note: The FCC Report and Order in, *In re Acceleration of Broadband Deployment by Improving Wireless Facilities Siting Policies*, WT Docket Nos. 13-238, 13-32; WC Docket No. 11-59; FCC 14-153, Par's 234 – 236, provides that the City shall have 30 days from the date of notification by the applicant of a deemed granted remedy to bring a legal action in a court of competent jurisdiction to challenge the deemed granted remedy, and that the applicant shall have 30 days from the date of denial to bring a legal action in a court of competent challenging a denial of the application.

18.61A.070 Non-Conforming Structure; Termination.

1. Application. The provisions of this section shall apply to any facilities modification constructed, installed, placed or erected pursuant to an eligible facilities modification permit, or pursuant to a deemed

approved remedy, which facilities modification did not conform to zoning and/or development regulations, exclusive of this chapter, in effect at the time the completed eligible facilities modification application was filed.

2. Non-Conforming Structure Determination. A facilities modification to which this section applies is subject to termination as a non-conforming structure upon the following conditions:

a. Final, Non-Appealable Decision. An appellate court, in a final and nonappealable decision, determines that § 6409(a)(1) of the Spectrum Act is unconstitutional or otherwise determined to be invalid or unenforceable; and

b. Notice of Non-Conforming Structure Determination. The City provides written notice to the applicant that the City has determined that the facilities modification did not conform to zoning and/or development regulations, exclusive of this chapter, in effect at the time the completed eligible facilities modification application was filed and that the facilities modification constitutes a non-conforming structure pursuant to the provisions hereof and must be made conforming or the facilities modification terminated.

3. Conformance; Termination. Upon receipt of notice of the City's non-conforming structure determination, applicant shall abate the non-conformance by either, conforming the site to the zoning and development regulations in effect at the time the completed eligible facilities modification application was filed, or removing the facilities modification and returning the site to the condition that existed prior to the construction, installation, placement or erection of the facilities modification. The time period for conformance shall be one (1) year from the date of the City's notice of the non-conforming structure determination.

4. Health and Safety Codes. Nothing in this section shall relieve the applicant from compliance with applicable building, structural, electrical, and safety codes and with other laws codifying objective standards reasonably related to health and safety.

5. Administrative Appeal. The applicant, or its successors or assigns, may appeal the City's determination of non-conformance to the City Hearing Examiner by filing a notice of appeal within 21 calendar days of the date of the determination of nonconformance, excluding holidays.

18.61A.080 Enforcement; Violation.

Compliance with the provisions of this chapter is mandatory. Any violation hereof is subject to enforcement under the code enforcement provisions set forth in SMC 18.90.

CITY OF SEQUIM
CITY COUNCIL MINUTES
SEQUIM CIVIC CENTER
152 WEST CEDAR STREET
SEQUIM, WA
October 10, 2016

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: Bob Lake, Dennis Smith, Ted Miller, John Miller, Candace Pratt, Genaveve Starr, Student Liaison Emily Straling

Excused: **Pam Leonard-Ray excused by unanimous motion by Council.**

CHANGES TO THE AGENDA

CEREMONIAL

Committee, Board and Liaison

REPORTS

Bob Lake reported the Park and Rec Board met Monday. The Skateboard Group had a rendering of what the skate park might look like if built out. Irvin showed the conceptual drawing to Council and the audience.

Irvin said the group is looking for endorsement from the Parks Board so they can move forward with fundraising. The Parks Board was positive. The current BMX is the site of future pickleball courts but the BMX can use the existing skate park bowls. With this concept we don't displace any users.

Pratt stated she attended a tour of the Regional Landfill and Transfer Station today in Port Angeles. She showed photos of the area to Council. When the recession hit in 2009, tons of material usually delivered to the landfill reduced considerably. They researched where landfill material comes from and most of it is commercial. They also toured the composting operation. It was very interesting.

Presiding Officer

Mayor Smith attended the Planning Commission meeting last week and they are working on the WCFs, and issues on today's public hearings. There is a new applicant hopefully to be approved tonight through the Consent Agenda.

City Manager

City Manager Bush said there is a minor change to the organizational values. The Continuous Learning value will be broadened to Continuous Improvement. We are committed to our values but the changes include more of an organizational improvement.

Garlington reported the PUD requested an agreement among the PUD, County and City for purchase of reuse water to infiltrate it into the water table to obtain credits. The agreement had elements that were not advantageous to the City. We currently have an agreement with the County to sell reclaimed water produced from the County sewage. The PUD agreement had restrictions, such as guaranteeing the quality and quantity of the reuse water as it is outside of our control. In early stages of the Carlsborg system they would need more water. Since we have a contract in place with the County to acquire the water, the County and PUD need to get together to decide how the water will be utilized. He has discussed reclaimed water with state agencies about how it can be used.

Concerning Work Session Setup Bush stated that no tables were set up tonight, but in prior meetings we had the setup with mics on the table with Council facing each other. At a recent meeting we didn't sit there. There was consensus to have study sessions at the dais. If there is a lot of discussion, sitting at the tables would be better. If it is just a presentation, Council will use the dais.

We have had interest for a second student liaison. Student Liaison Straling has no problem with it. Council feels another person at the dais is too crowded so a table can be set up adjacent to the dais.

Straling reported homecoming occurred Friday night and Sequim beat Northeastern 47-12. The halftime show was great. They sold more tickets (500) for the dance than the last few years. The funds are used for future events. The student newspaper is coming out at the end of the month and she will bring copies to Council. This is the first time in 5 years they will provide paper copies.

Straling said she is planning to run for the Irrigation Royalty Court. There will be practices on Mondays and Thursday. The pageant will be February 11, 2017. They compete for a spot on the court; the court represents Sequim at festivals.

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

Anita Mathay, 820 N. Bakehouse Court, Sequim, commends the City and Council for the resolution adopting policies that improve sustainability and resilience regarding climate. Have you set measureable objectives for climate change mitigation as well as preparedness? She is from Olympic Climate Action Committee. How will you be

reporting on and showing accountability for this resolution, especially #2 to insure infrastructure resilience is associated with all master plans, capital improvement programs, land use plans, emergency management and hazard mitigation plans? Who will be responsible for seeing the annual budgets appropriately support these objectives? Bush said the answer to the last question is the City Manager. She asked when the next comp plan is due because that would incorporate it all, too. Mayor Smith said the comp plan is designed to last 20 years. She would like to understand how the public will know how and when you are doing things regarding climate change.

Bush said we will get back to her on these complicated questions.

Estella Mixson, 304 Dungeness Meadows, attended a public informational meeting on what to be expected in climate change. The takeaway was that the precipitation in the Olympic Mountains would be less snow and more rain that would impact our ability to allocate water in our community. Where she lives she is on a well system. Have we planned in our budget to maintain our wells? If we are going to be doing anything we don't want to wait until the last minute and we should be looking at budgeting for our activities. This goes with Anita's questions for planning for the resolution.

Bush said he would get back to her but referred her to long-term goals. T.Miller referred her to the County.

INFORMATION/COUNCIL QUESTIONS INVITED

PUBLIC HEARINGS

1. Eagle Crest Subdivision Plat Alteration Application and Resolution R2016-24

Mayor Smith read the rules for the public hearing for a quasi-judicial matter. None of the Council had any conflicts, and no audience member challenged any Councilor.

Public Hearing Opened at 6:31 p.m.

Senior Planner Charisse Deschenes stated the proposal is on 8.5 acres to remove a drain-field easement across Lot 6 of the subdivision and to dedicate a 20-foot wide sewer easement centered on the common boundary between Lots 5 and 6, and to provide a connection for sewer service from American Eagle Drive to the terminus of Token Way. She provided a map showing the changes as requested.

The City met with the applicant and the application has gone through the proper process of notice. The lot lines are not changing, just the sewer easement is changing.

Bruce Emery, 1402 Mt Pleasant Rd., Port Angeles, works for Green Crow. They have no conflict with staff recommendations. There was a statement that the lot was unbuildable. There is a drain field easement on Lot 6. Sewer service and stub, water

and electrical were all provided to the lot. He views the lot as in limbo but it was originally designed to be built out. Lot 3 owner, Mr. Lay, will get sewer service and his connection paid for and we get a lot that is not encumbered. The City took the position that SEPA was required because of Lot 6. Steve Zenovic was the engineer assisting us with the original applicant; Zenovic is not sure why this wasn't taken care of at the time of the plat. We are not able to correct the whole situation.

No public comment.

Public Hearing Closed at 6:40 p.m.

MOTION to approve Resolution R2016-24 and Preliminary Major Subdivision (SUB16-001), and adopt the amended Determination of Non-Significance (SEP16-008) subject to the Findings, Conclusions and Special Conditions of approval by Pratt; second by Lake. Unanimously approved.

2. Plat Vacation/Alterations (continued from 9/26/16)

This public hearing was continued from the September 26, 2016 meeting.

Nelson-Gross stated the current municipal code provisions governing the plat alteration and vacation process need to be revised to better inform staff and the public as to the City's requirements. The existing provision covering alteration of final plats is SMC 17.21.060. This provision references the controlling statutes which have some areas of discretion for local governments. Our code does not make clear what is required.

MOTION to continue the public hearing until October 24, 2016 on the proposed repeal of sections SMC 17.21.060 and 17.24.170, and adopting a new chapter SMC 17.25 regarding vacation and alteration of binding site plans and subdivisions by Lake; second by Starr. Carried Unanimously.

CONSENT AGENDA

3. Approve/Acknowledge

a. City Council Meeting Minutes - September 26, 2016
b. Claim Voucher Recap Dated 10/10/16 Total Payments $400,657.71
c. Appoint Ankur Shah to the Planning Commission

MOTION to approve the consent agenda by Bob Lake; seconded by Candace Pratt. Carried Unanimously.

UNFINISHED BUSINESS

4. Presentation of 2017 City of Sequim Budget Overview - Departmental Budgets

Admin. Services Director Sue Hagener gave an overview of the 2017 budget showing a PowerPoint presentation with details on each department's budget. We have a $30M budget proposed.

She reviewed budget numbers for each department indicating proposed staffing changes are due to several retirements in 2017. The Public Works budget will be presented at the October 24 meeting.

The Council budget is $49.3k, less due to deletion of the cost of facilitators for meetings.

City Manager budget is $328k increased by 34%. This includes reallocation of resources from other departments toward City-wide initiatives.

There are numerous staffing changes in 2017. In this budget there is money for continued LEAN training for 2017. The Innovation Academy will also receive some funding.

Second Floor Admin. Pool is new with a $115k budget for the second floor reception area. Resources will be moved where they are better utilized. This will involve cross-training so anyone in that area can help any customer.

City Clerk Budget is $208K. There is a retirement in that department. They will continue digitizing records and creating a City-wide records management policy.

Arts & Culture budget is $50k. The Arts Commission will work on items mentioned in the 2016 Annual Report.

City Attorney/Criminal Prosecution - $182K. Staffing is 1.5 FTE. The criminal prosecution budget is $326k. The legal assistant will work .5 FTE in the Police Dept. We are shifting resources to utilize their different skillsets for the organization. The City Attorney will take on HR legal issues.

Communications/Hotel/Motel - Communications $74K; Hotel/Motel Budget $277k. Barbara Hanna will help bring the City closer to becoming a high performing organization, emergency preparedness and continuing to develop social resources.

Hotel/Motel will be updating the tourism website and support of the Merchant's Group.

Human Resources is reducing one staff member by about half managing recruitments and succession plans related to retirements. She will partner with finance and admin services on costs savings in benefits and coordinating with finance payroll.

Administrative Services budget is $1.349M. The FTE is the same but increased dollars. Most is cost of the complex IT systems and transfers to equipment reserve. We are improving IT systems in the field so staff doesn't have to come into the office.

Admin Services Non-Departmental has budget of $1.129Ml. No staff changes.

REET is used to fund projects. This year it is spent on streets, general obligation debt service and parks projects.

Equipment reserve revenues increased $133k, buying 3 police cars, IT upgrades and Public Works equipment; all of this is detailed in the budget book.

We will end 2016 $100K better than last year.

The average lifespan of a police car is 10 years. We will continue to replace cars, roughly 2 a year, in the future. They have about 20 police vehicles.

The Civic Center debt is $660k per year. Capital Facilities assumes we will be done with Guy Cole and final payment for the Civic Center.

Community Development Dept. is budgeted $411k. The Code Compliance officer moving to the Police Dept., and a partial FTE to Admin Pool; we are asking for a DCD Specialist and new permitting system. This department is currently updating the municipal code and dealing with permitting.

Police Dept. budget is $3.2M increased by 12% primarily due to movement of staff. They still have a dedicated School Resource Officer. We are moving the legal assistant and Code Compliance Officer to the Police Dept. We will continue with training in the emergency operations center.

The Police Department previously had a Crime Prevention person on staff. That position was deleted during the recession. We are hoping to bring it back in 2017.

Mayor Smith suggested creating budget separate for the EOC in the future.

Police Restricted Budget is $356k. This is where community partnering happens with donations for K-9, Project Lifesaver, Emergency Human Services, Child Car Seat Safety.

Starr asked about the asset seizure program. Throughout the year, through drug busts and money, the money goes into a fund until the case is resolved. The money goes back to the accused or we keep it and it goes in the asset seizure fund. The Chief can request funds to be used with City Manager approval. Deputy Chief Crain gave background of the asset seizure program.

5. Guy Cole Update

Irvin reported on the status of the Guy Cole Project. An RFP was published last week and we hope to award a contract at the November 14 meeting. We are hoping to complete the project by March 31, 2017. We have offered RFP-interested companies to tour Guy Cole prior to the bid opening. He outlined the project elements of the revitalization of the building. He also gave a brief outline of Phase 2 of the project.

Lake hopes the floor can be used for dancing. Irvin said a dance floor could be brought in. We need to look at how to pay for those improvements.

NEW BUSINESS

6. Approve Guy Cole Grant with Department of Commerce

The City was successful in receiving a $450K appropriation as part of the 2015-2016 Washington State Capital Budget for the Guy Cole Center Revitalization Project. The Dept. of Commerce is administering the grant and will retain 3%, $13,500, making the City's net grant award $436,500. Once the project moves forward we will be reimbursed for our expenses on a monthly basis.

Starr asked about the architectural services. If we see a need to change the scope for architectural and engineering it can be done and will be covered by that line item.

MOTION to approve Guy Cole Grant with Department of Commerce by Bob Lake; seconded by Candace Pratt. Carried Unanimously.

GOOD OF THE ORDER

Pratt said Small Business Development Center (SBDC) has an office in Port Angeles and they have requested a match of $4,000 from us. She feels, in the interest of immediate economic development, they have some deliverables that can be tracked. She would like to consider the funds for 2017.

Bush said we are working on the economic development plan and have been doing outreach. It was our intention to recommend funding in 2018. If Council wants to fund this at this time it could occur.

Mayor Smith believes we should move forward with this. This is an opportunity, they have deliverables and matrix and feels we should press forward in the 2017 budget.

T.Miller would like more information about it if we are doing it in the 2017 budget.

Starr asked that the information provide specifics on their success.

Pratt stated Council toured the Gerhardt Park today. There were stories recalled by Mr. Pinnell. She suggested Emily Straling do a project recording Mr. Pinnell's stories. Straling stated she plans on minoring in history and these stories shouldn't be lost. She is willing to take on this project.

T.Miller reminded everyone that tomorrow at 1:00 at the Shipley Center is a Town Meeting on Alzheimer's.

Mayor Smith said the Rally in the Alley will be this Saturday, October 15, from 9:30-11:30. We will meet at the corner of 2nd and Bell Streets about 9:15. Habitat for Humanity hung 400 door-hangers in the neighborhood.

Pratt asked if a second cleanup is in the 2017 budget. It was indicated it is.

PUBLIC COMMENTS (Please limit comments to 3 minutes each)

EXECUTIVE SESSION

Mayor Smith announced the next meetings on October 24 and November 14, 2016.

Respectfully submitted,

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

Minutes approved at a regular Council meeting held on October 24, 2016.

SEQUIM CITY COUNCIL

CONSENT AGENDA RECAP - October 24, 2016

Voucher Number	Voucher Date	Payment Type	Payment Detail		Amount
1	7/28/2016 AP Vendor	Check	Ck 70015 thru Ck 70050	$	20,790.74
		Electronic	E 3825 thru E 3829	$	39,387.98
		Treasury	TC 9168	$	11,113.49
	Comments: See Voucher File Memo of 10/13/16 Attached		Total	$	71,292.21
2	9/30/2016 AP Vendor	Check	Ck 70504 thru Ck 70543	$	62,222.08
		Treasury	TC 9187	$	5,723.06
		Electronic	E 3887 thru E 3891	$	34,373.18
	Comments: None		Total	$	102,318.32
3	10/7/2016 Payroll	Check	Ck 70544 thru Ck 70550	$	7,529.68
		Direct Debit	Count of 77	$	134,615.32
		Electronic	E 3895	$	57,199.06
	Comments: For Pay Period 09/16/16 - 09/30/16		Total	$	199,344.06
4	10/7/2016 Utility Refunds	Check	Ck 70551 thru Ck 70578 & Check 70616	$	4,013.01
				$	-
				$	-
	Comments: Voided Ck 70565; Replaced w/Ck 70616		Total	$	4,013.01
5	10/7/2016 AP Vendor	Check	Ck 70579 thru Ck 70615	$	101,849.94
		Electronic	E 3892 thru E 3894; & E 3896 thru E 3899	$	1,815.27
		Treasury	TC 9188 thru TC 9190	$	1,274.17
	Comments: None		Total	$	104,939.38
6	10/7/2016 PY Liabilities	Check	Ck 70617 thru Ck 70629	$	121,944.15
		Electronic	E 3900 thru E 3902	$	35,841.10
				$	-
	Comments: For Pay Period 09/16/16 - 09/30/16		Total	$	157,785.25

Finance Certification: C Anderson Deputy Director Admin Svcs For S Hagener

Sue Hagener,
Admin. Svcs. Director

TOTAL PAYMENTS: $ 639,692.23

CITY OF SEQUIM

152 W. Cedar Street, Sequim, WA 98382
PH (360) 683-4139 FAX (360) 681-3448

Memo

TO: **Voucher File**

FROM: **Sue Hagener**

DATE: **October 13, 2016**

SUBJECT: **Timely approval of Vouchers by Council**

RCW 42.24.180 requires that the legislative body shall provide for its review of documentation supporting claims paid and for its approval of all checks or warrants issued in payment of claims at its next regularly scheduled public meeting or, for Cities... at a regularly scheduled public meeting within one month of issuance...

Due to the cancelation of a Council meeting in late Augusts, there were a number of checks issued and Accounts Payable Claim Vouchers that did not get approval of the entire council within that "one month" period. These included check runs on 7/28/16, 7/29/16, and payroll and payroll liabilities on 8/5/16 for a total of $597,241.49. Most of these payments were approved at the first regularly scheduled meeting on 9/12/16 – the earliest date possible. It should be noted that a thorough review is performed of all claims paid by Finance Staff prior to distribution. Additionally, the City Council Finance Committee made up of 3 members of the Council reviewed and approved all of these Vouchers in the timeframe required.

TBD AGENDA ITEM #__7c__

TRANSPORTATION BENEFIT DISTRICT
AGENDA COVER SHEET

MEETING DATE:

FROM: Sue Hagener, City Director of Administrative Services as the ex officio Treasurer

SH
Initials

SUBJECT/ISSUE: City Invoice to Transportation Benefit District for 3rd Quarter 2016 Safety and Maintenance Services

Discussion dates				
CATEGORY	☐ Exec Director Report	☒ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		
	☐ Unfinished Business	☐ New Business		
Reviewed by			Initials	Date
Charlie Bush, City Manager and TBD Executive Director			CPB	10/18/2016
Kristina Nelson-Gross, City Attorney as ex officio TBD Attorney			KNG	10/18/2016
David Garlington, Public Works Director				

PROBLEM/ISSUE STATEMENT:
The City of Sequim provides professional services to the TBD under the inter-local agreement dated March 8, 2010. The 2016 TBD budget for Safety & Maintenance is $80,000, a $20,000 reduction from prior years. This budget has been fully expended.

LIST OF ATTACHMENTS:
1. TBD Safety & Maintenance Report - 3rd Qtr. 2016
2. TBD Safety & Maintenance Summary - 3rd Qtr. 2016

DISCUSSION/ANALYSIS:

The City of Sequim is bearing the impact of the 2016 budget reduction. Contributions to date now total $35,400.

FINANCIAL IMPLICATIONS:
Safety & Maintenance services for the balance of 2016 will need to be provided at the expense of the City.

Description	2016 Budget	2016 YTD Request	Remaining Budget
Safety and Maintenance 3rd Quarter of 2016	$ 80,000.00	$80,000.00	$.00

RECOMMENDATION:
None

MOTION:
Consent Agenda adoption approves payment of invoice.

CITY OF SEQUIM

152 West Cedar Street Sequim WA 98382
City Hall (360) 683-1139 FAX (360) 681-3418
Public Works (360) 683-4908 FAX (360) 681-0552

TBD Safety and Maintenance billing for 3rd Quarter 2016

Date: October 11, 2016

Bill To: Transportation Benefit District
152 W. Cedar
Sequim, WA 98382

Summary Description of Qualifying Charges	Amount
Thermal Tape, Roadway Markings and Bundy Adhesives	$5,470.92
Road-wise - Deicer	$.00
Street Signage Supplies (Concrete Mix, etc)	$3,296.44
Asphalt & Road Maintenance Materials	$2,472.87
Street Light & Signal Repair and Maintenance	$.00
Total Repair & Maintenance Materials	
Wages & Benefits (488 Hours)	$18,634.57
Third Quarter Total TBD Expenses	$29,874.80

Annual Balance Summary	Total
2016 TBD Budget for Safety & Maintenance	$80,000.00
1st Quarter 2016 - TBD Reimbursement	(35,726.13)
2nd Quarter 2016 – TBD Reimbursement	(44,273.87)
Remaining TBD Budget Balance	$.00
2nd & 3rd Quarter City of Sequim Contribution	$35,176.73

I, David Garlington, Public Works Director, do hereby certify that this document and all attachments are accurate and complete to the best of my knowledge.

David Garlington
Signature

10/13/16
Date

Sequim Transportation Benefit District
Safety & Maintenance Summary
Fiscal Year 2016

Summary Description of Expense	Thru Q3 2015	2016 Activity by Quarter				Total 2016	Over (Under) 2016
		Q1 2016	Q2 2016	Q3 2016	Q4 2016		
Roadway Markings Includes: Thermal tape on main arterial intersections, paint and reflective materials, roadway markings and bundy adhesives (reflective Turtles) for roundabouts and islands	16,322.20	106.37	11,135.34	5,470.92	-	16,712.63	390.43
Signs, Lights & Signals Street sign, street light and signal repair and maintenance including DOT maintenance of pedestrian and traffic signals. Directional and Safety Signage	14,213.53	6,801.08	10,588.82	3,296.44	-	20,686.34	6,472.81
Roadway Repairs Asphalt and sealer for patching main arterials	652.14	577.85	692.54	2,472.87	-	3,743.26	3,091.12
Miscellaneous	-	-	-	-	-	-	-
Road Sand and Ice Melt Supplies	5,430.74	-	6,091.38	-	-	6,091.38	660.64
City of Sequim Labor Wages and benefits	84,531.22	28,240.83	21,277.97	18,634.57	-	68,153.37	(16,377.85)
hours	*2,312.75*	*761.50*	*568.00*	*488.00*		*1,817.50*	*(495.25)*
City of Sequim - TBD Qualifying Expenses	121,149.83	**35,726.13**	**49,786.05**	**29,874.80**	-	**115,386.98**	**(5,762.85)**
TBD Payment for Services	**100,000.00**	**35,726.13**	**44,273.87**	-	-	**80,000.00**	**(20,000.00)**
City of Sequim Contribution	**21,149.83**	-	**5,512.18**	**29,874.80**	-	**35,386.98**	**14,237.15**

AGENDA ITEM # 8

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **October 24, 2016**

FROM: Sue Hagener, Administrative Services Director SH (Initials)

SUBJECT/ISSUE: 3rd Quarter 2016 Financial Reports

Discussion dates	04/25/16	07/25/16		
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		15
	☒ Unfinished Business	☐ New Business		
Reviewed by			Initials	Date
Charlie Bush, City Manager			CPB	10/18/16

PROBLEM/ISSUE STATEMENT:

The 3rd quarter 2016 Financial Report provides the financial results for the first nine months of 2016. It includes an explanation of significant variances from budget. Financial Reports are provided quarterly to inform the City Council and Community as to the progress for the year including budget amendments that may be required. It should be noted that any reference to beginning fund balances will be subjected to an audit of 2016.

LIST OF ATTACHMENTS:

1. Summary by Funds
2. Narrative all Funds
3. Supportive Graphs
4. Schedule 9 (Liabilities at September 30, 2016)
5. 2016 Capital Projects

DISCUSSION/ANALYSIS:
The attached information is presented to give the City Council and Community a pre-audit look at the results of operations and financial position for the first nine months of 2016. The Budget is adopted at the fund level and thus is presented accordingly. Highlights include:

General Fund Beginning fund balance was strong at $1.8ml and $126k higher than budgeted. General fund revenues were $210k (3%) more than budgeted. Sales tax is strong at $163k (9%) over budget. Permitting activities remain active and revenues are $9k (4%) over budget. Utility taxes exceed budget by $9k (1%). Property taxes are at 102% of budget. Interfund/overhead revenues exceed (the amended) budget by $4k (0%). Staff continued to control supply and service expenditures resulting in a positive impact to the fund with total expenditures under budget by $169k (3%). The net gain to the fund of $270k was better than budget by $379k. The ending fund balance of $2ml is slightly below policy maximum.

Street Operations (Unrestricted) Beginning fund balance was $158k and $3k over budget. Revenues were $4k (1%) less than budget which is relatively on target. Actual expenditures were also under budget by $11k (2%) due to savings in supplies, small tools, repairs and maintenance. The ending fund balance of $155k (2.3 months of operations) is slightly above policy mid-point, an improvement over 2nd quarter.

Water Operations (Unrestricted) Beginning fund balance for 2016 was $1ml and $61k over budget. Actual Revenues are $74k (5%) over budget and actual expenditures are $32k (2%) over budget (we anticipate this level out by year end). Ending fund balance of $1.1ml represents 6.4 months of operations and is slightly above policy maximum.

Sewer Operations (Unrestricted) Beginning Fund Balance for 2016 was $1.9ml and $233k over budget. Actual Revenues for the year are $211k (7%) over budget and actual expenditures are $127k (4%) under budget. Ending fund balance of $1.8ml represents 5.4 months operations and is slightly below policy maximum.

All **Other Funds** were either on track or above *general* budget projections or did not present any significant concerns.

FINANCIAL IMPLICATIONS: Discussion above.

RECOMMENDATION: Presented to the City Council and Community. No action needed.

City of Sequim
Summary By Fund
September 2016

		YTD	YTD	YTD	YTD	YTD		YTD	YTD	YTD		YTD	YTD	YTD
	BUDGET Beg Fund Balance	**BUDGET Net Gain (Loss)**	**BUDGET End Balance**	**BUDGET Revenues**	**ACTUAL Revenues**	**ACTUAL Rev - BUDGET Rev**	**% from Budget**	**BUDGET Expenditures**	**ACTUAL Expenditures**	**ACTUAL Exp - BUDGET Exp**	**% from Budget**	**ACTUAL Beg Fund Balance**	**ACTUAL Net Gain (Loss)**	**ACTUAL End Balance**
General Fund														
001 General Fund	1,685,370	(109,361)	1,576,009	6,564,754	6,774,967	210,213	3%	6,674,116	6,505,093	(169,023)	-3%	1,811,635	269,874	2,081,509
Special Revenue Funds														
101 Street Unrestricted	154,925	(11,075)	143,850	625,143	621,580	(3,563)	-1%	636,221	625,215	(11,006)	-2%	158,248	(3,635)	154,613
111 Street Restricted	889,110	105,320	994,430	998,148	263,826	(734,322)	-74%	892,832	139,012	(753,820)	-84%	750,291	124,813	875,104
107-U Stormwater Unrestricted	11,586	9,335	20,921	90,360	90,774	414	0%	81,019	93,652	12,633	16%	28,917	(2,878)	26,039
115 Lodging Tax Hotel / Motel	213,710	(29,397)	184,313	164,239	207,478	43,239	26%	193,636	208,319	14,683	8%	329,001	(841)	328,161
117-R Stormwater Restricted	9,777	11,598	21,375	94,929	111,978	17,049	18%	83,331	47,378	(35,953)	-43%	(4,347)	64,601	60,253
120 Criminal Justice	79,566	22,521	102,087	311,053	274,766	(36,287)	-12%	288,533	254,669	(33,864)	-12%	61,632	20,097	81,729
121 Police Asset Seizure	28,264	(22,293)	5,971	207	305	98	47%	22,500	-	(22,500)	-100%	29,664	305	29,970
140 Parks Restricted	134,205	(65,993)	68,212	421,517	626,578	205,061	49%	487,511	585,370	97,859	20%	173,112	41,208	214,320
150 Real Estate Excise Tax	154,884	40,687	195,571	185,687	267,694	82,007	44%	145,000	145,000	0	0%	315,464	122,694	438,159
160 Gifting & Donations	1,830	48,005	49,835	60,575	58,457	(2,118)	-3%	12,570	11,648	(922)	-7%	1,017	46,809	47,826
164 Equip Reserve	311,676	(111,086)	200,590	305,161	300,122	(5,039)	-2%	416,254	169,646	(246,608)	-59%	342,807	130,476	473,284
Debt Service Fund														
206 Debt Service Fund - City Hall	7,531	121,739	129,270	337,609	338,584	975		215,870	215,870	0		890	122,714	123,603
Capital Funds														
306 Capital Facilities & City Hall	86,035	(138,309)	(52,274)	278,153	19,394	(258,759)	-93%	416,462	170,748	(245,714)	-59%	271,064	(151,354)	119,710
Enterprise Funds														
401 Water Unrestricted	1,028,307	9,793	1,038,100	1,479,263	1,553,561	74,298	5%	1,469,467	1,501,819	32,352	2%	1,088,908	51,743	1,140,651
411 Water Restricted	2,384,657	(1,110,172)	1,274,485	2,105,799	641,110	(1,464,689)	-70%	3,215,970	293,856	(2,922,114)	-91%	2,815,729	347,255	3,162,984
402 Sewer Unrestricted	1,650,979	(374,727)	1,276,252	2,867,818	3,079,226	211,408	7%	3,242,550	3,115,739	(126,811)	-4%	1,884,033	(36,514)	1,847,520
422 Sewer Restricted	4,870,092	(1,451,620)	3,418,472	1,874,056	3,032,284	1,158,228	62%	3,325,676	2,364,510	(961,166)	-29%	5,450,167	667,774	6,117,941
Internal Service Funds														
500 Unemployment Compensation	27,954	(7,500)	20,454	0	0	0		7,500	3,285	(4,215)	-56%	32,520	(3,285)	29,235
Trust, Agency & Permanent Funds														
611 Flexible Spending Account	0	0	0	33,750	11,432	(22,318)	-66%	33,750	8,238	(25,512)	-76%	455	3,194	3,649
621 Police Expendable Trust	0	0	0	0	1,228	1,228		0	-	0		0	1,228	1,228
631 Construction Deposits	38,300		38,300	292,500	44,306	(248,194)	-85%	292,500	9,780	(282,720)	-97%	0	34,525	34,525
635 Intergovernmental Agency Fund	2,638	5,670	8,308	133,911	27,941	(105,970)	-79%	128,240	22,826	(105,414)	-82%	5	5,115	5,119
645 Utility Deposits	122,652	(991)	121,661	29,997	49,017	19,020	63%	30,988	56,101	25,113	81%	136,478	(7,085)	129,393
690 TBD	319,531	(13,157)	306,374	440,512	476,766	36,254	8%	453,669	81,222	(372,447)	-82%	437,444	395,545	832,988
701 Haller Park Fund Permanent	37,964	334	38,298	334	390	56	17%			-		37,904	390	38,294
Totals	14,251,543	(3,070,679)	11,180,864	19,695,475	18,873,764	(821,711)	-4%	22,766,165	16,628,996	(6,137,169)	-27%	16,153,037	2,244,767	18,397,806

CITY OF SEQUIM

2016 Q3 (Unaudited) Financials

Narrative Summary of Results Q3 2016
General Fund

*****	****	***	**	*
Excellent **Revenues/Fund Balance exceeded Budget** **Expenditures below Budget 3-5%**	**On Target** **Revenues/Fund Balance met Budget** **Expenditures at/near Budget**	**Need to Monitor** **Revenues/Fund Balance 1-2% under Budget** **Expenditures 1-2% over Budget**	**Caution** **Revenues/Fund Balance 3-5% under Budget** **Expenditures 3-5% over Budget**	**Extreme Caution** **Revenues/Fund Balance under 5% or more under Budget** **Expenditures 5% or more over Budget**

Item	Description	Results
Beginning Fund Balance	2016 began positively at $1.8ml or $126k higher than anticipated. This cushion represents savings for Civic Center debt service or other opportunities.	*****
Revenues Summary	103% of budget or $210k over.	*****
Sales Tax	109% of budget or $163k over budget.	*****
Property Tax	102% of budget or $23k over budget.	****
Licenses, Permits, Fines, Forfeits	86% of budget or $36k under budget. The 2016 budget reflects revenues from fines and penalties we expected to collect before contracting with the County on Criminal Justice services in late 2015. The contract eliminated those revenues. Licensing and permitting/development activities are performing well at 104% of budget.	**
Utility Taxes	101% of budget or $8.5k over budget.	****
Charges for Goods/Services	103% of budget or $72k over mid-year amended budget, which predicted revenues in excess of the original 2016 budget. (Interfund revenues to the General Fund were expected to rebound over prior year performance due to completion of the Civic Center.)	***
Expense Summary	97% of budget or $169k under budget. Controlled expenditures across expense types,	*****

Item	Description	Results
	except intergovernmental expenses, which are expected to have overall savings for the organization by year-end.	
Salaries/Benefits	99% of budget or $50k under due to some unfilled positions earlier in the year.	*****
Supplies and Services	82% and 89% of budget, respectively. Expenses well controlled by staff and low fuel prices.	*****
Intergovernmental	117% of budget or $52k over but we expect overall savings in the criminal justice expenses compared with prior years.	***
Ending Fund Balance	At $2.1ml is slightly below policy maximum.	*****

Streets, Parks, Capital Facilities and Utility funds

*****	****	***	**	*
Excellent **Revenues/Fund Balance exceeded Budget** **Expenditures below Budget 3-5%**	**On Target** **Revenues/Fund Balance met Budget** **Expenditures at/near Budget**	**Need to Monitor** **Revenues/Fund Balance 1-2% under Budget** **Expenditures 1-2% over Budget**	**Caution** **Revenues/Fund Balance 3-5% under Budget** **Expenditures 3-5% over Budget**	**Extreme Caution** **Revenues/Fund Balance under 5% or more under Budget** **Expenditures 5% or more over Budget**

Fund	Description	Results
Streets Operations	Beginning Fund Balance for 2016 at $158k is over budget by $3k. Actual Revenues were $4k (1%) less than budget and expenditures were $11k (2%) less than budget. Ending fund balance of $155k is slightly above policy mid-point.	***
Street Restricted Projects	Beginning Fund Balance for 2016 at $750k is $139k under budget. Actual Revenues were $734k less than budget and actual expenditures were $753k less than budget due to timing of capital projects and the related grants and/or other funding sources.	****
Stormwater Operations	Beginning Fund Balance for 2016 at $29k is $17 over budget. Revenues are on target with budget, expenses $13k over budget due to repairs of the sweeper and interfund charges (that should level out by year end).	**
Project Stormwater	Beginning Fund Balance for 2016 at ($4k) is $14k under budget. Revenues $17k over budget (timing of grant proceeds) and expenses $36k lower than budgeted (professional services).	***
Parks Restricted	Beginning Fund Balance for 2016 at $173k is $39k over budget. Actual Revenues for the year were $205k more than projected (impact fees and donations) and actual expenditures were $98k over budget due to the Carrie Blake Park parking solution project.	***

Fund	Description	Results
Capital Facilities (including Civic Center)	Beginning Fund Balance at $271k is $185k over budget and a mid-year budget amendment will increase budgeted amounts to balance to actuals by year-end. Revenues are $259k under budget and expenditures are $246k under due to the timing of the project expenditures (Guy Cole improvements).	***
Water Operations	Beginning Fund Balance for 2016 at $1.1ml or $61k over budget. Actual Revenues for the year were $74k (5%) over budget and actual expenditures were $32k (2%) over budget (interfund charges). Very healthy ending fund balance of $1.1ml.	*****
Water Restricted	Beginning Fund Balance for 2016 at $2.8ml or $431k over budget. Actual Revenues were $1.4ml under budget and actual expenditures were $2.9ml less than projected due to the timing of water projects.	*****
Sewer Operations	Beginning Fund Balance for 2016 at $1.9ml is $233k over budget. Actual Revenues for the year are $211k (7%) over budget (grant proceeds, account growth, Sunland) and actual expenditures were $127k (4%) under budget. Very healthy ending fund balance of $1.8ml.	*****
Sewer Restricted	Beginning Fund Balance for 2016 was $5.45ml or $580k over budget. Actual Revenues for the year were $1.2ml over budget (timing of grant/loan proceeds) and actual expenditures were $961k under budget due to the timing of sewer projects.	*****

Other Key Funds

*****	****	***	**	*
Excellent **Revenues/Fund Balance exceeded Budget** **Expenditures below Budget 3-5%**	**On Target** **Revenues/Fund Balance met Budget** **Expenditures at/near Budget**	**Need to Monitor** **Revenues/Fund Balance 1-2% under Budget** **Expenditures 1-2% over Budget**	**Caution** **Revenues/Fund Balance 3-5% under Budget** **Expenditures 3-5% over Budget**	**Extreme Caution** **Revenues/Fund Balance under 5% or more under Budget** **Expenditures 5% or more over Budget**

Item	Description	Results
Lodging Tax Hotel/Motel	Beginning Fund Balance for 2016 at $329k is $115k over budgeted. Actual Revenues for the year were $43k over budget (lodging tax) and actual expenditures were $15k over budget (timing of Guy Cole transfers out). Solid ending fund balance.	*****
REET	Funds restricted for capital project expenditures only. Beginning Fund Balance for 2016 at $315k is $161k over budget. Actual Revenues for the year were $82k above budget and expenditures were on target with budget. Ending fund balance of $438k is strong.	*****

Item	Description	Results
Equipment Reserve	Funds set aside for capital equipment acquisitions. Beginning Fund Balance for 2016 was $343k and $31k over budget. Actual Revenues under budget by $5k (2%) and expenditures under budget by $247k due to the timing of equipment purchases. The ending fund balance is below policy thresholds but we began more aggressive funding in 2016.	***
Debt Service Fund - LTGO	Beginning fund balance of $1k or $6.6k under budget. Revenues and expenses are on target. Activity in fund will be adequate to meet debt service requirements.	***

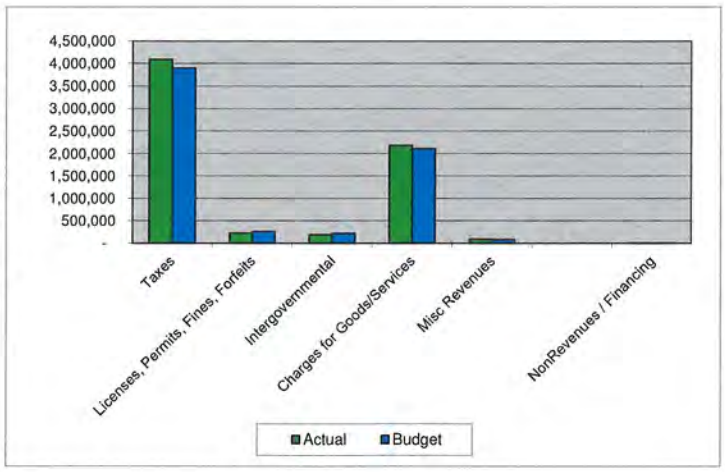
Total General Fund Activity
(Operating & NonOperating)

As of 9/30/16

	Actual	Budget	Actual / Budget
Taxes	4,087,487	3,895,396	105%
Licenses, Permits, Fines, Forfeits	221,291	257,270	86%
Intergovernmental	189,577	216,177	88%
Charges for Goods/Services	2,182,029	2,110,219	103%
Misc Revenues	90,040	83,596	108%
NonRevenues / Financing	4,542	2,097	217%
Total Revenues	**6,774,966**	**6,564,754**	**103%**
		1	

Intergovernmental is PUD priviledge tax
Charges for Good and Services includes Interfund Charges

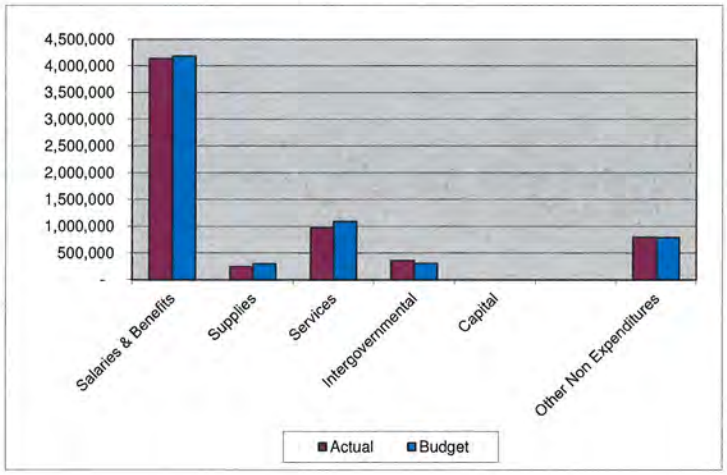
Total General Fund Revenues
Budget to Actual



As of 9/30/16

	Actual	Budget	Actual / Budget
Salaries & Benefits	4,134,441	4,184,365	99%
Supplies	247,248	300,954	82%
Services	971,256	1,090,429	89%
Intergovernmental	359,271	306,838	117%
Capital	-	1	
Other Non Expenditures	792,878	791,534	100%
Total Expenses	**6,505,094**	**6,674,116**	**97%**
	-	(5)	

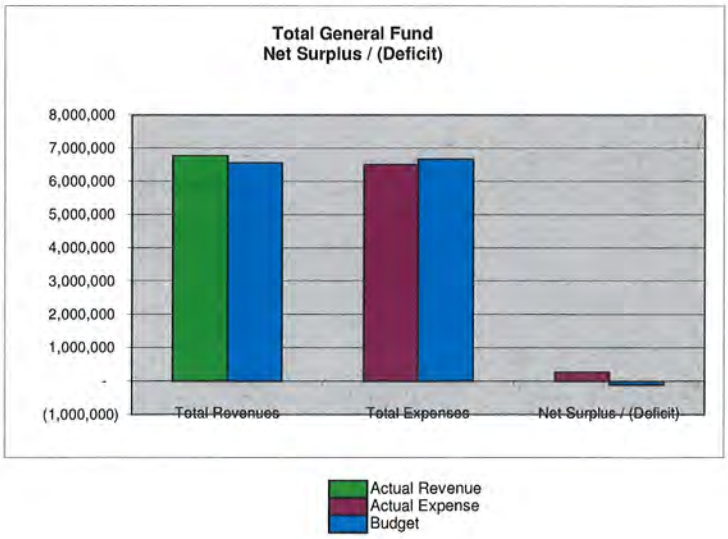
Total General Fund Expenses
Budget to Actual



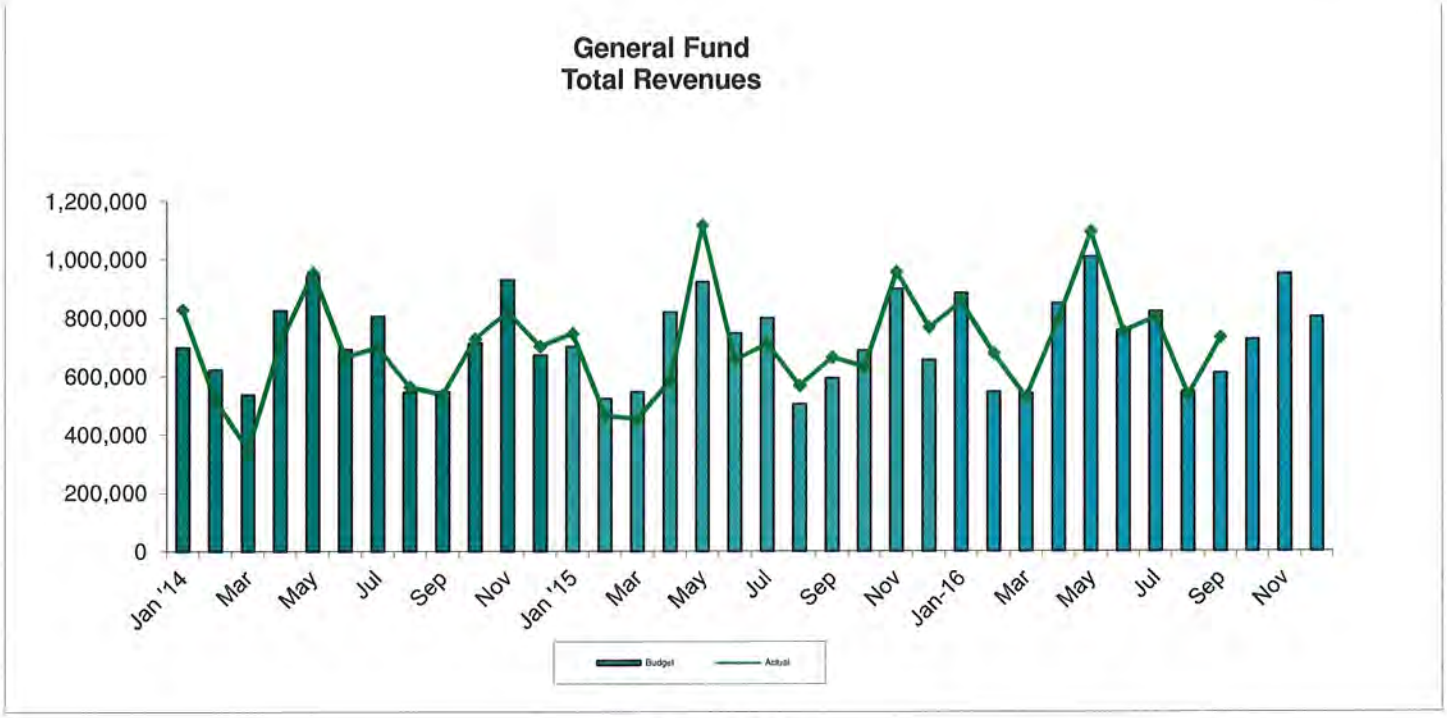
As of 9/30/16

	Actual	Budget	Net Over / (Under)
Total Revenues	6,774,966	6,564,754	210,212
Total Expenses	6,505,094	6,674,116	(169,022)
Net Surplus / (Deficit)	269,872	(109,362)	379,234

Total General Fund
Net Surplus / (Deficit)



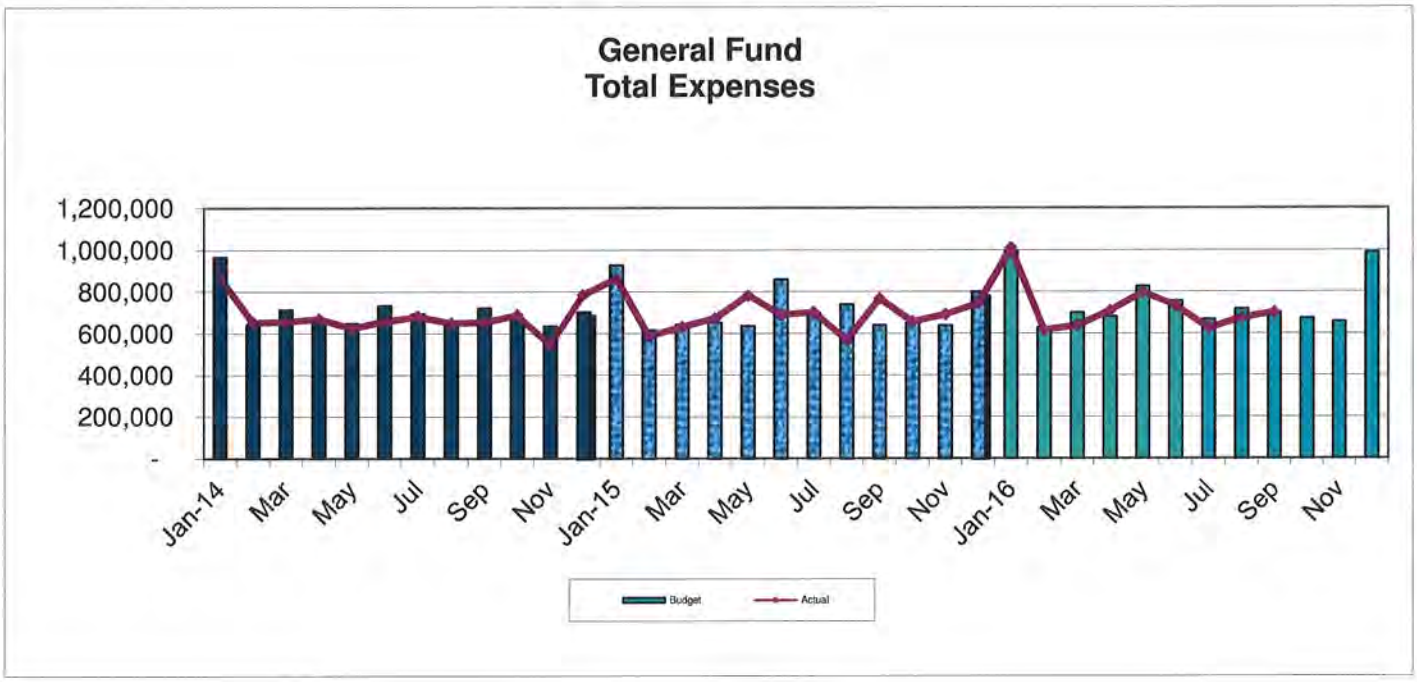
ATTACHMENT 3



As of 9/30/16

Operating	2013	2014	2015	YTD 2016	YTD Budget	Actual / Budget	2016 Budget
Taxes	5,066,320	5,207,139	5,457,944	4,087,487	3,895,396	105%	5,500,967
Licenses & Permits	187,519	224,274	263,301	216,395	210,230	103%	253,318
Intergovernmental	200,327	216,366	214,021	189,577	216,177	88%	255,752
Charges for Services	2,567,982	2,273,708	2,212,579	2,182,029	2,110,219	103%	2,840,449
Fines Forfeits	68,249	60,799	68,424	4,896	47,040	10%	63,431
Misc Revenues	132,960	108,592	109,492	90,040	83,596	108%	110,824
Op Rev Total	**8,223,357**	**8,090,879**	**8,325,762**	**6,770,424**	**6,562,658**	**103%**	**9,024,741**
NonOperating							
NonRevenues	4,136	2,628	5,146	4,542	2,097	217%	17,578
Financing Sources	1,008						0
Total Revenues	**8,228,501**	**8,093,507**	**8,330,908**	**6,774,966**	**6,564,755**	**103%**	**9,042,319**
Total Expenses	8,140,509	8,141,536	8,072,354	6,505,093	6,674,121	97%	8,993,148
Net Over / (Under)	87,992	(48,029)	258,554	269,873	(109,366)	-247%	49,171

	2013	2014	2015	YTD 2016
Operating Revenue	8,223,357	8,090,879	8,325,762	6,770,424
Operating Expenses	7,840,509	8,141,436	7,899,404	6,261,258
Net Over / (Under)	382,848	(50,557)	426,358	509,166

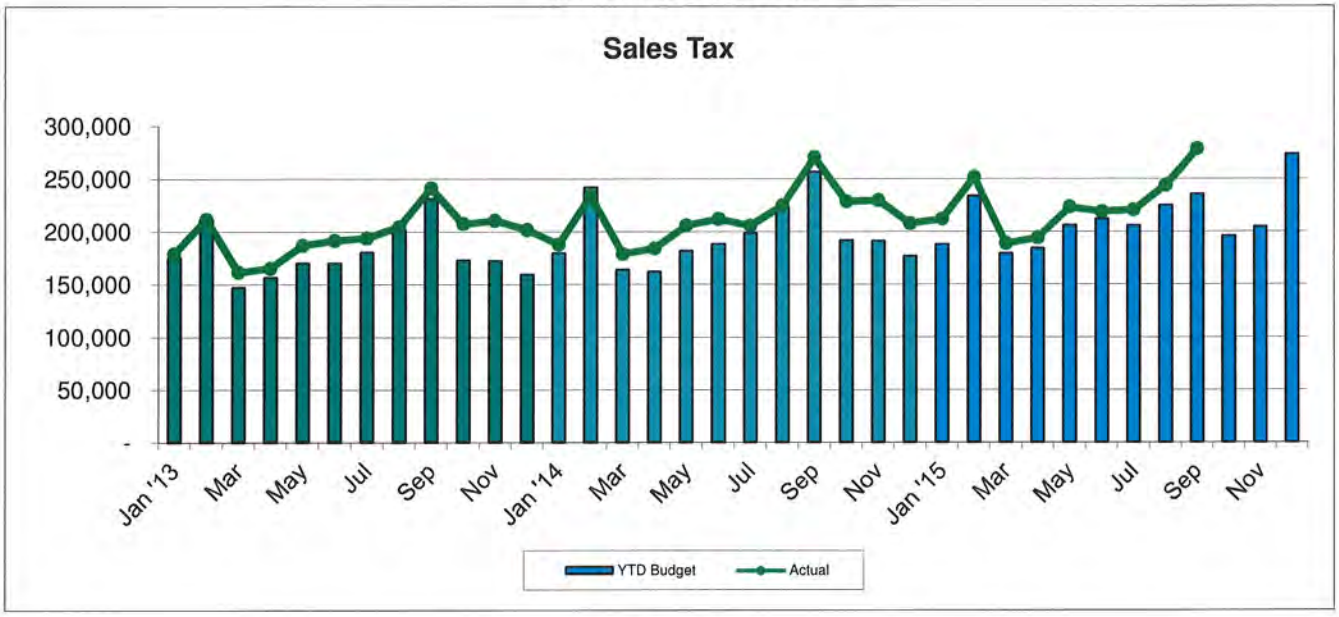


As of 9/30/2016

Operating	**2013**	**2014**	**2015**	**YTD Actual**	**YTD Budget**	**Actual / Budget**	**2016 Budget**
Wages & Benefits	5,173,914	5,388,068	5,299,729	4,134,441	4,184,365	99%	5,588,137
Supplies	393,798	299,993	332,414	247,248	300,954	82%	394,956
Service Charges	1,343,608	1,336,842	1,430,835	971,256	1,090,429	89%	1,341,187
Intergovernmental	467,590	451,425	432,549	359,271	306,838	117%	420,192
Capital Equipment	-	25,999	29,536	-	1		1
Transfers for Operations	461,599	639,109	374,341	549,043	549,034	100%	43,333
Op Exp Total	**7,840,509**	**8,141,436**	**7,899,404**	**6,261,258**	**6,431,621**	**97%**	**7,787,806**
NonOperating							
Other NonOperating Expenses		100	450	1,335			
Transfers for Capital Projects/Debt	300,000	-	172,500	242,500	242,500		
Total Expense	**$ 8,140,509**	**$ 8,141,536**	**$ 8,072,354**	**$ 6,505,093**	**$ 6,674,121**	**97%**	**$ 7,787,806**
Total Revenue	**8,228,501**	**8,093,507**	**8,330,908**	**6,774,966**	**6,564,755**	**103%**	**9,042,318**
Net Over / (Under)	87,993	(48,029)	258,554	269,873	(109,366)	-247%	1,254,512

	2013	**2014**	**2015**	**YTD Actual**
Operating Revenues	8,223,357	8,090,879	8,325,762	6,770,424
Operating Expenses	7,840,509	8,141,436	7,899,404	6,261,258
Net Over / (Under)	382,848	(50,557)	426,358	509,166

GENERAL FUND 001



As of 9/30/16

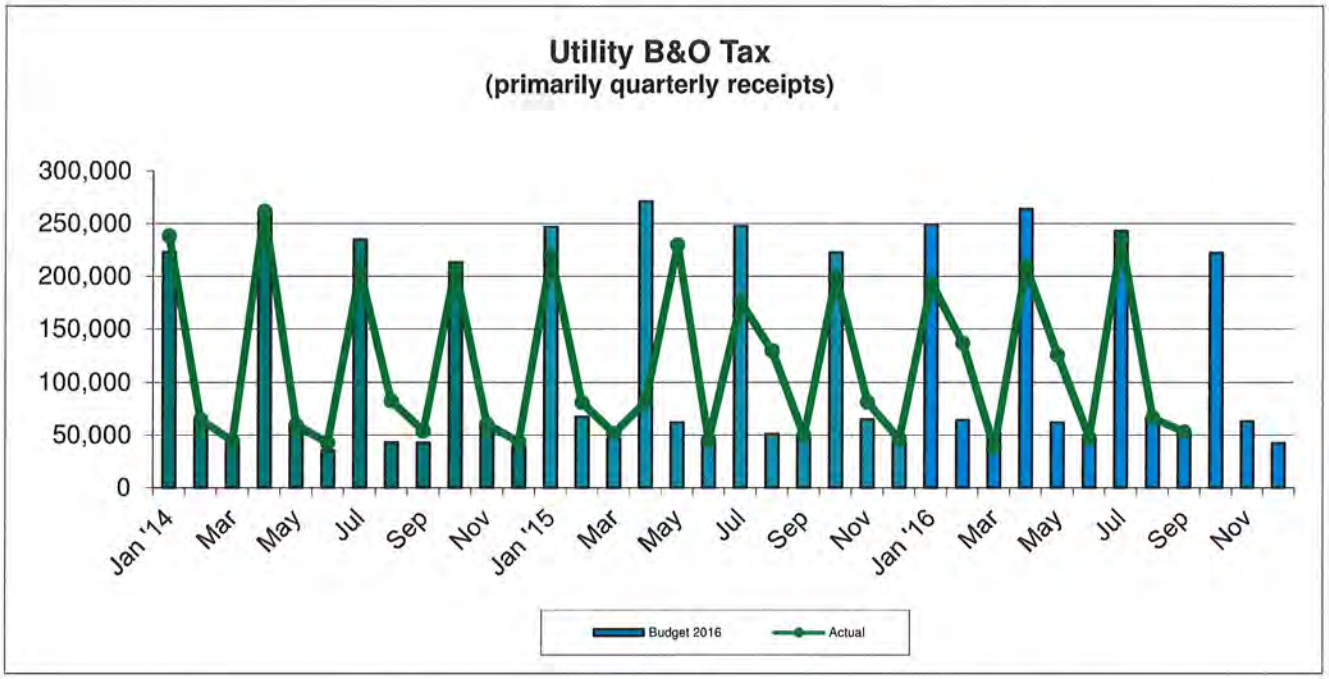
	2013	2014	2015	YTD 2016	YTD Budget	Actual / Budget	2016 Budget
Sales Tax	2,278,743	2,360,642	2,572,497	2,033,328	1,870,566	109%	2,454,385

TBD SALES TAX (not included above)

	2013	2014	2015	YTD 2016	YTD Budget	Actual / Budget	2016 Budget
TBD Sales Tax	532,577	554,864	596,621	$469,802	440,512	107%	578,000

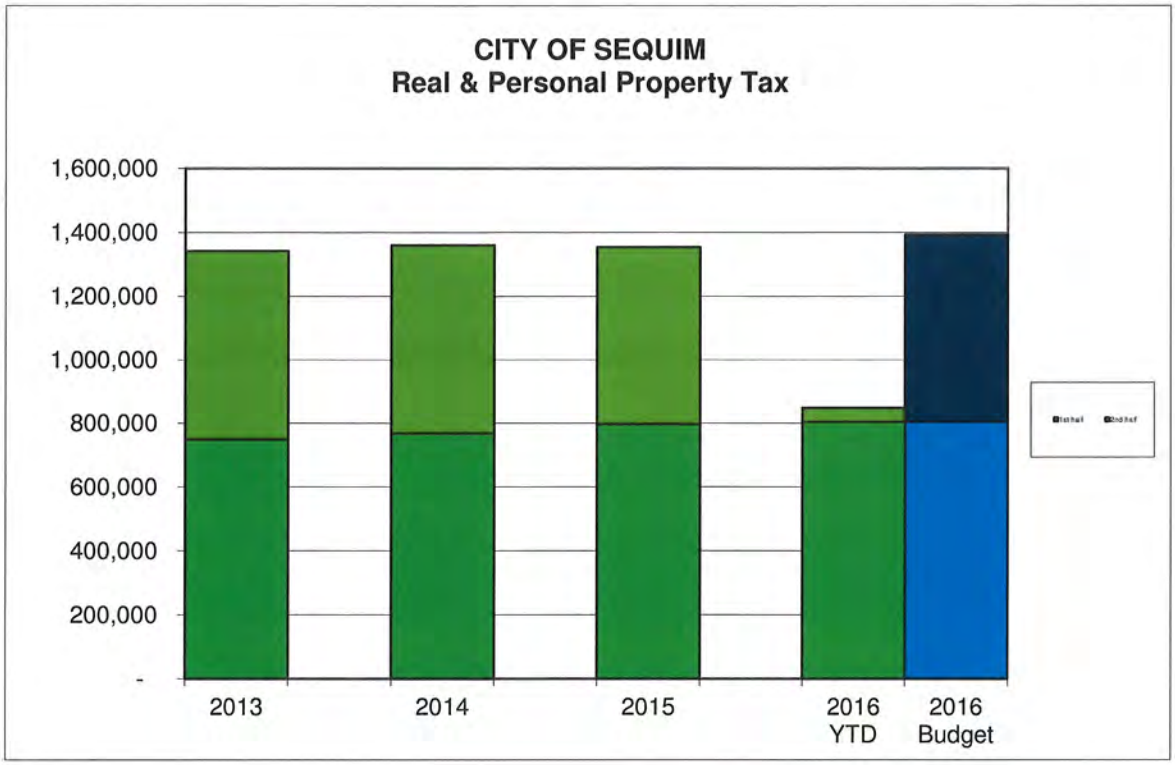
PUBLIC SAFETY SALES TAX (not included above)

	2014	2015	YTD 2016	YTD Budget	Actual / Budget	2016 Budget
Public Safety Tax Started March 2013	233,232	251,129	197,093	185,726	106%	246,924



As of 9/30/16

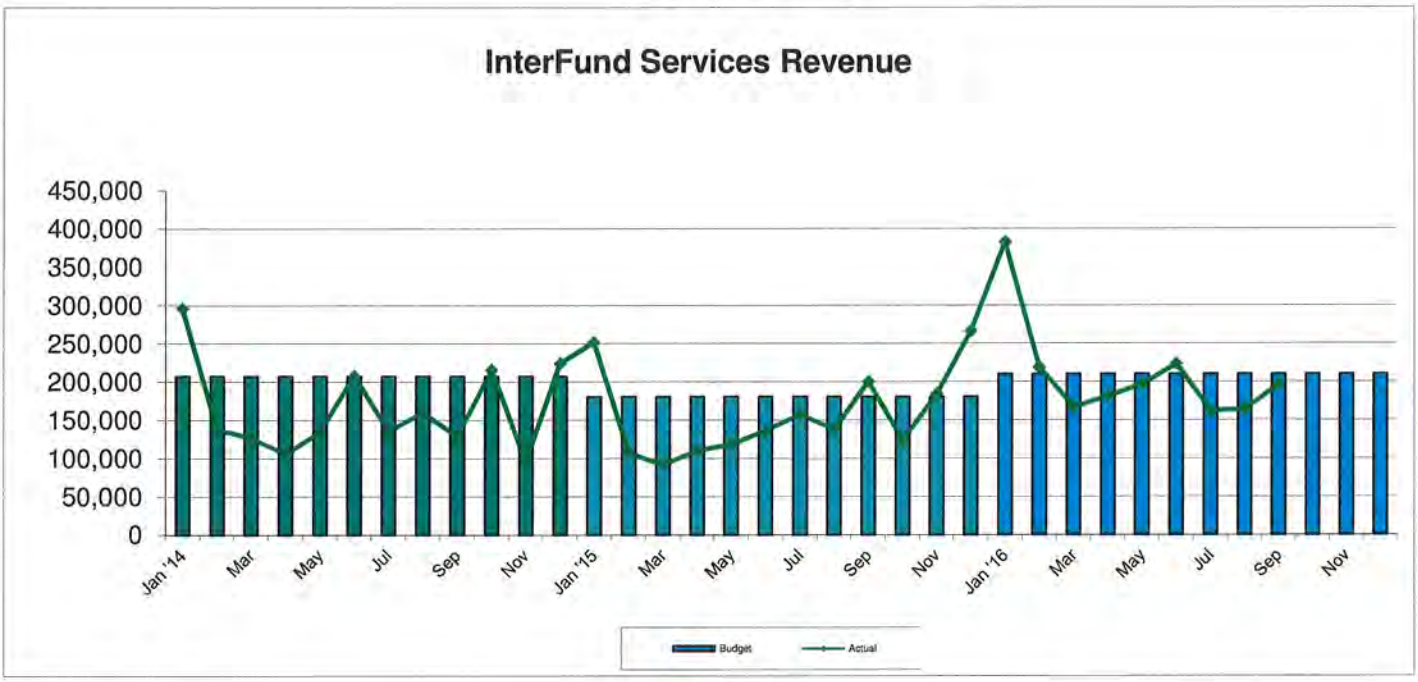
	2013	2014	2015	YTD 2016	YTD Budget	Actual / Budget	Budget 2016
Electric	497,542	514,785	511,018	424,514	433,882	98%	542,768
Garbage	148,472	159,005	172,766	136,595	131,265	104%	172,488
Cable	61,745	67,182	70,289	55,461	53,689	103%	71,177
Telephone	187,749	183,703	177,369	130,051	139,513	93%	185,315
Water	146,182	153,749	160,719	117,980	116,693	101%	157,586
Sewer	273,821	286,766	300,084	242,001	223,019	109%	296,186
	1,315,511	**1,365,190**	**1,392,245**	**1,106,602**	**1,098,061**	**101%**	**1,425,520**



As of 9/30/2016

	2013	2014	2015	2016 YTD	2016 Budget	Actual / Budget
1st half	749,314	768,654	796,862	804,340	805,104	100%
2nd half	593,533	590,666	557,169	43,750	588,497	7%
	1,342,846	**1,359,320**	**1,354,031**	**848,090**	**1,393,601**	61%

General Fund 001

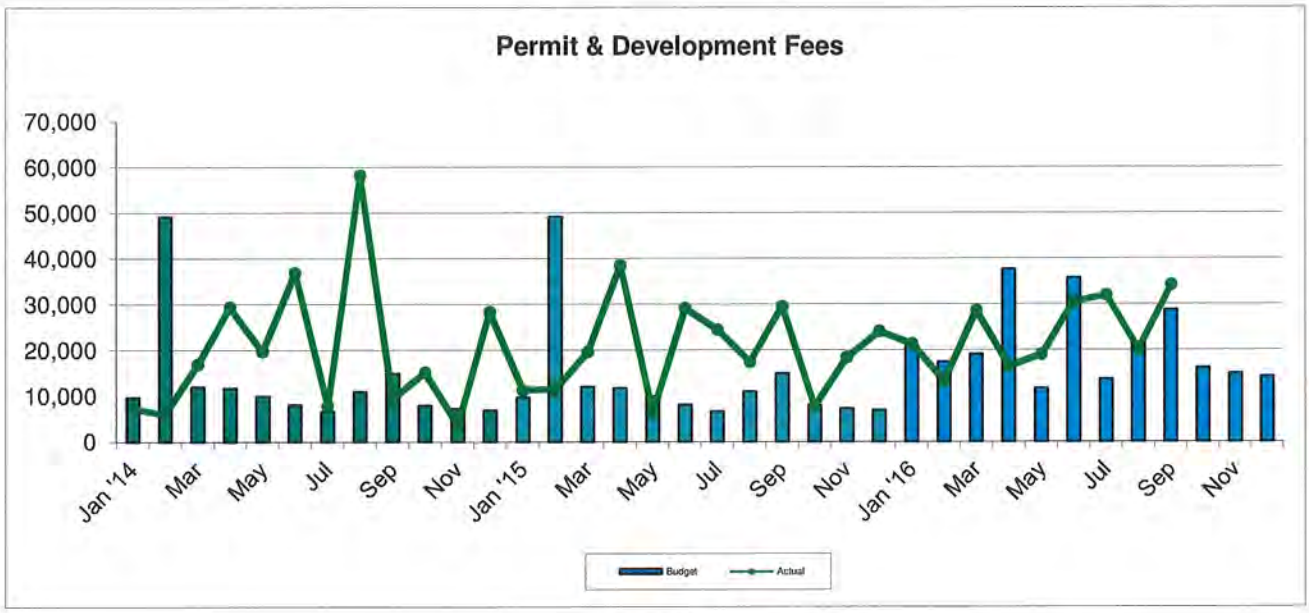


As of 9/30/16

	2013	2014	2015	2016	YTD 2016 Budget	Actual/ Budget	2016 Budget
Streets UnRestricted	222,383	188,307	175,920	204,220	159,092	128%	212,122
Streets Restricted	312,979	151,510	178,608	33,671	107,081	31%	142,775
Stormwater Unrestricte	29,597	26,567	24,206	32,105	21,334	150%	28,445
Stormwater Restricted	10,246	26,725	56,160	15,652	17,858	88%	23,811
Parks Restricted			18,708	102,312	57,611	178%	76,815
Water UnRestricted	422,598	375,616	397,733	351,454	323,690	109%	431,586
Water Restricted	60,936	172,605	35,493	14,929	168,533	9%	224,711
Sewer UnRestricted	999,113	915,393	914,882	845,822	761,638	111%	1,015,517
Sewer Restricted	146,115	115,666	65,401	268,661	186,847	144%	249,129
Capital Facilities	176,448	-	22,528	27,031	87,927	31%	117,236
TOTAL	**2,380,415**	**1,972,389**	**1,889,639**	**1,895,857**	**1,891,610**	**100%**	**2,522,147**
GF allocation	**33%**	**48%**	**51%**	**66%**			
NonGeneral allocation	**67%**	**52%**	**49%**	**34%**			

Interfund Services are departments that provide Central Services:
City Council, City Manager, City Clerk, City Attorney, Finance, HR, IT, GIS Engineer, PW Admin, Facilities Maint, & NonDpt.
Central Services Costs are passed through to Operating Departments which include:
General Fund - Criminal Prosecution (Muni Court), Police, Building / Code Compliance, Park Operations, Planning
NonGeneral Fund - Streets*, Parks Restricted, Capital Facilities, Water*, Sewer*, and Solid Waste
* Includes UnRestricted and Restricted

All Years January: $330,000 insurance premium distorts allocations early in the year when fund activity is generally low.
2013 Separated Stormwater allocations from Streets as now funded soley by Water & Sewer Funds
2014 Discontinued allocating to Civic Center project in Capital Facilities through 2015 completion
2015 Started allocating to Parks Restricted - Master Plan is complete and moving toward MPD



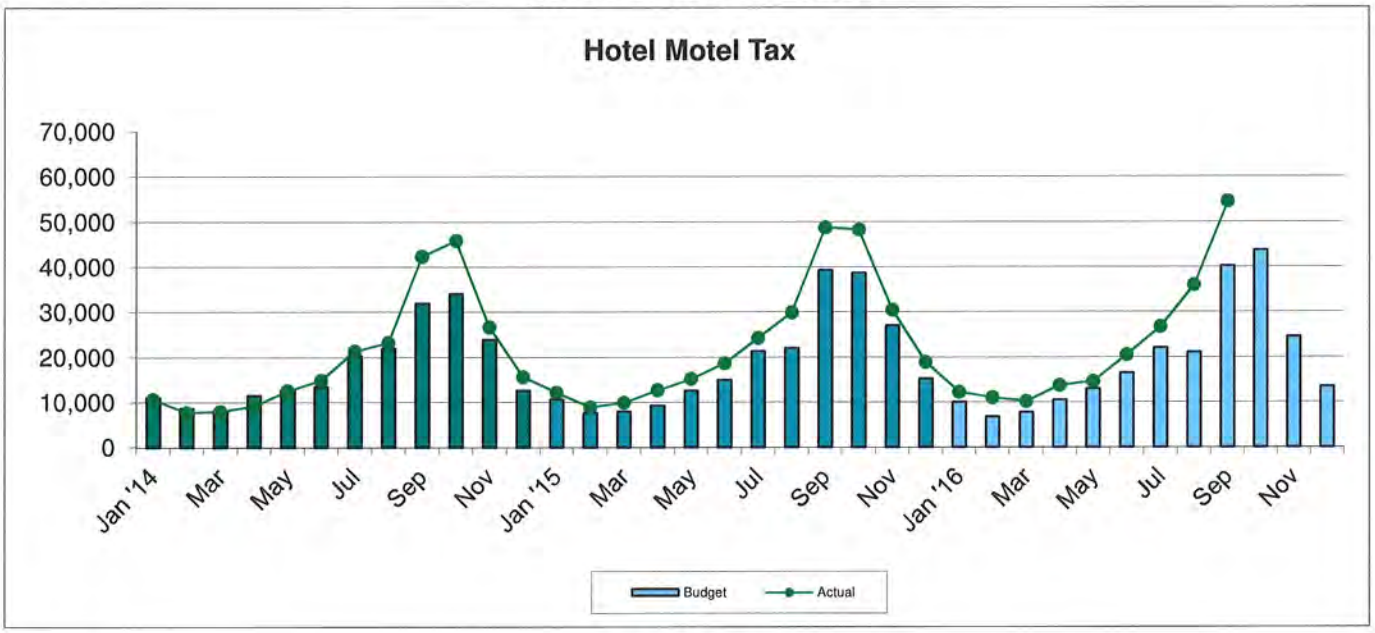
9/30/2016

	2013	2014	2015	YTD 2016	YTD Budget	Actual / Budget	2016 Budget
Building Permits	114,205	144,071	161,641	136,641	140,710	97%	164,000
Plan Check Fees	35,702	79,905	71,572	56,174	49,500	113%	66,000
Inspection Fees	3,300	5,034	5,326	6,568	3,978	165%	5,300
Other Planning Dvlp	3,961	10,166	577	16,605	12,753	130%	17,000
	157,168	**239,176**	**238,539**	**215,988**	**206,941**	**104%**	**252,300**
Construction Sales Tax	142,777	196,793	209,030	127,708	117,284	109%	153,890
Total Development Related	**299,945**	**435,969**	**447,569**	**343,696**	**324,225**	**106%**	**406,190**

PERMIT DATA

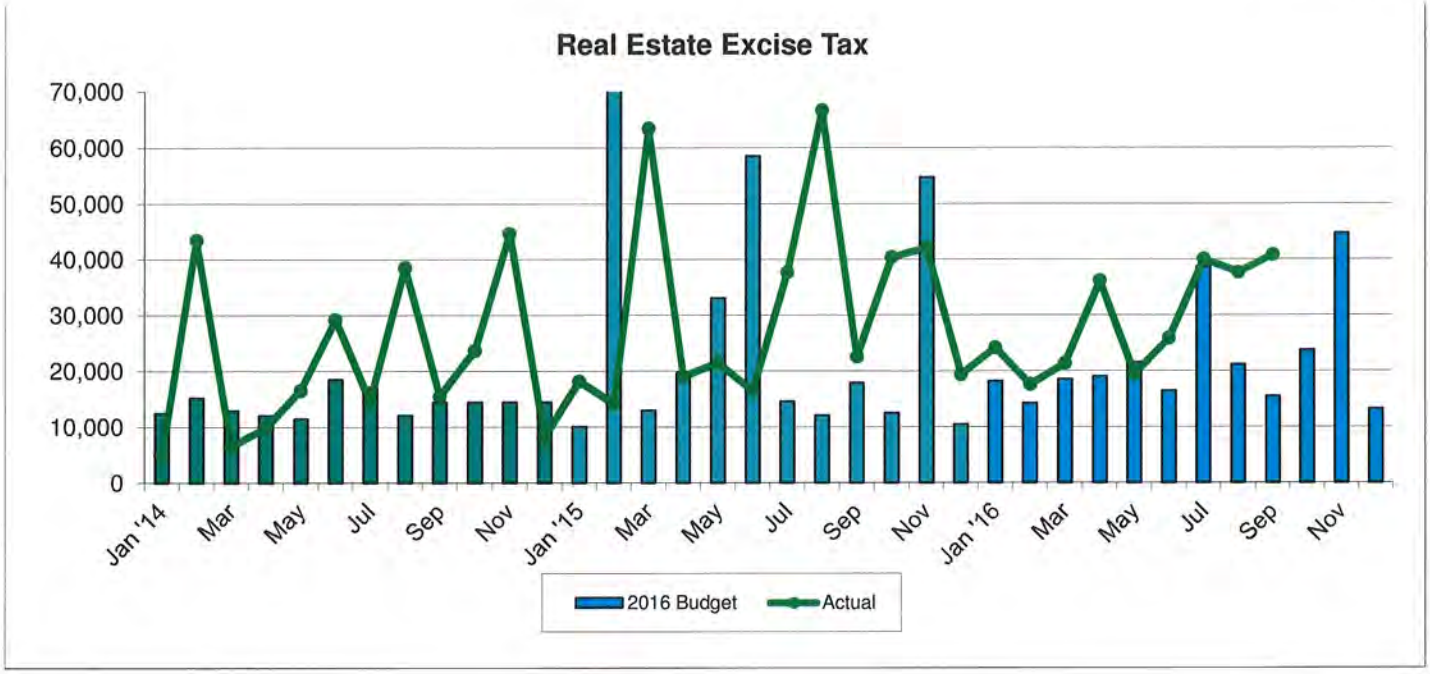
Number of Permits		2013	2014	2015	YTD 2016
New	Residential	33	33	60	53
	Commercial	0	1	2	3
		33	34	62	56
Remodel	Residential	126	89	108	94
	Commercial	102	107	100	76
		228	196	208	170
	Totals	261	230	270	226

HOTEL MOTEL FUND 115



As of 9/30/2016

	2013	2014	2015	YTD Actual	YTD Budget	Actual / Budget	2016 Budget
Hotel Motel Tax	238,854	278,935	278,935	200,237	148,183	135%	230,000



As of 9/30/16

	2013	2014	2015	2016 YTD Actual	YTD Budget	Actual / Budget	2016 Budget
REET 1st 1/4%	125,113	128,370	236,731	131,857	91,301	144%	134,640
REET 2nd 1/4%	103,965	127,903	145,499	131,739	92,301	143%	130,667
	229,078	**256,274**	**382,230**	**263,596**	**183,602**	**144%**	**265,307**

09/2013 - Transfer of controlling interest in Assisted Living Concepts, Inc
2014 - Two large Commercial sales in February and one in September
2015 - Merger of Albertsons and Safeway 3/15 and Transfer of Controlling interest - Adult care facility.

MCAG NO. 0235

City of Sequim

Schedule 09

Schedule of Liabilities
As of September 30, 2016

Debt Type	ID. No.	Description	Maturity/Payment Due Date	Beginning Balance January 1, 2016	Additions	Reductions	Ending Balance September 30, 2016
General Obligations							
	263.61	Keeler Park Loan	12/1/2016	55,169	0	40,088	15,081
	251.11	City Hall/Police Station LTGO - taxable	12/1/2017	455,000	0	0	455,000
	251.11	City Hall/Police Station LTGO - non-taxable	12/1/2043	10,000,000	0	Interest only until 2018	10,000,000
			Total General Obligations:	**10,510,169**	**0**	**40,088**	**10,470,081**
Revenue Obligations							
	259.12	Compensated Absences		741,056		4,832	736,224
	263.82	PWTF Aerobic Digester Loan	6/1/2027	84,510	435,490	0	520,000
Note 1	263.82	Reclaimed Water Facility SFR Fund	3/1/2018	682,564	0	273,026	409,538
Note 2	263.82	Reclaimed Water Facility 2009	6/17/2030	4,438,201	0	131,629	4,306,572
Note 3	252.11	Water Revenue Bond 2014	12/1/2034	1,512,500	0	0	1,512,500
Note 3	252.11	Sewer Revenue Bond 2014	12/1/2034	1,512,500	0	0	1,512,500
	66.458	Headworks SFR Loan (00131)			720,000		720,000
			Total Revenue Obligations:	**8,971,331**	**1,155,490**	**409,487**	**9,717,334**
			Total Liabilities:	**19,481,500**	**1,155,490**	**449,575**	**20,187,415**

Note 1: Annual Payments total $273,026, at 0% interest. Reserve requirement = -0-
Note 2: Annual Payments total $356,869 (Principal and Interest), at 2.1% interest. Reserve Requirement = Max Annual Debt Pmnt of $356,869
Note 3: Annual Payments total approximately $230,000 at 3% and 4% over the life of the debt, split by both water and sewer evenly

CAPITAL PROJECT UPDATE 3rd QTR 2016

Building Facilities

City Shop Upgrades

- Soliciting bids for fence around Mego Property

Guy Cole Remodel

- Council adopted Scope of Work
- Currently advertised
- Open bids Nov 4th

Parks

Parking Lot at ReUse Demonstration Site

- Complete – executing close out with state agencies

Mower Shed at Carrie Blake

- Finalizing Scope of Work for quotes

Pickleball Courts

- City developing Park Entrance relocation concept
- Design development begin November
- Recreation and Conservation Office (RCO) grant application submitted

Stormwater

Stormwater Master Plan final tasks

- Master Plan-related amendments to SMC underway – in attorney review
- Interlocal with Highland Irrigation District due back any day
- 2015 Flow Monitoring Report posted online
- Grant closeout tasks (education summary; task by task summary; etc.) (grant expires Oct. 31)

Streets

Pavement Rehabilitation 2016

- Started October 10, scheduled for completion early Nov.

Fir Street Rehabilitation *(carry forward from 2015, not in 2016 budget)*

- NEPA Document approved
- Preparing ROW procedures for state approval
- Soliciting SOQs for ROW consultant and appraiser
- Waiting on SRTS and TIB grant funding (optimistic)

Washington Street Signal Interconnect

Attachment 5

- WSDOT visited project as part of WSDOT 2016 Innovative Safety Program
- Waiting results of grant application in Qtr4

Water

Sunnyside Water Main – Bell to Fir

- Preliminary Design
- SEPA submission scheduled for October
- Public Open House scheduled for November

5th and McCurdy Booster Station

- Updated engineering contract
- SEPA submission scheduled for Oct
- Public Open House scheduled for November

Sewer

Aerobic Digester/Headworks Improvement

- Resolving start up and commissioning issues on headworks and grit chamber
- Finalizing digester programming

Sunnyside Sewer

- Preliminary Design
- SEPA submission scheduled for October
- Public Open House scheduled for November

Doe Run Lift Station

- Completed geotechnical investigation
- Early design development

Sequim

Transportation Benefit District (TBD)

7th Ave Overlay

Q3 2016 Financial Report

Sequim
Transportation Benefit District (TBD)

Q3 2016 Financial Report

Executive Director Message	Pg 1
Q3 2016 Financial Report	Pg 2

Transportation Benefit District 152 W. Cedar Street, Sequim, Washington 98382 Phone (360) 683-4139 Fax (360) 681-3448

2016 THIRD QUARTER FINANCIAL REPORT

Dear TBD Board of Directors,

I am pleased to present this interim Third Quarter Financial Report for the Transportation Benefit District (TBD) for the City of Sequim. The tax revenues are used to fund projects which include street preservation, replacing or upgrading all modes of transportation infrastructure (streets, sidewalks, bicycle lanes, trails, etc.), creating new infrastructure, and district-wide safety enhancements as part of street maintenance and operations.

Beginning Fund Balance
We started the year with a beginning fund balance of $437,444, which was 37% higher than budgeted.

Revenues
Taxes received for the first three quarters of 2016 total $469,801, which is 81% of the annual budget. Interest earned on cash and investments totaled $6,680.

Expenses
Expenditures to date of $81,222 were for Safety and Maintenance services provided by the City of Sequim and insurance services provided by AWC-RMSA. With the TBD Safety & Maintenance budget fully expended, the City has contributed an additional $29,900 for the necessary services.

Ending Fund Balance
We ended the quarter with a strong ending fund balance of approximately $833,000.

2016 Budgeted Projects
Detailed as follows:

- $199,000 for Pavement Rehabilitation
- $54,000 for City Wide Safety Improvements
- $54,000 for Blake Street Sidewalks
- $53,000 for Street LED Upgrades
- $48,000 for Sunnyside Bicycle Paths

There are no significant project expenditures to report.

Sincerely,

Charlie Bush
Executive Director

Sequim Transportation Benefit District
Financial Activity as of 9/30/16

	Comparison to PY			Comparison to Budget		
	9/30/15 Actual	9/30/16 Actual	Over (Under)	9/30/16 Actual	Annual Budget	Over (Under)
Beginning Fund Balance	**$ 486,251**	**$ 437,444**	**$ (48,808)**	**$ 437,444**	**$ 319,531**	**$ 117,913**
Revenues						
TBD Sales & Use Tax	445,341	469,801	24,460	469,801	578,000	(108,199)
Interest Income	5,134	6,965	1,831	6,965	4,000	2,965
Total Revenue	**450,475**	**476,766**	**26,291**	**$ 476,766**	**$ 582,000**	**(105,234)**
Expenses						
Safety and Maintenance Prof Serv *	**97,703**	**80,000**	**(17,703)**	**80,000**	**80,000**	**-**
Capital Projects						
Projects	7,615	-	(7,615)	-	408,000	(408,000)
SubTotal Capital Projects	**7,615**	**-**	**(7,615)**	**-**	**408,000**	**(408,000)**
Indirect Rate						
Project Management & Administration Fee						
					22%	
Projects	1,447	-	(1,447)	-	91,392	(91,392)
SubTotal Management Fee	**1,447**	**-**	**(1,447)**	**-**	**91,392**	**(91,392)**
Contingency Rate					*5%*	
Contingency	**-**	**-**	**-**	**-**	**20,400**	**(20,400)**
Other						
AWC Insurance & SAO Audit Exp	**1,915**	**1,222**	**(693)**	**1,222**	**5,100**	**(3,878)**
Total Expenses	**$ 108,680**	**$ 81,222**	**$ (27,458)**	**$ 81,222**	**$ 604,892**	**$ (523,670)**
Ending Fund Balance	**$ 828,046**	**$ 832,988**	**$ 4,942**	**$ 832,988**	**$ 296,639**	**$ 536,349**

* Services are performed per the Interlocal Agreement with the City of Sequim dated 03/08/10.

AGENDA ITEM #__9__

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **October 24, 2016**

FROM: Charlie Bush, City Manager CPB
initials

SUBJECT/ISSUE: **2017 Budget Overview – Department Budgets (Part I)**

Discussion dates	06/27/16 Kick-Off	08/08/16 Council Goals Work Plan	09/26/16	10/10/16
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		15 min
	☒ Unfinished Business	☐ New Business		
Reviewed by			Initials	Date
Sue Hagener, Administrative Services Director				

PROBLEM/ISSUE STATEMENT:
Per RCW 35A.33 - Budgets in Code Cities, the City Manager is required to present to the Council the Proposed 2017 Budget by November 1, 2016. This is the third Council presentation on the topic.

LIST OF ATTACHMENTS:
1. 2017 Budget – Department Budgets – Public Works (Part 2)

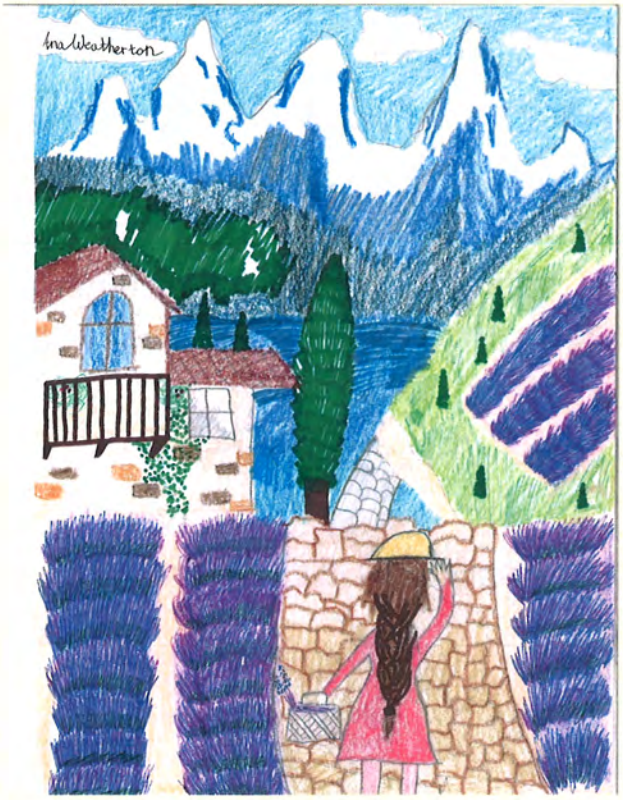
DISCUSSION/ANALYSIS:
The presentation gives an overview of the City Wide City Manager 2016 Proposed Budget. The anticipated schedule of budget meetings is:

- October 10 and 24, 2016 – Review Departmental Budgets
- November 14, 2016 – Public Hearing
- November 28, 2016 – Final Hearing and Adoption

FINANCIAL IMPLICATIONS: When adopted, this will establish the budget for 2017.

RECOMMENDATION: For discussion purposes only.

City Manager Proposed 2017 Budget



Budget Overview by Function and Capital Projects

October 24, 2016

CITY OF SEQUIM

Public Works

- General Fund
  - PW Admin, Engineering, GIS, Facilities/Fleet Maintenance, Parks
- Streets/Stormwater Operations
  - Ice/Snow Removal, Traffic Control, Street Sweeping, Surface Water Management, Vegetation Management
- Utility Operations
  - Water, Sewer Collection, WRF, Reclaimed Water
- Capital Projects
  - Parks, Streets, Capital Facilities, Utilities, Grant Management

2017 Themes (today)

- City Council Goals and Priorities
  - Regional Partnerships
  - Carry out and fund the Transportation Plan
  - Renew the TBD
  - Further develop and maintain parks
  - Develop a solid waste plan
  - Emergency Management
  - Neighborhood Revitalization
- Organizational Development/Process Improvement
- Reallocation of Resources/Cross Training
- Preservation of Public Facilities/Infrastructure

CITY OF SEQUIM

2017 Public Works

EXPENSES	2013 Actual	2014 Actual	2015 Actual	2016 Forecast	2016 Budget	2017 Budget	2017-2016 Amount	%
Facilities	449,800	448,139	389,480	257,865	238,199	261,032	22,833	10%
GIS/Engineer	280,081	280,079	260,837	306,077	313,609	322,319	8,710	3%
Parks	169,686	219,083	276,571	241,932	256,935	201,442	(55,493)	-22%
PW Admin	572,259	638,328	501,870	549,112	554,239	574,163	19,924	4%
SubTotal	**1,471,826**	**1,585,629**	**1,428,758**	**1,354,986**	**1,362,982**	**1,358,956**	**(4,026)**	0%
Streets Ops	760,956	683,168	664,049	812,713	802,798	853,512	50,714	6%
Stormwater Ops	101,014	96,639	92,825	108,865	108,072	240,475	132,403	123%
Solid Waste *	-			* CLOSED	* CLOSED	* CLOSED		0%
SubTotal	**861,970**	**779,807**	**756,874**	**921,578**	**910,870**	**1,093,987**	**183,117**	20%
Water Ops	1,290,094	1,227,753	1,402,310	1,562,118	1,512,955	1,591,990	79,035	5%
Sewer Ops	2,710,999	2,596,721	2,739,388	3,233,112	3,258,158	3,154,226	(103,932)	-3%
SubTotal	**4,001,093**	**3,824,474**	**4,141,698**	**4,795,230**	**4,771,113**	**4,746,216**	**(24,897)**	-1%
TOTAL OPERATIONS	**6,334,889**	**6,189,910**	**6,327,330**	**7,071,794**	**7,044,965**	**7,199,159**	**154,194**	2%
Streets	1,390,028	760,295	973,446	988,693	941,775	1,838,351	896,576	95%
Stormwater	45,504	134,109	296,373	111,104	111,104	-	(111,104)	-100%
Parks Restricted	101,765	161,930	159,039	586,955	674,365	671,647	(2,718)	0%
Haller Park	-		-	-	-	10,000	10,000	100%
Capital Facilities	940,246	7,418,984	6,929,742	939,426	987,237	124,947	(862,290)	-87%
Water	290,730	1,056,992	337,823	897,512	1,906,912	2,872,027	965,115	51%
Sewer	1,328,018	1,350,449	1,134,562	2,409,211	2,732,329	3,086,083	353,754	13%
TOTAL CAPITAL Including Debt	**4,096,291**	**10,882,759**	**9,830,985**	**5,932,901**	**7,353,722**	**8,603,055**	**1,249,333**	17%
Total Expenses BEFORE Transfers	**10,431,180**	**17,072,669**	**16,158,315**	**13,004,695**	**14,398,687**	**15,802,214**	**1,403,527**	10%
NonExpense/Transfers	2,755,757	3,215,192	5,505,566	4,957,570	5,161,379	4,169,609	(991,770)	-19%
Total Expenses Including Transfers	**13,186,937**	**20,287,861**	**21,663,881**	**17,962,265**	**19,560,066**	**19,971,823**	**411,757**	2%

Public Works Operations

- Budget $7.2ml
  - Increase $154k (2%)
  - Staffing 30.02 FTE
- Key areas of change

Increases

Facilities - $23K (community clean-up, Guy Cole, Janitorial)
GIS/Engineering - $9k (GIS Consortium/upgrades)
PW Admin - $20k (salaries/benefits, ORCAA fee)
Street Ops - $51k (redistribute staff, electricity, trees, mower)
Stormwater Ops - $132k (redistribute staff, ponds, overhead)
Water Ops - $79k (redistribute staff, overhead)

Decreases

Park Ops - -$55k (redistribute staff)
Sewer Ops - -$104k (redistribute staff)

CITY OF SEQUIM

Public Works 2017 Key Goals

- Continue to foster working partnerships with local and regional governmental entities, and other organizations
- Improve emergency management planning, training and equipment
- Continue to tighten purchasing controls, employee training, and development
- Facilities - Complete Emergency Operations Center improvements
- Facilities - Continue development of the City shop property in order to decrease operational costs and increase efficiencies.
- Parks - Complete the first phase of improvements to Guy Cole and develop an attractive rental program.
- Parks - Remove non-native vegetation from Carrie Blake and Gebhardt-Zwicker and develop park amenities.
- Engineering - Provide timely support for development reviews – LEAN implementation.
- Engineering - Increase delivery of capital/construction projects, and development of in-house design capabilities.
- Engineering - Increase GIS capabilities and support to all City departments

Water & Sewer Operations

- With 2% Rate Increase in Water / Structural changes and 0% Rate Increase in Sewer:
  - Water Operations expenses increased by $79k before transfers (5%)
    - Ending Fund Balance of $914k above policy Mid-Point
  - Sewer Operations expenses decreased by $103k (3%)
    - Overall Utility operating costs reduced by $25k
    - Ending Fund Balance of $1.7ml above policy Mid-Point

CITY OF SEQUIM

Utility Rates

2013 Rate Study

- Recommendations
  - 4% revenue requirement
    - (growth, structural changes, rate increases)
  - Eliminate inconsistencies in billing
  - Balance charges between use and revenues
  - Consistency with progressive and current industry standards
  - Promote conservation

CITY OF SEQUIM

Utility Billing Rates

w/ 2% Water Increase

	2016	2017	Change
Water Base Rate	$ 23.80	$ 24.28	$ 0.48
Water Usage Rate < 600 cf	$ 0.00827	$ 0.00844	$ 0.00017
Water Usage Rate < 1600 cf	$ 0.02448	$ 0.02497	$ 0.00049
Water Usage Rate > 1600 cf	$ 0.03060	$ 0.03121	$ 0.00061
Average Bill using 650 cf	$ 29.99	$ 30.59	$ 0.60
Sewer Rate	$ 70.31	$ 70.31	$ -
Total Bill	**$ 100.30**	**$ 100.90**	**$ 0.60**

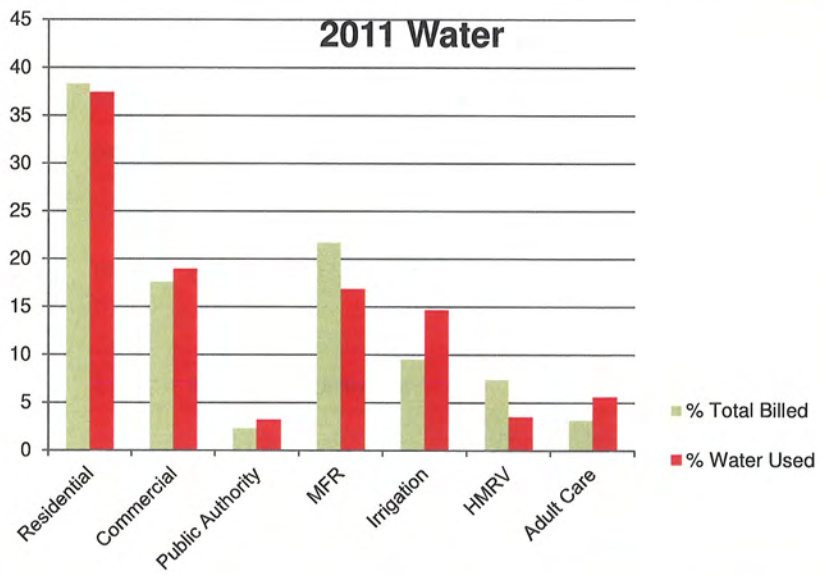
CITY OF SEQUIM

Water Analysis

2013 Rate Study

WATER

2011	% Total Billed	% Water Used
Residential	38.3	37.4
Commercial	17.6	18.9
Public Authority	2.3	3.2
MFR	21.7	16.8
Irrigation	9.5	14.6
HMRV	7.4	3.5
Adult Care	3.2	5.6
	100	100



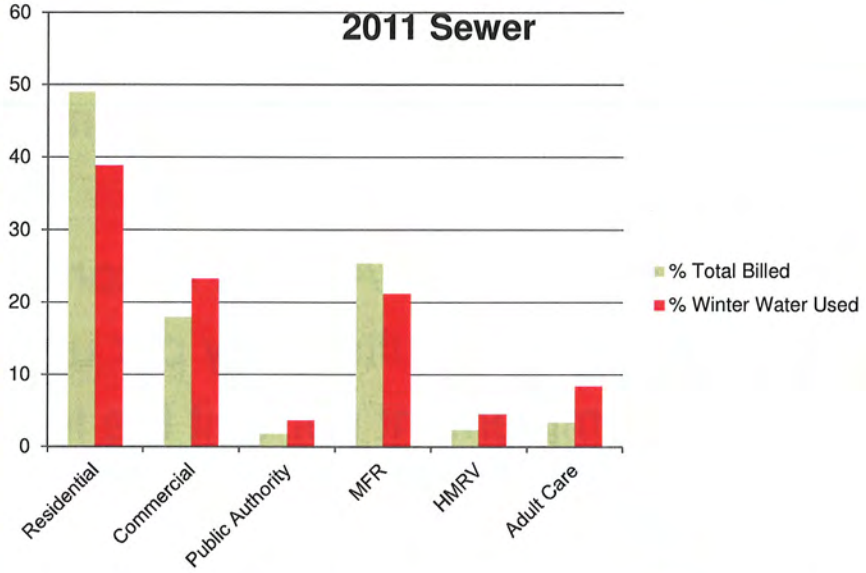
CITY OF SEQUIM

Sewer Analysis

2013 Rate Study

SEWER

2011	% Total Billed	% Winter Water Used
Residential	49	38.9
Commercial	18	23.3
Public Authority	1.8	3.7
MFR	25.4	21.2
HMRV	2.4	4.5
Adult Care	3.4	8.4
	100	100



CITY OF SEQUIM

Utility Rates

Adopted SMC: Scheduled Structural Changes for 2017

- Water
  - Set Multi-Family unit rate at 95% of residential
  - Set Hotel/Motel Unit rate at 75% of residential
  - Classify Adult Care as multi-family
- Sewer
  - Complete AWWA factors for commercial
  - Lower Multi-family per unit fee to 95%
  - Implement per unit fee for Hotel/Motel (75%)

Customer outreach extensive

CITY OF SEQUIM

Capital Budget (excludes allocations)

- $ 539k Parks
- $ 68k Capital Facilities
- $ 0k Stormwater
- $ 1,600k Streets (TBD Projects $255k)
- $ 2,285k Water
- $ 1,695k Sewer

$ 6,187k Total

(prior year $5,473k)

CITY OF SEQUIM

Proposed TBD Projects

- $ 71k 3rd Ave. Bike Lane (101 to Fir)
- $ 60k City Wide Safety Projects
- $ 20k Street Light LED Conversion
- $104k Pavement Rehab
- $ 255k Total Projects
- 10% indirect rate ($25.5k)

- $100k safety and maintenance

- *(Prior Year totals $605k)*

CITY OF SEQUIM

Next Steps

AGENDA ITEM #__10__

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: **October 24, 2016**

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

JDI
Initials

SUBJECT/ISSUE: **Ordinance No. 2016-16: SMC 2.62 – Parks, Arbor and Recreation Board**

Discussion dates	City Council – 9/26/16	Parks & Recreation Board – 10/3/16	Planning Commission – 10/4/16	
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		5 mins.
	☒ Unfinished Business	☐ New Business		

Reviewed by	Initials	Date
Charles P. Bush, City Manager	CPB	10/18/2016
Kristina Nelson-Gross, City Attorney	KNG	10/18/2016
David Garlington, Public Works Director		

PROBLEM/ISSUE STATEMENT:
In August 2016 the City of Sequim learned we were successful in getting a work crew as part of our application that we submitted to the Washington State Department of Natural Resources Urban and Community Forestry Program. Successful applicants receive approximately four weeks of Puget Sound Corps crew time to assist with urban forestry tasks that enhance the health and function of urban trees and forests. Activities may include:

- Control of non-native invasive plant species;
- Planting native vegetation in natural areas, riparian zones or open spaces;
- Tree planting in landscaped parks or along streets;
- Pruning young trees for structure and stability;
- Other maintenance and management tasks that benefit trees.

As part of our application we informed the Community Forestry Program that we are moving towards becoming a tree city, which would require us to designate a City Tree Board, adopt a tree care ordinance, ensure we implement a community forestry program with an annual budget of at least $2.00 per capita and hold an annual Arbor Day proclamation and observance.

ATTACHMENTS:
1. Ordinance No. 2016-16: SMC 2.62 – Parks, Arbor and Recreation Board

DISCUSSION/ANALYSIS:
The Tree City USA program has been greening up cities and towns across America since 1976. It is a nationwide program that provides the framework necessary for communities to manage and expand their public trees. More than 3,400 communities have made the commitment to becoming a Tree City USA. They have achieved Tree City USA status by meeting four core standards of sound

urban forestry management: maintaining a tree board or department, having a tree care ordinance, spending at least $2 per capita on urban forestry and celebrating Arbor Day.
The attached Ordinance No. 2016-16: (SMC 2.62) designates the Parks and Recreation Board as the City's Official Tree Board. With the adoption of Ordinance No. 2016-16 the Parks and Recreation Board's name will change to the Parks, Arbor and Recreation Board.

FINANCIAL IMPLICATIONS:
The implementation of a community forestry program with an annual budget of at least $2.00 per capita equates to approximately $14,000. There is no additional impact to the budget from this program; rather our parks maintenance duties will be tracked an accounted towards this program.

RECOMMENDATION:
Both the Parks and Recreation Board and the Planning Commission approved motions to recommend the City Council approve the amendments to Sequim Municipal Code (SMC) Chapter 2.62 establishing the Parks, Arbor and Recreation Board.

MOTION:
I move to adopt Ordinance 2016-16, amending Sequim Municipal Code Chapter 2.62 establishing the Parks, Arbor and Recreation Board.

ORDINANCE NO. 2016-16

AN ORDINANCE OF THE CITY OF SEQUIM, WASHINGTON ADOPTING AN AMENDED MUNICIPAL CODE CHAPTER 2.62 PARKS, ARBOR AND RECREATION BOARD.

WHEREAS, Sequim Municipal Code, Chapter 2.62 covers the membership, duties, procedures and removals of the members of the Parks~~, Arbor~~ and Recreation Board; and

WHEREAS, the City intends to adopt an tree ordinance to become a Tree City; and

WHEREAS, the Parks and Recreation Board is the appropriate board to oversee these new responsibilities; and

WHEREAS, the Parks and Recreation Board expressed a desire to change its name to reflect its additional duties; and

WHEREAS, the Parks and Recreation Board wishes to be known as the "Parks, Arbor, and Recreation Board"; and

WHEREAS, Sequim Municipal Code, Chapter 2.62 as amended covers the responsibilities of the Parks, Arbor and Recreation Board, including the need to annually update a written plan for tree care, preservation, pruning, replanting, removal or disposition of trees in public parks and rights-of-way; and

WHEREAS, Tree City USA provides the City of Sequim with the distinguished designation as a Tree City, which helps to increase our success at future funding and grant submittal opportunities; and

WHEREAS, the Sequim Planning Commission held a public meeting on October 4th, 2016 and recommended adoption of this ordinance to the City Council;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEQUIM, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Amendment of SMC Chapter 2.62. An amendment that designates the City's current Parks and Recreation Board as the City's Parks, Arbor and Recreation Board, serving as the City's "Official" Tree Board, is adopted, with the language set forth in attached Exhibit A.

Section 2. Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the

correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 4. Effective Date. This Ordinance shall become effective five days after publication of the ordinance, or a summary thereof, in the official newspaper of the City.

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

_____
Approved Date

_____
Publication Date

_____
Effective Date

Exhibit A

Chapter 2.62
PARKS, ~~AND~~ ARBOR ~~and~~AND RECREATION BOARD

Sections:
2.62.010 Membership.
2.62.020 Duties.
2.62.030 Procedures.
2.62.040 Removal.

2.62.010 Membership.
A. There is established a city of Sequim parks, ~~and~~ arbor and recreation board consisting of seven members to be appointed by the city council upon recommendation of an interview committee. The term of office of the seven members shall be three years, except that the initial appointments shall be staggered from one to three years so that no more than three members shall have their terms expire in any one year. Each of the members of the board will serve without compensation. Initial determination of term of appointment shall be determined by lot. Members of the board shall reside within the Clallam County boundaries of Sequim School District 323, with preference given to residents of the city of Sequim. At all times, at least four members of the board shall be residents of the city of Sequim.
B. Nonvoting advisors may be approved by the city council to assist in the deliberations of the parks, ~~and~~ arbor and recreation board. (Ord. 2013-010 § 1 (Exh. A); Ord. 2011-024; Ord. 2009-036 § 1; Ord. 2005-005; Ord. 2001-014 § 2; Ord. 96-013; Ord. 96-009)

2.62.020 Duties.
A. The board is entrusted with the responsibilities of advising and making recommendations to the city council for the acquisition, control, improvement, beautification and planning of all public squares and parks of the city and all city recreation facilities. The board shall periodically review whether the lands being used for park purposes are adequate and shall recommend to the city council what additional lands and grounds should be acquired and used for park and recreation purposes. The board may explore and recommend public/private partnerships where appropriate and feasible. The board shall also recommend design of parks and structures therein to the city council and shall make recommendations on an updated comprehensive plan element for parks and recreation facilities for the city.
B. The board shall recommend to the city council appropriate measures to ensure that the city has a well integrated and complete pro-gram for the use of its parks and recreation

playgrounds and to accomplish this end, the board shall from time to time meet with appropriate city employees and with representatives and officials of other groups, public and private, who are interested in the use and development of city parks and recreational facilities for the public benefit. (Ord. 2013-010 § 1 (Exh. A); Ord. 2009-036 § 1; Ord. 96-013; Ord. 96-009)

C. It shall be the responsibility of the board to study, investigate, counsel and develop and/or update annually, and administer a written plan for the care, preservation, pruning, replanting, removal or disposition of trees and shrubs in parks, along streets and in other public areas. The board, when requested by the city council, shall consider, investigate, make finding, report and recommend upon any special matter of question coming within the scope of its work.

2.62.030 Procedures.

Meetings of the board shall comply with Chapter 42.30 RCW, the Open Public Meetings Act. The board shall elect its own chairperson. The board shall hold at least one meeting per month, unless cancelled by the board chairperson, and shall adopt rules for the transaction of business, keep a record of its meeting by a board member, who shall be appointed secretary, and shall submit such record to the city clerk. A majority of the members of the board shall constitute a quorum for the transaction of business and any action taken by a majority of those present shall be deemed action of the board. (Ord. 2013-010 § 1 (Exh. A); Ord. 2009-036 § 1; Ord. 2001-014 § 2; Ord. 96-013; Ord. 96-009)

2.62.040 Removal.

The mayor may remove any member of the board for any reason other than disagreement with an official recommendation of the board or its members; provided, that such removal has been confirmed by a majority of the city council. Vacancies occurring otherwise than by expiration of the term of office shall be filled for the unexpired term in the same manner as regular appointments are made. (Ord. 2013-010 § 1 (Exh. A); Ord. 2009-036 § 1; Ord. 96-013; Ord. 96-009)

Item _11_

SEQUIM CITY COUNCIL
AGENDA COVER SHEET

MEETING DATE: October 24, 2016

FROM: David Garlington, Public Works Director

SUBJECT/ISSUE: Cooperative Agreement with Washington State Department of Natural Resources

Discussion dates				
CATEGORY	☐ City Manager Report	☐ Information Only		Time Needed for Presentation
	☐ Public Hearing	☐ Consent Agenda		
	☐ Unfinished Business	☒ New Business		
Reviewed by			Initials	Date
Charles P. Bush, City Manager			CPB	10/18/16
Kristina Nelson-Gross, City Attorney			KNG	10/18/2016

PROBLEM/ISSUE STATEMENT:
The Department of Natural Resources (DNR) has prepared a Cooperative Agreement with the City to provide a Puget SoundCorps urban forestry maintenance and restoration crew for four weeks this winter. DNR covers the cost of the crew. The City Council must approve this agreement in order to move forward.

LIST OF ATTACHMENTS:
1. Cooperative Agreement With the City of Sequim and Department of Natural Resources

DISCUSSION / ANALYSIS:
Puget SoundCorps is part of the Washington Conservation Corp program administered by DNR. SoundCorp crews are provided free of charge to municipalities for work on projects that help restore and protect water quality. Sequim successfully applied for use of one of these crews for maintenance and restoration work in Carrie Blake, Gephardt B. Zwicker, and Gerhardt parks and other public locations as time allows. The crew will be available for a four week period between December 1 and February 28. The crew will be managed by the City's Operations Manager and focus on non-native vegetation removal and revegetation with native plants in the City's parks.

The City will provide tools and materials for the crew and make three annual reports to DNR as to how the restored areas have been maintained. Media release will also be issued promoting the crew's activities.

FINANCIAL IMPLICATIONS:
The City will provide small tools, permits, traffic control, and any materials, such as plants, for use by the crew. The City will also develop a three-year maintenance and monitoring plan for project sites and prepare an annual report for the DNR.

RECOMMENDATION:
Staff recommends that the Council authorize the Mayor to enter into a Cooperative Agreement with the Department of Natural Resources to receive the services of a SoundCorps urban forestry crew.

MOTION:
I move to authorize the Mayor to enter into a Cooperative Agreement with the Department of Natural Resources to receive the services of a SoundCorps urban forestry crew.

NATURAL RESOURCES

COOPERATIVE AGREEMENT WITH THE CITY OF SEQUIM

Agreement No. CA 93-094580

This Agreement is between the City of Sequim referred to as the City, and the Washington State Department of Natural Resources Urban and Community Forestry Program, referred to as DNR.

DNR is under authority of RCW Chapter 43.30 of Washington State, Department of Natural Resources. DNR and the City enter into this agreement under Chapter 39.34, Interlocal Cooperation Act.

The purpose of this Agreement is to provide a Puget SoundCorps (SoundCorps) crew for urban forestry maintenance and restoration tasks in the City. SoundCorps is part of the broader Washington Conservation Corps/AmeriCorps program administered by Washington State Dept. of Ecology. SoundCorps crews work on projects that help restore and protect water quality in Puget Sound.

IT IS MUTUALLY AGREED THAT:

1.01 Statement of Work. DNR shall furnish SoundCorps crews and the City shall provide all materials and services pertinent to performing work set forth in the Attachment A – Statement of Work.

2.01 Period of Performance. The period of performance of this Agreement shall be October 1, 2016, to June 30, 2020, unless terminated sooner as provided herein. The City shall receive one calendar month, approximately four weeks, of crew assistance between December 1, 2016, and February 28, 2017.

3.01 Payment. No money is being exchanged via this agreement.

6.01 Rights to Data. Unless otherwise agreed, data originating from this Agreement shall be 'works for hire' as defined by the U.S. Copyright Act of 1976 and shall be equally owned by

DNR and the City. Data shall include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to use, copyright, patent, register and the ability to transfer these rights.

7.01 Independent Capacity. The employees or agents of each party who are engaged in performing this agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

8.01 Amendments. This Agreement may be amended by mutual agreement of the parties. Amendments shall be in writing and signed by personnel authorized to bind each of the parties.

9.01 Termination for Convenience. Either party may terminate this Agreement by giving the other party 30 days prior written notice. If this Agreement is terminated, no further crew time shall be allocated to the City during the current project year.

10.01 Termination for Cause. If for any cause either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of the terms and conditions, the aggrieved party will give the other party written notice of the failure or violation. The aggrieved party will give the other party 5 working days to correct the violation or failure. If the failure or violation is not corrected within 5 days, the aggrieved party may immediately terminate this Agreement by notifying the other party in writing.

11.01 Disputes. If a dispute arises, a dispute board shall resolve the dispute like this: Each party to this agreement shall appoint a member to the dispute board. These board members shall jointly appoint an additional member to the dispute board. The dispute board shall evaluate the facts, contract terms, applicable statutes and rules, then determine a resolution. The dispute board's determination shall be final and binding on the parties. As an alternative to the dispute board, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330. In this case, the Governor's process will control the dispute resolution.

12.01 Governance. This contract is entered into the authority granted by the laws of the State of Washington and any applicable federal laws. The provisions of this agreement shall be construed to conform to those laws.

If there is an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

(1) Applicable State and federal statutes and rules;
(2) Attachment A – Statement of Work; and
(3) Any other provisions of the agreement, including materials incorporated by reference.

13.01 Assignment. The work to be provided under this Agreement and any claim arising from this agreement can not be assigned or delegated in whole or in part by either party, without the

express prior written consent of the other party. Neither party shall unreasonably withhold consent.

14.01 Waiver. A party that fails to exercise its rights under this agreement is not precluded from subsequently exercising its rights. A party's rights may only be waived through a written amendment to his agreement.

15.01 Severability. The provisions of this agreement are severable. If any provision of this Agreement or any provision of any document incorporated by reference should be held invalid, the other provisions of this Agreement without the invalid provision remain valid.

16.01 General Insurance. At all times during the term of this Agreement, the City shall, at its cost and expense, buy and maintain insurance of the types and amounts listed below. Failure to buy and maintain the required insurance may result in the termination of the agreement at DNR's option.

All insurance shall be issued by companies admitted to do business in the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best' s Reports unless otherwise approved by DNR. Any exception must be reviewed and approved by the DNR Risk Manager or in the absence of, the DNR Contracts Specialist, before the agreement is accepted. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

Before starting work, the City shall furnish DNR, with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements. The City shall include all subcontractors as insureds under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor(s) must comply fully with all insurance requirements stated herein. Failure of subcontractor(s) to comply with insurance requirements does not limit the City's liability or responsibility. Said certificate(s) shall contain the Agreement number CA 93-094427, name of DNR Project Manager, a description, and include the State of Washington, DNR, its elected and appointed officials, agents, and employees as additional insured on all general liability, excess, umbrella and property insurance policies.

All insurance provided in compliance with this agreement shall be primary as to any other insurance or self-insurance programs afforded to or maintained by DNR. The City waives all rights against DNR for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this Agreement.

DNR shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications.

(1). Insurers subject to Chapter 48.18 RCW (Admitted and Regulated by the Insurance Commissioner): The insurer shall give DNR 45 days advance notice of cancellation or non-renewal. If cancellation is due to nonpayment of premium, the DNR shall be given 10 days advance notice of cancellation.

(2). Insurers subject to Chapter 48.15 RCW (Surplus lines): DNR shall be given 20 days advance notice of cancellation. If cancellation is due to nonpayment of premium, DNR shall be given 10 days advance notice of cancellation.

In lieu of the coverages required under this section, DNR at its sole discretion may accept evidence of self-insurance by the City, provided the latter provides the following:

The City shall provide a statement by a CPA or actuary, satisfactory to DNR that demonstrates the City's financial condition is satisfactory to self-insure any of the required insurance coverages.

DNR may require the City to provide the above from time to time to ensure the City's continuing ability to self-insure. If at any time the City does not satisfy the self-insurance requirement, the City shall immediately purchase insurance as set forth under this section.

By requiring insurance herein, DNR does not represent that coverage and limits will be adequate to protect the City and such coverage and limits shall not limit the City's liability under the indemnities and reimbursements granted to DNR in this Agreement.

The limits of insurance, which may be increased by DNR, as deemed necessary, shall not be less than as follows:

(1) Commercial General Liability (CGL) Insurance: Agency shall maintain general liability (CGL) insurance, and, if deemed necessary as determined by DNR, commercial umbrella insurance with a limit of not less than $1,000,000 per each occurrence and $2,000,000 for a general aggregate limit. The products-completed operations aggregate limit shall be $2,000,000.

CGL insurance shall be written on ISO occurrence form CG 00 01 (or substitute form providing equivalent coverage). All insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insured's (cross liability) conditions.

(2) Employers Liability (Stop Gap) Insurance: If the City shall use employees to perform this contract, the City shall buy employers liability insurance, and, if deemed necessary as determined by DNR, commercial umbrella liability insurance with limits not less than $1,000,000 each accident for bodily injury by accident or $1,000,000 each employee for bodily injury by disease.

(3) Business Auto Policy (BAP) Insurance: The City shall maintain business auto liability and, if deemed necessary as determined by DNR, commercial umbrella liability insurance with a limit not less than $1,000,000 per accident. Such

insurance shall cover liability arising out of "any Auto". Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01.

The City waives all rights against DNR for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

(4) Workers' Compensation Insurance: The City shall comply with all State of Washington workers compensation statutes and regulations. Workers' compensation coverage shall be provided for all employees of the City and employees of any subcontractor or sub-subcontractor. Coverage shall include bodily injury (including death) by accident or disease, which arises out of or in connection with the performance of this agreement. Except as prohibited by law, the City waives all rights of subrogation against DNR for recovery of damages to the extent they are covered by workers' compensation, employer's liability, commercial general liability or commercial umbrella liability insurance.

The City shall indemnify DNR for all claims arising out of the City's, its subcontractor's, or sub-subcontractor's failure to comply with any State of Washington worker's compensation laws where DNR incurs fines or is required by law to provide benefits to or obtain coverage for such employees. Indemnity shall include all fines, payment of benefits to the City or subcontractor employees, or their heirs or legal representatives, and the cost of effecting coverage on behalf of such employees. Any amount owed to DNR by the City pursuant to the indemnity may be deducted from any payments owed by DNR to the City for performance of this Agreement.

17.01 Indemnification. To the fullest extent permitted by law, the City shall indemnify, defend and hold harmless DNR, its officials, agents and employees, from and against all claims arising out of or resulting from the performance of the Agreement. "Claim" as used in this agreement means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable for bodily injury, sickness, disease or death, or injury to or destruction of tangible property including loss of use resulting therefrom. The City's obligation to indemnify, defend, and hold harmless includes any claim by the City's agents, employees, representatives, or any subcontractor or its employees. The City expressly agrees to indemnify, defend, and hold harmless DNR for any claim arising out of or incident to the City's or any subcontractor's performances or failure to perform the Agreement. The City's obligation to indemnify, defend, and hold harmless DNR shall not be eliminated or reduced by any actual or alleged concurrent negligence of DNR or its agents, agencies, employees and officials. The City waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless DNR and its agencies, officials, agents or employees.

18.01 Complete Agreement in Writing. This Agreement contains all the terms and conditions agreed upon by the parties. No other understanding, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties.

19.01 Contract Management. The Project Coordinator for each of the parties shall be the contact person for this agreement. All communications and billings will be sent to the project coordinator.

20.01 Project Coordinators.

(1) The Project Coordinator for the City is Ty Brown, Telephone Number (360) 681-3437.

(2) The Project Coordinator for DNR is Micki McNaughton, Telephone Number (360) 902-1637.

By signature below, the Agencies certify that the individuals listed in this document, as representatives of the Agencies, are authorized to act in their respective areas for matters related to this instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement.

CITY OF SEQUIM	**STATE OF WASHINGTON** **DEPARTMENT OF NATURAL RESOURCES**
Signature Date	Signature Date
Name	Robert W. Johnson Name
Title	Wildfire Division Manager Title
Address	1111 Washington Street SE MS 47037 Olympia, Washington 98504-7037 Address
Telephone	(360) 902-1300 Telephone

Attachment A
STATEMENT OF WORK

DNR provides the services of the SoundCorps crew in exchange for the City's matching commitment to the project as described herein below.

Local projects must be on public property, and work performed by the crews may not replace workers already in place or contracted.

DNR will provide the following to the City for projects that receive one month of crew assistance under the Urban Forest Restoration Project between December 1, 2016, and February 28, 2017:

- Template for media release to assist in building public awareness of crew work.
- Puget SoundCorps crew time to perform urban forestry maintenance and restoration tasks as outlined below:
    - Carrie Blake Park, 202 N. Blake. Remove non-native invasive plant species. Prepare site for restoration. Revegetate with native plants. Mulch.
    - Gebhardt B. Zwicker Trail, between N. Blake and Haller Ave. Remove non-native invasive plant species. Prepare site for restoration. Revegetate with native plants. Mulch.
    - Gerhardt Park, 1610 S. 3rd Ave. Remove non-native invasive plant species. Mulch.
    - Other sites and/or locations as agreed by the City's Project Coordinator and the DNR Project Coordinator. Tasks and activities assigned must pertain to restoring the ecological health and functionality of the urban forest on the site or location.
- Report from DNR to the community that includes a description of the project and the work accomplished by the crew.
- Template for three-year maintenance and monitoring plan.
- Template for annual monitoring report.

The City commits to the following in consideration for the services of the DNR-sponsored crew:

- Post media releases in advance of and/or during the crew's time with the City.
- Acquire any permits necessary for project work.
- Dispose of materials removed during project activities (English ivy vines, blackberry canes, trash, etc.).
- Provide any and all materials required for project completion (plants, mulch, herbicide, staking materials, etc.).
- Provide traffic control, including traffic control plan, barriers, cones, flagging materials, etc. as necessary to ensure the safety of the crew and public.
- The City is responsible for the maintenance and repair of any equipment provided by the City and used by the SoundCorps crew under the direction of City staff.
    - Dept. of Ecology (SoundCorps crews) is responsible for the maintenance and repair of any equipment provided by SoundCorps and/or Ecology.

- Develop and implement a three-year maintenance and monitoring plan for the project site within 60 days of receiving the DNR Report of the crew's work.
- Report monitoring results to the DNR Urban and Community Forestry Program annually for three years beginning the year after the crew's work per the approved three-year maintenance and monitoring plan. Final Annual Monitoring Report for work performed under this agreement will be due no later than June 30, 2020.