

**CITY OF SEQUIM  
CITY COUNCIL SPECIAL STUDY SESSION MINUTES  
SEQUIM TRANSIT CENTER  
190 WEST CEDAR STREET  
SEQUIM, WA**

**MAY 20, 2013**

**6:00 P.M. SPECIAL STUDY SESSION**

Council members present: Laura Dubois, Erik Erichsen, Ken Hays, Ted Miller, Candace Pratt, Dennis Smith and Genaveve Starr.

Burkett provided information and photos from the annual kids fishing derby.

1. Ratify Application for Opportunity Fund Grant

A resolution is necessary to submit with our application and the projects must be a part of our Capital Facilities Plan.

**MOTION** to adopt Resolution R-2013-09 to support and authorize application for Clallam County Opportunity Fund Grant in the amount of \$2,592.058 made by Dubois; seconded by Miller. **Carried Unanimously.**

2. Utility Rates and General Facility Charges for Water and Sewer – with Ashley Emery

The next Council meeting will include adoption of a resolution adopting the rate study. The utility financial situation is stable with adequate reserves.

This study was calculated consistent with the previous studies.

The project list for water and sewer had been reviewed. Some are growth related. Some are both growth and current needs. The consultant looked at the total number of growth ERUs in 2013 and in 2022. The current General Facility Charge for water is \$5,850 and the sewer charge is \$7,800. The maximum recommended rates are \$8,320 water and \$9,050 in sewer. The next four years would each have an increase.

Growth keeps the rates affordable. The higher we charge for General Facility Charges, the lower the utility rate for current customers.

The goal is to maintain a minimum of \$2 million in total cash reserves for each utility. The study planned for growth of 50 ERUs per year. It also looked at capital improvements for the next 6 years. The City will be playing catch up on projects that were stalled. The sewer and water funds will be out of money at the current rates in the next few years.

Sequim does not currently have a stormwater fund. That cost is borne by water and sewer. Port Angeles has a \$9 stormwater charge. There are requirements that are coming. Many believe that rate will increase to \$30 in the next few years.

The study suggests that a 4% increase in revenues is required to meet the expenses.

A public hearing is scheduled on these plans for May 28. The next steps will be to review with Council all proposed changes to rate structures; final schedule of rates and annual adjustments will be presented for 2014 through 2018.

**ADJOURNMENT**

Meeting adjourned at 7:50 p.m.

Respectfully submitted,

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Karen Kuznek-Reese, MMC  
City Clerk

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Ken Hays  
Mayor

Minutes approved at a regular Council meeting held on May 28, 2013.