

**CITY OF SEQUIM
CITY COUNCIL REGULAR MEETING MINUTES
SEQUIM TRANSIT CENTER
190 WEST CEDAR STREET
SEQUIM, WA**

JUNE 10, 2013

5:00 P.M. STUDY SESSION

Transportation Master Plan

Garlington thanked the Transportation Master Plan Advisory Committee participants, Larry Kilmer, Chuck Preble, Paul Gruver, Liisa Fagerlund and Dick Pettit, for helping through the update process.

This is a new Transportation Master Plan (TMP); the last plan was made in 2006. The numbers used in 2006 had assumptions that have not been realized and priorities have changed. This plan is to move people, commerce and vehicles.

The 20-year plan is looking at \$35ml in improvements over the 20 years which comes from a number of different funding sources, and mostly from grants. We did hear from the Department of Transportation and HWA that they have awarded a \$610,000 service transportation program (STP) grant for developing Fir Street.

Kendra Dreiland of Fehr & Peers explained the key elements of the plan which include rethinking transportation; accommodating and focusing on growth; encouraging a vibrant and healthy community and living within the City's means. The plan focuses on developing an inclusive transportation system that reinforces Sequim 120's vision of a more walkable community, facilitating multimodal accessibility, and provides for overall network function. She described the differences in the roadway typologies such as boulevard, urban avenue, school connection, rural transition and local streets.

Dubois would like to see a truck route. We would need to change our code for rerouting trucks.

It was requested to plan for a bicycle network through town to meet the demands of a wide range of users. Additionally we are focusing on a pedestrian priority network and mobility cart priority network.

The City's vehicular level of service (LOS) standard is Level D for most of the City. Future improvements focus more on creating a complete roadway grid and making improvements to the bicycle and pedestrian infrastructure as a means to improve multimodal mobility. There was discussion concerning the bicycle sharrows.

This plan is also prepared to work with the Downtown Plan.

Pratt asked if a “pedestrian only” downtown had been considered. Dreiland stated that had been discussed during open houses. Dubois requested the traffic lights be changed to allow for a pedestrian shuffle at Sequim Avenue and Washington Street. Haines said that is an operational issue not an infrastructure issue; money has been set aside to consider it.

The TMP is a functional plan supporting the land use vision. She briefly reviewed some of the major projects included in the plan. The projects will be prioritized using criteria that addresses capacity constraints, network completeness, safety, active living, order of magnitude cost, project readiness, and economic development potential.

Dreiland spoke about the funding of the plan in the near term of 0-6 years, and longer term projects of 7-20 years out. Funding sources are the TBD, utilities, general fund/REET, grants and impact fees. There was general discussion about where the funds will be designated for use.

Burkett said there were several comments and questions and we will look at the plan to re-emphasize some areas. This will come back to you in the public hearing process.

Recess at 6:10 p.m.

6:00 P.M. REGULAR COUNCIL MEETING

Mayor Hays called the meeting to order at 6:15

PLEDGE OF ALLEGIANCE

ROLL CALL

Deputy Clerk Usselman called roll. Council members present: Dubois, Hays, Miller, Pratt, Smith and Starr.

MOTION to excuse Erichsen by Dubois; second by Miller. **Unanimous.**

INTRODUCTIONS & CORRESPONDENCE

REPORTS

COMMITTEE, BOARD AND LIAISON SUMMARY - None

PRESIDING OFFICER REPORT

Hays stated he has met regularly with the committee on the Street Dance of the Century on July 5. We are looking for volunteers.

CITY MANAGER REPORT

Burkett showed photos of low impact development at the Albert Haller Fields; locations of the park hosts at Carrie Blake Park to provide customer assistance and for security in the park; the Centennial vinyl wrap project by the Tribe at Sequim Avenue and Washington Street. Hays stated there is another vinyl wrap being worked on at Third and Washington. We have budgeted \$1,500 for each wrap. Burkett also showed current projects including crack sealing; the West Sequim Bay road paving; and Silberhorn well field to regain production capacity at Dr. Standard Park. Haines described the status with the wells.

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

Judith Parker, 823 Bakehouse Court, suggested the City convert a substantial portion of Washington to brick walkway from Third Avenue to the Co-Op and convert Bell and Cedar into one-way streets for access. She doesn't feel this would impact commerce.

INFORMATION/COUNCIL QUESTIONS INVITED - None

PUBLIC HEARINGS (Legislative)

1. Ordinance 2013-007 Adopting Amendments to Chapter 15.04 Building Code

Mayor Hays read the rules for both of the legislative public hearings and opened the public hearing at 6:29 p.m.

Chief Stephen Vogel, 323 N. Fifth Avenue, said having fire lanes and access to buildings is important and having the standpipe issue addressed is important as it relates to life safety. He thanked Council for updating the code. Sequim has a building rate of 5, while Port Angeles has a rating of 4.

There was brief discussion clarifying minor changes to the code.

Hugo said fire lanes have not been designated in the past. This code change may have an operational impact on some businesses. It is a matter of public safety.

Mayor Hays asked for public comments. Hearing no response, the public hearing closed at 6:43

MOTION to adopt Ordinance 2013-007 amending SMC Chapter 15.04 to include 2012 updates to the International and Uniform Codes as published by the ICC and with amendments by the Washington State Building Code Council and the City of Sequim by Miller; second by Dubois. **Unanimously approved.**

2. Ordinance 2013-006 Adopting Amendments to Chapter 8.20, Fireworks

Public hearing opened at 6:44 p.m.

Ann Hall said the ordinance provides the definition of a sky lantern. The Fire District hopes the City establishes rules prohibiting use of them in Sequim.

Chief Vogel showed a photo of sky lanterns. He stated there have been fires due to sky lanterns and he would like to see them banned. He confirmed the County doesn't have a law against them.

There was general discussion concerning whether they could be allowed in months when there is no fire ban.

Preston Smith, 21 Burnt Mountain Place, has worked with the Royal Ranger fireworks stand for more than 25 years. They do not sell lanterns. They are an unmanned hot air balloon. Pop bottle rockets are banned because they cause fires.

Dave Westman, 311 Eunice Street, agrees with Smith's comments.

Don Hall, 912 E. Oak Street, said when he was on Council he asked to ban fireworks in Sequim, and he continues that request. Fireworks are extremely dangerous.

Public hearing closed at 6:55 p.m.

MOTION to adopt Ordinance 2013-006 amending SMC Chapter 8.20 to add a definition and to add a provision to prohibit the sale or use of sky lanterns by Dubois; second by Smith.

Miller feels we need to change the title to Fireworks and Sky Lanterns. He pointed out a typo in paragraph B. Dubois will vote for this as anything can happen with an uncontrolled lantern. Pratt is now persuaded by the comments and will vote in favor of the code amendment.

MOTION to amend the motion to change title to "fireworks and sky lanterns" by Miller; second by Dubois.

Vote on amendment. **Unanimous.**

Vote on original motion. **Unanimous.**

CONSENT AGENDA

3. Approve/Acknowledge
 - a. City Council Meeting Minutes – May 28, 2013
 - b. City Council Meeting Minutes – June 3, 2013
 - c. Claim Voucher Recap dated 6/10/13 total payments \$588,070.76

MOTION by Dubois; second by Miller. **Unanimously approved.**

UNFINISHED BUSINESS

4. Resolution R-2013-11 Adopting of Sewer Master Plans

Haines said this needs to go to the Washington Dept. of Ecology for review, comment and approval prior to approving a resolution adopting the plan.

MOTION to recommend the 2013 General Sewer Facilities Plan be submitted to the Washington Department of Ecology for review, comment and approval by Pratt; second by Dubois. **Unanimously approved.**

5. Resolution R-2013-12 Adopting of Water Master Plans

Haines said this needs to go to the Washington Dept. of Health for review, comment and approval.

Pratt asked if we had heard back from Ecology re mitigation for reuse water. Haines said it is part of our plan and we'll use it as a reminder when we ask for mitigating credit for water rights.

MOTION that the 2013 Water System Plan be submitted to the Washington State Department of Health for review, comment and approval by Dubois; second by Pratt. **Unanimously approved.**

6. Approve Bond Underwriter

Konkel said an RFQ was issued and he is asking for approval for the City Manager to proceed with the financing and other submittals required. The four responses were reviewed and D.A. Davidson & Co. offered the most relevant experience for the project. They also provided the best price component. Underwriters are not paid until the bond deal is done.

Miller would like to see the other submissions. He asked if there was intent to have community members involved in the process of publicly marketing the bonds. Konkel indicated that is the plan.

MOTION to accept the proposal from D.A. Davidson & Co. and direct the City Manager and Administrative Services Director to proceed with the financing and submit required documents for future City Council Approval by Dubois; second by Pratt. **Unanimously approved.**

7. Financial and implementation plan for Police Station/City Hall

Burkett said initially we were planning to finance city hall selling revenue bonds paid back by the revenues of the water and sewer fund. The operating cost would be over the next 20 years. We have rethought that issue and have decided we'd rather not borrow that money. We know we would pay higher interest rates on revenue bonds than GO bonds; we would not need the

money until early 2015. If we sold the GO bonds we could use the money to do that, and we have fund balances available in these funds that are within the Council policy on fund balances.

Konkel said over the 20 year period that was going to be financed will save about \$500,000 in each fund by not borrowing the money. There is \$4.7M in the water fund and \$5.2M in the sewer fund.

Council asked if the proposal would be viable if utility rates were not raised next year. Burkett said yes, but if we spend \$1.25M from each fund, we won't have it for other projects. We still have healthy cash balances and won't have to borrow the money.

Konkel stated Resolution 2012-006 is a reimbursement resolution that may reimburse the City back to a certain date for specific costs. Some of the costs we could recoup are the property costs and Optimum Consulting costs. We had the money to pay for that from cash. The bond proceeds could cover other costs.

Konkel explained our financial policies for water and sewer, including our reserve policy.

There was brief discussion about the project cost. There is confusion about total project cost and finance cost. Generally, we are putting down \$5M on the project and will finance \$10M. Until we have construction bids, we are not sure what the numbers will be.

MOTION to direct the City Manager and Administration Services Director to proceed with the financing of the City Hall/Police Station with the utility portion of the project to be paid in cash by Dubois; second by Pratt. **Unanimously approved.**

8. Police and Civic Center Update

Burkett said the RFQ draft is in the packet and will go out this week to design builders. The purpose of this is to attract some of the best qualified design and construction firms.

The advisory committee will be Bill Dickinson, Paul Haines, Ken Hays, Laura Dubois and Burkett. They will review the qualifications and will score them using the scoring matrix. The committee will make recommendations to Council for the final three submissions.

The honorarium amount of \$125,000 is to be paid to the two firms submitting plans that are not chosen. This is because we want the best qualified firms to participate. Court Olson feels to be successful in attracting firms you should cover one-third to one-half of their costs. We feel it will cost them about \$200,000-\$370,000 to put together the proposal for us.

Mayor Hays spoke about the design-bid-build process. He feels the honorarium is reasonable and fair.

Burkett stated there has been activity around the building site to analyze the soils and taking core samples throughout the site. They found the river bed in some of the core samples. There was

structural analysis at the current city hall in the event we choose to save that building. We will be reviewing the need for audio/visual requirements; emergency power; other IT requirements; and the HVAC system. Also we are discussing how much space we will need. We have options for population of 10,000 and 15,000. If we use the 2% compounded rate of growth, in 20 years the population should be 10,000.

Hugo said we are making a few amendments to the Downtown Plan to make the city hall feasible which was overlooked at the time of the creation of Downtown Plan.

MOTION by Pratt that the City Council:

1. Authorize the City Manager to refine and publish an RFQ;
2. Appoint Court Olson as the Owner's Representative for receipt of communications during the Design Build process;
3. Appoint a Selection Advisory Committee consisting of Ken Hays, Laura Dubois, Steve Burkett, Bill Dickinson and Paul Haines;
4. Approve an Honorarium in the amount of \$125,000; and
5. Authorize the City Manager to refine, approve qualification and proposal scoring criteria.

Second by Miller. **Unanimously approved.**

NEW BUSINESS

9. Approve Post Issuance Compliance Policy

Konkel stated this policy is intended to guide the City and its staff in meeting its obligations under applicable statutes, regulations and documentation associated with publicly offered and privately placed securities. This will provide tools to help ensure the City's on-going obligations with respect to its publicly offered and privately placed securities are met. The policies will help the City preserve the tax-exemption of the City's current and future tax-exempt debt and will help the City maintain the greatest possible access to the debt markets in the future.

There was brief discussion concerning the use of proceeds.

MOTION to adopt the Post Issuance Compliance policy with corrections by Dubois; second by Pratt. **Unanimously approved.**

10. Approve Outfall Lease with Department of Natural Resource

Haines stated this is a lease for the outfall line. The City entered into an outfall lease with Washington Department of Natural Resources in 1997. It was reviewed in 2002 with a lease expiring in 2007. During the negotiation period, a "holdover" letter extended the lease. This is a 30-year lease.

MOTION to waive the three-touch rule and authorize the City Manager or his designee to sign the DNR Outfall Lease Agreement for Washington State Department of Natural

Resources Easement Number 51-082037 by Dubois; second by Miller. **Unanimously approved.**

GOOD OF THE ORDER

Pratt stated this week's movie is "Quartet." She also said Clallam Transit has a student pass that can be used all summer.

Public Comment: None.

EXECUTIVE SESSION

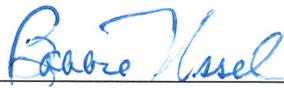
Hays announced an executive session for potential litigation. It is expected to last 10 minutes and action is anticipated. The meeting recessed at 8:38 p.m. and reconvened at 8:49 p.m.

MOTION to approve the Solana Bond Claim Settlement by Miller; second by Pratt.
Unanimously approved.

ADJOURNMENT

Meeting adjourned at 8:51 p.m.

Respectfully submitted,



Bobbie Usselman, MMC
Deputy City Clerk



Ken Hays
Mayor

Minutes approved at a regular Council meeting held on June 24, 2013.