

CITY OF SEQUIM
CITY COUNCIL MEETING MINUTES
SEQUIM CIVIC CENTER
152 WEST CEDAR STREET
SEQUIM, WA
SEPTEMBER 10, 2018

WORK SESSION

1. 2019 Budget Overview

Hagener provided a budget schedule. Connie Anderson will present property tax material on October 22, 2018. Hagener reviewed highlights such as staffing needs, the 1% property tax and minor changes in rates and fees. We will continue a shared staffing concept to enhance organization efficiencies and service levels.

We will build on replacement reserves. The Council approves the budget at the fund level. Staff budgets at the line item level.

She explained that salaries and benefits are the largest expense which is about 23% of the City's entire budget. Then capital projects and equipment totaling \$6 million. The General Fund is balanced. She explained the revenues and expenses are up about 4% from 2018.

Lake suggested trash collection as a utility. Bush stated the hauling contract expires next year. We will evaluate options. It would require an initial capital outlay.

Lake suggested broadband as another utility.

2. 2019 Rates and Fees

Hagener explained that rate increases are proposed for Guy Cole rentals and the required damage deposit. Permitting activities will see the most increases. Fees have been added for services not currently being charged.

We are including a 6% increase in water rates and a 2% decrease in sewer rates. There was considerable growth in the sewer activity which spreads the costs among more users. Therefore, a 2% decrease is suggested.

The water utility rate increase will be an average of \$.50 per month. An increase of \$250 is also recommended for the water GFC. Lake suggested showing all rates either annually or monthly. Lake feels the charges should be based more on actual usage rather than a fixed cost.

The rate study will be completed again in 2020.

Mayor Smith called the regular meeting to order at 6:05 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: William Armacost, Bob Lake, Ted Miller, Candace Pratt, Dennis Smith, Jennifer States, Brandon Janisse

CHANGES TO THE AGENDA

CEREMONIAL

PUBLIC COMMENTS

Rob White is concerned about the panhandling and drug usage in the city. Are there any plans to take care of this? We need no loitering laws in place.

MOTION to suspend the rules so the City Manager can respond made by Janisse; second by Lake. Janisse would like us to respond to citizens when they bring items to us. Carried Unanimously.

Bush responded there are constitutional issues associated with these types of issues. We will look into this further and get back to Mr. White.

PUBLIC HEARINGS None

ACTION ITEMS

CONSENT AGENDA

1. Approve/Acknowledge
 - a. Claim Voucher Recap dated 9/10/2018 Total Payments \$637,425.21
 - b. Appointment of Suzanne Horne and Craig Robinson to the City Arts Advisory Commission
 - c. Construction Easements for West Fir Street Rehabilitation Project

MOTION to approve the Consent Agenda made by Pratt; second by Miller. Carried Unanimously.

Klontz indicated we are 60% complete with right of way easements.

OTHER

INFORMATION

Committee, Board and Liaison Summary Reports

Miller reported on a meeting of the North Olympic Development Council. The Department of Energy is pursuing Highway 101 as an electric vehicle charging area and is providing funding.

Pratt attended the Lodging Tax Advisory meeting where they approved the 2019 budget. They also said goodbye to Shelli Robb-Kahler.

Pratt attended a CTS board meeting and she represented Sequim in the women's soccer cup which was a competition between Sequim and Port Angeles.

Pratt, Miller and Berezowski have been attending meetings for countywide planning policies. They worked on updating the County's Comp Plan which is the first time since 1996. It was approved by the County Commissioners today.

Student Liaison Report

Katie Potter reported that school started September 5. There will be more updates in the future.

Presiding Officer – none.

City Manager

- Olympic Medical Center Legislative Update

Eric Lewis informed council that the Center for Medicare/Medicaid Services (CMS) is proposing to reduce reimbursement which will affect OMC's off-campus services. He is requesting comment letters be sent to CMS. It is important to send comment letters and volume can make a difference. If they hear from Clallam County residents, there is a good chance they will rethink these cuts. This is primarily focused on urban hospitals. If we ask that they don't impose this on rural hospitals, that may work. He has never seen a cut this large. CMS needs to hear that Sequim needs these services.

This affects rural areas more significantly because there are no private practice physicians providing the services like are offered in urban areas.

CMS intends to finalize this cut unless they hear from the public. This will be a \$3.2 million cut for OMC. We need the Sequim campus and more services, not less. In your comment letter ask that this cut exclude rural community hospitals. Rural hospitals have a larger geographic area that they serve. There are lots of options in urban communities. This is the most concerning proposal that might be implemented. This will crush the Sequim campus. CMS does listen to comments.

There was discussion about contacting our representatives. Kilmer and Senators have indicated they will send letters telling CMS not to enact this.

There are 20,000 enrollees in Clallam County. This will create more emergency room visits and in-patient care.

Miller stated we need to contact public service agencies and urge them to also submit letters.

Lewis added that the OMC website contains a link to send a letter. Opinions don't matter as much as facts. It is important for people to include their personal stories. Sequim needs access to primary care and other health care services so we can sufficiently take care of our community.

MOTION to draft a letter on behalf of the City Council for the Mayor's signature made by States; second by Janisse. Carried Unanimously.

Bush indicated the Land and Water Conservation Fund is set to expire the end of September. It began in 1964 and has funded several projects. Three bills are being proposed to extend the fund. This will affect RCO grants.

MOTION authorizing the Mayor to sign the letter to Senator Maria Cantwell regarding the support of the Land and Water Conservation Fund made by Lake; second by States. Carried Unanimously.

- New Website Presentation

Hanna provided an overview of the City's new websites. The websites will work on a phone, tablet, or whatever device people are working on. 40% of the website visitors are either on a phone or tablet. 55% of the visitors to the tourism website are on a phone or tablet.

- Criminal Justice Contract Update

The county has contracts with Sequim and Port Angeles that are almost identical. Both agencies received termination letters. Our letter to the county had a positive impact. Everyone agreed on the need to better understand the data.

If we want to establish a municipal court in Sequim, we must adopt an ordinance by December 1 and have the court up and running by January 1. That would be incredibly difficult.

We have a court study underway that we hope to have completed in October. The goal is to get all the information to the Council and then make a decision. We may also look at what it would cost for a joint muni court with Port Angeles. It may be most cost effective to continue to evaluate working with the county and Port Angeles and building in efficiencies. The county may rescind the termination letter. Then there would be amendments to each contract.

We have not received a letter from the County yet. The recommendation is for Council to support this general direction.

There was consensus to move forward with this path.

GOOD OF THE ORDER

ADJOURNMENT at 7:28 p.m.

Respectfully submitted,



Karen Kuznek-Reese, MMC
City Clerk



Dennis Smith
Mayor

Minutes approved at a regular Council meeting held on September 24, 2018.