

SEQUIM CITY COUNCIL
Work Session/Public Meeting
Sequim Civic Center
152 West Cedar Street
Sequim, WA 98382
6:00 P.M.
Monday, October 8, 2018

WORK SESSION MINUTES

1. UPDATE ON COMMUNITY DEVELOPMENT DEPARTMENT

Community Development Director Barry Berezowsky updated the Council on the functions of the Department of Community Development, including comprehensive/long range planning, land use/development review/ building code compliance, and economic development.

He explained work done towards leveraging the Tax Cuts and Job Act, under which investors can invest capital gains in certain projects in specified opportunity zones on a tax deferred basis. The longer they keep their investment in an opportunity zone, the larger the tax break. Additionally, new capital gains resulting from the investment are tax free.

2. CAPITAL PROJECT UPDATE

Engineer/Assistant Public Works Director Matt Klontz updated the Council on CIP projects completed during this past year (before and after photos were shown), those that are currently in progress, and those scheduled to begin within the next six months.

PUBLIC MEETING MINUTES

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL

Mayor Dennis Smith called the meeting to order at 6:00 p.m., led those present in the pledge of allegiance to the flag, and took roll call. A quorum was present.

Councilors Present:

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

Councilors Excused:

None

2. CHANGES TO THE AGENDA

Motion: By Councilor Pratt and seconded by Councilor Janisse to move the item regarding Clallam County Fire District 3's proposed levy lid lift to follow the general public comment period.

Motion Carried unanimously.

3. CEREMONIAL

None

4. PUBLIC COMMENTS

Judy Reandeau Stipe, of Sequim – Suggested adding the cost of care and feeding for the police dog Mamba to the City's budget.

(Three other individuals had signed in on the general public comment sign-in sheet; however, all declined to comment during the general public comment period.)

5. CLALLAM COUNTY FIRE DISTRICT #3 PROPOSED LEVY LID LIFT

Chief Andrews of Clallam County Fire District #3 presented on the District's proposed levy lid lift. He stated that in the last several years the District and the City have been working collaboratively, efficiently and effectively. The District responds to about 7,300 emergencies per year, with the Sequim vicinity accounting for about 80% of calls. About 86% of calls are for emergency medical response, and 1-2 fire calls are received each month. Additionally, the District provides technical rescues, wildland fire fighting, public education and training (including in schools), and disaster planning preparedness. About 94% of funding revenue comes from property tax levies. Annual expenses are increasing faster than the currently allowed 1% increase in property tax can cover. Call volume has increased 33% in the last 7 years; however, staffing levels have not increased since 2008. The proposal would "lift" the tax rate for local property owners back to \$1.50 per \$1,000 of assessed value, a rate voters approved in 2004 but has since dropped to \$1.26 as property values have increased. He stated that it would cost about \$60 more per year to homeowners with a \$250,000 home.

6. PUBLIC HEARING (LEGISLATIVE) ON ORDINANCE NO. 2018-011 – ESTABLISHING REVENUE THRESHOLDS FOR BUSINESSES WITH LOCATIONS OUTSIDE CIT LIMITS AND PROVIDING DENIAL, SUSPENSION, REVOCATION, AND APPEAL STANDARDS AND PROCEDURES

Administrative Services Director Sue Hagener presented the proposed ordinance. She stated that in 2017 the State legislature passed a law giving the AWC and other stakeholders about one year to develop model business license code. In late July the model code became available. Cities have until October 17, 2018 to adopt a code. Cities with business license requirements, like the City of Sequim, must adopt a mandated definition of "engaging in business". Cities also must adopt a threshold below which out-of-town businesses need not pay for a business license. The threshold cannot be below \$2,000; however, the threshold may be set at a higher level. Staff recommends setting the threshold at \$2,000.

Public Comments

No individuals signed in on the sheet for the public hearing. The three individuals who had signed in on the general public comment sign-in sheet but had declined to comment during the general public comment period were again given the opportunity to make public comment; however, all declined to comment.

Motion: By Councilor Janisse and seconded by Councilor States to adopt ordinance with a threshold of \$5000 and clarifications of State's flub and that simply delivering is not conducting business.

Motion: By Councilor Miller and seconded by Councilor Lake amending the motion to have a \$2000 threshold.

Motion to amend the first motion carried with six ayes and one nay.

Motion Carried unanimously:

to adopt ordinance with a threshold of \$2,000 and minor edits to clarify that simply delivering is not conducting business.

7. CONSENT AGENDA

- a. Claim Voucher Recap Dated 10/8/18 Total Payments \$1,072,429.95
- b. Right of Way Easements for Fir Street Rehabilitation Project

Motion: By Councilor Pratt and seconded by Councilor Armacost to authorize items 4.a. and 4.b. on the consent agenda.

Motion Carried unanimously.

8. 2018 YEAR-END BUDGET AMENDMENTS AND ORDINANCE NO. 2018-010 AUTHORIZING UNFORSEEN EXPENDITURES FOR 2018

Administrative Services Director Sue Hagener presented this topic, including discussion of code compliance software, public records software, professional services to assist with the code scrub, municipal court feasibility study, and John Wayne Marina study.

9. 2019 BUDGET: QUESTIONS, COMMENTS, CONCERNS, REFLECTIONS

Administrative Services Director Sue Hagener presented this topic.

10. RESOLUTION R2108-23 ADOPTING THE CITY'S 2019 LEGISLATIVE AGENDA AND POLICIES

City Manager Charlie Bush will edit the document, tracking changes, and provide to Council for review.

11. INFORMATION; COMMITTEE, BOARD AND LIAISON REPORTS

- a. Sequim Dungeness Valley Chamber of Commerce Second Quarter Report
- b. Student Liaison Report
- c. Presiding Officer
- d. City Manager

GOOD OF THE ORDER

None

EXECUTIVE SESSION

None

ADJOURNMENT

The meeting was adjourned at 8:40 p.m.

Next meeting: October 22, 2018 at 6:00 p.m.

Respectfully submitted,



Alisa Hasbrouck
DCD Specialist



Dennis Smith
Mayor