

**CITY OF SEQUIM
CITY COUNCIL MINUTES
SEQUIM CIVIC CENTER
152 WEST CEDAR STREET
SEQUIM, WA
MAY 26, 2020**

TECHNOLOGY VERIFICATION

At 5:30 p.m. on Monday, May 26, some members of the Sequim City Council and City staff met virtually using videoconferencing software and teleconferencing. The purpose was to verify proper functioning of the system. The Council took no action, and the meeting ended at 5:50 p.m.

CALL TO ORDER

The City Council of the City of Sequim, Washington, met virtually using videoconferencing software and teleconferencing on Monday, May 26, 2020. The meeting was called to order at 6:00 p.m., with Mayor William Armacost presiding. The meeting was quorate.

ROLL CALL

City Clerk Sara McMillon conducted roll call. Mayor Armacost, Deputy Mayor Tom Ferrell and Councilors Dennis Smith, Troy Tenneson, Brandon Janisse, Mike Pence and Sarah Kincaid were in attendance. City Manager Charlie Bush also was present.

PLEDGE OF ALLEGIANCE

Mayor Armacost led the flag salute.

APPROVAL OF FINAL AGENDA

MOTION: Councilor Tenneson moved to approve the final agenda. Councilor Smith seconded.
VOTE: 7 in favor, 0 against. Motion carried.

The agenda for the regular City Council meeting for May 26, 2020, was approved as presented.

CONSENT AGENDA

City Clerk McMillon read the items on the consent agenda.

MOTION: Councilor Smith moved to approve the consent agenda. Councilor Tenneson seconded. **VOTE:** 7 in favor, 0 against. Motion carried.

The Council approved:

1. Minutes of the Regular City Council Meeting May 11, 2020
2. Claim Vouchers Totaling \$836,480.49
3. AB 20-043, **Resolution R2020-09**, a resolution of the City of Sequim regarding Emergency Orders 2020-01, 2020-04, 2020-05, 2020-06, 2020-10, 2020-13, and 2020-18 addressing the COVID-19 Pandemic
4. AB 20-047 Authorization of CARES Act Grant for COVID-19 Relief

PRESENTATIONS

Sequim's state legislature lobbyist Davor Gjurasic discussed a special session of the state legislature to be held at a date yet to be determined. The state is projecting a \$30 billion revenue shortfall due to the economic effect of the COVID-19 pandemic. Cities will need to ensure their priorities remain funded. Mr. Gjurasic discussed Sequim's legislative agenda with the Council.

GENERAL BUSINESS

AB 20-044 Council Priorities for Utility Rate Study

Public Works Director David Garlington introduced Gordon Wilson, Senior Program Manager at FCS Group, a firm specializing in utility rate and fee consulting. FCS Group is in the process of studying Sequim's water and sewer rates. Mr. Wilson gave a presentation highlighting some possible opportunities for improvements in how rates are structured. Councilors provided input and asked questions. Mr. Wilson said FCS will return to the Council at a future date with policy recommendations.

AB 20-045 House Bill 1406 State Affordable Housing Funding

Assistant City Manager Charisse Deschenes explained that House Bill 1406 allows cities and counties to retain 0.0073% of sales and use tax for investment in affordable or supportive housing. This is offset by a reduction in the state's revenue, and so does not result in increased tax for consumers. The maximum amount Sequim may collect is limited by the amount of taxable retail sales in fiscal year 2019, times the appropriate rate. The City would collect these funds for 20 years from the date of adoption of an enabling ordinance. At the October 14, 2019 meeting, the City Council passed Resolution R2017-07 declaring intent to adopt authorizing legislation. If

the Sequim Council does not adopt an ordinance, the county would receive the City's revenue portion.

Councilors discussed the revenue amount and possible uses for it. Some Councilors requested more information about how the funds could be used. Councilors also were uncertain if participation is required for 20 years, or if the Council could after ordinance adoption decide not to receive funds.

Councilor Janisse moved to adopt the affordable housing, House Bill 1406 ordinance adopting a new chapter 3.34 Sales and Use Tax for Affordable Housing of the Sequim Municipal Code, and to recommend that the City coordinate regionally for the use of the affordable housing funds with Sequim remaining the sole controller of the 0.0073% received by the City. There was no second, and the motion failed.

The Council by **unanimous consent** directed staff to present additional information and a proposed ordinance at the June 8, 2020, regular meeting.

AB 20-037 COVID-19 Recovery Plan

City Manager Bush said he recommends expenditure of an additional \$80,000 from the Rainy Day Fund to support human services agencies, through the Sequim Health and Housing Collaborative. Funds would expand services for the remainder of 2020 needed as the result of COVID-19. He discussed this proposal with the Council and answered Council questions.

The Council by **unanimous consent** agreed to authorize Mr. Bush to move forward with this proposal.

Councilors reviewed and discussed a draft recovery plan. The possibility of eliminating the requirement for ground floor businesses in mixed use developments in certain areas to encourage development of affordable housing was reviewed, but no final action was taken. Community Development Director Barry Berezowsky discussed the possibility of changing sign regulations to encourage business activity, specifically for greater use of sandwich board signs, but Mr. Berezowsky did not recommend a change at this time.

Some Councilors expressed support for reopening businesses as quickly as possible and reopening the City Civic Center to the public.

AB 20-046 Drone Show for July 4, 2021

Communications and Marketing Director Barbara Hanna presented a proposed contract for a drone light show at the Sequim Fourth of July event next year. The proposal from Firefly Drone Shows amounts to \$46,410, plus lodging for the crew. Funding could come from sponsorships, but this is unlikely due to current economic conditions, she said.

Director Hanna said if all or a portion of funding would come from the City's lodging tax, the Lodging Tax Advisory Committee (LTAC) would need to review the proposal. The next time this committee meets is June 8, 2020.

The Council by **unanimous consent** directed that the LTAC review the proposal and provide a recommendation for the June 22, 2020, Council meeting.

REPORTS

City Manager

Assistant City Manager Charisse Deschenes reviewed a request from the Association of Washington Cities for a letter of endorsement for direct financial assistance to cities from the federal government.

After discussion, the Council by **unanimous consent** directed the City take no action concerning this request.

City Manager Bush then discussed a request from the City of Port Angeles for a letter supporting an application for CARES Act funding through the Community Development Block Grant program. An interlocal agreement with Port Angeles and Clallam County would be presented at a later Council meeting.

The Council by **unanimous consent** directed participation in a regional approach to this CDBG application.

City Council

Mayor Armacost said the Clallam Transit Board requires two representatives from the City of Sequim, and an alternate. The board meets the third Wednesday of each month. He requested interest from Councilors in serving.

PLANNING CALENDAR

The next regular City Council meeting is schedule for June 8, 2020, at 6 p.m., to be held virtually using videoconferencing and teleconferencing.

ADJOURNMENT

With no further business before the Council, and hearing no objection, Mayor Armacost announced meeting adjournment at 9:50 p.m.

Approved:



William Armacost, Mayor

Attest:



Sara McMillon, City Clerk