



# Administration and Finance Committee Meeting Minutes

April 25, 2019

4:00 PM

SeaTac City Hall - Riverton Room 128

|                       |          |         |           |           |
|-----------------------|----------|---------|-----------|-----------|
| Members:              | Present: | Absent: | Commence: | 4:02 P.M. |
|                       |          |         | Adjourn:  | 5:47 P.M. |
| Erin Sitterley, Chair | X        |         |           |           |
| Peter Kwon            | X        |         |           |           |
| Clyde Hill            | X        |         |           |           |

Other Council Members Present: Stanley Tombs, Joel Wachtel

Staff Coordinator: Gwen Pilo, Finance & Systems Director

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|---|---|
| 1. Call to Order  | <i>Committee Chair Erin Sitterley called the meeting to order at 4:02 PM</i>  |
| 2. Public Comment   | <i>None</i>   |
| 3. Review of the Minutes                                      | <p><u>X</u> Recommended for Approval</p> <p><i>A copy of the 04/11/2019 minutes was provided to the committee for review. The committee approved the minutes as written.</i></p>  |
| 4. Council/City Manager Travel Pre-Approval or Final Approval | <p><i>Executive Assistant Lesa Ellis presented the following items for approval:</i></p> <ol style="list-style-type: none"> <li><i>1. Expense approval for City Manager Cole<br/>AWC Conference<br/>Registration: \$400</i></li> </ol> <p><i>The committee voted to approve.</i></p> <ol style="list-style-type: none"> <li><i>2. Expense approval for Councilmember Kwon<br/>AWC Conference<br/>Registration: \$400</i></li> </ol> <p><i>Council members Sitterley and Hill voted to approve.<br/>Councilmember Kwon abstained from voting.</i></p> <ol style="list-style-type: none"> <li><i>3. Expense approval for Councilmember Hill<br/>AWC Conference<br/>Registration: \$400</i></li> </ol> |

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|  | <p><i>Council members Sitterley and Kwon voted to approve. Councilmember Hill abstained from voting.</i></p>   |
| <p>5. Non-Rep Salary Change Approval Process</p>                           | <p><u>  X  </u> Informational Update</p> <p><i>Human Resources and Risk Management Director Vanessa Audett provided the committee with a brief presentation on the salary survey and job audit process for City employees.</i></p>   |
| <p>6. Citizen Advisory Committee Ordinance</p>                             | <p><u>  X  </u> Recommended for Approval</p> <p><i>City Clerk Kristina Gregg presented the committee with proposed changes to the Citizen Advisory Committee Ordinance. The committee discussed each of the following proposals and gave their recommendation.</i></p> <ol style="list-style-type: none"> <li><i>1. <b>Eligibility of City Employees and family members of Councilmembers to serve on Citizen Advisory Committees.</b> The committee proposed that spouses and immediate family members should not be eligible to serve. The committee also recommended adding a clause allowing spouses and family members that are already appointed to a committee to serve out their term.</i></li> <li><i>2. <b>Absences of Citizen Advisory Committee members.</b> The committee proposed removing the number of missed meetings and focusing on if the “member’s absences impacts the productivity of the committee”.</i></li> <li><i>3. <b>Airport Advisory Committee.</b> The committee recommended revising the code to allow positions reserved for business entities be filled by residents, if those positions cannot be filled.</i></li> <li><i>4. <b>Hotel/Motel Tax Advisory Committee membership.</b> The committee recommended reducing total membership of the committee to 7 members, leaving one vacant position.</i></li> </ol> <p><i>The revised Citizen Advisory Committee Ordinance will be brought to the May 14<sup>th</sup> City Council meeting for approval.</i></p> |
| <p>7. Reclassification of Code Compliance Supervisor to Senior Planner</p> | <p><u>  X  </u> Recommended for Approval</p> <p><i>Community and Economic Development Director Steve Pilcher presented the committee with a proposal to reclassify the previously approved Code Compliance Supervisor position to a Senior Planner. This item was previously discussed at the March 29<sup>th</sup> Council Workshop. The committee approved the reclassification and compensation.</i></p>  |
| <p>8. Human Services Provider Issue</p>                                    | <p><u>  X  </u> Informational Update</p>   |

|                             |  |
|-----------------------------|--|
|                             | <i>Parks, Community Programs and Services Director Lawrence Ellis addressed the committee to inform them that one of the City's Human Service Providers, Somali Youth and Family Club, has decided not to execute their contract with the City to receive funding.</i>   |
| 9. YMCA Contract            | <u>  X  </u> Recommended for Approval<br><br><i>Parks, Community Programs and Services Director Lawrence Ellis presented the committee with a draft contract between the City of SeaTac and YMCA of Greater Seattle to provide the City with services and low-income memberships. The committee reviewed the proposed contract and recommended this item for approval.</i> |
| 10. Future Meeting Schedule | <i>The next A&amp;F Meeting is scheduled for May 9 at 4:00 PM in Riverton Room 128.</i>  |
| 11. Adjourn                 | <i>Committee Chair Erin Sitterley adjourned the meeting at 5:47 PM.</i>  |



# Current Vacancies

Updated May 15, 2019

| Vacancy                      | AFSCME | Position Funding               | Dept | Notes/Status                                  |
|------------------------------|--------|--------------------------------|------|---|
| Asset Management Coordinator | Y      | 100% 403 Fund                  | PW   | Posted Externally                             |
| Associate Planner            | Y      | 100% General Fund              | CED  | Interviews Scheduled Week of 5/13/19          |
| GIS Technician               | Y      | 100% General Fund              | FS   | Posted Internally                             |
| Engineering Technician (LT)  | Y      | 100% 102 Fund                  | PW   | Vacancy Pending Review                        |
| Parking Compliance Officer   | Y      | 100% 102 Fund                  | PD   | Offer Accepted, Pending KCSO Background Check |
| Prosecuting Attorney         | N      | 100% General Fund              | LGL  | Abraham Ritter to start 5/16/19               |
| Senior Planner               | Y      | 75% General Fund, 25% 102 Fund | CED  | Posted Externally                             |

## Fund Key

- 102 Fund = Street
- 307 Fund = Public Works Engineering / Transportation CIP
- 403 Fund = Surface Water Management
- 404 Fund = Solid Waste
- 501 Fund = Equipment Rental

## Employee Headcount as of 05/01/2019

- Regular Full Time: 112
- Regular Part Time: 8
- Variable Hour: 23
- Seasonal: 7

**Total Headcount: 150\***

*\*Does not include contracted Fire and Police*



# MEMORANDUM

To: Administration & Finance Committee  
Through: Gwen Pilo, Finance & Systems Director  
From: Alexis Briggs, Budget Analyst  
Date: May 23, 2019  
Re: Business License Code Revision

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Attached you will find a proposed ordinance revising Title 5 of the SeaTac Municipal Code relating to Business Licenses and Regulations. This ordinance incorporates the proposed revisions to the entire chapter as provided by Business License Service (BLS) and one additional change to the Mobile Food Vendor chapter, proposed by the Community and Economic Development Department.

## **History:**

The City is currently in the process of partnering with BLS for all City licensing. As part of the onboarding process, a BLS analyst reviews the entirety of the City's business license code and provides recommended edits with the goal of aligning City code with BLS practice, as they will be administering the City's licenses moving forward.

This is separate from the Model Ordinance that all Cities were required to adopt by January 1, 2019.

## **Proposed Changes:**

A track changes version of the Chapter is provided. These changes are minor and include formatting changes and adjusting the language to reference BLS and its process. The CED Department is proposing eliminating the expiration date of Mobile Food Vendor Chapter 5.55.

## **Committee Action:**

Does the A&F committee recommend approval on the proposed ordinance?

## **Deadline:**

The City is scheduled to "go-live" on June 13. Although strongly encouraged, the City is not required to adopt the proposed changes provided by BLS and it will not delay the onboarding of the City to BLS. However, it is important to the City and BLS that our code is aligned with BLS practice prior to implementation.

**Title 5**  
**BUSINESS LICENSES AND REGULATIONS1**

**Chapters:**

- 5.05 Business Licenses and Regulations
- 5.10 Solicitors and Canvassers
- 5.15 For-Hire Regulations
- 5.20 Private Detectives and Private Security Guards
- 5.25 Cable Television and Communication Systems Franchise Procedure
- 5.30 Public Places of Amusement
- 5.35 Fireworks
- 5.40 Adult Entertainment
- 5.50 Ambulance Operator Regulations
- 5.55 Mobile Food Vendors

**Chapter 5.05**  
**BUSINESS LICENSES AND REGULATIONS**

**Sections:**

- 5.05.010 Definitions.
- 5.05.015 Engaging in Business-Defined.
- 5.05.020 Business License Required.
- 5.05.030 Separate Business License Required.
- 5.05.040 Change in Nature or Location of a Business.
- 5.05.050 Exemptions.
- 5.05.060 ~~Non-Profit~~Nonprofit Organizations.
- 5.05.070 Application for License.
- 5.05.080 Business License Fees.
- 5.05.090 Prorating fee.  
(Repealed by Ord. 18-1032 § 1 (part))
- 5.05.100 Term and Renewal of License.
- 5.05.110 Penalty for Late Application.
- 5.05.120 Duties of the City Manager or Designee.
- 5.05.130 Inspections, Investigations, and Right of Entry.
- 5.05.140 Basis for License Denial, Suspension or Revocation.
- 5.05.150 Procedures for a Denial, Suspension or Revocation of a Business License.
- 5.05.160 Procedures for an Appeal of a Notice of Denial, Suspension or Revocation.
- 5.05.170 Continuation of License Upon Death of Licensee.
- 5.05.180 Assignment of Licenses.
- 5.05.190 Engaging in Business Without a License or Payment of Fee.
- 5.05.200 Violations, Penalties and Enforcement.
- 5.05.210 Pawnbrokers.  
(Repealed by Ord. 18-1032 § 1 (part))
- 5.05.220 Charitable Solicitations.  
(Repealed by Ord. 18-1032 § 1 (part))

#### 5.05.010 Definitions.

For purposes of this Chapter, the following definitions shall apply:

A. "Business License" means a license issued by the City authorizing a Person to engage in business within the City. "Business License" may also mean the licensing document produced by the Business Licensing Service upon which the City-issued Business License appears as an endorsement.

B. "City" shall mean the City of SeaTac, Washington.

C. "City Manager" shall mean the SeaTac City Manager or designee.

D. "Person" means any individual, corporation, company, firm, joint stock company, co-partnership, joint venture, trust, business trust, club, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, receiver, administrator, executor, assignee, or trustee in bankruptcy.

~~E. "License Year" means the twelve (12) month period commencing the first day of the month in which the license was issued.~~

E. "Business Licensing Service" or "BLS" means the office within the Washington State Department of Revenue providing Business Licensing services to the City. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### 5.05.015 Engaging in Business—Defined

(A) The term "engaging in business" means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

(B) This Section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimus business activities in the City without having to pay a Business License fee. The activities listed in this Section are illustrative only and are not intended to narrow the definition of "engaging in business" in subsection (A). If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by the City Manager or designee, considering all the facts and circumstances and applicable law.

(C) Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a Business License.

(1) Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.

(2) Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.

(3) Soliciting sales.



(4) Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.

(5) Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.

(6) Installing, constructing, or supervising installation or construction of, real or tangible personal property.

(7) Soliciting, negotiating, or approving franchise, license, or other similar agreements.

(8) Collecting current or delinquent accounts.

(9) Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.

(10) Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.

(11) Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

(12) Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.

(13) Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers

(14) Investigating, resolving, or otherwise assisting in resolving customer complaints.

(15) In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

(16) Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.

(D) If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a Business License.

(1) Meeting with suppliers of goods and services as a customer.

(2) Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

(3) Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of

director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

(4) Renting tangible or intangible property as a customer when the property is not used in the City.

(5) Attending, but not participating in a "trade show" or "multiple vendor events". Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.

(6) Conducting advertising through the mail.

(7) Soliciting sales by phone from a location outside the City

(E) A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a Business License, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (D). The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the license fee under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts. (Ord. 18-1032 § 1 (part))

#### **5.05.020 Business License Required.**

A. No Person shall engage in business within the City without first being issued a Business License.

B. A Business License is not transferable except as provided in SMC 5.05.170. A Person acquiring an existing business in the City must obtain a new Business License.

C. The Business License ~~issued by the City shall~~must be displayed in a conspicuous place on the premises identified on the license.

D. This Section applies regardless ~~of~~ whether a fee is owed for obtaining a Business License as provided in this Chapter. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.030 Separate Business License Required.**

A. A separate Business License shall be obtained for each separate location, within the City, at which the business is conducted, even when operated by the same business owner.

B. A separate Business License shall be obtained for each different and discrete business activity conducted by any person, whether at the same location, within the City, as another licensed business, ~~or at a different~~ location within the City.

C. If two or more separate business owners operate their own discrete business at the same physical location, each must obtain a separate Business License for their own business. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.040 Change in Nature or Location of a Business.**

~~Each A~~ Business License ~~shall~~ authorize a particular type of business at the designated location. ~~Any~~ change in the nature of the business ~~or business location shall may~~ necessitate a new application for a Business License, ~~as provided for in this Chapter~~. A change ~~in the nature of the business or a change~~ of location ~~shall must~~ be reported to the ~~City Manager, or designee, in writing, within ten (10) days of the change and, if in Business Licensing Service sufficiently before commencing the new business activity or change to a new location to allow the City to review the change for~~ compliance with zoning and business regulatory ordinances, ~~the existing Business License shall be transferred to and approve~~ the new ~~activity or~~ location ~~prior to commencing the change~~. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### 5.05.050 Exemptions.

Notwithstanding the requirement of SMC 5.05.020 ~~or SMC 5.05.080 A.~~, the following shall be exempted from the requirement to apply for and obtain a Business License:

~~A. Persons engaged in taxi cab/taxicab or for hire businesses within the City which are licensed and regulated by King County pursuant to Interlocal Agreement with the City, including the following:~~

~~1. Persons engaged in the business of operating taxi cab/taxicabs and for hire vehicles within the City, which are subject to SeaTac Ordinance No. 90-1014 codified in Chapter 5.15 SMC, and the "For Hire Interlocal Agreement" between King County and the City.~~

~~However, this subsection does not apply to persons whose taxi cab/taxicab or for hire business is registered with the Washington State Department of Revenue Licensing, as administered through the Business Licensing Service, with an business address located within the City of SeaTac.~~

~~BA.~~ Minors engaged in babysitting, delivery of newspapers, mowing lawns, washing cars, and similar activities.

~~CB.~~ Service oriented clubs and organizations such as Rotary, Kiwanis, Soroptimist, Lions, Jaycees, Boy Scouts, Girl Scouts and Campfire, or school sponsored clubs, such as DECA, FBLA, FFA and Key Club, involved in special charitable fundraising events; provided, that in order for this exemption to apply, the club must be organized in and regularly meet within the corporate limits of the City, or within the corporate limits of a city immediately adjacent thereto. If requests are received for this exemption for clubs or organizations not specifically listed above, the City Manager or designee shall have the discretion to determine whether or not the exemption applies. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### 5.05.060 ~~Non-Profit~~ Nonprofit Organizations.

A. ~~Non-profit~~ Nonprofit organizations ~~recognized by the Federal Government as agranted a tax exemption by the federal Internal Revenue Service (IRS) under 26 USC § 501(c)(3)-organization, with proper documentation,~~ are exempted from the requirement to pay city Business License fees associated with the issuance of a Business License as required by this chapter. To qualify for the city Business License fee exemption, A applicants, other than religious organizations automatically recognized by the IRS as tax exempt, shall must provide one (1) of the following proofs of the tax exemption:

- ~~1. Form 1023, Application for Recognition of Exemption; or~~
- ~~2. IRS Determination Letter; or~~

~~32.~~ IRS Affirmation Letter.

However, ~~non-profit~~nonprofit organizations are still required to apply for and obtain a valid Business License and comply with all other provisions of this Chapter.

B. Failure to register a ~~non-profit~~nonprofit organization with the City will result in a penalty as established by the City's schedule of license fees, permit fees, other fees and charges for City services. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

**5.05.070 Application for License.**

No Business License shall be issued except upon application therefor made ~~on forms prescribed by the City Manager or designee~~through the Business Licensing Service. Upon approval of the application, the Business License shall be issued by the City, ~~through the Business Licensing Service, and either is mailed to the applicant or available for pickup at SeaTac City Hall during normal business hours.~~ (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

**5.05.080 Business License Fees.**

A. For purposes of this Chapter, any Person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the City is equal to or less than two thousand dollars (\$2,000.00) and who does not maintain a place of business within the City, shall submit a Business License registration to the City Manager or designee, as provided for in this Chapter. The threshold does not apply to regulatory license requirements or activities that require a specialized permit.

B. Business License fees are established by the City's schedule of license fees, permit fees, other fees and charges for City services.

C. Appeal fees are established by the City's schedule of license fees, permit fees, other fees and charges for City services. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

**5.05.090 Prorating fee.**

(Repealed by Ord. 18-1032 § 1 (part))

**5.05.100 Term and Renewal of License.**

A. All Business Licenses shall be effective ~~for the year of issuance. Business Licenses issued during a Business License Year shall be effective from the date of issue until the following March 31st~~until the expiration date established by the Business Licensing Service, unless the licensee ends the licensed business prior to the expiration of the license. Unless renewed, as provided in this chapter, each such Business License shall expire and be of no force or effect on April 1st of the ensuing year, unless sooner revoked as provided in this Chapter.

B. All Business Licenses ~~shall~~must be renewed by the licensee on or before ~~the expiration date~~April 1st of the year of issuance, if the business is to be continued. Application for renewal shall be made ~~on forms prescribed by the City Manager or designee~~through the Business Licensing Service. Each application for renewal ~~shall~~must be accompanied by all information required, and the total license

renewal fees due for all licenses being renewed, as well as the handling fee required by RCW 19.02.075, for the ensuing year as prescribed by the City's schedule of license fees, permit fees, other fees and charges for City services. Applications for renewal shall be processed by the City commencing on February 1st of each year for the ensuing year.

C. The term and respective City fee for a City Business License may be prorated as necessary in order to synchronize the expiration date with the expiration of the business licensing account maintained by the Business Licensing Service.

D. Failure to renew the license by the expiration date will result in the assessment of the late penalty required by RCW 19.02.085 in addition to all other fees due.

E. Failure to renew the license within 120 days of expiration will result in the cancellation of the license, and requires reapplication for a new license to continue business in the City.

~~CF.~~ A business that is inactive or no longer doing business in the City may request dormant status by indicating so on the renewal notice and returning the notice to the City indicate to the Business Licensing Service to not be renewing the city license, and so request cancellation of the city license. A business that has requested and been granted dormant status had the city Business License cancelled, but intends to resumes business activity within the City, shall must reapply for a new Business License, as provided in this Chapter. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.110 Penalty for Late Application.**

Any licensee who ~~shall fails to make application for an original~~ obtain a Business License ~~or for renewal and/or fail to pay the renewal fee prior to April 1st of the applicable year, shall~~ prior to commencing business in the City may be subject to a penalty per the schedule described below, which shall be added to the prescribed licensing fees, and collected directly by the City.

A. ~~Delinquent as of May 1st~~ Application not made within 30 days after commencing business.

1. A thirty (30) day penalty letter mailed to the licensee;
2. In addition to the Business License fee, a penalty will be assessed per the City's schedule of license fees, permit fees, other fees and charges for City services.

B. ~~Delinquent as of June 1st~~ Application not made more than 29 days, but within 60 days after commencing business.

1. Notify the licensee in writing by certified mail that they have thirty (30) days to apply and obtain a Business License or be issued a notice of infraction;
2. In addition to the Business License fee, a penalty will be assessed per the City's schedule of license fees, permit fees, other fees and charges for City services;
3. Pay all accrued penalties.

C. ~~Delinquent as of July 1st~~ Application not made more than 59 days, but within 90 days after commencing business.

1. Pay all accrued late penalties;
2. A notice of infraction is issued per SMC 1.15.065;

3. Subject to a hearing before the Municipal Judge per SMC 1.15.075; and

4. A fine levied by the Municipal Judge up to two hundred fifty dollars (\$250.00).

D. Any business that has ~~been granted dormant status~~ cancelled its license for reason of not currently in business is not subject to late application penalties unless they resume business activity within the City without reapplying for a Business License. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.120 Duties of the City Manager or Designee.**

The City Manager, or designee, is authorized and directed to enforce the terms and provisions of this Chapter. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.130 Inspections, Investigations, and Right of Entry.**

A. All applications for Business Licenses may be investigated by the City Manager, or designee, and the business premises may likewise be inspected.

B. The City Manager, or designee, is authorized to make such inspections of licensed premises and take such action as may be required to enforce the provisions of this Chapter. The City Manager may designate any appropriate City employee as an inspector, to undertake such inspections. Inspections shall, to the extent possible, be in compliance with the following procedure:

1. An inspector may enter any licensed business location or any business location that is required by ordinance to be licensed, at any reasonable time, to inspect the same or perform any duty imposed on the City Manager, or designee, by any Business License or regulation ordinance.

2. If the place of business is occupied, the inspector shall first present proper credentials and demand entry and right to inspect.

3. If the place of business is unoccupied, the inspector shall first make a reasonable effort to locate the licensee or other person having charge or control of the premises and shall then present proper credentials and demand entry and right to inspect.

4. No licensee, employee or agent shall fail or neglect, after proper demand, to admit the inspector, acting within the scope of the inspector's employment, to any location licensed for business, or to interfere with the inspector while in the performance of the inspector's duty.

5. Nothing herein shall prevent or prohibit undercover investigations or inspections by appropriate officers in appropriate circumstances. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.140 Basis for License Denial, Suspension or Revocation.**

A Business License may be denied, suspended or revoked by the City Manager or designee. The City Manager, or designee, shall notify the applicant or licensee in writing of the denial, suspension, or revocation of the Business License and the grounds thereof. A Business License may be denied, suspended or revoked for any of the following reasons:

- A. The Business License was procured by fraud or misrepresentation of fact or contains misleading statements or suppression of material facts about the business.
- B. The applicant or licensee failed to pay any fee or is in default of any fee, charges or amounts due and payable to the City of SeaTac as outlined in the SeaTac Municipal Code or City's schedule of license fees, permit fees, other fees and charges.
- C. The building structure, equipment, operation or location of the business for which the license was issued does not comply with the requirements or standards of the SeaTac Municipal Code.
- D. The applicant or licensee has failed to comply with any of the provisions of this Chapter.
- E. The applicant or licensee has applied for a Business License for activities that are prohibited by law.
- F. The licensee, owner, or operator of the business is currently operating a business in a manner that is prohibited by law.
- G. The applicant or licensee, owner, operator, or an employee has been convicted of a crime involving the business or suffered a civil judgment which bears a direct relationship to the conduct of the business pursuant to this chapter.
- H. The licensee, or licensee's employees or agents, has engaged in, has permitted or has acquiesced in unlawful drug related activity on the business premises.
- I. The licensee has caused or permitted a public nuisance to exist.
- J. The applicant or licensee has failed to pay a civil penalty or to comply with any notice.
- K. The applicant or licensee has failed to comply with State or Federal law.
- L. It is necessary to deny, suspend, or revoke the license for the protection of the public health, safety, peace or welfare.
- M. The Chief of Police has issued a declaration of chronic nuisance property against the business pursuant to Chapter 7.50 SMC. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

**5.05.150 Procedures for a Denial, Suspension or Revocation of a Business License.**

- A. Denial, Suspension or Revocation of License. Any action to deny, suspend or revoke a Business License applied for or issued shall be commenced by notice of the denial, suspension or revocation. A notice issued under this section shall substantially comply with the following:
  1. The notice shall be delivered, by first class mail or certified mail, to the Business License applicant or the holder of the business license as set forth in the most recent Business License application.
  2. The notice shall describe the basis for the denial, suspension or revocation.
  3. The notice shall describe corrective action, if any, that may be taken to eliminate the basis for the denial, suspension or revocation.
  4. The notice shall specify a date for which an appeal may be filed with the City Clerk. Such a date shall occur thirty (30) days from the date of the notice of denial, suspension or revocation and shall be made on forms provided by the City Clerk. The applicable appeal fee per the City's

schedule of license fees, permit fees, other fees and charges for City services shall be paid at the time of filing.

5. The notice shall provide that if the applicant or licensee fails to respond within thirty (30) days from the date of the notice of denial, suspension or revocation that shall constitute a waiver of the right to a hearing.

6. The business may continue to operate until such time as the Hearing Examiner issues a decision on the denial, suspension or revocation. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.160 Procedures for an Appeal of a Notice of Denial, Suspension or Revocation.**

A. The City Hearing Examiner is designated to hear appeals by applicants or licensees aggrieved by actions of the City Manager, or designee, pertaining to any denial, suspension, or revocation of a Business License.

B. The Hearing Examiner procedures are found in Chapter 1.20 SMC, Hearing Examiner System.

C. Any licensee may, within thirty (30) days after receipt of a notice of denial, suspension or revocation, file with the City Clerk a written notice of appeal containing the following:

1. A heading with the words: "Before the City Manager or designee of the City of SeaTac".
2. A caption reading: "Appeal of \_\_\_\_\_" giving the names of all appellants participating in the appeal.
3. A brief statement setting forth the legal interest of each of the appellants in the business involved in the notice of denial, suspension or revocation.
4. A brief statement, in concise language, of the specific notice protested, together with any material facts claimed to support the contentions of the appellant or appellants.
5. A brief statement, in concise language, of the relief sought, and the reasons why it is claimed the protested notice of denial, suspension or revocation should be reversed, modified, or otherwise set aside.
6. The signatures of all persons named as appellants, and their official mailing addresses.
7. The verification (by declaration under penalty of perjury) of each appellant as to the truth of the matters stated in the appeal.

D. As soon as practicable after receiving the written appeal, but not greater than thirty (30) days, the City Clerk shall fix a date, time, and place for the hearing of the appeal by the Hearing Examiner. Written notice of the time and place of the hearing shall be given at least ten (10) days prior to the date of the hearing by the City Clerk, by mailing a copy thereof, postage prepaid, by certified mail with return receipt requested, addressed to each appellant at his or her address shown on the notice of appeal.

E. At the hearing, the appellant or appellants shall be entitled to appear in person, and to be represented by counsel and to offer such evidence as may be pertinent and material to the denial, suspension or revocation of the notice. The technical rules of evidence need not be followed.

F. Only those matters or issues specifically raised by the appellant or appellants in the written notice of appeal shall be considered in the hearing of the appeal.



G. Within ten (10) business days following conclusion of the hearing, the Hearing Examiner shall make written findings of fact and conclusions of law, supported by the record, and a decision which may affirm, modify, or overrule the order of the City Manager, or designee, and may further impose terms as conditions to issuance or continuation of a Business License.

H. Failure of any applicant or licensee to file an appeal in accordance with the provisions of this chapter shall constitute a waiver of the right to a hearing.

I. The decision of the Hearing Examiner is considered final and conclusive per SMC 1.20.100(H).

J. Enforcement of any civil penalty, denial, suspension or revocation of any Business License, or other order of the City Manager, or designee, shall be stayed during the pendency of an appeal therefrom which is properly and timely filed. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.170 Continuation of License Upon Death of Licensee.**

In event of the death of any ~~licensee~~natural Person who had personally held a Business License issued by the City, his or her duly appointed executor or administrator, or other lawful representative so appointed, may continue to conduct business on behalf of the decedent's estate under the license issued to the decedent, or as it may be reassigned to accommodate the business registration for the decedent's estate through the Department of Revenue, Business Licensing Service, including renewal of the Business License as may be necessary, for the term required for disposition of the decedent's business. ~~for the unexpired term thereof, upon filing proof of such appointment with the City Manager or designee.~~ (Ord. 16-1019 § 1 (part))

#### **5.05.180 Assignment of Licenses.**

Every Business License shall be personal to the licensee and shall not be assignable or transferable to any person, except as provided in SMC 5.05.170. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.190 Engaging in Business Without a License or Payment of Fee.**

If any person ~~engaged~~engages in a business without a license, or fails or refuses to pay the prescribed license fee for any ~~year~~license term, the City Manager or designee shall follow these procedures:

A. Notify the licensee in writing by first class mail, certified mail or personal service that they are operating a business within the City limits without a Business License and have thirty (30) days to apply and obtain a Business License as specified in SMC 5.05.020.

B. If the licensee fails to respond to the letter within thirty (30) days, the licensee will be subject to penalties as set forth in this Chapter. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

#### **5.05.200 Violations, Penalties and Enforcement.**

A. It is unlawful for any person either directly or indirectly to engage in business within the City without having first obtained a Business License as required pursuant to this Chapter.

B. It is unlawful for any person either directly or indirectly to engage in business within the City without obtaining a renewed Business License for the current Business License ~~Year-term~~ as required pursuant to this Chapter.

C. Each day that a person engages in business without a valid Business License constitutes a separate offense.

D. It is a civil infraction, subject to a penalty of \$300 including costs and assessments, for any Person to violate any provision of this ~~this~~ Chapter, ~~and such Person shall~~ ~~may also~~ be subject to the penalties prescribed in Chapter 1.15 SMC. The penalties set forth herein are not exclusive. The City Manager or his/her designee may seek civil enforcement and remedies as allowed by law.

E. The City Attorney's Office shall have the discretion to file criminal charges when a person willfully or knowingly violates, by way of repeat violations, the provisions of this chapter. A criminal violation under this Subsection is a misdemeanor punishable by a fine not to exceed one thousand dollars (\$1,000) or imprisonment for a term not to exceed ninety (90) days, or both. (Ord. 18-1032 § 1 (part); Ord. 16-1019 § 1 (part))

**5.05.210 Pawnbrokers.**

(Repealed by Ord. 18-1032 § 1 (part))

**5.05.220 Charitable Solicitations.**

(Repealed by Ord. 18-1032 § 1 (part))

**Chapter 5.10**  
**SOLICITORS AND CANVASSERS**

**Sections:**

- 5.10.010 Regulation of solicitors and canvassers.
- 5.10.020 Solicitor or canvasser defined.
- 5.10.030 License fee, term and limitations.
- 5.10.040 Contents of license application.
- 5.10.050 Bond required.
- 5.10.060 Alternate form of employer's bond.
- 5.10.070 Orders taken by solicitors or canvassers.
- 5.10.080 Carrying license required.
- 5.10.090 Exemptions.

**5.10.010 Regulation of solicitors and canvassers.**

The City Council finds that the public health, safety and welfare requires that the citizens of the City be provided with information relating to persons and organizations who solicit and canvass within the City, that such activities be regulated, and that the citizens of the City be protected from deceptive and dishonest practices. (Ord. 90-1039 § 45)

**5.10.020 Solicitor or canvasser defined.**

A "solicitor" or "canvasser" is defined as any person ~~any person~~, either as a principal or agent, who goes from place to place within the City, and who:

- A. Sells, takes orders for, or offers to sell, any goods, wares or merchandise whether or not collecting in advance for such goods, wares or merchandise; and/or
- B. Sells, takes orders for, or offers to sell services, whether or not collecting in advance for such services; and/or
- C. Seek contributions or donations to private causes, as opposed to tax-exempt charities; or
- D. Seeks opinions, preferences or other information for commercial purposes. (Ord. 90-1039 § 46)

**5.10.030 License fee, term and limitations.**

A. Any person seeking to engage in business as a solicitor or canvasser shall file a written application for such license with the Director of Finance on a form provided by the City Manager, or designee. The

license required under this Chapter is separate from and in addition to a Business License that may be required under Chapter 5.05 SMC.

B. The solicitor or canvasser license shall be issued for the tax year and may be renewed, as provided at SMC 5.05.130.

C. The fee for a solicitor or canvasser license, during the tax year 1990, shall be the sum of thirty five dollars (\$35.00). Thereafter, the fee and renewal fee shall be as prescribed by an annual resolution of the City Council establishing fees and charges.

D. A solicitor or canvasser license shall limit the number of solicitors or canvassers who are permitted to solicit or canvass for any one activity or entity during any thirty (30) day period of time to not more than ten (10) named individuals. (Ord. 95-1012 § 1; Ord. 90-1039 § 47)

#### **5.10.040 Contents of license application.**

The application for a solicitor or canvasser license shall require the following information:

- A. Name, description and date of birth of the applicant;
- B. Permanent home address and local address of the applicant;
- C. A brief description of the nature of the business and of the goods to be sold or services to be offered;
- D. If employed by another, the address and name of the employer and a statement of the exact relationship between the applicant and the employer;
- E. The length of time for which the right to do business is required;
- F. The place of manufacture or production of goods to be offered for sale, the present location of such goods and the proposed method of delivery;
- G. The fingerprints of the applicant;
- H. The names of two (2) reliable persons, residing in the State, as references to the good character and business responsibility of the applicant or, in lieu of such references, the means of obtaining evidence as to the applicant's character and business responsibility;
- I. A statement as to any convictions of crimes or violations of municipal ordinances during the past five (5) years, to include the date, the nature of the offense and the penalty assessed therefore;
- J. A statement that a license, if granted, will not be used or represented as an endorsement by the City for solicitations thereunder.
- K. The applicant shall be sworn to or certified under penalty of perjury by each applicant. (Ord. 90-1039 § 48)

#### **5.10.050 Bond required.**

Every applicant shall file with the Director of Finance before a license shall be issued, a bond in the amount of one thousand dollars (\$1,000.00) executed by the applicant as principal and a surety company authorized to do business in the State, running in favor of the City, conditioned that any person who may suffer any loss or damage by reason of any malfeasance, misfeasance, or deceptive practice in the conduct of such solicitation or

canvass shall have the right to institute an action for recovery against the licensee and the surety upon such bond. The bond shall further require that the principal shall fully comply with all provisions of State law and City ordinances regulating the business of solicitors or canvassers, or business in general, and that all moneys paid as a down payment or donated will be accounted for and applied according to the representation of the solicitor or canvasser and further that the property ordered or sold will be delivered or the services will be performed according to the undertaking of the solicitor or canvasser. Any person injured by the licensee's/principal's failure to account for moneys received, deliver the goods ordered or sold, or perform the services promised, shall have in his or her own name, a right of action on such bond against both the principal and surety. (Ord. 90-1039 § 49)

#### **5.10.060 Alternate form of employer's bond.**

In the place of the bond required at Section 5.10.050, any person employing solicitors or canvassers shall file with the Director of Finance before a license shall issue to any of such person's employees, a bond in the amount of five thousand dollars (\$5,000.00) executed by the employer as principal and a surety company authorized to do business in the State as a surety, running in favor of the City, conditioned that any person who may suffer any loss or damage by reason of any malfeasance, misfeasance, or deceptive practice in the conduct of such solicitation or canvass shall have the right to institute an action for recovery against the licensee and the surety upon such bond. Such bond shall further require that the employer and all employees and agents of the employer, shall fully comply with all provisions of State law and City ordinances regulating the business of solicitors or canvassers, or business in general, and that all moneys paid as a down payment or donated will be accounted for and applied according to the representation of the solicitor or canvasser and further that the property ordered or sold will be delivered or the services will be performed according to the undertaking of the solicitor or canvasser. Any person injured by the licensee's/principal's failure to account for moneys received, deliver the goods ordered or sold, or perform the services promised, shall have in his or her own name, a right of action on such bond against both the principal and surety. (Ord. 90-1039 § 50)

#### **5.10.070 Orders taken by solicitors or canvassers.**

All orders or donations taken by licensed solicitors or canvassers shall be written in duplicate, with one (1) copy to be given to the purchaser or contributor. The order or donation shall contain the name and address of the solicitor or canvasser, and in the case of an order, its complete terms, the amount of any prepayment, and a statement of the purchaser's right of rescission pursuant to State law. (Ord. 90-1039 § 51)

#### **5.10.080 Carrying license required.**

The solicitor's or canvasser's license shall be carried at all time when soliciting or canvassing in the City and shall be exhibited by such solicitor or canvasser whenever requested to do so by a police officer, any City official, or any persons solicited or canvassed. (Ord. 90-1039 § 52)

#### **5.10.090 Exemptions.**

The licensing and bonding requirements applicable to solicitors and canvassers shall not apply to:

- A. Newspaper carriers, whether subscriptions are taken or not;

B. Any person selling or delivering, door-to-door or on an established route, milk or milk products, bakery goods, or laundry and dry cleaning services;

C. All persons licensed for charitable solicitations pursuant to Section 5.05.440, provided that the solicitation is managed and conducted solely by officers and members of charitable organizations who are unpaid for such services;

D. All persons under the age of eighteen (18) unless employed by another person or organization;

E. Bona fide candidates, campaign workers and political committees campaigning on behalf of candidates or on ballot issues and persons soliciting signatures of registered voters on petitions to be submitted to any governmental agency. (Ord. 90-1039 § 53)

**Chapter 5.15**  
**FOR-HIRE REGULATIONS**

**Sections:**

- 5.15.010 Appointment of licensing and enforcement authority.
- 5.15.020 Licensing and regulation of taxicab and for-hire vehicles.
- 5.15.900 Violation – Penalty.

**5.15.010 Appointment of licensing and enforcement authority.**

Pursuant to Interlocal Agreement, the Director of the King County Department of Executive Administration, and his or her authorized representatives, are hereby delegated the power to determine eligibility for licenses and the power to deny, suspend, or revoke licenses, pursuant to terms of this chapter. A copy of the said Interlocal Agreement shall be available in the office of the City Clerk for use and examination by the public.

The licensing required under this Chapter is separate from, and in addition to a Business License that may be required under Chapter 5.05 SMC. (Ord. 90-1014 § 1)

**5.15.020 Licensing and regulation of taxicab and for-hire vehicles.**

The following sections of Chapter 6.64 King County Code as now in effect, and as may be subsequently amended, are hereby adopted by reference, except that, unless the context indicates otherwise, the word “County” and the words “King County” shall refer to the City and references to violations of the County code or County ordinances shall be deemed to be references to violations of City ordinances:

- 6.64.005 Purpose.
- 6.64.007 Scope of Authority.
- 6.64.010 Definitions.
- 6.64.015 Interlocal Agreement.
- 6.64.025 Fees.
- 6.64.200 Service organization registration.
- 6.64.210 Color scheme.
- 6.64.220 Independent color scheme.
- 6.64.300 Taxicab and for-hire license required.
- 6.64.310 Application.
- 6.64.320 Required documents.
- 6.64.330 Applicant requirements.
- 6.64.340 Vehicle requirements.
- 6.64.350 Insurance required.
- 6.64.360 Certificate of safety.
- 6.64.370 Vehicle standards.

- 6.64.380 Taxicab and for-hire vehicle license expiration.
- 6.64.390 Taxicab and for-hire vehicle license plate.
- 6.64.400 Taximeter.
- 6.64.420 Taxicab and for-hire owner – Responsibilities.
- 6.64.430 Standards for denial – Taxicab for hire vehicle owner.
- 6.64.440 Standards for suspension/revocation – Taxicab or for-hire vehicle owner.
- 6.64.450 Destruction, replacement, retirement of a taxicab.
- 6.64.460 Surrender of vehicle license.
- 6.64.500 For-hire driver’s license required.
- 6.64.510 Application.
- 6.64.520 Investigation.
- 6.64.530 Qualifications.
- 6.64.540 Temporary permit.
- 6.64.550 Application null and void.
- 6.64.560 Medical certification.
- 6.64.570 Training program.
- 6.64.580 Written examination.
- 6.64.590 Driving record.
- 6.64.600 Standards for denial of a license – For-hire driver.
- 6.64.610 Standards for suspension/revocation – For-hire driver.
- 6.64.620 License issuance.
- 6.64.630 License expiration – For-hire driver.
- 6.64.640 For-hire drive operating standards.
- 6.64.650 Vehicle safety standards.
- 6.64.660 Conduct standards.
- 6.64.670 Taxicab meter/rates standards.
- 6.64.680 Driver-passenger relations standards.
- 6.64.690 Soliciting and cruising standards.
- 6.64.695 Taxi zone standards.
- 6.64.700 Taxicab – Maximum number.
- 6.64.710 Transfer of permit.
- 6.64.720 Industry reporting.
- 6.64.730 Response times.
- 6.64.740 Annual report.
- 6.64.750 Determination of fare and number of licenses.
- 6.64.760 Rates.
- 6.64.770 Rate study.

(Ord. 93-1013 § 1: Ord. 90-1014 § 2)

**5.15.900 Violation – Penalty.**

Any person who violates or fails to comply with any requirement of this chapter, shall be guilty of a violation of a City ordinance and shall be subject to punishment by fine of not more than five thousand dollars (\$5,000.00) or imprisonment for a term not in excess of one (1) year, or both. (Ord. 90-1014 § 3)



**Chapter 5.20**  
**PRIVATE DETECTIVES AND PRIVATE SECURITY GUARDS**

**Sections:**

5.20.010 Regulation of private detective agencies, private detectives and armed private detectives.

5.20.020 Regulation of private security companies, private security guards and armed private security guards.

**5.20.010 Regulation of private detective agencies, private detectives and armed private detectives.**

No person shall operate a private detective agency within the City, or perform functions and duties as a private detective within the City, without first applying for and obtaining a ~~business license~~Business License and paying the fee therefor, as prescribed in this title, and, in addition, without being licensed pursuant to applicable State law. (Ord. 92-1036 § 1: Ord. 91-1057 § 5)

**5.20.020 Regulation of private security companies, private security guards and armed private security guards.**

No person shall operate a private security company within the City, or perform functions and duties as a private security guard and armed private security guard within the City, without first applying for and obtaining a ~~business license~~Business License and paying the fee therefor, as prescribed in this title, and, in addition, without being licensed pursuant to applicable State law. (Ord. 92-1036 § 2: Ord. 91-1057 § 6)

## Chapter 5.25

### CABLE TELEVISION AND COMMUNICATION SYSTEMS FRANCHISE PROCEDURE

#### Sections:

- 5.25.010 Findings.
- 5.25.020 Definitions.
- 5.25.030 Processing of franchise applications.
- 5.25.040 Grant of franchise.
- 5.25.050 Franchise renewal.
- 5.25.060 Franchise fee.
- 5.25.070 Regulation of franchise.
- 5.25.080 Public usage of the system.
- 5.25.090 PEG access facility management.
- 5.25.100 General financial and insurance provisions.
- 5.25.110 Design and construction provisions.
- 5.25.120 Service provisions.
- 5.25.130 Continuity of service.
- 5.25.140 Rights of the City.
- 5.25.150 Rights reserved to the grantee.
- 5.25.160 Remedies.
- 5.25.170 Reports.
- 5.25.180 Termination of franchise by receivership or bankruptcy.
- 5.25.190 Procedures in the event of termination or expiration.
- 5.25.200 Implementation of cable communications policy.
- 5.25.210 Equal employment opportunity requirements.
- 5.25.220 Non-recourse.

#### 5.25.010 Findings.

The City Council finds that the development of cable television and communications systems has the potential of greatly benefiting and impacting the residents of the City. The Council further finds that because of the complex and rapidly changing technology associated with cable systems, the public's convenience, safety, and general welfare can best be served by establishing powers which should be vested in the City as provided in Federal and State law, or such persons as the City shall designate. It is the intent of this chapter to specify and provide the means to attain the public interest and purpose in these matters, to promote competition and minimize unnecessary regulation that would impose an undue economic burden on the system, and to assure the provision of the widest possible diversity of information over cable systems consistent with the public good. Any franchise issued pursuant to this chapter shall be deemed to include these findings as an integral part thereof. (Ord. 90-1028 § 1)

### 5.25.020 Definitions.

For purposes of this chapter, the following terms, phrases, words and their derivations shall have the meanings given herein:

- A. “Basic cable service” means the lowest level of service available to all subscribers exclusive of optional services, which includes the retransmissions of local television broadcast signals.
- B. “Cable Act” or the “Act” means the Cable Communications Policy Act of 1984, as amended, 47 U.S.C., Section 521, et seq.
- C. “Cable communication systems”, “cable system” or “CATV system” means a facility using a public right-of-way, consisting of a set of closed transmission paths and associated signal-generation, reception, and control equipment, that is designed to provide cable service which includes video programming and which is provided to multiple subscribers within a community.
- D. “Cable services” means services, present or future, which are provided by the grantee’s cable communication system to its subscribers located in the franchise area, which are transmitted and distributed by means of cable located at least partially in or over the public rights-of-way of the City, and for which a fee is charged to the subscribers. The terms shall include, but not be limited to:
  - 1. The one-way transmission to subscribers of video programming or other programming service,
  - 2. Subscriber interaction, if any, which is required for the selection of such video programming or other programming service.
- E. “City” means the City of SeaTac or any official thereof acting within the scope of official authority.
- F. “Council” means the SeaTac City Council.
- G. “Franchise” or “franchise agreement” means the initial authorization or renewal thereof, issued by a franchising authority, whether such authorization is designated a franchise, permit, license, contract, certificate, agreement, or otherwise, which authorizes the construction or operations of a cable system.
- H. “Franchise fee” means the fee imposed by a franchising authority or other governmental entity on a grantee, cable subscriber or both solely because of its status as such. The term “franchise fee” does not include:
  - 1. Any tax, fee or assessment of general applicability;
  - 2. Capital costs which are required by the franchise to be incurred by grantee for public, educational, or governmental access facilities;
  - 3. Costs or charges incidental to the awarding or enforcing of the franchise, including, but not limited to, payments for bonds, permits, letters of credit, insurance, indemnification, penalties, or liquidated damages;
  - 4. Any fee imposed under Title 17, United States Code.
- I. “Grantee” means any entity receiving a franchise and its lawful successor or transferee.
- J. “Gross receipts” means the annual gross receipts or revenue of the grantee from all sources in the operation of the cable communications system, excluding any bad debt, sales tax, excise tax, or other taxes collected for direct pass-through to local, State or Federal government.

K. "Public, educational or government access facilities" or "PEG access facilities" means channel capacity designated for public, educational, or governmental use; and facilities and equipment for the use of such capacity. (Ord. 90-1028 § 2)

**5.25.030 Processing of franchise applications.**

A franchise may be granted only upon application and such applications shall be processed in the following manner:

- A. Applications for a franchise, or modification of an existing franchise shall be processed in an expeditious manner.
- B. Applications shall be submitted in the form and manner prescribed by the City Manager, or designee, in the regulations adopted pursuant to this chapter.
- C. Applicants for a franchise to operate in an area for which a franchise has previously been granted, shall have the right to the protection of proprietary information contained in the application from premature disclosure to prospective competitors until consideration of the application has been scheduled for public hearing.
- D. Within sixty (60) days after receipt of an application, the City Manager, or designee, shall transmit a written recommendation to the Council to approve, amend or disapprove the application. The Council shall schedule a public hearing on the question of granting the franchise application within sixty (60) days after receipt of the said written recommendation.

The Council shall act on the application no later than fourteen (14) days after the public hearing is completed. (Ord. 95-1012 § 1: Ord. 90-1028 § 3)

**5.25.040 Grant of franchise.**

No cable system shall occupy or use any City right-of-way without a franchise granted by the City, subject to the following:

A. The City may grant franchises to construct, operate, maintain and/or reconstruct a cable communication system in all or part of the City. If the City grants a franchise, the franchise shall constitute both a right and an obligation of the grantee to abide by the provisions of this chapter and of the franchise agreement.

In the event of any conflict between this chapter and any franchise agreement issued under it, this chapter shall control.

B. Any franchise granted shall be nonexclusive. The City specifically reserves the right to grant, at anytime, such additional franchise for a cable communications system within the same or other areas of the City as it deems appropriate.

C. The City may establish, in accordance with the Cable Act, reasonable requirements for new franchises or franchise renewals. The City may modify franchises at the time of renewal, transfer, or other disposition, or when the grantee's service area is altered, provided the grantee is notified in advance of the proposed modification and is provided an opportunity to present arguments against the modification, or alternatives in lieu of it. The City may also modify franchise then in effect upon giving

thirty (30) days written notice to the grantee of its intention to do so, upon request of the grantee under the circumstances provided in the Cable Act, or when the franchise is inconsistent with governing laws or statutes. Modifications of franchises must be approved by the Council.

D. The term of any franchise shall be no more than fifteen years from the effective date of the franchise. The effective date of the franchise shall be the date of execution of the franchise agreement by the City, subject to prior execution by the grantee, unless otherwise specified.

E. Ownership of franchises shall be limited as specified in the Cable Act. The City may, as provided, hold an ownership interest in a cable service, but shall not exercise editorial control over programming except on government access channels.

F. A franchise may be denied if the regulating authority finds, after due investigation, that the applicant, to include the principal owners of the organization requesting the franchise has:

1. Made any false statements or substantive omissions on the application;
2. Within five years of the date of application, been convicted of a felony directly related to the operation of a cable television franchise;
3. Ever had a judgment in an action for fraud, deceit or misrepresentation entered against it, her, him or them by any court of competent jurisdiction;
4. Pending any legal claim, lawsuit or administrative proceeding arising out of or involving a cable system; or
5. Had a franchise revoked for cause within ten years of the date of application.

G. No franchise shall be transferred, in whole or in part, without the City's prior consent. The consent of the City to any transfer shall not be unreasonably withheld nor shall it constitute a waiver or release of any of the City's rights.

H. The franchise required by this Chapter is separate from and in addition to a Business License that may be required under Chapter 5.05 SMC. (Ord. 90-1028 § 4)

#### **5.25.050 Franchise renewal.**

A franchise may be renewed in the following manner:

A. Not later than three (3) years prior to the expiration of a franchise, the City may require, or the grantee may request, public hearings to evaluate the grantee's past performance and to assess the community's future cable needs as provided for under the Cable Act.

B. Following the public hearings, and based on the findings thereof, the City may renew the franchise, or initiate administrative proceedings to determine whether or not to renew the franchise.

C. Based on the evidence presented during the administrative proceedings, the City may deny a franchise renewal if it finds that:

1. The grantee failed materially to comply with franchise terms;
2. The grantee's service, other than programming, was unreasonable in light of community needs;
3. The grantee is not financially qualified to continue service; or

4. The grantee's renewal proposal is unreasonable in light of community needs.

D. The City may deny renewal only on specific grounds, and the grantee has the right to judicial review of any adverse decision as provided for in the Act.

E. If mutually agreeable to the City and the grantee, any or all of the administrative procedures specified in the foregoing subsections may be waived. Such action will establish a presumption of renewal. (Ord. 90-1028 § 5)

**5.25.060 Franchise fee.**

Any grantee who receives payment or other consideration for the provision of cable service involving the use of the City's rights-of-way shall pay to the City an annual franchise fee equal to five percent (5%) of the grantee's annual gross receipts, subject to the following:

A. The annual franchise fee shall be payable quarterly. All payments received as herein provided are to be forwarded to the Director of Finance and credited to the City's current expense fund.

B. In the event that the grantee leases available channels of the cable system to another entity for commercial use, wherein the lessee bills subscribers directly for the services provided over the cable system and for which payments are made directly to the lessee, the lessee shall pay to the City, under the same circumstances as the grantee, a franchise fee of five (5%) percent of the gross revenues realized from the operation of the leased channels.

C. The City shall have the right to audit and to recompute any amounts determined to be payable in satisfaction of the annual franchise fee. When the audit determines that the grantee's actual payment was less than the amount owing, the grantee shall pay, in addition to the deficiency, interest on the deficiency equal to twelve percent (12%) per annum compounded daily from the date originally due.

D. A part requesting a new franchise, renewal, or transfer shall pay a franchise application fee of two hundred dollars (\$200.00) to offset the costs incurred by the City in the processing of the request. (Ord. 90-1028 § 6)

**5.25.070 Regulation of franchise.**

The City shall exercise appropriate regulatory authority under this chapter and under applicable law, subject to the following:

A. The City may, at its sole option, participate in a joint regulatory agency and may delegate all or part of its responsibility in the area of cable communications.

B. This chapter and the regulation of cable television and communications shall be administered by the City Manager, or designee, with specific authority to:

1. Supervise the implementation of cable policy, regulations and franchise agreements;
2. Facilitate the resolution of complaints received from cable users;
3. Enforce cable system regulations as necessary;
4. Supervise government programming with respect to PEG operations, or coordinate with a designated PEG management authority;

5. Provide for public information and planning;
6. Monitor cable policy and related developments in other jurisdictions and make recommendations for changes of policy or regulations as appropriate in order to encourage the growth and development of cable systems;
7. Develop and maintain productive relationships with cable system operators and interested community groups to assure responsiveness to the needs and interests of the community;
8. Provide staff assistance to any advisory committee or regulatory agency hereafter established.

C. The grantee shall file a complete schedule of subscriber rates with the City and shall update such schedule prior to any rate change. The grantee shall receive no additional consideration in connection with its provision of cable service other than as listed on its filed schedule excluding bulk or commercial accounts. The City expressly reserves the right, subject to the provisions of State and Federal law, to regulate subscriber rates.

D. The City may require performance evaluations or community needs assessments. Failure of the grantee to correct any inadequacy equating to a material breach of the franchise found at such evaluations or by such assessments shall be subject to the remedies contained in this chapter. (Ord. 95-1012 § 1; Ord. 90-1028 § 7)

#### **5.25.080 Public usage of the system.**

If so specified in the franchise agreement, the City may utilize a portion of the cable communications system capacity, and associated facilities and resources, to develop and provide cable services that will be in the public interest. This may include the use of institutional networks for non-entertaining purposes, to include interactive service where feasible. (Ord. 90-1028 § 8)

#### **5.25.090 PEG access facility management.**

It is the City's intent to insure that PEG access facilities, equipment and/or channels are provided for in any franchise agreement, and that they shall be managed in the best public interest so that programming using such facilities will be open to all residents, and available for all forms of public expression, community information and debate of public issues. Pursuant to these objectives, the City may delegate the responsibility for PEG access facility management to a nonprofit entity as established by ordinance. (Ord. 90-1028 § 9)

#### **5.25.100 General financial and insurance provisions.**

Requirements for bonding and insurance and provisions for liability and indemnification shall be as provided in the rules and regulations developed by the City Manager, or designee. (Ord. 95-1012 § 1; Ord. 90-1028 § 10)

#### **5.25.110 Design and construction provisions.**

Cable television and communications system design, the requirement for construction permits, the enforcement of remedies for delay and construction, inspection of the system, and interconnection shall be as follows:

A. The cable television and communication system shall be constructed as specified in the franchise agreement including all construction, technical and performance quality standards contained or referenced therein. Such standards shall not exceed the standards and guidelines for technical quality relating to facilities and equipment of cable systems established by the Federal Communications Commission.

B. The grantee shall comply with the provisions of Ordinance No. 90-1013, codified in Chapter 11.05, relating to utilities on City's rights-of-way and Ordinance No. 90-1023, codified in Chapter 13.25, relating to right-of-way use permits and any other applicable ordinances regarding construction or use permits as applicable to cable television and communications systems.

C. The City may apply any or all of the remedies specified in this chapter for delays in system construction or failures to meet construction requirements.

D. The City may inspect the cable system, and may require the grantee to conduct tests to insure compliance with this chapter. If, on the completion of such tests, it is determined by the City that the grantee is not in compliance with the provisions of this chapter, or of the franchise agreement, the City may charge the grantee an inspection fee to cover the costs of the inspection.

E. The grantee may be required to interconnect with any or all other cable systems in the City, or in adjacent areas, upon the directive of the City, unless good and sufficient cause is demonstrated to the City that such interconnection is not technically feasible, is beyond the power of the grantee to carry out, or that the cost of interconnection would cause an unreasonable or unacceptable increase in subscriber rates. (Ord. 90-1028 § 11)

#### **5.25.120 Service provisions.**

The grantee shall provide cable television and communications services in accordance with the following:

A. The grantee shall provide, as a minimum, the range and mix of services listed in the franchise agreement. Services shall not be reduced or significantly changed without prior notification to the City. Such notification is intended for the informational benefit of the City and is not intended to invoke regulation of programming.

B. The grantee shall provide public, educational and government (PEG) access facilities, which may include channel capacity, interface equipment, and cabling, as specified in the franchise agreement.

C. The City shall assure the maximum utilization of existing PEG access channels prior to requiring the allocation of any additional PEG access channels. To this end, the City shall coordinate the usage of PEG access channels and facilities with King County and other jurisdictions as appropriate.

D. Access to cable service shall not be denied to any group of potential subscribers solely because of the income level of the area in which they reside. (Ord. 90-1028 § 12)

#### **5.25.130 Continuity of service.**

The right of subscribers to continued cable television and communications services shall be conditioned upon the following:



A. As long as they honor their obligations to the grantee, all subscribers will have the right to receive all available services offered by the grantee, and to receive continuous uninterrupted service, regardless of the circumstances, during the lifetime of the franchise, except for temporary interruptions of service which may be required from time to time to rebuild, modify, or improve service. Any interruption of service caused by the grantee shall be subject to rebate, the provisions for which shall be included in the franchise agreement.

B. As long as it is entitled to revenues from operation of the cable system, the grantee will maintain continuity of service during any temporary transition in the status of the franchise agreement, the cable system, or control of the grantee. This obligation to continue service shall not exceed eighteen (18) months without the written approval of the grantee.

C. If the grantee elects not to renew a franchise, the grantee shall notify the City of its intent not less than twelve (12) months prior to the expiration date of the franchise. Failure to provide this notification will subject the grantee to the continuity of service provisions herein in order to provide for an orderly transition to another cable system operator without interruption of service. (Ord. 90-1028 § 13)

#### **5.25.140 Rights of the City.**

During the term of any franchise agreement, the City shall maintain, and may invoke, the following rights:

A. If a grantee's renewal request is denied or if the franchise expires or is revoked, the City may, after appropriate administrative review, acquire ownership of the cable system. Such acquisition shall be at fair market value but with no value allocated to the franchise itself. In determining the price it is to pay, the City may set off against the value of the system any actual cost to the City and subscribers resulting from the grantee's action which led to the denial or revocation.

B. The City shall have the right to inspect all construction or installation work performed subject to the provisions of the franchise and to make such tests as it shall find necessary to ensure compliance with law and with the franchise agreement.

C. At the expiration of the term for which the franchise is granted, or upon its revocation or expiration, the City shall have the right to require the grantee to remove, within a specified period of time not less than thirty (30) days, and at grantee's own expense, all portions of the cable system from all streets and public property within the franchise area that are above ground, or are below ground and constitute a hazard to the health, welfare or safety of the City residents.

D. Nothing herein shall be deemed or construed to impair or affect the right of the City to acquire the property of the grantee, either by purchase or through the exercise of its right of eminent domain, at just compensation.

E. Neither the granting of any franchise nor any provision thereof shall constitute a waiver or bar to the City's exercise of its governmental rights or powers, subject to the grantee's rights under its franchise and franchise agreement. (Ord. 90-1028 § 14)

#### **5.25.150 Rights reserved to the grantee.**

The following rights shall be reserved to the grantee during the term of any franchise and franchise agreement:

A. In the event of any dispute between the grantee and the City arising out of this chapter or the franchise agreement, the grantee shall pursue and exhaust all available administrative remedies pursuant to law prior to pursuing any appropriate legal action.

B. Subject to prior City approval, the grantees may enter into written overbuild agreements.

C. The grantee shall have the right, at any time, to petition the City for modification of its franchise agreement. (Ord. 90-1028 § 15)

#### **5.25.160 Remedies.**

The City shall have the following remedies for violations or delays in construction:

A. If a grantee violates any material provision of this chapter or of applicable law, or breaches any material provision of its franchise, the City may impose any or all of the following remedies:

1. Exercise its right under the security fund.
2. Assess monetary damages.
3. Terminate the franchise for cause.
4. Seek legal and equitable relief in superior court.

B. The City may impose any or all of the following remedies for delays in system construction, upgrading or rebuilding as required by the franchise agreement:

1. Exercise its right under the construction bond for any delay exceeding three (3) months.
2. Assess monetary damages up to the maximum amount specified in the franchise agreement.
3. Terminate the franchise, as materially breached, for any delay exceeding six (6) months.

C. Any remedies shall be applied in accordance with due process of law.

D. A grantee's duty to fully perform is excused and no remedy or sanction shall be imposed if the failure is due to any cause beyond its reasonable control and if grantee notified the City in writing of the reason for the failure within twenty (20) days of the discovery of the reason. (Ord. 90-1028 § 16)

#### **5.25.170 Reports.**

The City may require the grantee to submit such information as the City shall need to implement this chapter. The City may verify the accuracy of any information submitted. All reports and records required by this chapter shall be furnished at the grantee's sole expense. A grantee's failure or refusal to file any of the required information, or its filing of false or misleading information, shall be deemed a violation of this chapter. (Ord. 90-1028 § 17)

#### **5.25.180 Termination of franchise by receivership or bankruptcy.**

The City may terminate any franchise after the appointment of a receiver or trustee whether in receivership, reorganization, bankruptcy or other action or proceeding. (Ord. 90-1028 § 18)

**5.25.190 Procedures in the event of termination or expiration.**

If a franchise expires, is revoked, terminated, or a renewal request is denied, the City may order the removal of the system facilities and/or purchase the system as provided in this chapter. If a franchise is revoked, terminated, or a renewal request is denied, the City may also order the grantee to maintain and operate the cable system for a defined period of time. This continuity of service provisions shall not apply in the event the grantee chooses not to renew a franchise which is to expire, provided the grantee makes this intention known to the City at least twelve (12) months prior to the expiration of the franchise. (Ord. 90-1028 § 19)

**5.25.200 Implementation of cable communications policy.**

The policies contained in this chapter, shall be implemented by means of administrative rules and regulations which shall be developed by the City Manager, or designee. A copy of the said rules and regulations shall be available in the Office of the Director. (Ord. 95-1012 § 1: Ord. 90-1028 § 20)

**5.25.210 Equal employment opportunity requirements.**

The grantee shall establish, maintain, and execute an equal employment opportunity plan in accordance with the guidelines established in the franchise agreement which shall be consistent with all Federal, State and City equal employment opportunity requirements, and the City's affirmative action policies. The grantee shall file, with the City, annual employment records in the format required by rules and regulations; provided, that if similar reports shall be required by a Federal or State agency, then copies of those reports shall be submitted to the City and shall suffice to meet the requirements herein. Failure to comply with equal employment opportunity requirements, or to file the required records or reports, shall constitute a breach of the franchise agreement and the City may invoke the remedies provided by this chapter. (Ord. 90-1028 § 21)

**5.25.220 Non-recourse.**

The grantee shall have no recourse whatsoever against the City or its officials, boards, commissions, agents or employees for any loss, costs, expenses, or damages arising out of any provision or requirement of the franchise or because of the enforcement of the franchise or this chapter; provided, that such loss, costs, expenses or damages are not the result of the sole negligence of the City or its agents. The grantee shall not be relieved of its obligation to comply with any of the provisions of this chapter by reason of the City's failure to promptly enforce compliance. (Ord. 90-1028 § 22)

**Chapter 5.30**  
**PUBLIC PLACES OF AMUSEMENT**

**Sections:**

**I. Regulations**

- 5.30.010 License required.
- 5.30.020 Fees.
- 5.30.030 Definitions.
- 5.30.040 Business hours.
- 5.30.050 Outdoor sports exempt.
- 5.30.060 Racing.

**II. Adult Entertainment, Adult Theater and Adult Use Establishments**

(Repealed)

**I. Regulations**

**5.30.010 License required.**

No public place of amusement or commercial business offering public amusement/entertainment or public entertainment shall be operated within the City unless a ~~business license~~Business License shall have been obtained pursuant to ~~Ordinance No. 90-1039 codified in~~ Chapters 5.05 SMC and 5.10. Any such license shall be obtained not less than two (2) weeks prior to the opening of any such entertainment. (Ord. 91-1023 § 1)

**5.30.020 Fees.**

~~The fee for various p~~Public places of amusement, public amusement/entertainment and public entertainment are subject to inspections and permitting as may be required by the City, and the respective fees for such, licenses shall be as set by resolution of the City Council. A late penalty shall be charged by the City on all related Business License applications submitted later than two (2) weeks prior to the opening of the public amusement, or received after the expiration date of the previously issued license, pursuant to Section 5.05.440110 SMC. (Ord. 91-1023 § 2)

**5.30.030 Definitions.**

For purposes of these regulations pertaining to public places of amusement, public amusement/entertainment, and public entertainment, the words and phrases used herein shall have the following meanings:

A. "Entertainment" means any exhibition or dance of any type, pantomime, modeling or any other performance;

B. "Operator" means any person operating, conducting or maintaining a public place of amusement, public amusement/entertainment, or public entertainment;

C. "Public place of amusement", "public amusement/entertainment" and "public entertainment" mean an amusement, diversion, entertainment, show, performance, exhibition, display or like activities, for the use or benefit of a member or members of the public, or advertised for the use or benefit of a member of the public, held, conducted, operated or maintained for a profit, direct or indirect. (Ord. 91-1023 § 3)

D. "Outdoor sports" mean any athletic competition customarily played on a field or track including but not limited to baseball, soccer, disc golf, RC car tracks, BMX bicycle racing.

#### **5.30.040 Business hours.**

No public place of amusement, public amusement/entertainment or public entertainment shall be conducted between the hours of 2:00 a.m. and 10:00 a.m., ~~except as otherwise provided for public dancing by Section 5.40.230~~ except as otherwise provided for public dancing by Section 5.05.330. (Ord. 91-1023 § 4)

#### **5.30.050 Outdoor sports exempt.**

No business license shall be required for any recognized outdoor sports. ~~However, it may be subject to, however a park user agreement.~~ However, it may be subject to, however a park user agreement. (Ord. 91-1023 § 5)

#### **5.30.060 Racing.**

Applicants for any amusement license pertaining to races, whether foot, bicycle, automobile or other, where the expected attendance will exceed one thousand people at any single scheduled event, shall submit information as deemed appropriate by the City to ensure that adequate traffic control and crowd protection policing has been arranged either through private security agencies or has been contracted for with the City. A written notice that the applicant has complied with this requirement shall be issued by the Chief of Police Services before an amusement place license shall be issued. If any applicant should contract for traffic control and crowd protection policing with the City, then the sum agreed upon in payment for such control and policing shall be based upon the actual expenses incurred by the City in providing such services. (Ord. 91-1023 § 6)

## **II. Adult Entertainment, Adult Theater and Adult Use Establishments**

(Repealed by Ord. 95-1018)

**Chapter 5.35**  
**FIREWORKS**

**Sections:**

- 5.35.010 Definitions.
- 5.35.015 Reckless discharge of fireworks.
- 5.35.020 General provisions.
- 5.35.025 Enforcement.
- 5.35.030 Repealed.
- 5.35.040 Repealed.
- 5.35.050 Public or religious displays of fireworks.
- 5.35.055 Issuance – Nontransferable – Voiding.
- 5.35.060 Repealed.
- 5.35.070 Repealed.
- 5.35.080 Exceptions.
- 5.35.085 Construction.
- 5.35.090 Violation – Penalty.

**5.35.010 Definitions.**

The definitions of Chapter 70.77 RCW as now stated or hereinafter amended shall govern the construction of this chapter, when applicable. RCW 70.77.120 through and including RCW 70.77.236 as now stated or hereinafter amended are adopted by reference. In addition, the following definitions in this section apply throughout this chapter unless the context clearly requires otherwise:

- A. “Chief” or “Fire Chief” means the Chief of the City of SeaTac Fire Department.
- B. “City” means the City of SeaTac.
- C. “Fire Department” means the City of SeaTac Fire Department. (Ord. 05-1006 § 1: Ord. 02-1021 § 1: Ord. 93-1020 § 1)

**5.35.015 Reckless discharge of fireworks.**

RCW 70.77.488 is hereby incorporated as now or hereafter amended, and all other statutes adopted by reference therein as if fully set forth herein. (Ord. 05-1006 § 1)

**5.35.020 General provisions.**

A. It shall be unlawful for any person, firm, or corporation to offer for sale, at retail or wholesale, or to sell, at retail or wholesale, any fireworks within the City; provided, that this prohibition does not apply to duly authorized public displays.

B. It shall be a civil infraction, with a monetary penalty of two hundred fifty dollars (\$250.00), including costs and assessments, for any person to purchase, possess, use, discharge, ignite, or explode any fireworks within the City except:

1. As authorized by City permit to operate a public display of fireworks, granted pursuant to this chapter; or
2. As authorized by RCW 70.77.311 (2) (use by individual or group for religious purpose on approved date and at approved location); provided, that a permit is obtained from the Fire Chief or designee pursuant to this chapter.

C. It shall be unlawful for any person, firm, or corporation to hold, conduct, or engage in any public or religious display of fireworks within the City without first having obtained and being a valid holder of a valid permit under the provisions of this chapter. (Ord. 05-1006 § 1: Ord. 02-1021 § 2: Ord. 95-1014 § 1; Ord. 93-1020 § 1)

**5.35.025 Enforcement.**

Law enforcement and the Fire Department are authorized to enforce the provisions of this chapter, including, but not limited to, the issuance of civil infractions pursuant to this chapter. (Ord. 05-1006 § 1)

**5.35.030 Sales application – Permit.**

Repealed by Ord. 05-1006. (Ord. 93-1020 § 1)

**5.35.040 Fireworks stands.**

Repealed by Ord. 05-1006. (Ord. 93-1020 § 1)

**5.35.050 Public or religious displays of fireworks.**

A. Any person desiring to give or make a public or religious display of fireworks within the City shall make an application for a permit to operate the public or religious display, in writing, to the Chief of the Fire Department. The application shall set forth the following information:

1. The name of the organization sponsoring the display, together with the names and addresses of persons actually in charge of the firing/presentation of the display;
2. The date and time of day at which the display is to be held;
3. The exact location planned for the display;
4. A description setting forth the age and experience of the persons who are to do the actual discharging of the fireworks;

5. The number, type and description of fireworks to be discharged, and the name, address, and telephone number of the licensed manufacturer, importer, or wholesaler where such fireworks will be or have been purchased;

6. The manner and place of storage of such fireworks prior to the display; and

7. A diagram of the grounds on which the display is to be held showing the point at which the fireworks are to be discharged, the location of all buildings, highways and other lines of transit or communication as well as telephone, electric and other utility lines and poles and any other structures, facilities or objects which could present overhead obstructions, located within five hundred (500) feet of the point of discharge.

B. Fee for Public Display Permit. There shall be no permit fee for a permit issued by the City under this chapter.

C. Investigation on Site – Certificate of Compliance by Fire Department – Notice of Approval by Fire Department. Upon receipt of such application, at least thirty (30) days in advance of the date set for the display, the Fire Department shall make an investigation of the site of the proposed display for the purpose of determining whether the provisions of these regulations are complied with in the case of the particular display. If the Fire Chief or designee is satisfied that the display is lawful and there has or will be full compliance with all applicable laws, State and local, then the Fire Chief or designee shall issue a written recommendation for or against the permit which shall be kept on file in the Fire Chief's or designee's office and available for review by authorized reviewing agencies. If the Fire Chief or designee finds that the permit applicant has complied with all applicable laws, then the Fire Chief or designee may issue a certificate of compliance stating an endorsement of the display as being in conformance with all applicable laws and with these regulations. For any scheduled public display, applicants must also submit such information as is deemed appropriate by the Police Department of the City to ensure that adequate traffic control and crowd protection policing and any other measures necessary or appropriate for public safety have been arranged either through private security agencies or through a contract with the City's Police Department or the King County Department of Public Safety. A written notice that the applicant has complied with these requirements shall be issued by the Police Chief before a public display permit is issued.

D. Every public or religious display of fireworks shall be handled by at least two (2) competent operators approved by the Fire Chief or designee, and every public or religious display of fireworks shall be of such character, and so located, discharged or fired that, in the opinion of the Fire Chief or designee, after proper investigation, it would not constitute a hazard to property or endanger any person.

E. At least one (1) operator at each public or religious display of fireworks shall be a pyrotechnic operator licensed by the Chief of the Washington State Patrol, through the Director of Fire Protection, under RCW 70.77.255. The State-licensed pyrotechnic operator shall be the person who actually discharges or ignites the fireworks.

F. A bond or certificate of insurance must be furnished to the Fire Chief or designee before a permit is issued. The bond shall be in the amount of one million dollars (\$1,000,000) and shall be conditioned upon the applicant's payment of all damages to persons and property resulting from or caused by any public display of fireworks, or by any negligence on the part of the applicant or its agents, servants, employees or subcontractors in the presentation of the display. The certificate of insurance shall evidence a comprehensive general liability (including automobile coverage) insurance policy providing



limits of one million dollars (\$1,000,000) combined single limit per occurrence and annual aggregate, naming the City of SeaTac as an additional insured. Any such bond or insurance policy must be approved by the City Attorney.

G. A cash deposit in the amount of three hundred dollars (\$300.00) must be posted with the Fire Chief or designee at least thirty (30) days in advance of the public or religious display date to provide for the costs of site cleanup. The deposit shall be forfeited to the City if the operator fails to perform such cleanup within three (3) days of the display. If the operator properly performs the cleanup, the deposit shall be returned to the operator.

#### H. Storage.

1. As soon as the fireworks have been delivered to the display site, they shall be attended and shall remain dry.
2. All shells shall be inspected upon delivery to the display site by the display operator. Any shells having tears, leaks, broken fuses or showing signs of having been wet shall be set aside and shall not be fired. After the display, any such shells shall be either returned to the supplier or destroyed according to the supplier's instructions.
3. All fireworks at the firing site must be stored in ready boxes (substantially constructed wood magazines). During the display, magazines must be twenty-five (25) feet upwind (in relation to the firing item) from the nearest mortar. Magazine lids must be open in the opposite direction of the firing. All ready boxes are to be protected by a flameproof water-repellent canvas cover until emptied.
4. The shell storage area shall be located at a minimum distance of not less than twenty-five (25) feet from the discharge site.
5. During the display, shells shall be stored upwind from the discharge site. If the winds shift during the display, the shell storage area shall be relocated to be upwind from the discharge site.
6. There shall be at least two (2) 2A-rated fire extinguishers (two and one-half (2-1/2) gallon water), UL approved kept as widely separated as possible within the actual area where the discharging will occur.

#### I. Preparation of Site Crowd Control.

1. All dry grass, weeds and other combustible waste within fifty (50) feet of the firing site shall be removed.
2. The site shall be located so that the trajectory of shells shall not come within fifty (50) feet of any overhead object including but not limited to above ground telephone, telegraph or electric lines, trees or wooded areas.
3. Discharged fireworks shall not come within one hundred (100) feet of any tent or canvas shelter.
4. The firing and storage site shall be located not less than two hundred (200) feet from any building, public highway or railroad or other means of travel.
5. No boats shall be allowed within two hundred (200) feet of the firing or storage site.

6. The operators shall provide sufficient personnel to assure that no unauthorized persons are allowed within two hundred (200) feet of the firing and storage site. This requirement shall be in effect from one-half (1/2) hour prior to the arrival of fireworks until the fireworks debris, equipment and fireworks have been removed from the site.

7. Spectators shall be restrained behind lines or barriers at least two hundred (200) feet from the firing and storage locations.

#### J. Installation of Mortars.

1. Mortars shall be inspected by the operators for dents, bent ends, and cracked or broken plugs prior to ground placement. Mortars found to be defective in any way shall not be used. Any scale on the inside surface of the mortars shall be removed.

2. Mortars shall be positioned so that the shells are carried away from spectators and buildings. When fired over water, mortars shall be installed at an angle of not less than ten (10) degrees, pointed towards the water.

3. Mortars shall be either buried securely into the ground to a depth of two-thirds (2/3) to three-fourths (3/4) of their length or fastened securely in mortar boxes or drums. In soft ground, heavy timber or rock slabs shall be placed beneath the mortars to prevent their sinking or being driven into the ground during firing.

4. In damp ground, a weather-resistant bag should be placed under the bottom of the mortar prior to placement in the ground to protect the mortar against moisture.

5. Weather-resistant bags shall be placed over the open end of the mortar in damp weather to keep moisture from accumulating inside the surface of the mortar.

#### K. Operation of the Display.

1. The operators shall provide fire protection at the site as required by the Fire Chief or designee.

2. Only fireworks approved by the Fire Chief are authorized for use.

3. When display is fired from a barge or vessel, a secured area shall be established around the barge or vessel to prevent boats from entering the fallout area. No boats shall be allowed within two hundred (200) feet of the firing or storage site. A boat shall be on standby to remove personnel from the barge and otherwise respond in the case of an emergency. Additional fire extinguishers, rated 2A minimum, shall be on the barge and so spaced that an extinguisher shall be available at all times.

4. If, in the opinion of the Fire Chief or designee or authorized representative, lack of crowd control should pose a danger, the display shall be immediately discontinued until such time as the situation is corrected.

5. If at any time high winds or unusually wet weather prevail such that, in the opinion of the Fire Chief or designee or authorized representative of the display operators, a definite fire danger exists, the public display shall be discontinued or postponed until weather conditions improve so as to permit safe discharge of fireworks.

6. Light snow or mist need not cause cancellation of the display; however, all materials used in the display shall be protected from the weather until immediately prior to use.

7. Display operators and assistants shall use only flashlights or approved electrical lighting for artificial illumination.
8. No smoking or open flames shall be allowed within fifty (50) feet of the firing or storage area so long as shells are present. Signs to this effect shall be conspicuously posted.
9. The first shell fired shall be carefully observed to determine that its trajectory will carry it into the intended firing range and that the shell functions are over and any debris falls into the planned landing area.
10. Mortars shall be re-angled or reset if necessary at any time during the display to properly adjust the trajectory or landing area.
11. When a shell fails to ignite in the mortar, the mortar shall not be touched for a minimum of five (5) minutes. After five (5) minutes it shall be carefully flooded with water. Immediately following the display, the mortar shall be emptied into a bucket of water. The supplier shall be contacted as soon as possible for proper disposal instructions.
12. Operators shall not attempt to repair a damaged shell nor shall they attempt to dismantle a dry shell. In all such cases, the supplier shall be contacted as soon as possible for proper disposal instructions.
13. Operators shall not dry a wet shell, nor shall they lance or pot a wet shell for reuse.
14. The entire firing range shall be inspected immediately following the display to locate any defective shells. Any such shells found shall be immediately doused with water before handling. The shells shall be placed in a bucket of water. The supplier shall then be contacted as soon as possible for proper disposal instructions.
15. When fireworks are displayed in darkness, the operator shall ensure that the firing range is inspected early the following morning.
16. Any fireworks remaining unfired after the display shall be immediately disposed of or removed from the City in a safe manner.
17. The debris from discharged fireworks shall be disposed of in a proper manner.

L. Additional Safety Measures. When, in the sole discretion of the Fire Chief, it is necessary to preserve the public health, safety and welfare of the City, a permit may be conditioned upon any other safety requirements as deemed appropriate by the Fire Chief. The applicant shall bear the cost of any additional safety requirements, and, at the sole discretion of the Fire Chief or designee, may be required to pay those costs prior to the issuance of a permit.

M. The denial by the Fire Chief or designee of a permit issued under this chapter may be appealed to the City Council in the same manner as decisions of the Hearing Examiner, as set forth in SMC 1.20.230 through 1.20.280. The decision of the City Council shall be final and conclusive. (Ord. 05-1006 § 1: Ord. 93-1020 § 1)

**5.35.055 Issuance – Nontransferable – Voiding.**

Each permit issued pursuant to this chapter shall be valid only for the specific authorized event, shall be used only by the designated permittee, and shall be nontransferable. Any transfer or unauthorized use of a permit is a

violation of this chapter and shall void the permit in addition to all other sanctions provided in this code. (Ord. 05-1006 § 1)

**5.35.060 Sale of fireworks.**

Repealed by Ord. 05-1006. (Ord. 02-1021 § 3: Ord. 93-1020 § 1)

**5.35.070 Unclassified fireworks.**

Repealed by Ord. 05-1006. (Ord. 93-1020 § 1)

**5.35.080 Exceptions.**

The provisions of this chapter shall not apply to “toy sparklers” and “toy caps” containing not more than 25/100ths grains of explosive compound for each cap and/or sparkler. It is further provided, that nothing contained in this chapter shall be deemed to prohibit the use of any explosive or flammable compound, blasting caps and similar items used for industrial purposes, nor to prohibit the use of any blank cartridges for use by person for bona fide ceremonial services, sporting events or demonstrations. This chapter shall not be construed so as to prohibit the use of torpedoes, flares or fuses by the operators of motor vehicles or railroads, nor by other transportation agencies for signal purposes. This chapter shall also not apply to the assembling, use and display of fireworks, of whatever nature, by any persons engaged in the production of fireworks when such use and display are necessary parts of the production and such persons possess requisite State permits to do so. This chapter shall also not apply to manufacturers, wholesalers, dealers or jobbers who possess the appropriate licenses and/or permits from manufacturing or selling any kind of fireworks for direct shipment out of the City or out of the State, nor for manufacturing and/or selling at wholesale any dangerous fireworks to properly licensed persons holding a valid permit for a public display of fireworks. (Ord. 05-1006 § 1: Ord. 93-1020 § 1)

**5.35.085 Construction.**

This chapter is intended to implement Chapter 70.77 RCW, and shall be construed in connection with that law and any and all regulations issued pursuant thereto. (Ord. 05-1006 § 1)

**5.35.090 Violation – Penalty.**

- A. Any person violating any provision of this chapter for which no penalty is specifically provided is guilty of a misdemeanor, and upon conviction shall be punished by a fine in an amount not exceeding one thousand dollars (\$1,000), or by imprisonment for a term not exceeding ninety (90) days, or by both.
- B. A person commits a separate offense for each separate and distinct violation of any provisions of this chapter, and a person commits a separate offense for each day during which he/she commits or allows to continue a violation of any provisions of this chapter.
- C. Any fireworks which are illegally sold, offered for sale, used, discharged, ignited, exploded, possessed or transported in violation of the provisions of this chapter or of Chapter 70.77 RCW shall be subject to seizure by any police officer or by the Fire Chief or his designee.

D. It shall be a civil infraction, with a monetary penalty of two hundred fifty dollars (\$250.00), including costs and assessments, for any parent, guardian, or other person having control or custody of a person under the age of eighteen (18) years of age to authorize or permit such person to violate any provision of this chapter. (Ord. 05-1006 § 1; Ord. 93-1020 § 1)

**Chapter 5.40**  
**ADULT ENTERTAINMENT**

**Sections:**

- 5.40.010 Purpose and intent.
- 5.40.020 Findings.
- 5.40.030 Definitions.
- 5.40.040 Prohibition.
- 5.40.050 Regulated uses.
- 5.40.060 Sexually-oriented business permit required.
- 5.40.070 Investigation and application.
- 5.40.080 Issuance of permit.
- 5.40.090 Licenses for managers and entertainers of sexually-oriented businesses required.
- 5.40.100 Licenses required for sexually-oriented businesses – Fee.
- 5.40.110 Licenses for managers and entertainers of sexually-oriented businesses required – Fee.
- 5.40.120 Licenses for models and escorts.
- 5.40.130 Manager on premises.
- 5.40.140 License nontransferable.
- 5.40.150 License – Posting and display.
- 5.40.160 Specifications – Adult cabarets and adult theaters.
- 5.40.170 Standards of conduct and operation applicable to adult cabarets.
- 5.40.180 Regulations of adult bookstores, novelty stores, arcades and video stores.
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- 5.40.280 Applicability to currently operating businesses.
- 5.40.290 Limitations of liability.
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- 5.40.310 Public nuisance/injunctions.

#### **5.40.010 Purpose and intent.**

It is the purpose of this chapter to regulate sexually-oriented businesses and related activities to promote health, safety, morals, and general welfare of the citizens of the City of SeaTac, and to establish reasonable and uniform regulations to prevent the deleterious location of sexually-oriented businesses within the City. It is not the intent of the City that it should be the purpose or effect of this chapter to impose a limitation or restriction on the content of any communicative materials, including sexually-oriented materials. Similarly, it is not the intent of the City that it should be the effect of this chapter to restrict or deny access by adults to sexually-oriented materials protected by the State or Federal Constitutions, or to deny access by the distributors and exhibitors of sexually-oriented material to their intended market. Neither is it the intent of the City that it should be the purpose or effect of this chapter to condone or legitimize the distribution of obscene materials. (Ord. 98-1012 § 1; Ord. 95-1018 § 1)

#### **5.40.020 Findings.**

Based upon a wide range of evidence presented to the SeaTac City Council and to other jurisdictions, including but not limited to the testimony of law enforcement officers and members of public, and on other evidence, information, publications, articles, studies, documents, case law and material submitted to and reviewed and considered by the City Council and staff, the councils of other cities within the region and in other jurisdictions, nonprofit organizations and other legislative bodies, the City Council makes the following findings:

- A. Certain conduct occurring on premises offering sexually-oriented business creates secondary impacts that are detrimental to the public health, safety and general welfare of the citizens of the City, and therefore such conduct must be regulated as provided herein.
- B. Regulation of the sexually-oriented business industry through permitting and/or licensing is necessary because, in the absence of such regulation, significant criminal activity has historically and regularly occurred.
- C. Proximity between entertainers and patrons during adult entertainment performances can facilitate sexual contact, prostitution and related crimes. Concerns about crime and public sexual activity are legitimate and compelling concerns of the City which demand reasonable regulation of adult entertainment establishments in order to protect the public health, safety and general welfare.
- D. It is necessary to license entertainers in the sexually-oriented industry to prevent the exploitation of minors, to ensure that each such entertainer is an adult, and to ensure that such entertainers have not assumed a false name, which would make regulation of the entertainer difficult or impossible.
- E. The evidence supporting the need to protect minors and families from the criminal and other unlawful activities associated with the operation of sexually-oriented businesses is compelling. The provisions of this chapter are necessary to ensure that sexually-oriented uses in SeaTac are conducted a reasonable distance away from places where minors regularly gather, often in large numbers.
- F. It is necessary to have a licensed manager on the premises of sexually-oriented businesses at such times as such establishments are offering sexually-oriented business so there will, at all necessary times, be an individual responsible for the overall operation of the establishment, including the actions of patrons, entertainers and other employees.

G. The license fees required herein are nominal fees imposed as necessary cost recoupment measures designed to help defray the substantial expenses incurred by the City in regulating the sexually-oriented businesses, and in increased police costs in enforcement.

H. Enterprises providing sexually-oriented businesses are increasingly associated with ongoing prostitution, disruptive conduct and other criminal activity. Such businesses are currently not subject to effective regulation and constitute an immediate threat to the public peace, health and safety. The hours of operation of such businesses have a significant impact on the occurrence of illegal drug transactions and other criminal activities.

I. Due to the information presented regarding the connection of prostitution with sexually-oriented businesses, there is concern over sexually-transmitted diseases which is a legitimate health concern of the City and thus requires regulation of sexually-oriented businesses in order to protect the health, safety and well-being of the public.

J. Many cities, including Seattle and Tacoma, have experienced negative secondary impacts from sexually-oriented business land uses. The skid row effect is one of these secondary impacts and is evident in certain parts of Seattle. Such an effect would be significantly magnified in SeaTac due to the difference in size and characteristics of the City.

K. The City of SeaTac may rely on the experiences and studies of other cities, counties and organizations in assessing the need for regulation of sexually-oriented business uses, operations and licensing.

L. The City takes notice of studies and experiences of other cities and counties in combating the specific adverse impacts of sexually-oriented businesses.

M. Regulation of sexually-oriented businesses should be developed to prevent deterioration and/or degradation of the vitality of the community before the problem exists, rather than in response to an existing problem.

N. Increased levels of criminal activities occur in the vicinity of sexually-oriented businesses. Additionally, hidden ownership interests for the purpose of skimming profits, avoiding payment of taxes, and racketeering have historically occurred in sexually-oriented businesses, in the absence of regulations.

O. The City Council therefore finds that the protection and the preservation of the public health, safety and welfare requires establishment of this chapter.

P. There are sufficient important and substantial government interests to provide a constitutional basis for reasonable regulation of time, place, and manner under which sexually-oriented businesses can operate.

Q. Since 1995, police officers have conducted numerous investigations at the City of SeaTac's existing adult entertainment establishment. These investigations conducted by both uniformed officers and undercover officers have resulted in the issuance of over sixty (60) citations for criminal violations. A majority of the violations involved physical contact between an entertainer and a patron.

R. It is not the intent of this chapter to unconstitutionally suppress any speech activities protected by the First Amendment of the United States Constitution nor Article 1, Section 5 of the Washington State Constitution, but to enact content-neutral ordinances which address the secondary effects of sexually-oriented businesses, as well as the health problems associated with such businesses.



S. In a family community, sexually-oriented businesses are not uniformly compatible with community standards, as defined during the numerous public hearings.

T. The law enforcement resources available for responding to problems associated with or created by sexually-oriented businesses are limited and are best conserved by regulating and licensing sexually-oriented businesses and those associated with them.

U. In order to assure that all conditions, regulations, etc. are met, the City has established a reasonable time period for review of license applications. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

#### **5.40.030 Definitions.**

For the purposes of this chapter, certain terms and words are defined as follows:

A. “Sexually-oriented business” shall mean those businesses defined as follows:

1. “Adult arcade” shall mean an establishment containing any individual viewing areas or booths, where, for any form of consideration, one (1) or more still or motion picture projectors, slide projectors, or similar machines, or other image producing machines are used to show films, motion pictures, video cassettes, slides, or other photographic reproductions of specified sexual activities or specified anatomical areas.

2. “Adult bookstore”, “adult novelty store”, or “adult video store” shall mean a commercial establishment which has thirty percent (30%) or more of its inventory or floor space used for the sale or rental, for any form of consideration, of any one (1) or more of the following:

- a. Books, magazines, periodicals or other printed matter, or photographs, films, motion pictures, video cassettes, slides, or other visual representations or sexually-oriented paraphernalia or novelty items, which are characterized by the depiction, description or reproduction of specified sexual activities or specified anatomical areas.
- b. An establishment may have other principal business purposes that do not involve the offering for sale or rental of materials depicting, describing or reproducing specified sexual activities or specified anatomical areas, and still be categorized as adult bookstore, adult novelty store, or adult video store. Such other business purposes will not serve to exempt such establishments from being categorized as an adult bookstore, adult novelty store, or adult video store so long as thirty percent (30%) or more of its inventory or floor space is offering for sale or rental, for some form of consideration, the specified materials which depict or describe specified anatomical areas or specified sexual activities.
- c. Video stores that sell and/or rent video tapes or other photographic reproductions and associated equipment shall come within this definition if thirty percent (30%) or more of the inventory or floor space includes the rental or sale of video tapes or other photographic reproductions or associated equipment which are characterized by the depiction, description or reproduction of specified sexual activities or specified anatomical areas.

3. “Adult cabaret” shall mean a nightclub, bar, restaurant, or similar commercial establishment, whether or not alcoholic beverages are served, which features sexually-oriented live entertainment.

4. "Adult motel" means a hotel, motel, or similar commercial establishment:
- a. Which offers sleeping accommodations to the public for any form of consideration and provides patrons with closed-circuit television transmissions, films, motion pictures, video cassettes, slides, or other photographic reproductions which are characterized by the depiction or description of specified sexual activities or specified anatomical areas; or has a sign visible from the public right-of-way which advertises the availability of this adult type of photographic reproductions; or
  - b. Which offers a sleeping room for rent for a rental fee period of time that is less than twenty (20) hours; or
  - c. Which allows a tenant or occupant of a sleeping room to sub-rent the room for a period of time that is less than twenty (20) hours.

5. "Adult motion picture theater" shall mean a commercial establishment where films, motion pictures, video cassettes, slides, or similar photographic reproductions characterized by the depiction or description of specified anatomical areas or specified sexual activities are shown for any form of consideration.

6. "Adult theater" shall mean a theater, concert hall, auditorium, or similar commercial establishment which, for any form of consideration, features persons who appear live in a semi-nude or nude state, or live performances which are characterized by the exposure of specified anatomical areas or specified sexual activities.

7. "Escort agency" means a person or business association that furnishes, offers to furnish, or advertises to furnish escorts as its business purpose for a fee, tip, or other consideration. This shall not include any escort service offered by a charity or nonprofit organization for medical assistance or assistance to the elderly or infirm.

8. "Nude or semi-nude model studio" shall mean any place where a person who appears nude or semi-nude, or displays specified anatomical areas, is provided for money or any other form of consideration, to be observed, sketched, drawn, painted, sculptured, photographed, or similarly depicted by other persons.

B. "Barker" shall mean any person who is located at the entrance of or outside of a sexually-oriented business, and attempts to solicit business for the same by using voice or gestures.

C. "City" means the City of SeaTac, Washington.

D. "Director" means the City Manager, or designee.

E. "Employee" means any and all persons, including managers, entertainers, and independent contractors who work in or at or render any services directly related to the operation of any sexually-oriented business of live entertainment, adult theater, or adult use establishments, whether or not such person is paid compensation by the operator of said business.

F. "Entertainer" means any person who provides sexually-oriented live entertainment in an adult cabaret or adult theater, whether or not they are an employee of the business and whether or not a fee is charged or accepted for such entertainment, and whether or not nude, semi-nude or clothed.

G. "Manager" means any person who manages, directs, administers, or is in charge of the affairs and/or the conduct of a sexually-oriented business.

H. "Escort" means a person who provides services for an escort service as defined herein, who, for consideration, agrees or offers to act as a companion, guide, or date for another person, or who agrees or offers to privately model lingerie or to privately perform a striptease for another person.

I. "Establishment" shall mean and include any of the following:

1. The opening or commencement of any sexually-oriented business as a new business; or
2. The conversion of an existing business, whether or not a sexually-oriented business, to any sexually-oriented businesses defined herein; or
3. The addition of any of the sexually-oriented businesses defined herein to any other existing sexually-oriented business; or
4. The relocation of any such sexually-oriented business; or
5. An existing sexually-oriented business.

J. "Nude or state of nudity" shall mean the appearance or less than complete and opaque covering of the human anus, male genitals, female genitals, or the areola or nipple of the female breast.

K. "Operator" shall mean and include the owner, significant stockholder or significant owner of interest, permit holder, custodian, manager, operator, or person in charge of any permitted or licensed premises.

L. "Permitted and/or licensed premises" shall mean any premises that requires a license and/or permit and that is classified as a sexually-oriented business.

M. "Permittee and/or licensee" shall mean a person in whose name a permit and/or license to operate a sexually-oriented business has been issued, as well as the individual listed as an applicant on the application for a permit and/or license.

N. "Person" shall mean any individual, firm, joint venture, co-partnership, association, social club, fraternal organization, corporation, estate, trust, business trust, receiver or any other group or combination acting as a unit.

O. "Semi-nude" shall mean a state of dress in which clothing completely and opaquely covers no more than the genitals, pubic region, and areola and nipple of the female breast, as well as portions of the body covered by supporting straps or devices.

P. "Specified anatomical areas" shall mean and include any of the following:

1. Less than completely and opaquely covered human genitals, pubic region, anus, or areola of the female breasts or any artificial depiction of the same; or
2. Human male genitals in a discernible turgid state, even if completely and opaquely covered.

Q. "Specified criminal activities" shall mean any conviction for acts which are sexual crimes against children, sexual abuse, rape, or distribution of obscenity or erotic material to minors, prostitution, pandering, or racketeering.

R. "Specified sexual activity" shall mean and include any of the following:

1. The fondling or other intentional touching of human genitals, pubic region, buttocks, anus, or female breasts; or
2. Sex acts, normal or perverted, actual or simulated, including intercourse, oral copulation, or sodomy; or

3. Masturbation, actual or simulated; or
4. Human genitals or artificial depictions of the same in a state of sexual stimulation, arousal or tumescence; or
5. Excretory functions as part of or in connection with any of the activities set forth in subdivisions (1) through (4) of this subsection.

S. "Sexually-oriented live entertainment" means:

1. Any performance or dance of any type conducted in a commercial premises for a member or members of the public where such exhibition, performance or dance involves a person who is nude or semi-nude; or
2. Any exhibition, performance, or dance of any type conducted in a commercial premises for a member or members of the public where such exhibition, performance or dance is distinguished or characterized by the performer's exposure of specified anatomical areas or performance of specified sexual activities; or
3. Any exhibition, performance or dance intended to sexually stimulate a member of the public where such exhibition, performance or dance is performed for, arranged with, or engaged in with fewer than all members of the public on the premises at the time, with separate consideration paid, either directly or indirectly, for such performance, exhibition or dance.

T. "Obscenity" shall mean the definition of lewd material provided by RCW 7.48.050, including any matter:

1. Which the average person applying contemporary community standards would find when considered as a whole, appeals to the prurient interests in sex; or
2. Which explicitly depicts or describes patently offensive representations or descriptions of:
  - a. Ultimate sexual acts, normal or perverted, actual or simulated; or
  - b. Masturbation, fellatio, cunnilingus, bestiality, excretory functions or lewd exhibitions of the genital or genital areas; or
  - c. Violent or destructive sexual acts, including, but not limited to, human and or animal mutilation, dismemberment, rape and/or torture; or
  - d. Has a dominant theme which appeals to the prurient interests of minors and sex; which is patently offensive because it affronts contemporary community standards relating the description of representation of sexual matters or sadomasochistic abuse; and
3. Which when considered as a whole lacks serious, literary, artistic, political or scientific value.

U. "Transfer of ownership or control of a sexually-oriented business" shall mean and include any of the following:

1. The sale, lease, or sublease of the business; or
2. The transfer of securities which constitutes a controlling interest in the business, whether by sale, exchange, or similar means; or

3. The establishment of a trust, gift, or other similar legal device which transfers the ownership or control of the business, except for transfer by bequest or other operation of law upon the death of a person possessing the ownership or control. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.040 Prohibition.**

For the reasons stated in the recitals and in SMC 5.40.010 and 5.40.020, a person shall not use any property or premises for a sexually-oriented business within the City of SeaTac, except as permitted in this chapter. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.050 Regulated uses.**

All sexually-oriented businesses are subject to the provisions of SMC 5.40.040 and the regulations contained in this chapter. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.060 Sexually-oriented business permit required.**

A. A person may not conduct or operate a sexually-oriented business without a permit issued by the City for the particular type of business. The business and, or individuals' license(s), permit(s) or other types of authorization required by this Chapter are separate from and in addition to the Business License that may be required under Chapter 5.05 SMC.

B. The City Manager, or designee, is responsible for granting, denying, revoking, renewing, suspending, and canceling sexually-oriented business permits and related licenses. The City Manager, along with the Building Official and/or his/her/their designee(s) are responsible for ascertaining whether a proposed sexually-oriented business for which a permit and/or license is being applied for complies with all requirements enumerated herein and all other applicable zoning laws and/or regulations now in effect or as amended or enacted subsequent to the effective date of this chapter.

C. An application for a sexually-oriented business permit shall be made on a form provided by the City. Each person desiring to operate a sexually-oriented business shall file with the City Director of Finance or designee an application supplied by the City.

D. The completed application shall contain the following information and shall be accompanied by the following documents:

1. If the applicant is:

a. An individual/sole proprietor, the individual/owner shall state his/her legal name and any aliases, stage names, or previous names, date of birth, Social Security number and submit satisfactory proof that he/she is eighteen (18) years of age or older, business, mailing and residential address and business telephone number.

b. A partnership, the partnership shall state its complete name, and the legal names of all partners, including their dates of birth, Social Security numbers, and submit satisfactory proof that each is eighteen (18) years of age and whether the partnership is general or limited, and a copy of the partnership agreement, if any.

c. A corporation, the corporation shall state its complete name, the date of its incorporation, evidence that the corporation is in good standing under the laws of the State of Washington, the legal names, dates of birth, Social Security numbers, proof that each is eighteen (18) years of age or older and the capacity of all officers, directors and principal stockholders, the name of the registered corporate agent, and the address of the registered office for service of process.

d. As a part of the application process, each officer, director, or principal stockholder, as defined above, shall provide the City Director of Finance or designee with an affidavit attesting to their identity and relationship to the corporation. Principal stockholders shall mean those persons who own ten percent (10%) or greater interest in the sexually-oriented business.

2. Whether the applicant or a partner, corporate officer, or director of the applicant holds another license under this chapter or a license for a similar live adult entertainment or sexually oriented business, including a motion picture theater and a panoram, from the jurisdiction of another city or county or state, and, if so, the name and address of each other licensed business.

3. A summary of the business history of the applicant and applicant control persons in owning or operating the live adult entertainment or other sexually-oriented business, providing names, addresses, and dates of operation for the businesses and whether a business license or live adult entertainment establishment license has been revoked or suspended and the reason for the revocation or suspension;

4. For the applicant and all applicant control persons, all criminal convictions or forfeitures within five (5) years immediately preceding the date of the application, other than parking offenses or minor traffic infractions, including the dates of conviction, nature of the crime, name and location of the court, and disposition.

5. For the applicant and all applicant control persons, a description of business, occupation, or employment history for the three (3) years immediately preceding the date of the application.

6. Authorization for the jurisdiction and the jurisdiction's agents and employees to seek information to confirm statements set forth in the application.

7. The location and doing-business-as name of the proposed live adult entertainment establishment, including a legal description of the property, street address, and telephone number, together with the name and address of each owner and lessee of the property.

8. A complete set of fingerprints for the applicant or each applicant control person, taken by the law enforcement agency for the jurisdiction, or such other entity as authorized by the law enforcement agency.

9. A scale drawing or diagram showing the configuration of the premises for the proposed live adult entertainment establishment, including a statement of the total floor space occupied by the business, and marked dimensions of the interior of the premises. Performance areas, seating areas, manager's office and stations, restrooms, and service areas must be clearly marked on the drawing. An application for a license for a live adult entertainment establishment must include building plans that demonstrate conformance with the jurisdiction's building code requirements.

10. Applicants for a permit and/or license under this chapter shall have a continuing duty to promptly supplement application information required in the event that said information changes in any way from what is stated on the application. The failure to comply with said continuing duty within thirty (30) days from the date of such change by supplementing the application on file with the City Finance Department shall be grounds for suspension of a permit and/or license.

11. In the event the City Manager or designee determines or learns at any time that the applicant has improperly completed the application for a proposed sexually-oriented business permit or license, he/she shall promptly notify the applicant of such fact and allow the applicant ten (10) days to properly complete the application. (The time period for granting or denying a permit shall be stayed during the period in which the applicant is allowed an opportunity to properly complete the application).

12. The applicant must be qualified according to the provisions of this section, must have a current City business license, and the premises must be inspected and found to be in compliance with all health, fire, and building codes applicable in the City.

13. The applicant shall be required to pay a preliminary nonrefundable processing fee established by resolution at the time of filing an application under this section. Note: This is a processing fee. License fees shall also be required in the event the application is approved.

14. The fact that a person possesses other types of State or City permits and/or licenses does not exempt him/her from the requirement of obtaining a sexually-oriented business permit.

15. The application form for licenses and permits issued under this chapter shall contain a provision providing that under penalty of perjury the applicant verifies that the information contained therein is true to the best of his/her knowledge.

16. Attached to the license shall be a one-and-one-half-inch by two-inch (1-1/2" x 2") color photograph of the applicant, including corporate applicants, showing the full face of the same, taken by the City, at a charge of two dollars (\$2.00), to be paid by the applicant at the time of the application. The license, when issued, shall have affixed to it the photograph of the applicant. (Ord. 98-1012 § 1; Ord. 95-1018 § 1)

#### **5.40.070 Investigation and application.**

A. Upon receipt of an application properly filed with the City Director of Finance or designee, and upon payment of the nonrefundable processing fee, the City Manager or designee shall immediately stamp the application as received and shall immediately thereafter send photocopies of the application to the various departments of the City or other agencies responsible for enforcement of health, fire, and building codes and laws. Each department or agency shall promptly conduct an investigation of the application and the proposed sexually-oriented business. Said investigation shall be completed within twenty (20) working days of receipt of the application by the City Director of Finance or designee, unless circumstances support extending the same. If so, the City shall inform the applicant of the same and why. At the conclusion of its investigation, an appropriate representative of each department or agency shall indicate on the photocopy of the application its recommendation as to approval or disapproval of the application, date it, sign it, forward it to the City Director of Finance or designee, and in the event that the department or agency recommendation is for disapproval, the specific reasons for the recommendation shall be stated, citing applicable laws, regulations and reasons.

B. A department or agency shall recommend disapproval of an application if it finds that the proposed sexually-oriented business will be in violation of any provision of any statute, code, ordinance, regulation, or other law in effect in the City, or if the applicant does not meet the conditions as specified in this chapter. After its indication of approval or disapproval, each department or agency shall immediately return the photocopy of the application to the City Director of Finance or designee. (Ord. 98-1012 § 1; Ord. 95-1018 § 1)

**5.40.080 Issuance of permit.**

A. The City Manager or designee shall grant or deny an application for a permit within thirty (30) days from the date of its proper filing unless the City or applicant establishes a good reason for an extension.

B. Grant of Application for Permit.

1. The City Manager or designee shall grant the application unless one (1) or more of the criteria set forth in subsection (C) below (Denial of Application for Permit) is present.

2. The permit, if granted, shall state on its face the name of the person or persons to whom it is granted, the expiration date, and the address of the sexually-oriented business. The permit shall be posted in a conspicuous place at or near the entrance to the sexually-oriented business so that it can be easily read at any time. It shall be valid for the period of time provided in this chapter.

C. Denial of Application for Permit. The City Manager or designee shall deny the application for any of the following reasons:

1. An applicant is under eighteen (18) years of age or will be employing a person under eighteen (18) years of age.

2. An applicant is overdue on his/her payment to the City of taxes, fees, fines, or penalties assessed against him/her or imposed upon him/her in relation to a sexually-oriented business.

3. An applicant has failed to provide information required by this chapter, SMC 5.40.060 or the application for the issuance of the permit, or has falsely answered a question or request for information on the application form.

4. The applicant has failed to comply with any provision or requirement of this chapter.

5. The applicant has failed to comply with any City codes or other State or Federal regulations or court order.

6. The applicant has been convicted, forfeited bail or otherwise had an adverse finding against him or her for a specified criminal activity within the four (4) years prior to the application date. (Ord. 98-1012 § 1; Ord. 95-1018 § 1)

**5.40.090 Licenses for managers and entertainers of sexually-oriented businesses required.**

A. A person may not work as a manager, assistant manager, or entertainer at a live adult entertainment establishment without a manager's or an entertainer's license issued by the City. An applicant for a manager's or entertainer's license must complete an application on forms provided by the Director of Finance or designee containing the information identified in this subsection. A nonrefundable application fee must accompany the application. The Director of Finance or designee shall provide a



copy of the application to the law enforcement agency of the jurisdiction for its review, investigation, and recommendation. An application for a manager's or entertainer's license must be signed by the applicant and certified to be true under penalty of perjury. The manager's or entertainer's license application must require the following information:

1. The applicant's name, home address, home telephone number, date and place of birth, fingerprints taken by the law enforcement agency of the jurisdiction or such other entity as authorized by the local law enforcement agency, Social Security number, and any stage names or nicknames used in entertaining;
2. The name and address of each live adult entertainment establishment at which the applicant intends to work;
3. Documentation that the applicant has attained the age of eighteen (18) years. Any two (2) of the following are acceptable as documentation of age:
  - a. A motor vehicle operator's license issued by a state, bearing the applicant's photograph and date of birth;
  - b. A state-issued identification card bearing the applicant's photograph and date of birth;
  - c. A passport issued by the United States of America;
  - d. An immigration card issued by the United States of America; or
  - e. Other identification that the jurisdiction determines to be acceptable and reliable;
4. A complete statement of all convictions of the applicant for misdemeanor or felony violations in the jurisdiction or another city, county, state within five (5) years immediately preceding the date of the application, except parking violations or minor traffic infractions;
5. A description of the applicant's principal activities or services to be rendered;
6. Two (2) two-inch by two-inch (2" x 2") color photographs of the applicant, taken within six (6) months of the date of application showing only the full face; and
7. Authorization for the City and its agents and employees to investigate and confirm statements in the application.

B. The Director of Finance or designee may request additional information or clarification if necessary to determine compliance with this chapter.

C. The contents of an application for an entertainer's license and any additional information submitted by an applicant for an entertainer's license are confidential and are not subject to public disclosure under Chapter 42.17 RCW. Nothing in this subsection prohibits the exchange of information among government agencies for law enforcement or licensing purposes.

D. An entertainer shall provide the entertainer's license to the live adult entertainment establishment manager on duty on the premises before the entertainer's performance. The manager shall retain the license of the entertainer so as to be readily available for inspection by the jurisdiction during business hours of the live adult entertainment establishment.

E. The Director of Finance or designee shall issue a live adult entertainment establishment manager's or entertainer's license within fourteen (14) days from the date the complete application and fee are received unless the Director of Finance or designee determines that the applicant failed to provide

information required to be supplied according to this chapter, made a false, misleading or fraudulent statement of material fact in the application, failed to meet a requirement for issuance of a license under this chapter, failed to comply with any City codes or other State regulations, or has been convicted, forfeited bail or otherwise had an adverse finding against him or her for a specified criminal activity within the four (4) years prior to the application date. If the Director of Finance or designee determines that the applicant does not qualify for the license, then he/she shall deny the application in writing and shall cite the specific reasons for the denial, including applicable laws. If the Director of Finance or designee fails to approve or deny an application for a live adult entertainment establishment manager's license within fourteen (14) days of filing of a complete application, the applicant may, subject to all other applicable laws, commence work as a live adult entertainment establishment until notified by the City designee that the license is denied, but the City designee may not extend the application review time for more than an additional twenty (20) days.

F. An applicant for an entertainer's or manager's license must be issued a temporary license upon receipt of a complete license application and fee. The temporary license automatically expires on the fourteenth day following the filing of the complete license application and fee unless the Director of Finance or designee fails to approve or deny the license application, in which case the temporary license is valid until approval or denial of the application or until the final determination of an appeal from a denial of the application. The City designee may not extend the application review time for more than an additional twenty (20) days. (Ord. 98-1012 § 1)

**5.40.100 Licenses required for sexually-oriented businesses – Fee.**

A. No sexually-oriented business shall be operated or maintained in the City of SeaTac unless the owner or operator has obtained a sexually-oriented business permit as set forth in this chapter, and the applicable licenses from the Director of Finance or designee.

B. The annual fee for a sexually-oriented business license shall be established in resolution, in the amount provided as the annual fee for an adult entertainment business license. The amount shall be used for the cost of administration and enforcement of this chapter.

C. The above-referenced licenses expire on the thirty-first day of December each year. Application for renewal must be made no later than thirty (30) days before expiration.

D. The Director of Finance or designee shall renew a license upon application unless he/she is aware of a fact that would disqualify the applicant from being issued the license for which the applicant seeks renewal and if the application complies with this chapter. The Director of Finance or designee shall provide written notice to the licensee of the decision not to renew the license. The notice must include the reason for the decision not to renew and inform the licensee of the right to appeal the decision to the designated hearing body.

E. The applicant must be eighteen (18) years of age or older. (Ord. 98-1012 § 1: Ord. 95-1018 § 1. Formerly 5.40.090.)

**5.40.110 Licenses for managers and entertainers of sexually-oriented businesses required – Fee.**

A. No person shall work as a manager or entertainer at any sexually-oriented business without having first obtained the appropriate entertainer's or manager's license from the City, as described above. A nonrefundable processing fee established by resolution shall accompany the application.

B. The annual fee for such a license shall be established by resolution, in the amount provided as the annual fee for an adult entertainer/manager license. The amount shall be used for the cost of administration and enforcement of this chapter.

C. The above-referenced licenses expire one (1) year after the date of issuance or renewal, and must be renewed no later than fourteen (14) days prior to the expiration date.

D. The Director of Finance or designee shall renew a license upon application unless he/she is aware of a fact that would disqualify the applicant from being issued the license for which the applicant seeks renewal and if the application complies with this chapter. The Director of Finance or designee shall provide written notice to the licensee of the decision not to renew the license. The notice must include the reason for the decision not to renew and inform the licensee of the right to appeal the decision to the designated hearing body. (Ord. 98-1012 § 1: Ord. 95-1018 § 1. Formerly 5.40.100.)

#### **5.40.120 Licenses for models and escorts.**

No person shall work as a model at a nude or semi-nude model studio or as an escort as defined herein without having first obtained a model or escort license from the Director of Finance or designee.

A. Each such applicant shall complete an application containing the information identified in SMC 5.40.090 and the same procedures shall be followed as set forth in SMC 5.40.110. A nonrefundable processing fee established by resolution shall accompany the application.

B. The annual fee for such a license shall be established by resolution, in the amount provided as the annual fee for an adult entertainer/manager license. The amount shall be used for the cost of administration and enforcement of this chapter.

C. The above-referenced licenses expire one (1) year after the date of issuance or renewal, and must be renewed no later than fourteen (14) days prior to the expiration date.

D. The applicant must be eighteen (18) years of age or older. (Ord. 98-1012 § 1: Ord. 95-1018 § 1. Formerly 5.40.110.)

#### **5.40.130 Manager on premises.**

A licensed manager shall be on duty at all sexually-oriented business premises at all times, whether the business provides live or other performances. The responsibilities of the manager include but are not limited to:

A. A licensed manager shall be on duty at a live adult entertainment establishment at all times adult entertainment is provided or members of the public are present on the premises. The name and license of the manager must be prominently posted during business hours. The manager is responsible for verifying that a person who provides adult entertainment within the premises possesses a current and valid entertainer's license.

B. The licensed manager on duty shall not be an entertainer.

C. The manager or an assistant manager licensed under this chapter must maintain visual observation of each member of the public at all times an entertainer is present in the public or performance areas of the live adult entertainment establishment. If there is more than one (1) performance area, or the performance area is of such a size or configuration that one (1) manager or assistant manager is unable to visually observe, at all times, each entertainer, each employee, and each member of the public, a manager or assistant manager licensed under this chapter must be provided for each public or performance area or portion of a public or performance area visually separated from other portions of the live adult entertainment establishment.

D. The manager is responsible for and must ensure that the actions of members of the public, the entertainers, and all other employees comply with this chapter. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.140 License nontransferable.**

No license or permit issued pursuant to this chapter shall be transferable. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.150 License – Posting and display.**

A. Every entertainer, manager, escort or model shall post his/her license in his/her work area so that it is readily available for public inspection.

B. Every person, corporation, partnership, or association licensed under this chapter shall display its license in a prominent place within the establishment. In the case of adult cabarets, the name of the manager on duty shall be prominently posted during business hours. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.160 Specifications – Adult cabarets and adult theaters.**

A. Separation of Sexually-Oriented Live Entertainment Performance Area. The portion of adult cabaret, adult theater or any other premises in which sexually-oriented live entertainment is performed shall be a stage or platform, visible to all members of the public at the premises, at least twenty-four (24) inches in elevation above the level of the patron seating areas, and shall be separated by a distance of at least ten (10) feet from all areas of the premises to which patrons have access. A continuous railing at least three (3) feet in height, at all points, shall be attached to the floor and located at least ten (10) feet from all points of the sexually-oriented live entertainment performance area and shall separate the performance area and the patron areas.

The stage or platform shall be visible from the entrance of the establishment and from a manager's station or usual place of duty and shall not be blocked or obscured by any curtain, door, wall or any other obstruction whatsoever.

B. Lighting. Sufficient lighting shall be provided and equally distributed in and about the parts of the premises which are open to and used by patrons so that all objects are plainly visible at all times, and so that on any part of the premises which are open to and used by patrons a program, menu, or list printed in eight (8) point type will be readable by the human eye with 20/20 vision from two (2) feet away.

C. Submittal of Plans. Building plans and lighting calculations showing conformance with the requirements of this section shall be included with any application for an adult cabaret or adult theater

business license. Building plans must be in compliance with all building, planning and other applicable State, local and Federal regulations. (Ord. 03-1014 § 1; Ord. 98-1012 § 1; Ord. 95-1018 § 1)

**5.40.170 Standards of conduct and operation applicable to adult cabarets.**

A. Standards for Patrons, Employees and Entertainers. The following standards of conduct must be adhered to by patrons, entertainers and/or employees of adult cabarets at all times live performances are provided:

1. No employee or entertainer shall be unclothed or in less than opaque and complete attire, costume or clothing so as to expose to view any portion of female breast below the top of the areola or any portion of the pubic region, anus, buttocks, vulva or genitals, except in the performance areas described in SMC 5.40.160(A).
2. An employee or entertainer mingling with the public may not be unclothed or in less than opaque and complete attire, costume, or clothing as described in subsection (A)(1) of this section.
3. An employee or entertainer mingling with a member of the public may not conduct a dance, performance, or exhibition in or about the nonperformance area of the live adult entertainment establishment unless that dance, performance, or exhibition is performed at a distance of at least ten (10) feet from the member of the public for whom the dance, performance, or exhibition is performed. The distance of ten (10) feet is measured from the torso of the dancer to the torso of the member of the public.
4. No patron or customer shall go into or upon the sexually-oriented live performance areas described in SMC 5.40.160(A).
5. No member of the public, employee or entertainer or patron shall allow, encourage, or knowingly permit any person upon the premises to touch, caress, or fondle the breasts, buttocks, anus, pubic area, or genitals of themselves or another.
6. An employee or entertainer may not caress, fondle, or erotically touch a member of the public or another employee. An employee may not encourage or permit a member of the public to caress, fondle, or erotically touch that employee. A member of the public may not caress, fondle or erotically touch an employee or entertainer.
7. No employee or entertainer shall perform acts of or acts which simulate sexual intercourse, masturbation, bestiality, sodomy, oral copulation, flagellation, or any sexual acts the performance of which are prohibited by law.
8. No employee or entertainer shall use artificial devices or inanimate objects to depict any of the prohibited activities described in this subsection.
9. No entertainer shall be visible from any public place outside the premises during the actual or apparent hours of his/her employment or performance on the premises.
10. No tip or gratuity or other payment offered to or accepted by an adult entertainer may be offered or accepted prior to any performance, dance or exhibition provided by the entertainer. No entertainer performing in the performance area shall be permitted to accept any form of gratuity or other payment offered directly to the entertainer by any patron. Any gratuity or other payment

offered to any entertainer performing upon any stage or platform must be placed into one or more receptacles provided for receipt of gratuities by the adult entertainment establishment, which receptacles shall be located no closer than ten (10) feet to the performance stage or platform. Any gratuity or tip or other payment offered to any adult entertainer conducting any performance, dance or exhibition in or about the nonstage area of the adult entertainment establishment shall be placed into the same or separate receptacles provided for receipt of gratuities by the adult entertainment establishment or provided through a manger on duty on the premises, located as stated above.

11. It is unlawful for any entertainer, employee, manager, or waitperson to perform more than one (1) such function at an adult cabaret on the same business day.

12. Except as provided in subsection (A)(10) of this section, no customer or patron of an adult cabaret shall give to an entertainer, either directly or indirectly, or otherwise provide an entertainer with, a gratuity or other payment, except an initial entrance fee or similar fee set out by the premises.

13. Entertainers are required to use separate restroom facilities.

14. At least one (1) sign on or adjacent to the stage or platform, in English, twelve (12) point print or larger, shall be conspicuously displayed stating the following:

CITY OF SEATAC ENTERTAINMENT REGULATIONS:

- (a) Entertainers may not extend any portion of their body beyond the edge of the performance stage;
- (b) Touching or any physical contact is prohibited and may lead to arrest of patron and/or entertainer;
- (c) Entertainers are not permitted to accept tips or gratuities or other payments directly from patrons. All tips or gratuities or other payments must be placed into a receptacle provided for that purpose.

15. At least two (2) additional signs, readable from at least twenty (20) feet distance, shall be posted in the premises. One (1) shall be posted conspicuously at the entrance to the establishment, and the other shall be conspicuously placed within the entertainer's dressing room. These signs shall state the following:

THE ADULT CABARET OR ADULT THEATER IS REGULATED BY THE CITY OF SEATAC. ENTERTAINERS ARE:

- (a) Not permitted to engage in any type of sexual conduct;
- (b) Not permitted to appear semi-nude or nude except on stage;
- (c) Entertainers are not permitted to accept tips or gratuities or other payments directly from patrons. All tips or gratuities or other payments must be placed into a receptacle provided for that purpose.
- (d) Touching between patrons and entertainers is prohibited and may lead to arrest of patron and/or entertainer.

16. There must be at least one (1) employee not an entertainer on duty and situated in any public area at all times that any patron, member or customer is present inside the premises.

17. Doors to areas on the premises which are available for use by persons other than the owner, manager, operator or their agents or employees may not be locked during business hours.

18. No person may operate or maintain any warning system or device, of any nature or kind, for the purpose of warning or aiding and abetting the warning of patrons, members, customers or any other persons that police officers or health, fire or building inspectors are approaching or have entered the premises.

B. Standards for Owner or Operator of Adult Cabarets or Adult Theaters. At any adult cabaret or adult theater where live performances are provided:

1. Admission must be restricted to persons of the age of eighteen (18) years or more pursuant to RCW 9.68A.150, and the identification of all patrons must be checked by the employees of the premises.

2. Sufficient lighting shall be provided in or about the parts of the premises which are open to and used by the public so that all objects are plainly visible at all times, and allows for the reading of a program, menu, or list printed in eight (8) point type by the human eye with 20/20 vision from two (2) feet away.

3. It is unlawful for any manager to perform more than one (1) such function at an adult cabaret on the same business day, and it is unlawful for any manager to allow or permit any entertainer, employee, manager, or waitperson to perform more than one (1) such function at an adult cabaret on the same business day.

4. All prices, costs, charges of any services, performances, products, function or items for which a charge or cost is to be paid shall be listed and identified, in English, on a chart, sign or similar board, of sufficient size to be readable at twenty (20) feet, conspicuously displayed and visible from the entrance area of the establishment. (Ord. 03-1014 § 2; Ord. 98-1012 § 1; Ord. 95-1018 § 1)

#### **5.40.180 Regulations of adult bookstores, novelty stores, arcades and video stores.**

All adult bookstores, adult novelty stores, adult arcades, or adult video stores having facilities for customers' viewing of depictions of human nudity and/or specified sexual activity of any nature, including depictions of specified sexual activities, shall comply with the following regulations:

A. Construction/Maintenance.

1. The viewing areas within the sexually-oriented adult arcade premises shall each be visible from the entrance of the establishment and from a manager's station and shall not be obscured by any curtain, door, wall or other enclosure. As used in this section "viewing area" means the area where a patron or customer would be positioned while watching a film, video or other viewing device.

2. All areas shall be maintained in a clean and sanitary condition at all times with sufficient lighting so that all objects are plainly visible at all times or listed print in eight (8) point type will be readable by the human eye with 20/20 vision from two (2) feet away.

3. Restrooms may not contain video reproduction equipment.
4. No steps or risers are allowed in any adult arcade booth or station.
5. No adult arcade station or booth shall have more than one (1) stool type seat. In order to prevent obscuring the occupant of an adult arcade station or booth from view, no stool for seating within an adult arcade station or booth shall have any seat back or sides.
6. All ventilation devices between the adult arcade booths must be covered by a permanently affixed ventilation cover. Ventilation holes may only be located one (1) foot from the top of the booth walls or one (1) foot from the bottom of the booth walls. There may not be any other holes or openings ("glory holes," etc.) in the booths.
7. No person may operate any kind of warning device or system for the purpose of warning or aiding or abetting the warning of any patron, employee or other persons that the police, health, fire or building inspector or other public officials are approaching or entering the premises.
8. The licensee shall not permit any doors to public areas on the premises to be locked during business hours, in violation of the applicable provisions of the SeaTac Building Code, Fire Code, and National Fire Protection Association Code, or other applicable codes.
9. No person under eighteen (18) years of age shall be permitted in such premises. The employees shall check identification of all who enter.

**B. Unlawful Conduct.** The following conduct or activity is unlawful:

1. Masturbation or sexual activity of any kind in viewing booths.
2. Two (2) or more customers in a viewing booth at the same time.
3. For the owner or manager to knowingly allow any of the disallowed conduct.
4. Noncompliance with any other regulations set forth in this chapter.

**C. Signs.** At least two (2) signs shall be conspicuously and permanently posted on the premises in readable English type from ten (10) feet away, advising customers using viewing booths that:

1. Masturbation in such booths is prohibited and unlawful.
2. That it is unlawful for more than one (1) customer to occupy a viewing booth at any time.
3. Violations are subject to criminal prosecution. (Ord. 04-1008 § 4; Ord. 98-1012 § 1; Ord. 95-1018 § 1)

**5.40.190 Other video store regulations.**

Video stores that do not fit the definition of a sexually-oriented business as provided above but that sell or otherwise distribute films, motion pictures, video cassettes, slides, or other visual representations which are characterized by the depiction or description of specified sexual activities or specified anatomical areas, and less than thirty percent (30%) of their revenues inventory or floor space includes such items, shall be subject to State regulations, and the following:

- A. All such items as are described above shall be physically segregated and closed off from other portions of the store such that these items are not visible and/or accessible from other portions of the store.



B. No advertising for such items shall be posted or otherwise visible, except where such items are authorized by law for display.

C. Signs, in English, readable at a distance of twenty (20) feet shall be posted at the entrance to the area where such items are displayed stating that persons under the age of eighteen (18) are not allowed access to the area where “erotic” items as defined by State statute and/or court order are displayed.

D. The manager or attendant shall take reasonable steps to monitor the area where such “erotic” items are displayed to ensure that persons under eighteen (18) years of age do not access the age-restricted area.

E. Rental or sale of obscene material (as defined herein) shall be considered a moral nuisance, and subject to abatement pursuant to this chapter and RCW 7.48.058.

F. Employees of such video stores shall check identification for the age of all persons renting or purchasing such “erotic” items.

G. The store shall not employ anyone under eighteen (18) if the store sells or otherwise distributes films, motion pictures, video cassettes, slides, or other visual representations which are characterized by the depiction or description of specified sexual activities or specified anatomical areas. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

#### **5.40.200 Exemptions.**

This chapter shall not be construed to prohibit:

A. A person appearing in a state of nudity or semi-nudity, modeling in a class operated by: a proprietary school, licensed by the State of Washington; a college, junior college, or university supported entirely or partly by taxation; a private college university which maintains and operates educational programs in which credits are transferable to a college, junior college, or university supported entirely or partly by taxation; or the modeling of clothing or lingerie in a full-service restaurant where no consideration is charged, whether directly or indirectly, specified anatomical areas are opaquely covered and not exposed by the model and the models are not within six (6) feet of any patron of the restaurant;

B. Plays, operas, musicals, or other dramatic works that are not obscene;

C. Classes, seminars, and lectures held for serious scientific or educational purposes that are not obscene; or

D. Exhibitions, performances, expressions or dances that are not obscene. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

#### **5.40.210 License – Name of business and place of business.**

No person granted a permit and/or license pursuant to this chapter shall operate a sexually-oriented business under a name not specified in his/her license, nor shall he/she conduct business under any designation or at a location not specified in his/her permit and/or license. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

#### **5.40.220 Inspections.**

A. All books and records required to be kept pursuant to this chapter shall be open to inspection by the Chief of Police or designee of the City of SeaTac during the hours when the licensed premises is open for business. The purpose of such inspection shall be to determine if the books and records meet the requirements of this chapter.

B. The licensed premises shall be (as an implied condition of receiving a sexually-oriented business permit and/or license) open to inspection by the City's Chief of Police, fire or health officials, or their designees during the hours when the sexually-oriented business premises is open for business. The purpose of such inspection shall be to determine if the licensed premises is operated in accordance with the requirements of this chapter. It is hereby expressly declared that unannounced inspections are necessary to ensure compliance with this chapter. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.230 Hours of operation.**

It is unlawful for any sexually-oriented business premises, except adult motels, to be conducted, operated, or otherwise open to the public between the hours of 2:00 a.m. and 10:00 a.m. (Ord. 03-1014 § 3: Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.240 Alcohol prohibited.**

Alcoholic beverages are prohibited from being served or present at any business subject to regulation under this chapter. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.250 Barkers prohibited.**

The use of "barkers" as defined herein by any sexually-oriented business, or business offering sexually-oriented material, shall be prohibited. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.260 Recordkeeping requirements.**

A. Within thirty (30) days following each calendar quarter, each sexually-oriented business licensee shall file with the Director of Finance or designee a verified report showing the licensee's gross receipts and amounts paid to entertainers, models, or escorts, if applicable, by quarter for the preceding calendar year.

B. Each sexually-oriented business licensee shall maintain and retain for a period of two (2) years from the date of termination of employment the names, addresses, Social Security numbers and ages of all persons employed or otherwise retained as entertainers, models, and escorts by the licensee. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.270 Denial, suspension or revocation of license or permit procedures – Appeal.**

A. When the Director of Finance or designee refuses to grant a license or permit, or revokes or suspends the same, the applicant shall be notified in writing of the same, describing the reasons therefor, and shall inform the applicant of his right to appeal to the City Hearing Examiner within ten (10) days of the date

of the written notice by filing a written notice of appeal with the City Clerk containing a statement of the specific reasons for the appeal and a statement of the relief requested.

B. Whenever the Director of Finance or designee has found or determined that any violation or change in circumstances of this chapter has occurred, s/he shall issue a notice of violation and suspension or revocation ("notice") to the licensee or permit holder.

The notice shall include the following:

1. Name(s) of person(s) involved.
2. Description of the violation(s), including date and section of this chapter violated.
3. Description of the administrative action taken.
4. Rights of appeal as set forth above.

The notice shall be served either personally or by mailing a copy of the notice by certified mail, postage prepaid, return receipt requested, to the licensee at his or her last known address. Proof of personal service shall be made at the time of service by a written declaration under penalty of perjury, executed by the person effecting the service, declaring the time, date, and the manner by which service was made. The decision may be appealed to the City Hearing Examiner if request for appeal is filed with the City Clerk within ten (10) days of date of the notice. Said request shall be in writing, state specific reasons for the appeal, and the relief requested.

C. The suspension or revocation of a license shall be immediately effective unless a stay thereof is specifically requested in the written request for an appeal.

D. Within ten (10) days of receiving a timely appeal, the City Clerk shall forward the administrative record of the licensing decision to the City Hearing Examiner.

E. When an applicant has appealed the Director of Finance's or designee's decision according to the provisions hereof, the City Hearing Examiner shall review the administrative record at the next regularly scheduled meeting for which proper notice can be given. Written notice of the date and time of the scheduled meeting will be given to the applicant by the City Clerk by mailing the same, postage prepaid, to the applicant at the address shown on the license or permit application.

F. If the licensee appeals the notice to the City Hearing Examiner, the licensee shall be afforded a reasonable opportunity to be heard as to the violation and action taken. The applicant and Director of Finance or designee shall be given an opportunity to argue the merits of the issues of the appeal before the City Hearing Examiner. Oral argument by each party shall not exceed ten (10) minutes and shall be limited to the administrative record before the City Hearing Examiner.

G. The City Hearing Examiner shall uphold the Director of Finance's or designee's decision unless it finds the decision is not supported by substantial evidence in the administrative record. The Director of Finance or designee shall have the initial burden of proof.

H. The City Hearing Examiner shall issue a written decision within ten (10) days of hearing the appeal. The City Hearing Examiner may uphold the Director of Finance's or designee's decision and deny the permit, overrule the Director of Finance's or designee's decision and grant the permit, or remand the matter to the Director of Finance or designee for further review and action. The Director of Finance or designee shall complete further action or review within thirty (30) days of receiving the remand.

I. The decision by the City Hearing Examiner shall constitute final administrative review. The applicant shall be responsible for the cost of any preparation of record for appeal.

J. Either party may seek judicial review of a final decision of the City Hearing Examiner as provided by law.

K. The applicant shall be responsible for the cost of any preparation of record for appeal. (Ord. 98-1012 § 1: Ord. 96-1017 § 1: Ord. 95-1018 § 1)

**5.40.275 Suspension or revocation of license/permit – Duration.**

A. The City shall suspend any license as required by this chapter for a period of thirty (30) days upon the licensee’s first violation of this chapter or other applicable ordinances, statutes, or regulations.

B. The City shall suspend any license required by this chapter for a period of ninety (90) days upon the licensee’s second violation within a twenty-four (24) month period of this chapter or other applicable ordinances, statutes or regulations.

C. The City shall revoke any license required by this chapter for a period of two (2) years upon the licensee’s third, or any subsequent, violation of this chapter or other applicable ordinances, statutes or regulations.

D. Notwithstanding the other provisions of this chapter, the City shall revoke or deny the renewal of any license required by this chapter for two (2) years if the licensee has made any false or misleading statements or misrepresentations to the City.

E. Application for a new license may be made following the expiration of the applicable revocation period. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.280 Applicability to currently operating businesses.**

Any sexually-oriented business legally operating upon the effective date of this chapter shall be exempted from the permit and application requirements of SMC 5.40.060, 5.40.070 and 5.40.080 for the remainder of 1998. This section shall not be construed to exempt any legally operating adult bookstore from ceasing to operate portions of such business as an adult arcade pursuant to other regulations. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.290 Limitations of liability.**

None of the provisions of this chapter are intended to create a cause of action or provide the basis for a claim against the City, its officials, or employees for the performance or the failure to perform a duty or obligation running to a specific individual or specific individuals. Any duty or obligation created herein is intended to be a general duty or obligation running in favor of the general public. (Ord. 98-1012 § 1: Ord. 95-1018 § 1)

**5.40.300 Penalties for violation.**

Any person violating any provision(s) of this chapter shall be guilty of a misdemeanor. Any person convicted of such a violation shall be punished by a fine of not more than one thousand dollars (\$1,000) or a jail term of not more than ninety (90) days, or both. Each such person is guilty of a separate misdemeanor for each and every

day which any violation of this chapter is committed, continued, or permitted by any such person and said person shall be punished accordingly. Any persons violating any of the provisions of this chapter shall also be subject to license suspension or revocation and nuisance abatement as set forth herein. (Ord. 98-1012 § 1; Ord. 95-1018 § 1)

**5.40.310 Public nuisance/injunctions.**

Any sexually-oriented businesses in violation of this chapter shall be deemed a public nuisance which, in addition to all other remedies, may be abated by injunctive relief. (Ord. 98-1012 § 1; Ord. 95-1018 § 1)

**Chapter 5.50**  
**AMBULANCE OPERATOR REGULATIONS**

**Sections:**

- 5.50.010 Purpose.
- 5.50.020 Definitions.
- 5.50.030 Repealed.
- 5.50.040 Repealed.
- 5.50.050 Application for ambulance operator rotation placement.
- 5.50.060 Fee.
- 5.50.070 Investigation, inspection and verification.
- 5.50.080 Placement on rotation list.
- 5.50.090 Repealed.
- 5.50.100 Repealed.
- 5.50.110 Renewal of agreement.
- 5.50.120 Standards of operation.
- 5.50.140 Denial, suspension, or removal from rotation list.
- 5.50.150 Standby services.
- 5.50.160 Violations.
- 5.50.170 Additional enforcement.
- 5.50.180 Agreement limitations.

**5.50.010 Purpose.**

It is the intention of the City to fully implement the State-wide program of emergency medical care to promote the health, safety, and welfare of all City residents and visitors by assuring the City Fire Department's role as first response agency to emergency medical incidents within the City and also to require higher than minimum standards of ambulance operators conducting business within the City and providing services as requested by the City Fire Department for transport of ill, incapacitated, or injured persons. (Ord. 97-1012 § 1)

**5.50.020 Definitions.**

For purposes of this chapter, the following definitions, as well as those other definitions set forth at RCW 18.73.030 and WAC 246-976-010, as currently exist and as may be hereafter amended, shall apply:

- A. "Advanced life support (ALS)" means invasive emergency medical services requiring advanced medical treatment skills as defined by Chapter 18.71 RCW, and as typically provided by King County Medic One.

- B. "Agreement" means agreement between the City of SeaTac Fire Department and an ambulance operator setting forth general operational procedures required for placement on the Fire Department rotation list.
- C. "Aid vehicle" means a vehicle used to carry aid equipment and individuals trained in emergency medical procedure, which typically consist of Fire Department aid units, King County Medic One units, and Fire Department apparatus.
- D. "Ambulance" means a privately-owned ground or air vehicle designed and used to transport patients and to provide personnel, facilities, and equipment to treat patients before and during transportation.
- E. "Ambulance operator" means a person or entity owning one (1) or more ambulances and operating them as a private business.
- F. "Basic life support" means noninvasive emergency medical services requiring basic medical treatment skills as defined in Chapter 18.73 RCW.
- G. "Dispatch" means the designation and direction by the Fire Department Dispatch Center of an emergency response unit to a service location.
- H. "Emergency medical services (EMS)" means medical treatment and care which may be rendered at the scene of any medical emergency or while transporting any patient to an appropriate medical facility.
- I. "Emergency medical technician (EMT)" means a person who is authorized by the Washington State Department of Health to render emergency medical care pursuant to RCW 18.73.081.
- J. "Fire Chief" means the titular head of the City Fire Department acting as such and in his or her role as "aid director" of the Department's emergency medical services.
- K. "Fire Official" means the Fire Chief, or designee, and the Fire Department's Incident Commander at any emergency medical services incident.
- L. "First response agency" means the City Fire Department, its emergency medical technicians, aid vehicles, and apparatus.
- M. "Operator response time" means the time from notification by dispatch to an ambulance operator until the time of arrival on the scene of an emergency medical incident. This is the same as the combination of activation and enroute times defined under "system response time" at WAC 246-976-010.
- N. "Patient" means a person who is ill, injured, or otherwise incapacitated or helpless, and in need of, or receiving, medical treatment, including trauma care.
- O. "Person" means any individual, corporation, company, firm, joint stock company, co-partnership, joint venture, trust, business trust, club, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, or any receiver, administrator, executor, assignee, or trustee in bankruptcy.
- P. "Prehospital" means emergency medical care or transportation rendered to patients by emergency medical technicians prior to hospital admission.
- Q. "Rotation list" means a list of not more than three (3) ambulance operators who are referred calls and provide emergency response and transport services within the City of SeaTac on a continuing rotational basis.

R. "Triage" means the sorting of patients in terms of disposition, destination, and/or priority. Triage of prehospital trauma victims requires identifying injury severity so that the appropriate care level can be readily assessed according to patient care guidelines. (Ord. 03-1012 § 1; Ord. 99-1034 § 1; Ord. 97-1012 § 1)

**5.50.030 Business license required.**

Repealed by Ord. 99-1034. (Ord. 97-1012 § 1)

**5.50.040 Separate business locations.**

Repealed by Ord. 99-1034. (Ord. 97-1012 § 1)

**5.50.050 Application for ambulance operator rotation placement.**

An ambulance operator shall complete an application, enter into an agreement, and provide the following information before consideration of placement on the rotation list:

- A. A copy of the ambulance operator's State license issued pursuant to RCW 18.73.130 and WAC 246-976-260.
- B. A roster of all ambulances to be used, or to be potentially used, within the City to include year of manufacture, name of manufacturer, statement of compliance with the ambulance vehicle standards of WAC 246-976-290, statement of compliance with the ambulance vehicle equipment requirements of WAC 246-976-300, statement of compliance with the communications equipment requirements of WAC 246-976-310, and proof of current licensure pursuant to WAC 246-976-260 of each listed ambulance.
- C. A roster by name, residence address, date of birth, Social Security number, and current Washington State driver's license number (or photo identification), together with proof of EMT certification.
- D. A certificate or certificates of insurance as required by the State Department of Health (WAC 246-976-260(2)(c)).
- E. A schedule of rates to be charged for services during the agreement period, together with a statement that the said rates shall not be increased during the agreement period.
- F. The inspection fee required by SMC 5.50.060. (Ord. 99-1034 § 3; Ord. 97-1012 § 1)

**5.50.060 Fee.**

An inspection fee shall be imposed and due at the time of submission of an application by an ambulance operator for placement on the rotation list. The inspection fee shall be as prescribed by resolution of the City Council establishing fees and charges. (Ord. 99-1034 § 4; Ord. 97-1012 § 1)

**5.50.070 Investigation, inspection and verification.**

The Fire Chief or designee shall review and investigate all applications submitted by ambulance operators to ensure compliance with all application requirements and to verify the validity of all State or County



certifications, verifications, and licenses. A Fire Official shall, upon receipt of an application, make physical inspection of the ambulance operator's premises, ambulances, equipment, and communication equipment. The Fire Official shall also determine that the schedule of rates submitted is competitive within the industry. As a condition of placement on the rotation list, the ambulance operator shall permit a Fire Official to make regular inspections of the ambulances, equipment, and personnel of licensed ambulance operators, at all reasonable hours, with or without advance notice, upon presentation of appropriate credentials to an authorized representative of the ambulance operator. (Ord. 99-1034 § 5; Ord. 97-1012 § 1)

**5.50.080 Placement on rotation list.**

Upon satisfactory completion of investigation, inspection, and verification, as set forth at SMC 5.50.070, the Fire Chief or designee shall enter into an agreement with the ambulance operator, subject to SMC 5.50.180. (Ord. 99-1034 § 6; Ord. 97-1012 § 1)

**5.50.090 Posting of business license.**

Repealed by Ord. 99-1034. (Ord. 97-1012 § 1)

**5.50.100 Nontransferability of business license.**

Repealed by Ord. 99-1034. (Ord. 97-1012 § 1)

**5.50.110 Renewal of agreement.**

The terms of the agreement entered into with ambulance operators shall be for a period of one (1) year. An ambulance operator wishing to renew the agreement must submit an application pursuant to SMC 5.50.050 thirty (30) days before the expiration of the current agreement. (Ord. 99-1034 § 7; Ord. 97-1012 § 1)

**5.50.120 Standards of operation.**

All operations of, and services provided by, a licensed ambulance operator shall, as a minimum, fully comply with the following standards:

- A. All applicable provisions of State law, regulations of the State Department of Health, and procedures adopted thereunder, including, but not limited to, Chapters 18.71, 18.73 and 70.168 RCW, and Chapter 246-976 WAC, must be fully met at all times.
- B. All applicable provisions of County ordinances, and procedures adopted thereunder, including, but not limited to, Chapter 2.26 of the King County Code, must be fully met at all times.
- C. For each ambulance available to respond to dispatches to locations within the City, the ambulance operator shall provide not less than two ambulance attendants currently certified as Emergency Medical Technicians (EMTs). The certificate of EMT status shall be in possession of each such ambulance attendant while on duty. Unless specifically requested, no ALS ambulances shall respond to locations within the City.

D. The ambulance operator shall provide for dispatch of ambulances when notified by the Fire Department, through the Fire Department Dispatch Center. The ambulance operator shall advise the Fire Department Dispatch Center from which location the ambulance is responding. Operator response time shall be in accordance with the following standard:

1. Ninety percent (90%) of all responses by an ambulance operator to dispatches of the Fire Department Dispatch Center to locations within the boundaries of the City shall not exceed a maximum of ten (10) minutes under code red and fourteen (14) minutes under code yellow.

E. The ambulance operator shall respond on code red or code yellow as advised by the Fire Department Dispatch Center or the Fire Official on the scene of an emergency medical incident. The ambulance operator shall be fully responsible for proper and safe operation of its ambulances, and the actions of its employees, in responding to such dispatches.

F. The ambulance operator shall be responsible for furnishing all required and necessary on-board equipment and for maintaining the same in good working condition.

G. The ambulance operator shall be responsible for providing and maintaining its communication system, channel selection, authorization for use, and proper operation of the system.

H. Upon arrival at the scene of an emergency medical incident, the ambulance attendant in charge shall report directly to the Fire Official and the ambulance attendants shall then follow instructions of the Fire Official until such time as responsibility for patient care is turned over to the ambulance attendants.

I. The ambulance operator may continue to respond to private calls for transportation not generated through the 911 system or the Fire Department Dispatch Center. However, if the private call reports an incident which is of an emergency medical nature, the ambulance operator shall promptly advise the Fire Department Dispatch Center for dispatch of Fire Department aid units.

J. No ambulance operator shall refuse to transport any patient when such patient is determined by the Fire Official to require transport to a hospital, trauma center, or other medical facility.

K. The ambulance operator shall transport a patient to the nearest hospital capable of providing appropriate medical services, or to a hospital designated by the patient. If, however, a specific hospital or trauma center is designated by the Fire Official at the scene, the ambulance operator shall transport the patient to that facility.

L. Charges for services shall be made by the ambulance operator only if a patient is actually transported, and such charges shall not exceed the rates filed by the ambulance operator with the City.

M. The ambulance vehicles utilized by ambulance operators pursuant to this section must be a color or color combination different than color schemes reserved for aid vehicles. The color schemes reserved for the exclusive use by aid vehicles shall be red or primarily red with white tops or striping. (Ord. 03-1012 § 2: Ord. 99-1034 § 8: Ord. 97-1012 § 1)

#### **5.50.140 Denial, suspension, or removal from rotation list.**

An application of an ambulance operator may be denied, or any agreement suspended, or revoked for any of the following reasons:

- A. Failure to comply with applicable provisions of State law, regulations of the State Department of Health, or procedures adopted thereunder, or applicable provisions of County ordinances, or failure to comply with the requirements of this chapter.
- B. Failure to equip and maintain ambulances and on-board equipment and communications equipment in proper manner.
- C. Failure to meet the response time standards set forth at SMC 5.50.120.
- D. Failure to correctly advise the Fire Department Dispatch Center of the location from which an ambulance is responding to a dispatch.
- E. Failure to respond to a dispatch from the Fire Department Dispatch Center unless the ambulance operator can document the nonavailability of any ambulance located within a reasonable distance from the City.
- F. Failure to provide the required number of ambulance attendants with the minimum required certifications.
- G. Charging for services not actually performed or charging at rates in excess of the rates filed by the ambulance operator with the City.
- H. Unauthorized use of, or monitoring of, the Fire Department's radio channels for monetary gains, or responding to the scene of an emergency medical incident without having been dispatched by the Fire Department Dispatch Center or the Fire Official.
- I. Failure to notify the Fire Department Dispatch Center of private calls for ambulance response to serious medical emergencies within the City.
- J. Repeated and verified complaints from firefighters, emergency medical technicians, other emergency personnel, or from the general public, relating to unsafe, discourteous, uncooperative, or unprofessional conduct. (Ord. 03-1012 § 3; Ord. 99-1034 § 9; Ord. 97-1012 § 1)

**5.50.150 Standby services.**

In event an ambulance operator agrees or contracts to provide an ambulance or ambulances to standby for emergency medical services or transportation during public or private community events, the ambulance operator shall notify the Fire Chief in writing fourteen (14) days prior to the date of the event, or as soon as is reasonably possible, and shall identify the date, time and scope of standby responsibilities. In event of an emergency medical incident during any such community event, the ambulance operator shall immediately employ the 911 system to notify the Fire Department Dispatch Center of the nature of the emergency. (Ord. 03-1012 § 4; Ord. 97-1012 § 1)

**5.50.160 Violations.**

Violations of this chapter may result in suspension or revocation or termination of the ambulance operator's inclusion on the Fire Department's rotation list. (Ord. 99-1034 § 10; Ord. 97-1012 § 1)

**5.50.170 Additional enforcement.**

The remedies and penalties found in this chapter are not exclusive. The City may seek any other legal or equitable relief, including, but not limited to, enjoining any acts or practices which constitute or will constitute a violation of law, civil rights, or any business regulations. (Ord. 97-1012 § 1)

**5.50.180 Agreement limitations.**

At no time shall the City have agreements with more than three (3) ambulance operators for placement on the rotation list. (Ord. 99-1034 § 11)

**Chapter 5.55**  
**MOBILE FOOD VENDORS**

**Sections:**

- 5.55.010 Purpose.
- 5.55.020 Definitions.
- 5.55.030 Mobile food vending – Additional license requirements.
- 5.55.040 Display of City business license.
- 5.55.050 Restrictions applicable to all mobile food vendors.
- 5.55.060 General regulations.
- 5.55.070 Penalties.
- 5.55.080 ~~Expiration.~~

**Commented [SP1]:** Staff recommends the sunset date be eliminated.

**5.55.010 Purpose.**

The purpose of this chapter is to allow mobile food vendors to conduct business within the City that will accommodate new businesses and support entrepreneurship. (Ord. 18-1010 § 1 (part))

**5.55.020 Definitions.**

- A. “Mobile food preparation vehicle” (aka “food trucks”) means a commercially manufactured motorized vehicle or trailer vending unit in which ready-to-eat food is cooked, wrapped, packaged, processed or portioned for service, sale or distribution.
- B. “Mobile food vendor” means a seller of food from a mobile food preparation van, truck or other vehicle or conveyance. Sales of only pre-packaged food products does not constitute mobile food vending. (Ord. 18-1010 § 1 (part))

**5.55.030 Mobile food vending – Additional license requirements.**

- A. A separate ~~business license~~ Business License, as provided for in Chapter 5.05 SMC, shall be required for each mobile food preparation vehicle.
- B. A mobile food vendor shall obtain and provide written proof of permission from the property owner for each location at which the mobile food vendor conducts business, which shall include a diagram of the mobile food vendor’s location on the property. Written permission for the mobile food vendor’s staff to use the property owner’s restrooms is also required. It is the responsibility of the mobile food vendor to comply with all requirements of this subsection prior to conducting any business at a particular location. (Ord. 18-1010 § 1 (part))

**5.55.040 Display of City business license.**

A valid City business license shall be prominently displayed upon all vehicles from which a mobile food vendor sells products. (Ord. 18-1010 § 1 (part))

**5.55.050 Restrictions applicable to all mobile food vendors.**

- A. Mobile food vending on public streets and/or public rights-of-way within the City shall require issuance of any applicable right-of-way use permits pursuant to Chapter 11.10 SMC.
- B. A mobile food vendor shall not obstruct or cause to obstruct the passage of any pedestrian or vehicle on any sidewalk, street, fire lane, or any parking area, including obstructions caused by customer queues or customers consuming any food sold by the mobile food vendor at or near the place where the items are being offered for sale. (Ord. 18-1010 § 1 (part))

**5.55.060 General regulations.**

- A. The mobile food vendors shall leave the property in which they conduct business clean and vacant each day, including picking up trash and litter generated by the mobile food vendor's customers.
- B. The owner of real property on which a mobile food vendor is located shall be responsible for overall site maintenance. The property owner shall be responsible for the mobile food vendor's compliance with the provisions of this chapter with respect to the mobile food vendor's operation on the owner's property.
- C. All exterior trash receptacles not intended for customer use shall be screened from public view and securely covered.
- D. The use of any portion of the vending unit as living or sleeping quarters is prohibited.
- E. All attachments to the vending unit, including but not limited to signs, lights, overhangs, and awnings, shall be maintained in such a manner as to not create a hazard to pedestrians, customers or vehicles. Flashing lights and similar displays are prohibited.
- F. One portable pop-up tent or umbrella, not to exceed ten (10) feet by twelve (12) feet in size, or up to three (3) tables with beach type umbrellas, may be used for cover for patrons. Cooking shall not take place under any tent. Umbrellas and canopies must be removed at the end of each day.
- G. Grease and Wastewater.
  - 1. A grease trap shall be installed and maintained on all mobile food preparation vehicles.
  - 2. Grease and wastewater shall be properly disposed of per adopted State and local health regulations.
- H. Except for special events or activities authorized by a temporary use permit, no portable restrooms for use in connection with a mobile food vendor shall be allowed on a site.
- I. Mobile food vendors shall not sell or serve alcoholic beverages.
- J. For any property in which the mobile food vendor conducts business, mobile food preparation vehicles shall not occupy for more than eighteen (18) hours during any twenty-four (24) hour period.

K. All mobile food vendors shall comply with all laws, rules and regulations regarding food handling, and all mobile food preparation vehicles used by mobile food vendors shall comply with all applicable laws, rules and regulations respecting such vehicles as established by Public Health – Seattle and King County, State and local traffic laws, and the provisions of the SeaTac Municipal Code.

L. The Fire Marshal shall review and issue applicable permits when a mobile food vendor utilizes an external propane tank that is not mounted on the mobile food preparation vehicle or external power connections and/or tent structures.

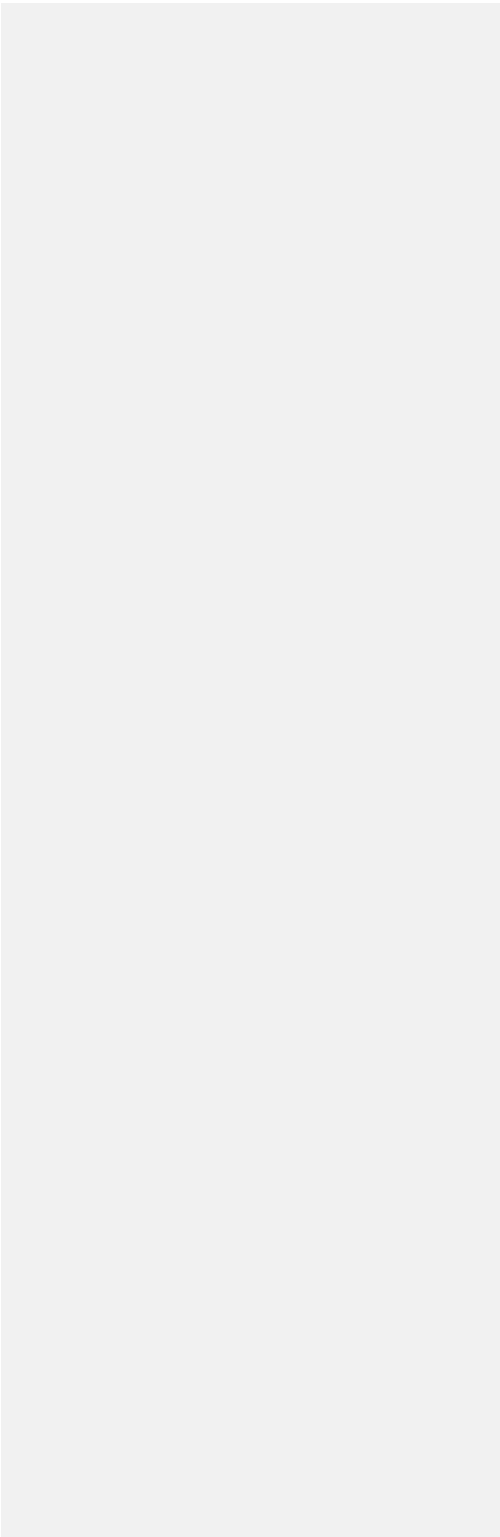
M. Mobile food vendors shall comply with the City electrical code (Chapter 13.180 SMC), including any electrical service to a mobile food preparation vehicle. In no event shall a mobile food vendor locate electrical lines or extension cords overhead or on the ground in any location in which the public has access. (Ord. 18-1010 § 1 (part))

**5.55.070 Penalties.**

Any person or persons who violate or fail to comply with any of the provisions of this chapter shall be subject to the provisions of SMC 5.05.200. (Ord. 18-1010 § 1 (part))

~~5.55.080 Expiration.~~

~~The provisions of this chapter shall expire on March 31, 2020. (Ord. 18-1010 § 1 (part))~~







# MEMORANDUM

To: Administration and Finance Committee  
Through: Carl Cole, City Manager  
From: Gwen Pilo, Finance And Systems Director  
Date: May 23, 2019  
Re: 2019-2020 Biennial Budget Amendment

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## History:

For the 2019-2020 Biennial Budget, the 2019 beginning fund balance was estimated until the close of 2018. Actual fund balance numbers become available in May. The budget is then amended to include actual beginning fund balance. 2018 ended with a total fund balance of \$97,745,702 for all funds, \$17,666,048 over the estimate. Exhibit B has been updated to reflect actual beginning fund balances.

Two carry-forward items totaling \$251,690, were not submitted for the previous amendment and are included on Exhibit A.

Various one-time and ongoing requests were submitted, in the form of Decision Cards, to the City Manager for consideration for inclusion in the budget. The City Manager approved Decision Cards totaling \$1,210,822, are attached as Exhibit C and summarized on Exhibit A along with several other required adjustments. Each item is detailed below by fund.

## Analysis:

General Fund (001) – Increase fund balance \$5,003,159. Increase expenditures \$622,178.

Decision Cards Include:

- Administrative Sergeant
- Emergency Management Office and Operating Supplies and Equipment
- 3 FTE Parks Operations Workers and a Truck

Other Adjustments include allocating the recently approved Senior Planner budget to the appropriate funds.

Street Fund (102) - Decrease fund balance \$1,145,530 (due to additional expenditures authorized during the year). Increase expenditures \$379,868.

Carry-Forwards include Parking Permit Program expenses.

Decision Cards Include:

- Public Works Operation & Maintenance Manager
- Public Works Inspector and associated costs

Other Adjustments include allocating the recently approved Senior Planner budget to the appropriate funds.

Port ILA Fund (105) – Increase fund balance \$110,947. Increase expenditures \$50,000.

Decision Cards include:

- Gateway Entrance Analysis

Transit Planning Fund (106) - Increase fund balance \$4,813. Increase revenue \$504,708. Increase expenditures \$522,511.

Other Adjustments are for Task order 2; the final Staffing and Services related funding agreement between the City and Sound Transit executed on April 7, 2019. The amendment reflects the terms of the agreement with respect to both revenues and expenditures. In addition to updating revenue, permitting payments which are received into the fund must be shown as an expenditure to allow permit fees to be remitted to the General Fund. Also, an expenditure line item is also being added to allow for miscellaneous staff to bill to the Sound Transit Project as they perform related work. Lastly, with the onboarding of two new staff associated with this project, additional funding is required for office furnishings and equipment which is reflected in an increase of \$3000 in the Small Tools & Minor Equipment line item.

Hotel/Motel Tax Fund (107) – Increase fund balance - \$99,180. Increase revenue \$15,411.

2009 LTGO Bond Fund (206) – Increase fund balance \$1,885. Increase expenditures \$15,411.

The debt was paid off in 2018. To close the fund, the remaining money will be transferred to the Hotel/Motel Tax fund where the money originated.

Surface Water Management Fund (403) - Decrease fund balance \$121,587 (due to revenues less than estimated). Increase expenditures \$321,467

Carry-forwards include the Stormwater Conference Grant received in 2018. The Conference occurs in 2019.

Decision Cards include:

- Public Works Operation & Maintenance Manager
- Public Works Inspector and associated costs

Equipment Rental Fund (501) – Decrease fund balance \$28,674 (due to revenues less than estimated). Increase revenue \$89,000. Increase expenditures \$89,000.

Decision Cards include:

- Parks Operations Workers Vehicle
- Public Works Inspector Vehicle

**Budgetary Impacts:**

Carry-forward amounts are the unspent funds in the prior year and are considered one-time expenditures. These items have no impact on the operational budget as they were considered unspent when projecting end of year balances and will now be brought forward into 2019 to complete the projects.

Decision Cards consist of \$139,000 in one-time funding and \$1,071,822 in on-going program funding. The on-going requests will have an impact going forward.

If all requests are approved, ending fund balance across all funds is estimated to be \$82 Million at the end of 2020.

While it is too early in the year to project if general fund revenues will be generated to cover the cost, we ended 2018 with approximate \$2,000,000 in revenue over what was budgeted. While there is no guarantee 2019 will be as prosperous, currently revenue is slightly above expectations, and we anticipate ending the year in the range of the optimistic projection. This projection still supports that the City will not begin to use the excess ending fund balance until 2022.



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Decision Cards consist of \$139,000 in one-time funding and \$1,071,822 in on-going program funding. The on-going requests will have an impact going forward.

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**Revenue**

|     |                   |
|-----|-------------------|
| 107 | 107.397.35.00.000 |
| 106 | 106.337.00.00.001 |
| 501 | 501.397.70.00.000 |
| 501 | 501.397.90.00.001 |

**Expenditures**

**FUND # To Acct #**

|                                    |                          |
|------------------------------------|--------------------------|
| 001                                | 001.000.08.521.20.41.006 |
|                                    | 001.000.09.525.60.31.008 |
|                                    | 001.000.09.525.60.35.000 |
|                                    | 001.000.10.576.80.XX.XXX |
|                                    | 001.000.10.576.80.31.023 |
|                                    | 001.000.10.576.80.42.028 |
|                                    | 001.000.10.576.80.45.002 |
|                                    | 001.000.10.576.80.49.061 |
|                                    | 001.000.10.597.90.00.001 |
|                                    | 001.000.13.524.60.XX.XXX |
|                                    | 001.000.13.558.60.XX.XXX |
| <b>Subtotal General Fund (001)</b> |                          |

|                              |                          |
|------------------------------|--------------------------|
| 102                          | 102.000.11.521.70.31.008 |
|                              | 102.000.11.521.70.31.018 |
|                              | 102.000.11.521.70.35.000 |
|                              | 102.000.11.521.70.41.000 |
|                              | 102.000.11.542.30.XX.XXX |
|                              | 102.000.11.544.20.XX.XXX |
|                              | 102.000.11.544.20.XX.XXX |
|                              | 102.000.11.544.20.31.008 |
|                              | 102.000.11.544.20.31.018 |
|                              | 102.000.11.544.20.35.000 |
|                              | 102.000.11.544.20.42.028 |
|                              | 102.000.11.544.20.43.031 |
|                              | 102.000.11.544.20.43.032 |
|                              | 102.000.11.544.20.43.033 |
|                              | 102.000.11.544.20.49.061 |
|                              | 102.000.11.597.70.00.000 |
| <b>Subtotal Street (102)</b> |                          |

|                                     |                          |
|-------------------------------------|--------------------------|
| 105                                 | 105.000.03.576.10.41.000 |
| <b>Subtotal Port ILA Fund (105)</b> |                          |

|   |                          |
|---|--------------------------|
| 106                                     | 106.000.03.519.70.XX.XXX |
|   | 106.000.03.519.70.35.000 |
|   | 106.000.03.519.70.41.003 |
|   | 106.000.03.519.70.41.004 |
| <b>Subtotal Transit PIng Fund (106)</b> |                          |

|                                 |                          |
|---------------------------------|--------------------------|
| 206                             | 206.000.04.597.35.00.000 |
| <b>Subtotal LTGO Fund (206)</b> |                          |

|                                |                          |
|--------------------------------|--------------------------|
| 403                            | 403.000.11.531.31.41.000 |
|                                | 403.000.11.531.35.XX.XXX |
|                                | 403.000.11.531.35.31.008 |
|                                | 403.000.11.531.35.31.023 |
|                                | 403.000.11.531.35.35.000 |
|                                | 403.000.11.531.35.42.028 |
|                                | 403.000.11.531.35.43.031 |
|                                | 403.000.11.531.35.43.032 |
|                                | 403.000.11.531.35.43.033 |
|                                | 403.000.11.531.35.49.061 |
|                                | 403.000.11.544.20.XX.XXX |
| <b>Subtotal SWM Fund (403)</b> |                          |

|   |                          |
|---|--------------------------|
| 501                                     | 501.000.11.594.48.64.095 |
|   | 501.000.11.594.48.64.095 |
| <b>Subtotal Equip Rental Fund (501)</b> |                          |

**Grand Total - ALL FUNDS**

| <b>2018 Carry-Forwards</b> |            | <b>Decision Cards</b> |                  | <b>Other Adjustments</b> |                  | <b>TOTAL</b>       |
|----------------------------|------------|-----------------------|------------------|--------------------------|------------------|--------------------|
| 2019                       | 2020       | 2019                  | 2020             | 2019                     | 2020             | 2019-2020          |
|                            |            |                       |                  | \$15,411                 |                  | \$15,411           |
|                            |            |                       |                  | \$119,364                | \$385,344        | \$504,708          |
|                            |            | \$43,000              |                  |                          |                  | \$43,000           |
|                            |            | \$46,000              |                  |                          |                  | \$46,000           |
| <b>\$0</b>                 | <b>\$0</b> | <b>\$89,000</b>       | <b>\$0</b>       | <b>\$134,775</b>         | <b>\$385,344</b> | <b>\$609,119</b>   |
|                            |            |                       |                  |                          |                  |                    |
|                            |            | \$80,353              | \$82,763         |                          |                  | \$163,116          |
|                            |            | \$10,750              | \$2,750          |                          |                  | \$13,500           |
|                            |            | \$7,600               | \$3,000          |                          |                  | \$10,600           |
|                            |            | \$65,296              | \$321,048        |                          |                  | \$386,344          |
|                            |            | \$970                 | \$1,455          |                          |                  | \$2,425            |
|                            |            | \$500                 | \$1,500          |                          |                  | \$2,000            |
|                            |            | \$2,833               | \$8,700          |                          |                  | \$11,533           |
|                            |            | \$1,700               | \$850            |                          |                  | \$2,550            |
|                            |            | \$46,000              |                  |                          |                  | \$46,000           |
|                            |            |                       |                  | -\$63,562                |                  | -\$63,562          |
|                            |            |                       |                  | \$47,672                 |                  | \$47,672           |
| <b>\$0</b>                 | <b>\$0</b> | <b>\$216,002</b>      | <b>\$422,066</b> | <b>-\$15,890</b>         | <b>\$0</b>       | <b>\$622,178</b>   |
|                            |            |                       |                  |                          |                  |                    |
| \$5,000                    |            |                       |                  |                          |                  | \$5,000            |
| \$5,000                    |            |                       |                  |                          |                  | \$5,000            |
| \$5,000                    |            |                       |                  |                          |                  | \$5,000            |
| \$114,000                  |            |                       |                  |                          |                  | \$114,000          |
|                            |            | \$33,866              | \$89,027         |                          |                  | \$122,893          |
|                            |            |                       | \$60,984         |                          |                  | \$60,984           |
|                            |            |                       |                  | \$15,891                 |                  | \$15,891           |
|                            |            | \$2,000               |                  |                          |                  | \$2,000            |
|                            |            | \$250                 | \$250            |                          |                  | \$500              |
|                            |            | \$2,000               | \$500            |                          |                  | \$2,500            |
|                            |            | \$800                 | \$800            |                          |                  | \$1,600            |
|                            |            | \$300                 | \$300            |                          |                  | \$600              |
|                            |            | \$100                 | \$100            |                          |                  | \$200              |
|                            |            | \$200                 | \$200            |                          |                  | \$400              |
|                            |            | \$150                 | \$150            |                          |                  | \$300              |
|                            |            | \$43,000              |                  |                          |                  | \$43,000           |
| <b>\$129,000</b>           | <b>\$0</b> | <b>\$82,666</b>       | <b>\$152,311</b> | <b>\$15,891</b>          | <b>\$0</b>       | <b>\$379,868</b>   |
|                            |            |                       |                  |                          |                  |                    |
|                            |            | \$50,000              |                  |                          |                  | \$50,000           |
| <b>\$0</b>                 | <b>\$0</b> | <b>\$50,000</b>       | <b>\$0</b>       | <b>\$0</b>               | <b>\$0</b>       | <b>\$50,000</b>    |
|                            |            |                       |                  |                          |                  |                    |
|                            |            |                       |                  | -\$139,634               | -\$94,355        | -\$233,989         |
|                            |            |                       |                  | \$4,000                  |                  | \$4,000            |
|                            |            |                       |                  | \$217,500                | \$435,000        | \$652,500          |
|                            |            |                       |                  | \$50,000                 | \$50,000         | \$100,000          |
| <b>\$0</b>                 | <b>\$0</b> | <b>\$0</b>            | <b>\$0</b>       | <b>\$131,866</b>         | <b>\$390,645</b> | <b>\$522,511</b>   |
|                            |            |                       |                  |                          |                  |                    |
|                            |            |                       |                  | \$15,411                 |                  | \$15,411           |
| <b>\$0</b>                 | <b>\$0</b> | <b>\$0</b>            | <b>\$0</b>       | <b>\$15,411</b>          | <b>\$0</b>       | <b>\$15,411</b>    |
|                            |            |                       |                  |                          |                  |                    |
| \$122,690                  |            |                       |                  |                          |                  | \$122,690          |
|                            |            | \$33,866              | \$89,027         |                          |                  | \$122,893          |
|                            |            | \$4,000               |                  |                          |                  | \$4,000            |
|                            |            | \$150                 | \$150            |                          |                  | \$300              |
|                            |            | \$2,000               |                  |                          |                  | \$2,000            |
|                            |            | \$800                 | \$800            |                          |                  | \$1,600            |
|                            |            | \$1,000               | \$1,000          |                          |                  | \$2,000            |
|                            |            | \$300                 | \$300            |                          |                  | \$600              |
|                            |            | \$500                 | \$500            |                          |                  | \$1,000            |
|                            |            | \$1,700               | \$1,700          |                          |                  | \$3,400            |
|                            |            |                       | \$60,984         |                          |                  | \$60,984           |
| <b>\$122,690</b>           | <b>\$0</b> | <b>\$44,316</b>       | <b>\$154,461</b> | <b>\$0</b>               | <b>\$0</b>       | <b>\$321,467</b>   |
|                            |            |                       |                  |                          |                  |                    |
|                            |            | \$46,000              |                  |                          |                  | \$46,000           |
|                            |            | \$43,000              |                  |                          |                  | \$43,000           |
| <b>\$0</b>                 | <b>\$0</b> | <b>\$89,000</b>       | <b>\$0</b>       | <b>\$0</b>               | <b>\$0</b>       | <b>\$89,000</b>    |
|                            |            |                       |                  |                          |                  |                    |
| <b>\$251,690</b>           | <b>\$0</b> | <b>\$481,984</b>      | <b>\$728,838</b> | <b>\$147,278</b>         | <b>\$390,645</b> | <b>\$2,000,435</b> |

Transfer In - Fund 206  
 Sound Transit Revenue  
 Transfer In - Fund 102 (PW Inspector Vehicle)  
 Transfer In - Fund 001 (Parks Ops Worker Vehicle)

**Description**  
 Administrative Sergeant  
 Emergency Management Office & Operating Supplies  
 Emergency Management Small Tools & Equipment  
 Park Operations Workers - S&B  
 Parks Operations Workers - Uniform  
 Parks Operations Workers - Telephone  
 Parks Operations Workers - Equipment Rental  
 Parks Operations Workers - Registration  
 Parks Operations Workers - Vehicle (Transfer Out)  
 Budget Transfer - Senior Planner  
 Budget Transfer - Senior Planner

Permit Parking Program - Office & Operating  
 Permit Parking Program - Uniforms & Safety Equip  
 Permit Parking Program - Small Tools & Minor Equip  
 Permit Parking Program - Professional Services  
 PW Operations & Maintenance Manager - S&B  
 PW Inspector - S&B  
 Budget Transfer - Senior Planner  
 PW Inspector - Supplies  
 PW Inspector - Uniforms  
 PW Inspector - Small Tools & Equip  
 PW Inspector - Telephone  
 PW Inspector - Lodging  
 PW Inspector - Meals  
 PW Inspector - Transportation  
 PW Inspector - Registration  
 PW Inspector - Vehicle (Transfer Out)

Gateway/Entrance Analysis

Salaries & Benefits Adjustment  
 Small Tools & Minor Equipment  
 Professional Services - Permits  
 Professional Services - Administration

Transfer Out - Fund 107

Stormwater Conference Grant -Prof Services  
 PW Operations & Maintenance Manager - S&B  
 PW Operations & Maintenance Manager - Supplies  
 PW Operations & Maintenance Manager - Uniforms  
 PW Operations & Maintenance Manager - Small Tools  
 PW Operations & Maintenance Manager - Telephone  
 PW Operations & Maintenance Manager - Lodging  
 PW Operations & Maintenance Manager - Meals  
 PW Operations & Maintenance Manager - Transportation  
 PW Operations & Maintenance Manager - Registration  
 PW Inspector - S&B

Parks Operations Workers - Vehicle  
 PW Inspector - Vehicle

**CITY OF SEATAC, WASHINGTON**  
**2019-2020 BIENNIAL BUDGET: EXHIBIT B**

5/28/2019

| <b>2019-2020 BIENNIAL BUDGET (EXPENDITURES + ENDING BALANCES) = \$ 236,178,640</b> |  |  |   |  |   |
|--|--|--|---|--|---|
| <b>FUND</b>  |  | <b>BEGINNING<br/>BALANCE<br/>2019-2020</b> | <b>REVENUES<br/>&amp; OTHER SOURCES<br/>2019-2020</b> | <b>EXPENDITURE<br/>APPROPRIATION<br/>2019-2020</b> | <b>ENDING<br/>BALANCE<br/>2019-2020</b> |
| <b>001</b>   | <b>General Fund</b>                      | \$ 29,090,983                              | \$ 80,457,131   | \$ 80,699,236                                      | \$ 28,848,878                           |
| <b>102</b>   | <b>Street Fund</b>                       | 15,681,557                                 | 21,642,044  | 19,672,039   | \$ 17,651,562                           |
| <b>105</b>   | <b>Port ILA</b>                          | 1,609,124                                  | 2,940,579   | 3,125,920  | \$ 1,423,783                            |
| <b>106</b>   | <b>Transit Planning</b>                  | 367,000                                    | 1,151,990   | 1,167,793  | \$ 351,197                              |
| <b>107</b>   | <b>Hotel/Motel Tax</b>                   | 8,359,594                                  | 3,715,411   | 2,608,040  | \$ 9,466,966                            |
| <b>108</b>   | <b>Building Management</b>               | 3,453,957                                  | 1,610,560   | 2,148,874  | \$ 2,915,643                            |
| <b>110</b>   | <b>Facility Repair &amp; Replacement</b> | -  | -   | -  | \$ -                                    |
| <b>111</b>   | <b>Des Moines Creek Basin ILA</b>        | 2,487,282                                  | 700,000   | 374,866  | \$ 2,812,416                            |
| <b>206</b>   | <b>2009 LTGO Bond Fund</b>               | 15,411                                     | -   | 15,411   | \$ (0)                                  |
| <b>207</b>   | <b>SCORE Bond Servicing</b>              | 266,456                                    | 415,463   | 405,197  | \$ 276,722                              |
| <b>301</b>   | <b>Municipal Capital Improvements</b>    | 7,257,432                                  | 3,254,291   | 4,469,096  | \$ 6,042,627                            |
| <b>306</b>   | <b>Facility Construction CIP</b>         | 1,767,848                                  | 20,000  | 25,000   | \$ 1,762,848                            |
| <b>307</b>   | <b>Transportation CIP</b>                | 15,658,987                                 | 12,436,787  | 24,967,324   | \$ 3,128,450                            |
| <b>308</b>   | <b>Light Rail Station Areas CIP</b>      | 1,907,243                                  | 3,004,282   | 2,995,625  | \$ 1,915,900                            |
| <b>403</b>   | <b>SWM Utility</b>                       | 4,299,891                                  | 8,719,182   | 8,273,566  | \$ 4,745,507                            |
| <b>404</b>   | <b>Solid Waste &amp; Environmental</b>   | 427,982                                    | 753,240   | 553,287  | \$ 627,935                              |
| <b>501</b>   | <b>Equipment Rental</b>                  | 1,094,797                                  | 1,612,134   | 2,651,756  | \$ 55,175                               |
| <b>TOTAL BIENNIAL BUDGET</b>   |  | <b>\$ 93,745,545</b>                       | <b>\$ 142,433,095</b>                                 | <b>\$ 154,153,032</b>                              | <b>\$ 82,025,608</b>                    |



**Exhibit C**  
**Decision Cards**  
**(13 pages)**

**City of SeaTac 2019-2020 Budget  
Decision Card**

|   |  |                              |
|---|--|------------------------------|
| <b>Title:</b> Administrative Sergeant               |  | <b>Department:</b> 08-Police |
| <b>Amount:</b> \$ 163,116.00                        |  | <b>Division:</b>             |
| <b>BARS#:</b> 001.000.08.521.20.41.006              |  | <b>Director:</b> Jon Mattsen |
| <b>On-Going</b> <input checked="" type="checkbox"/> | <b>Mandatory</b> <input type="checkbox"/>                | <b>Preparer:</b> Jon Mattsen |
| <b>One-Time</b> <input type="checkbox"/>            | <b>Discretionary</b> <input checked="" type="checkbox"/> |                              |

**Description:** *(Provide a brief overview of what is being requested)*

Request for additional sergeant to address span of control issues.

**Justification:** *(Explain why this is being requested and/or how the request will benefit the City):*

With the addition of Seven (7) Police Officers and Two (2) Parking Compliance Officers during the 2017-18 budget cycle, supervisory span of control for daytime sergeants will exceed the industry recommended 5-7 FTEs per supervisor (18 FTEs supervised by 2 Sergeants). Adding an Administrative Sergeant to oversee the Traffic Unit, Parking Compliance Unit, School Resource Officer, and the Community Service Officers, will ensure that rank and file troops get the oversight they deserve as they complete their daily work for the City. An additional Administrative Sergeant will cost \$163,103 in 2019 and an estimated \$167,996 in 2020, based on a 3% annual inflator.

Currently, the City has a shared supervisory relationship with Burien for day and swing shifts. Burien is asking for a nighttime sergeant in their budget which will change the dynamic of the shared supervision model; if approved, SeaTac would reduce reliance on the Sheriff's Office to provide supervision for our nighttime officers. This will result in a cost savings in 2019 of approximately \$82,750, and an estimated \$85,233 in 2020 based on inflation. I am proposing we use this savings to pay the bulk of the cost of adding an Administrative Sergeant, and using reconciliation funds from the 2018 police budget for the remainder (\$80,353 for 2019, ~\$82,763 for 2020).

**Alternatives:** *(List possible alternatives and/or risks if funding is not approved):*

If this request is not granted, we will continue to operate with two (2) sergeants but will not be effective in ensuring the timely and proper completion of tasks.

**City Goal:** *(Identify one or more City Goal addressed by this request):*

This request supports the goals of City Operations, by ensuring that the Police Department is operating as efficiently and effectively as possible, and Public Safety as this addition will be able to provide competent guidance and supervision to those providing the direct public safety services to our residence.

**Funding Source:** *(How will this request be funded):*

| <u>Source/Fund (be specific)</u>                | <u>2019<br/>Amount</u> | <u>2020<br/>Amount</u> |
|---|------------------------|------------------------|
| Current Operations: Police Services-King County | \$ 80,353.00           | \$ 82,763.00           |
| Ending Fund Balance:                            |                        |                        |
| Grant:  |                        |                        |
| Other:  |                        |                        |
| <b>TOTAL</b>                                    | \$ 80,353.00           | \$ 82,763.00           |

**City of SeaTac 2019-2020 Budget  
Decision Card**

|   |                                       |
|---|---------------------------------------|
| <b>Title:</b> Emergency Management Office and Operating Supplies                                  |                                       |
| <b>Amount:</b> \$ 13,500.00   | <b>Department:</b> Fire               |
| <b>BARS#:</b> 001.000.09.525.60.31.008  | <b>Division:</b> Emergency Management |
| <b>On-Going</b> <input checked="" type="checkbox"/> <b>Mandatory</b> <input type="checkbox"/>     | <b>Director:</b> William Appleton     |
| <b>One-Time</b> <input type="checkbox"/> <b>Discretionary</b> <input checked="" type="checkbox"/> | <b>Preparer:</b> William Appleton     |

**Description:** (Provide a brief overview of what is being requested)

Provide funding within emergency management to allow for the purchase of meals ready to eat for the Emergency Command Center (ECC) and for updating all emergency "go bags" in 2019.

**Justification:** (Explain why this is being requested and/or how the request will benefit the City):

Covers the purchase of 10 cases (120 meals) of MREs in 2019 and 10 cases in 2020 (\$2,750 each year) and also provides \$8,000 in 2019 for replacing, updating, and supplying citywide "go bags". The ECC located at Station 46, is supplied with Military Ready To Eat Meals (MREs) which will feed first responders and ECC workers during a prolonged activation of the ECC. Purchases of MREs are scheduled on a rotation that allows nearly-expired MREs to be donated just prior to expiration (donations are typically made to local food banks), allowing for their use rather than being thrown away.

"Go bags" are provided to each city employee to keep in their work space and have available in the event of an emergency. The kits provide food, water and other gear necessary to support employees during the initial stages of an emergency event or natural disaster. The requested funding will update the food, water and emergency supplies in all of these bags to ensure they are good for the next 5 years.

**Alternatives:** (List possible alternatives and/or risks if funding is not approved):

If funding is not approved, Emergency Management Preparedness Grant Funding (EMPG) will be used to purchase these supplies rather than used to offset the Emergency Management Coordinator Position.

**City Goal:** (Identify one or more City Goal addressed by this request):

This request supports the City's Accountability goal by supporting government emergency services which in turn works to provide critical response and recovery services to our community.

**Funding Source:** (How will this request be funded):

| <u>Source/Fund (be specific)</u> | <u>2019 Amount</u> | <u>2020 Amount</u> |
|----------------------------------|--------------------|--------------------|
| Current Operations: General Fund | \$ 10,750.00       | \$ 2,750.00        |
| Ending Fund Balance:             |                    |                    |
| Grant:                           |                    |                    |
| Other:                           |                    |                    |
| <b>TOTAL</b>                     | \$ 10,750.00       | \$ 2,750.00        |

**City of SeaTac 2019 - 2020 Budget  
Decision Card**

|   |                                       |
|---|---------------------------------------|
| <b>Title:</b> Emergency Management Small Tools and Equipment                                      |                                       |
| <b>Amount:</b> \$ 10,600.00   | <b>Department:</b> Fire               |
| <b>BARS#:</b> 001.000.09.525.60.35.000  | <b>Division:</b> Emergency Management |
| <b>On-Going</b> <input checked="" type="checkbox"/> <b>Mandatory</b> <input type="checkbox"/>     | <b>Director:</b> William Appleton     |
| <b>One-Time</b> <input type="checkbox"/> <b>Discretionary</b> <input checked="" type="checkbox"/> | <b>Preparer:</b> William Appleton     |

**Description:** (Provide a brief overview of *what* is being requested)

Provide funding to allow for the purchase of small tools and equipment necessary to support the ongoing emergency management mission.

**Justification:** (Explain *why* this is being requested and/or how the request will benefit the City):

For 2019:  
 Emergency Command Center (ECC) Printers - new printers are needed for the operation of the ECC. Currently there is one outdated printer that no longer meets the needs of the ECC. Three printers are needed. (\$1,700 for the printers and cartridges)  
 Portable Generator - the emergency management support trailer requires a portable generator for powering lights, computers, printers and other equipment (\$1300)  
 Radios for vehicles and EM support trailer - currently City vehicles and the emergency management support trailer have no communication availability other than phones or cell phones which can quickly become clogged in a regional emergency. Radios provide for an alternate communication opportunity, so that ongoing functionality of the ECC is supported (\$4,600)

For 2020:  
 Small tools/equipment as needed: (\$3,000)

**Alternatives:** (List possible alternatives and/or risks if funding is not approved):

Not providing the updated equipment will reduce the functionality/readiness of the ECC and negatively impact the effectiveness of the ECC during operations. If funding is not approved, grant funding through the Emergency Management Preparedness Grant (EMPG, if available) will be used. In the past EMPG grant funding has been used to help offset the salary for the Emergency Management Coordinator position.

**City Goal:** (Identify one or more City Goal addressed by this request):

This request supports the Operational Goal of the City, as well as the Accountability and Public Safety. It is the responsibility of City government to be prepared to assist our residents and businesses during response to and recovery from disasters that impact our jurisdiction; this request supports our response capabilities.

**Funding Source:** (How will this request be funded):

| <u>Source/Fund (be specific)</u> | <u>2019 Amount</u> | <u>2020 Amount</u> |
|----------------------------------|--------------------|--------------------|
| Current Operations:              | \$ 7,600.00        | \$ 3,000.00        |
| Ending Fund Balance:             |                    |                    |
| Grant:                           |                    |                    |
| Other:                           |                    |                    |
| <b>TOTAL</b>                     | <b>\$ 7,600.00</b> | <b>\$ 3,000.00</b> |

**City of SeaTac 2019-2020 Budget  
Decision Card**

|  |                            |
|--|----------------------------|
| Title: Park Operations Workers (3 FTEs and 1 Truck)  |                            |
| Amount: \$ 450,852.00  | Department: PCPS           |
| BARS#: Various   | Division: Park Operations  |
|  | Director: Lawrence Ellis   |
| On-Going <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/>                | Preparer: Mike Fitzpatrick |
| One-Time <input checked="" type="checkbox"/> Discretionary <input checked="" type="checkbox"/> |                            |

**Description:** (Provide a brief overview of what is being requested)

3 FTE positions for Park Operations Maintenance and 1 vehicle outfitted for Park Maintenance. Two FTE to be hired in 2019 and one FTE in 2020. One truck purchase in 2019.

**Justification:** (Explain why this is being requested and/or how the request will benefit the City):

See attached sheet.

**Alternatives:** (List possible alternatives and/or risks if funding is not approved):

See attached sheet.

**City Goal:** (Identify one or more City Goal addressed by this request):

See attached sheet.

**Funding Source:** (How will this request be funded):

|                      | <u>Source/Fund (be specific)</u> | <u>2019 Amount</u> | <u>2020 Amount</u> |
|----------------------|----------------------------------|--------------------|--------------------|
| Current Operations:  | General Fund                     | \$ 117,299.00      | \$ 333,553.00      |
| Ending Fund Balance: |                                  |                    |                    |
| Grant:               |                                  |                    |                    |
| Other:               |                                  |                    |                    |
|                      | <b>TOTAL</b>                     | \$ 117,299.00      | \$ 333,553.00      |

**City of SeaTac**  
**New Position Request Worksheet**

*(Required for all decision cards requesting a new position)*

**Title of Associated Decision Card:** Park Operations Workers (3FTE & 1 Truck)

**Position Title** *(Provided by HR)*: Park Operations Worker

**Salary Range/Step** *(Provided by HR)*: 43                      B

**Limited Position?:** NO

**Primary Duties/Responsibilities:**

Perform responsible maintenance and repair of City parks, landscapes, sport fields, spray parks and buildings to assure safe and appropriate operation of systems and facilities.

Maintain City parks, landscapes and sport fields; mow, edge, and apply pesticides and fertilizer to landscaped areas; repair and maintain irrigation systems; plant and maintain flower beds; rake leaves, prune and trim trees, remove brush and trash and repair fences as needed.

Repair and maintain City buildings, landscapes, facilities and structures; assist with general building repair performing a variety of duties involving the building trades, including carpentry, plumbing, masonry, minor electrical, and painting.

Perform general building maintenance such as sweeping, mopping, and vacuuming floors; clean restrooms, change light bulbs and remove trash.

Remove garbage from the Community Center and other City property.

Operate vehicles and heavy equipment to perform parks and building construction and maintenance duties; operate a variety of landscaping and construction tools and equipment, such as a jackhammer, mower, edger, chain saw and chipper.

Respond to emergency call-out situations as necessary.

Act as essential personnel during natural disasters, emergencies and snow events.

|  | 2019                 | 2020                 |
|--|----------------------|----------------------|
| Total Salary <i>(provided by Finance)</i>                                  | 38,406.00            | 185,273.00           |
| Total Benefits <i>(provided by Finance)</i>                                | 26,890.00            | 135,775.00           |
| <b>Subtotal Salary and Benefits</b>  | <b>\$ 65,296.00</b>  | <b>\$ 321,048.00</b> |
|  |                      |                      |
| Furniture and Office Equipment   |                      |                      |
| Computer Hardware and Software   |                      |                      |
| Uniform  | 970.00               | 1,455.00             |
| Vehicle <i>(provided by Public Works)</i>                                  | 46,000.00            |                      |
| Equipment Rental Charges <i>(from 501 Fund - provided by Public Works)</i> | 2,833.00             | 8,700.00             |
| Training   | 700.00               | 350.00               |
| Telephone <i>(cell/pager, etc.)</i>  | 500.00               | 1,500.00             |
| Other <i>(specify)</i> : Elective Training (CPSI & Spray Park Operator)    | 1,000.00             | 500.00               |
| <b>Subtotal Associated Costs</b>   | <b>\$ 52,003.00</b>  | <b>\$ 12,505.00</b>  |
|  |                      |                      |
| <b>TOTAL:</b>  | <b>\$ 117,299.00</b> | <b>\$ 333,553.00</b> |

**Justification:**

Addition of 3 FTE will allow us to accomplish several objectives:

1. Hiring 3 additional FTE increases the amount of skilled labor performed in the parks like troubleshooting and repair of irrigation systems, fertilizer/pesticide applications, pruning trees/shrubs, and minor facility repairs/improvements in parks. Increased FTE labor will allow us to develop an approach that focuses more on preventative maintenance rather than a responsive approach due to simply not having FTE skilled labor to maintain the parks currently in SeaTac. The combination of seasonal staff and a FTE closing parks in the evenings and additional FTE labor during the day will increase the level of service in parks.

A segment of the seasonal labor will be solely assigned to close parks in the evening (between Memorial Day and Labor Day). Seasonal staff will usher patrons out of parks, clean up garbage, clean and restock restrooms and ensure park sites are locked up with police assistance. This should also decrease the amount of vandalism within the parks as we will have more eyes on park sites throughout the day into the evening. Currently we are not adequately staffed to perform these duties in the evenings. Seasonal staff currently open parks in the morning, cleaning up garbage from the previous afternoon/evenings events. FTE's also spend about 40 to 50% of their days performing these duties as well.

2. Addition of 3 FTE's will lower the acreage maintained per employee ratio. We currently maintain 24 acres per FTE and don't have the necessary skilled labor; struggling to keep pace with improvements/additions to parks. The table below shows survey results for Park Maintenance FTE vs. acreage maintained in cities surrounding SeaTac. It should be noted that the acreage below only denotes formal park sites. SeaTac also has expansive open space/passive use areas that total an additional 185 acres. Examples of these areas include the disc golf course at North SeaTac Park, acreage surrounding Tub Lake and land surrounding the Des Moines Creek Trail. This acreage is monitored for garbage and homeless activity on a weekly basis. City owned parcels like the former Fire Stations 45 and 47, lot owned on S. 152<sup>nd</sup> St. and the SeaTac Center are also maintained by park staff. Although these are not formal park sites; staff routinely keeps brush mowed down, pick up litter and clean up evidence of homeless camps.

| City        | Full Time Maintenance Employees | Developed Acre Per Employee | Total Developed Acres |
|-------------|---------------------------------|-----------------------------|-----------------------|
| Kent        | 28                              | 9                           | 250                   |
| Renton      | 21                              | 13                          | 264                   |
| Des Moines  | 3                               | 14                          | 42                    |
| Tukwila     | 6.5                             | 21                          | 135                   |
| SeaTac      | 6                               | 24                          | 144                   |
| Federal Way | 11                              | 27                          | 300                   |
| Burien      | TBA                             | TBA                         | TBA                   |

The addition of 3 FTE would result in a decrease (24 to 16 acres) per FTE and rank SeaTac in the 50% percentile for park maintenance amongst our closest neighbors. We would rank just above the national median of 17.1 acres per FTE.

3. As the park system continues to grow with new park sites and improve with new fields and facilities, it is imperative the City keep pace with timely and focused maintenance. Although the resident population of SeaTac is about 29,000, our daily population with the airport and surrounding hotels increases to 171,000, which results in people visiting our local parks. Maintenance and operations strives to not only maintain clean and safe parks but also have the skilled labor necessary to improve park sites that provide residents and visitors with a positive experience.

New parks have been completed in 2017/2018 include the Angle Lake Nature Trail and Riverton Heights Park. Although the sites do not add to the total acreage maintained; the level of maintenance at the sites increases. The nine acres between the two sites require increased maintenance to ensure park amenities are safe, in a state of good repair.

The expansion of the athletic field complex at Valley Ridge Park (Field #4) has been a great addition to the facility. The addition of the fourth field, new synthetic turf, and restrooms inside the complex will require additional maintenance labor. One FTE will spend 50-80% of their time within the athletic complex tending to field and restroom maintenance alone. The remainder of their time would be spent at City Hall tending to the landscapes. City Hall is another great example of a half-acre site that is not a park but is absorbed within our maintenance division.

Proposed CIP projects in the near future include proposed renovations to North SeaTac soccer fields, Riverton Heights phase 2 and a nature trail at Tub Lake. These exciting projects not only present opportunities to improve parks but also contain challenges regarding skilled daily maintenance necessary as we are functioning at FTE levels that have remained unchanged since 2000 (6 FTE).

4. Purchase of a Ford F-250 pickup truck is needed in 2019 to provide adequate transportation between all the park sites in the city. This is especially important when additional seasonal labor is hired from May to September. While daily work plans call for some employees to ride together and share a truck; an additional vehicle is needed for some flexibility to move staff between park sites and perform work efficiently.

#### **Alternatives:**

If funding is not approved, park conditions will decline due to continued growth and redevelopment of existing parks. Limited skilled labor will be further stretched and we currently struggle daily to maintain popular park sites in SeaTac with 50% to 80% of the labor focused on custodial duties (cleaning parks and restrooms.) Without additional full time labor, we will continue the negative trend of simply cleaning parks and daily assessment for safety. Resources will not be focused in preventative maintenance and improving park sites.



Although seasonal employment is more economical, additional seasonal labor is not the answer. Valuable time is taken away from maintenance when recruiting and training seasonal labor. It has been a revolving door to recruit positions for six months and have many seasonal employees leave for higher paying opportunities, a full time position or be terminated due to violating employment policies. Seasonal employees play an important role in the division but these positions do not address long term skilled maintenance.

**City Goal:**

Approval of this request will meet the following 3-5 year goals:

**City Operations-** Continuously improve the effectiveness and efficiency of city government and additional FTE labor will allow us to address maintenance related issues in Parks in a timely manner with consistent results. It will also increase the level of service for our citizens.

**Infrastructure Investment-** Improve the community by making capital investments. The PCPS Department is growing with new and expanding park sites and special events. Park maintenance plays a major role by assuring clean, attractive and safe sites for these events to take place as well as citizens of SeaTac and many surrounding visitors to the area have a positive experience.

**Public Safety-** Clean, safe and attractive parks within the City portray the commitment the city has to its facilities. It is important to provide the citizens of SeaTac and visitors safe and attractive areas for recreation. Clean and well-kept parks deter crime.

**City of SeaTac 2019-2020 Budget  
Decision Card**

|   |  |                                   |
|---|--|-----------------------------------|
| <b>Title:</b> Public Works Maintenance & Operations Manager |  | <b>Department:</b> Public Works   |
| <b>Amount:</b> \$260,687                                    |  | <b>Division:</b> Maintenance      |
| <b>BARS#:</b> Various                                       |  | <b>Director:</b> William Appleton |
| <b>On-Going</b> <input checked="" type="checkbox"/>         | <b>Mandatory</b> <input type="checkbox"/>                | <b>Preparer:</b> William Appleton |
| <b>One-Time</b> <input type="checkbox"/>                    | <b>Discretionary</b> <input checked="" type="checkbox"/> |                                   |

**Description:** (Provide a brief overview of what is being requested)

Creation of a Public Works Maintenance Operations Manager position within the Public Works Maintenance Division.

**Justification:** (Explain why this is being requested and/or how the request will benefit the City):

The creation of this position is a key part of the reorganization of the Maintenance and Operations Division, intended to improve the overall efficiency and effectiveness of the Division. Creation of this position is required for the reorganization and will benefit Public Works and the City in the following ways:

- 1) Provide the necessary administrative oversight and coordination to allow for combining the Maintenance and Operations Division with the Stormwater Compliance Division. The integration of these two Divisions will provide the additional supervision needed at the Maintenance facility and align all stormwater compliance activities within one Division.
- 2) Minimize/eliminate situations where supervision is not present at the Maintenance Facility due to vacations, sick leave, etc.
- 3) Allow for the separation of administrative and supervisory responsibilities such that these duties can be properly resourced; this will improve the overall efficiency and effectiveness of the Division as well as accountability.
- 4) Allow for a reduction in the number of direct reports at a supervisory level within Maintenance and Operations and at the PW Director level. Currently, span of control is too large.
- 5) Centralize primary responsibility for scheduling, purchasing, reporting, and job resourcing at the supervisory level thereby allowing lead maintenance workers to maximize time in the field actively working with crews on assigned tasks;
- 6) Provide a single point of responsibility for completing assigned projects on schedule and within budget, thereby increasing overall accountability;
- 7) Ensure proper/optimum resourcing and prioritization of scheduled projects to maximize productivity;
- 8) Allow for the combining of street and vegetation crews, thereby improving resourcing options;
- 9) Provide a staffing structure better suited to take on sign maintenance responsibilities in the future.

**Alternatives:** (List possible alternatives and/or risks if funding is not approved):

Without a Manager position to oversee the supervisory positions, both would report to the Director of Public Works. This is not recommended due to both span of control issues for the PW Director (7 direct reports vs 6) as well as efficiencies lost due to not having an adequate level of administrative oversight and capacity at the maintenance shop.

**City Goal:** (Identify one or more City Goal addressed by this request):

City Operations and Accountability. This position will increase the effectiveness and efficiency of our existing crew as well as provide improved accountability with respect to being responsive to our community. Lead maintenance workers will be able to spend more time in the field working with crews and providing leadership, supervisors will have increased time for oversight, optimizing crew work flow and schedules and ensuring proper/timely resourcing while allowing overall accountability, administrative and department level work to be handled by a single manager.

**Funding Source:** (How will this request be funded):

| <u>Source/Fund (be specific)</u>        | <u>2019 Amount</u> | <u>2020 Amount</u> |
|---|--------------------|--------------------|
| Current Operations: 102(50%)/ 403 (50%) | \$ 78,183.00       | \$ 182,504.00      |
| Ending Fund Balance:                    |                    |                    |
| Grant:                                  |                    |                    |
| Other:                                  |                    |                    |
| <b>TOTAL</b>                            | \$ 78,183.00       | \$ 182,504.00      |

**City of SeaTac**  
**New Position Request Worksheet**

*(Required for all decision cards requesting a new position)*

**Title of Associated Decision Card:** Public Works Operations & Maintenance Manager

**Position Title** *(Provided by HR)*: Public Works Operations & Maintenance Manager

**Salary Range/Step** *(Provided by HR)*: 69                      B

**Limited Position?:** No

**Primary Duties/Responsibilities:**

Under the direction of the Public Works Director, this position provides administrative and managerial oversight of the Operations and Maintenance Division which is responsible for streets, vegetation, and stormwater maintenance, fleet operations and maintenance, stormwater compliance and NPDES permit reporting and compliance. Managing, planning, budgeting, organizing, and developing/implementing workplans to accomplish department and Citywide goals are key responsibilities.

|  | 2019                | 2020                 |
|--|---------------------|----------------------|
| Total Salary <i>(provided by Finance)</i>                                  | 45,608.00           | 118,462.00           |
| Total Benefits <i>(provided by Finance)</i>                                | 22,125.00           | 59,592.00            |
| <b>Subtotal Salary and Benefits</b>  | <b>\$ 67,733.00</b> | <b>\$ 178,054.00</b> |
| Furniture and Office Equipment   | 4,000.00            |                      |
| Computer Hardware and Software   | 2,000.00            |                      |
| Uniform  | 150.00              | 150.00               |
| Vehicle <i>(provided by Public Works)</i>                                  |                     |                      |
| Equipment Rental Charges <i>(from 501 Fund - provided by Public Works)</i> |                     |                      |
| Training   | 3,500.00            | 3,500.00             |
| Telephone <i>(cell/pager, etc.)</i>  | 800.00              | 800.00               |
| Other <i>(specify)</i> :   |                     |                      |
| <b>Subtotal Associated Costs</b>   | <b>\$ 10,450.00</b> | <b>\$ 4,450.00</b>   |
| <b>TOTAL:</b>  | <b>\$ 78,183.00</b> | <b>\$ 182,504.00</b> |

**City of SeaTac 2019-2020 Budget  
Decision Card**

|  |   |                              |
|--|---|------------------------------|
| Title: Public Works Inspector                |   | Department: Public Works     |
| Amount: \$ 178,467.00                        |   | Division: Engineering Review |
| BARS#: Various                               |   | Director: William Appleton   |
| On-Going <input checked="" type="checkbox"/> | Mandatory <input type="checkbox"/>                | Preparer: William Appleton   |
| One-Time <input type="checkbox"/>            | Discretionary <input checked="" type="checkbox"/> |                              |

**Description:** (Provide a brief overview of what is being requested)

Conversion of an existing limited term Engineering Technician Position within the Engineering Review Division to a full time Public Works Inspector Position.

**Justification:** (Explain why this is being requested and/or how the request will benefit the City):

Realignment of the Engineering Review Division from the CED Department into the Public Works Department resulted in a reassessment of positions and staffing needs required by the Division and Department. The review of current and future workload and Division/Department needs clearly identified that a full time inspector position is required to support the inspection needs of the Engineering Review Division and that the limited term engineering technician position (currently unfilled within the Division) is not needed. Current Public Works inspector staffing levels are not able to keep up with both private and public development. This inspector position will align within the Engineering Review Division and primarily be assigned work supporting the Engineering Review Division. There are budget savings due to the vacant engineering technician position in 2019.

Funding of the proposed position will partially be paid for by private developers and utility companies through our permitting process. The Public Works Department continues to improve on capturing billable time (cost recovery), ensuring private development pays for the full cost of associated inspections and plan reviews; expectations are that this position will become 75 to 85 percent billable to private development projects. The additional inspector position will allow the Public Works Department to better serve the development community and better position the Department to respond to future retirements and secession planning within the inspector ranks.

**Alternatives:** (List possible alternatives and/or risks if funding is not approved):

Do not approve the proposed change and reduce PW project workload to allow other inspectors to take on additional private development inspections. This will result in either fewer City projects being scheduled or a reduction of inspection services on these projects.

**City Goal:** (Identify one or more City Goal addressed by this request):

City Operations, Infrastructure Investment and Revenue & Development are three City goals that are supported by this request. The position will work to ensure that private development and ROW projects are properly inspected throughout construction.

**Funding Source:** (How will this request be funded):

|                      | <u>Source/Fund (be specific)</u> | <u>2019 Amount</u> | <u>2020 Amount</u> |
|----------------------|----------------------------------|--------------------|--------------------|
| Current Operations:  | 102 (50%), 403(50%)              | \$ 95,067.00       | \$ 129,667.00      |
| Ending Fund Balance: |                                  |                    |                    |
| Grant:               |                                  |                    |                    |
| Other:               | Eng. Tech (Already Budgeted)     | -\$ 46,267.00      | \$ 0.00            |
|                      | <b>TOTAL</b>                     | \$ 48,800.00       | \$ 129,667.00      |

**City of SeaTac**  
**New Position Request Worksheet**

*(Required for all decision cards requesting a new position)*

**Title of Associated Decision Card:** Public Works Inspector

**Position Title** *(Provided by HR)*: Public Works Inspector

**Salary Range/Step** *(Provided by HR)*: 50                      B

**Limited Position?:** NO

**Primary Duties/Responsibilities:**

This position will support the Engineering Review Division by providing inspection of private development projects; testing field samples of construction materials to ensure compliance with contract specifications, reviewing plans and construction standards; reviewing construction plans; coordinating construction activities with City departments, other agencies, private utilities and the general public; investigates and resolving citizen complaints, and performing plan review for assigned projects and public utilities.

|  | 2019                | 2020                 |
|--|---------------------|----------------------|
| Total Salary <i>(provided by Finance)</i>                                  | 28,528.00           | 74,104.00            |
| Total Benefits <i>(provided by Finance)</i>                                | 17,739.00           | 47,863.00            |
| <b>Subtotal Salary and Benefits</b>  | <b>\$ 46,267.00</b> | <b>\$ 121,967.00</b> |
| Furniture and Office Equipment   | 2,000.00            | 0.00                 |
| Computer Hardware and Software   | 2,000.00            | 500.00               |
| Uniform  | 250.00              | 250.00               |
| Vehicle <i>(provided by Public Works)</i>                                  | 43,000.00           |                      |
| Equipment Rental Charges <i>(from 501 Fund - provided by Public Works)</i> |                     | 5,400.00             |
| Training   | 750.00              | 750.00               |
| Telephone <i>(cell/pager, etc.)</i>  | 800.00              | 800.00               |
| Other <i>(specify)</i> : Eng. Tech (Already Budgeted)                      |                     |                      |
| <b>Subtotal Associated Costs</b>   | <b>\$ 48,800.00</b> | <b>\$ 7,700.00</b>   |
| <b>TOTAL:</b>  | <b>\$ 95,067.00</b> | <b>\$ 129,667.00</b> |

**City of SeaTac 2019-2020 Budget  
Decision Card**

|  |   |                                   |
|--|---|-----------------------------------|
| Title: City Gateway/Entrance Analysis        |   | Department: City Manager's Office |
| Amount: \$ 50,000.00                         |   | Division:                         |
| BARS#: 105.000.03.576.10.41.000              |   | Director: Carl Cole               |
| On-Going <input type="checkbox"/>            | Mandatory <input type="checkbox"/>                | Preparer: Lesa Ellis              |
| One-Time <input checked="" type="checkbox"/> | Discretionary <input checked="" type="checkbox"/> |                                   |

**Description:** (Provide a brief overview of what is being requested)

A professional services contract for an analysis of options regarding the gateways/entrances to the City, including but not limited to signage, wayfinding, community and neighborhood identifiers, corridor beautification, etc.

**Justification:** (Explain why this is being requested and/or how the request will benefit the City):

The intent of the analysis is to identify opportunities for the City (and any community partners) to consider in providing an enhanced community identity, better directional guidance, and sense of place to both the millions of annual visitors to the City and to the local residents. The initial analysis would also include identification of one or more pilot projects (with cost estimates) that could be undertaken to implement the selected option(s).  
The request for analysis was included in Council Information Request 2017-10 and discussed at both the Airport Advisory Committee and at the A&F Committee, which led to a recommendation by A&F to approve the decision card. The Council approved the decision card and allocation for the 2017 budget. The study, however, was not initiated, thus it is before the Council for consideration in the 2019 budget.

**Alternatives:** (List possible alternatives and/or risks if funding is not approved):

Staff and Council would continue to respond to issues and ideas in an ad-hoc manner, but there would be no common response, approach, and result. Lacking coordination, City and community efforts would not be as effective; it would be harder to secure grant and foundation funding (private & non-profit); and design, installation, and ongoing maintenance costs would likely be higher.

**City Goal:** (Identify one or more City Goal addressed by this request):

Infrastructure Investment. This request seeks to improve the community by making capital investments. The options for City's gateways/entrances will ultimately involve capital investments and infrastructure improvements.

**Funding Source:** (How will this request be funded):

| <u>Source/Fund (be specific)</u>   | <u>2019 Amount</u>  | <u>2020 Amount</u> |
|------------------------------------|---------------------|--------------------|
| Current Operations:                |                     |                    |
| Ending Fund Balance: Port ILA Fund | \$ 50,000.00        |                    |
| Grant:                             |                     |                    |
| Other:                             |                     |                    |
| <b>TOTAL</b>                       | <b>\$ 50,000.00</b> | <b>\$ 0.00</b>     |



# MEMORANDUM

To: Administration and Finance Committee  
Through: Carl Cole, City Manager  
Gwen Pilo, Finance & Systems Director  
From: William Appleton, Public Works Director  
Date: May 9, 2019  
Subject: Stormwater Compliance Manager Reclassification

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## **Purpose:**

To bring the proposed reclassification of the Stormwater Compliance Manager Position to a Maintenance and Operations Supervisor for Committee information and discussion. The reclassification of this position is part of the proposed reorganization/realignment of the Maintenance and Operations Division.

## **Background:**

As part of the reorganization of the Public Works Maintenance and Operations Division, the Stormwater Compliance Manager position (an existing full time position) is being reclassified and realigned to provide Supervision for both stormwater compliance staff as well as stormwater maintenance staff. The reclassified position (Maintenance and Operations Supervisor-Stormwater) will work from the Maintenance facility and be responsible for direct oversight and supervision of all stormwater related activities including the NPDES phase II permit requirements.

Alignment of this position at the maintenance facility provides additional supervision that is necessary to ensure coverage both during normal operations as well as during weather related events requiring around the clock activity. The realignment supports: improved span of control, more efficient workflow, and improved accountability and responsiveness.

## **Budget Impacts:**

The reclassification of this position will result in a wage grade increase from 61 (\$85,513 - \$109,464) to a 62 (\$87,651 – 112,200). The increase in salary will be more than offset by salary savings already realized, therefore no impact is expected to the 2019/2020 biannual budget. This position will be fully funded from the Surface Water fund (403).

## **Authority**

SMC 2.65.030 states: “With written justification, the City Manager is authorized to adjust non-represented employee classification and compensation, subject to ratification by the

Administration and Finance Committee, when necessary in order to carry out sound personnel management and to accomplish objectives within the City’s defined commitments”.

RCW 35A (sections 13.080 through 13.102) provide the authority of the city manager to exercise general supervision over the administrative affairs of the code city, its departments and staff. Further, the city manager may prepare and submit to the council such reports as he or she may deem advisable to submit in exercising supervision over the administrative affairs. The city manager may not amend the adopted budget.

The proposed reclassifications do not require an amendment to the 2019-2020 biennial budget, is within the general authority of the city manager, and does not require formal Council action.

**Approval**

At its May 9, 2019 meeting, the Administration and Finance Committee ratified the proposed reclassifications and compensation as recommended above.

Ratified: \_\_\_\_\_  
Erin Sitterley, Chair



# 2019-2020 Budget Amendment

Administration & Finance Committee

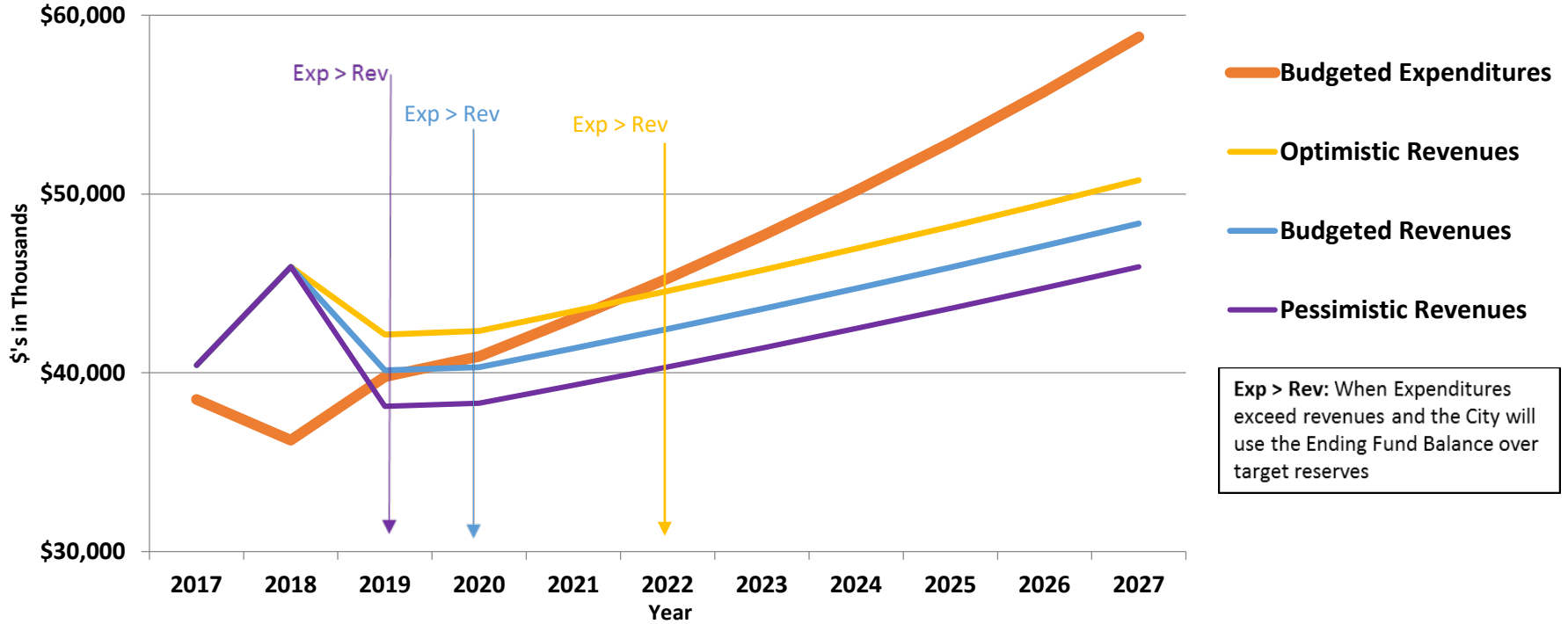
May 9, 2019



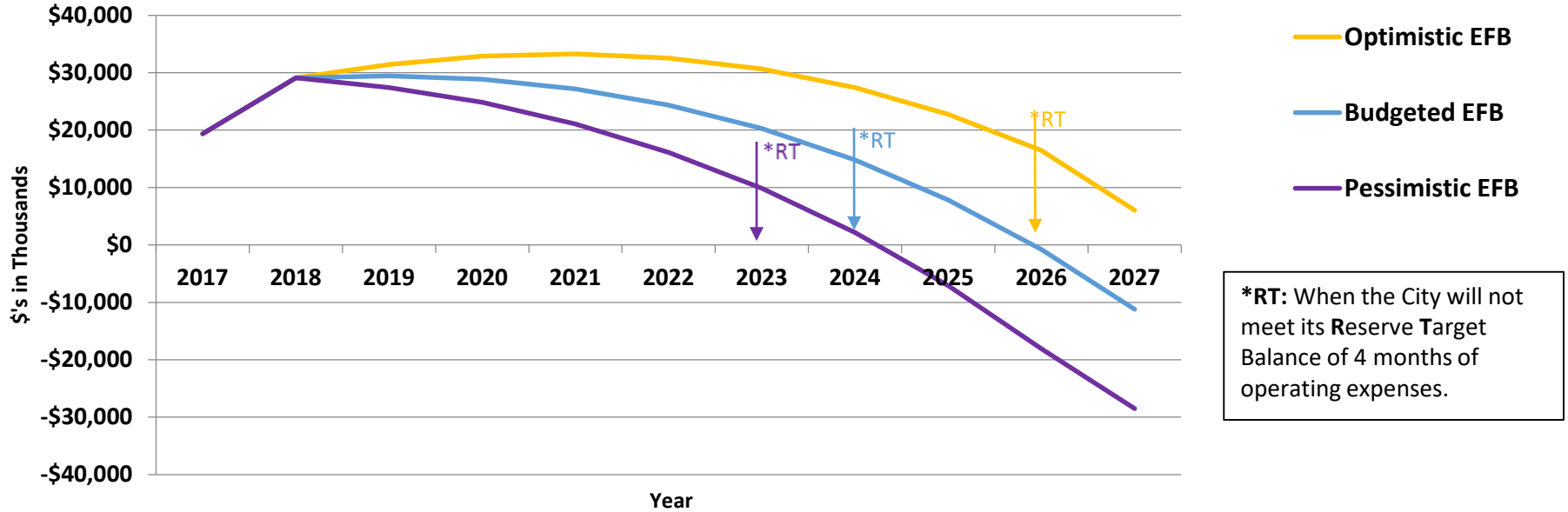
# 2019 Beginning Fund Balances

| Fund         |                                | Estimated BFB     | Actual BFB        | Difference       |
|--------------|--------------------------------|-------------------|-------------------|------------------|
| 001          | General Fund                   | 24,087,825        | 29,090,983        | 5,003,159        |
| 102          | Street Fund                    | 16,827,087        | 15,681,557        | (1,145,530)      |
| 105          | Port ILA                       | 1,498,177         | 1,609,124         | 110,947          |
| 106          | Transit Planning               | 362,187           | 367,000           | 4,813            |
| 107          | Hotel/Motel Tax                | 8,260,414         | 8,359,594         | 99,180           |
| 108          | Building Management            | 3,222,901         | 3,453,957         | 231,055          |
| 110          | Facility Repair & Replacement  | -                 | -                 | -                |
| 111          | Des Moines Creek Basin ILA     | 2,395,116         | 2,487,282         | 92,166           |
| 206          | 2009 LTGO Bond Fund            | 13,527            | 15,411            | 1,885            |
| 207          | SCORE Bond Servicing           | 470,613           | 266,456           | (204,158)        |
| 301          | Municipal Capital Improvements | 4,625,651         | 7,257,432         | 2,631,781        |
| 306          | Facility Construction CIP      | 1,025,167         | 1,767,848         | 742,681          |
| 307          | Transportation CIP             | 15,659,061        | 15,658,987        | (74)             |
| 308          | Light Rail Station Areas CIP   | 1,869,944         | 1,907,243         | 37,299           |
| 403          | SWM Utility                    | 4,421,478         | 4,299,891         | (121,587)        |
| 404          | Solid Waste & Environmental    | 223,646           | 427,982           | 204,336          |
| 501          | Equipment Rental               | 1,123,471         | 1,094,797         | (28,674)         |
| <b>Total</b> |                                | <b>86,086,266</b> | <b>93,745,545</b> | <b>7,659,279</b> |

# General Fund Projection



## General Fund Ending Fund Balance Projection (With 4-Month Reserve Target)



\*RT: When the City will not meet its Reserve Target Balance of 4 months of operating expenses.

# Discussion





# Financial Management Report

## Table of Contents

Stoplight Charts

Expense Summary by Fund

Salary Expenditures Overview

General Fund Summary

General Fund Ending Fund Balance Estimate

Capital Expenditures Overview



















Select Revenue Graphs

Actuals thru March 31, 2019




# REVENUE STOPLIGHT CHART

## BUDGETED REVENUE BY CATEGORY (NO TRANSFERS)

Actuals thru March 31, 2019

| <u>Revenue Description</u>                         | <u>2019 Annual BUDGET</u> | <u>2019 YTD ACTUAL</u> | <u>Percent collected</u> | <u>2018 YTD ACTUAL</u> | <u>2018 % of Budget</u> |   |
|--|---------------------------|------------------------|--------------------------|------------------------|-------------------------|---|
| Property Tax - Regular Levy                        | \$16,900,000              | \$649,358              | 4%                       | \$323,949              | 2%                      |    |
| Sales & Use Tax (operating)                        | \$13,100,000              | \$1,116,037            | 9%                       | \$999,694              | 9%                      |    |
| Parking Tax (#102)                                 | \$9,728,321               | \$1,388,921            | 14%                      | \$1,359,591            | 17%                     |    |
| Leasehold Excise Tax                               | \$2,600,000               | (\$949)                | *                        | \$0                    | *                       |    |
| Stormwater Fees (#403)                             | \$3,979,716               | \$923,608              | 23%                      | (\$10,731)             | *                       |    |
| Long Term Leases (CH & SeaTac Ctr - #108)          | \$834,000                 | \$247,211              | 30%                      | \$274,442              | 32%                     |    |
| Permits & Plan Review (building, electrical, etc.) | \$1,522,827               | \$350,667              | 23%                      | \$698,793              | 50%                     |    |
| Engineering Plan Review                            | \$327,300                 | \$64,185               | 20%                      | \$215,786              | 144%                    |    |
| Hotel/Motel Special Revenue Tax (#107 & #206)      | \$1,790,000               | \$116,085              | 6%                       | \$359,990              | 24%                     |    |
| Sales & Use Tax (criminal justice)                 | \$786,000                 | \$67,131               | 9%                       | \$62,597               | 9%                      |    |
| Gambling Tax                                       | \$575,000                 | \$0                    | *                        | \$0                    | 0%                      |    |
| Motor Vehicle Tax - City Streets (#102)            | \$635,000                 | \$55,281               | 9%                       | \$53,491               | 9%                      |    |
| Franchise Fees                                     | \$675,819                 | \$134,145              | 20%                      | \$133,729              | 19%                     |    |
| <b>Subtotal: Top Operating Revenues</b>            | <b>\$53,453,983</b>       | <b>\$5,111,681</b>     | <b>10%</b>               | <b>\$4,471,331</b>     | <b>10%</b>              |   |
| Sales & Use Tax (construction)                     | \$400,000                 | \$367,081              | 92%                      | \$25,324               | 4%                      |    |
| Real Estate Excise Tax - #1 & #2                   | \$700,000                 | \$150,864              | 22%                      | \$323,667              | 52%                     |    |
| Valley Ridge Park Turf Field Fees                  | \$320,000                 | \$58,073               | 18%                      | \$36,090               | 15%                     |    |
| GMA Traffic Impact Fees                            | \$175,000                 | \$6,525                | 4%                       | \$138,136              | 230%                    |   |
| <b>Subtotal: Top Capital Recurring Revenues</b>    | <b>\$1,595,000</b>        | <b>\$582,543</b>       | <b>37%</b>               | <b>\$523,217</b>       | <b>33%</b>              |   |
| Other 15% of Revenues (NO Transfers)               | \$13,600,790              | \$3,407,916            | 25%                      | \$7,059,252            | 58%                     |  |
| <b>TOTAL REVENUES</b>                              | <b>\$68,649,773</b>       | <b>\$9,102,140</b>     | <b>13%</b>               | <b>\$12,053,800</b>    | <b>20%</b>              |   |

### LEGEND:

-  Green = Annual Performance is within (or better than) expectations set in the budget
-  Yellow = Annual performance indicates this may become an area of concern in the future
-  Red = Annual Performance in this area is a cause for concern

# REVENUE STOPLIGHT CHART

## **Notes**

Property Taxes: Final Property Tax Levy was \$17,114,889. Property taxes are due in April and October.

State Collected Tax Revenues: There is a two-month lag in the collection and remittance of certain revenues collected by the State. For example, sales tax remitted to the city in May and June is for business activities that occurred in March and April respectively. Revenues impacted by this delay are Sales Tax, Criminal Justice Sales Tax, Motor Vehicle Tax and Hotel/Motel Tax.

### **One month benchmark is 8%**

Parking Taxes: Parking tax is based on the number of transactions that occur and not on occupancy or the value of service provided. There is a one month lag on collection of parking tax. Q1 is slightly behind expected. Adding March collections puts us back on target.

### **Two month benchmark is 17%**

Leasehold & Gambling Taxes: These taxes are remitted to the State quarterly. The first payment is recorded in June. Due to the loss of Gambling establishments the number has fallen below the threshold for reporting (RCW 82.32.330). This line item will be included as part of the "Other Revenues" section in this report.

Stormwater Fees: Fees are collected by King County with Property taxes.

Long Term Leases: Revenue budgeted for 9 months.

Franchise Fees: The collection of Franchise Fees vary from monthly to quarterly, depending on the contract.

Sales & Use Construction: Port of Seattle provided an updated construction vendor list in December. The new list has assisted us in properly identifying construction sales tax for allocation to the 301 Fund.

Real Estate Excise Tax: Real estate sales in the city continue to be above average. Q1 average sales were \$14.2M. There is a one month lag in remittance from King County.

GMA Traffic Impact Fees: Traffic impact fees are dependent upon the amount and type of development within the City.



# EXPENDITURE STOPLIGHT CHART

## BUDGETED EXPENSE BY COST CATEGORY (NO TRANSFERS)

Actuals thru March 31, 2019

| <u>Expense Category</u>        | 2019 Annual<br><u>BUDGET</u> | 2018 YTD<br><u>ACTUAL</u> | Percent<br><u>Expended</u> | 2018 THRU Q1<br><u>ACTUAL</u> | 2018 %<br><u>of Budget</u> |   |
|--------------------------------|------------------------------|---------------------------|----------------------------|-------------------------------|----------------------------|---|
| PERSONNEL                      | \$ 17,017,557                | \$ 3,821,263              | 22%                        | \$ 3,499,768                  | 23%                        | ● |
| SUPPLIES                       | \$ 878,482                   | \$ 161,485                | 18%                        | \$ 115,157                    | 15%                        | ● |
| SERVICES & CHARGES             | \$ 12,173,936                | \$ 2,263,991              | 19%                        | \$ 2,088,798                  | 17%                        | ● |
| POLICE- Base ILA with King Co. | \$ 11,641,205                | \$ -                      | *                          | \$ -                          | *                          | ● |
| FIRE/EMS- ILA with Kent RFA    | \$ 10,037,708                | \$ -                      | *                          | \$ -                          | *                          | ● |
| CAPITAL                        | \$ 25,849,881                | \$ 1,278,623              | 5%                         | \$ 547,125                    | 3%                         | ● |
| DEBT SERVICE                   | \$ -                         | \$ -                      |                            | \$ -                          | *                          | ● |
| <b>TOTAL EXPENSES</b>          | <b>\$ 77,598,769</b>         | <b>\$ 7,525,361</b>       | <b>10%</b>                 | 6250847.24                    | 9%                         | ● |

YTD Target: 25%

**LEGEND:**

- Green = Annual Performance is within (or better than) expectations set in the budget
- Yellow = Annual performance indicates this may become an area of concern in the future
- Red = Annual Performance in this area is a cause for concern

**Notes**

General Fund: 55% of the total General Fund budget is allocated to contracted police and fire services; 30% is allocated to Personnel.

Fire Contract: Billed quarterly. First bill received in April.

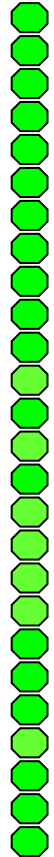
Police Contract: King County "trues up" 2018 contract costs in the first quarter of 2019. A reconciling bill is provided in May for the first 4 months of 2019 and any credit or additional cost owed from 2018.

Capital: See Capital Expense report for project status.

Debt Service: SCORE Bond debt service for 2018 was paid from SCORE contract revenue.

**City of SeaTac**  
**Summary of Expenditures by Fund and Department**  
**Expense to Budget Comparison**  
**Month Ending March 31, 2019**

| GENERAL FUND              |                             | 2019 Q1              | 2019 YTD            | YTD %               | 2018 Thru Q1 | 2018 %              |            |
|---------------------------|-----------------------------|----------------------|---------------------|---------------------|--------------|---------------------|------------|
| Department                | Section                     | 2019 Budget          | Actual              | Expended            | Expended     | Actual              | Expended   |
| City Council              |                             | \$ 431,778           | \$ 120,322          | \$ 120,322          | 28%          | \$ 111,137          | 28%        |
| Municipal Court           |                             | \$ 802,322           | \$ 167,311          | \$ 167,311          | 21%          | \$ 171,072          | 19%        |
| City Manager              |                             | \$ 1,469,003         | \$ 390,224          | \$ 390,224          | 27%          | \$ 180,359          | 14%        |
| Finance & Systems         |                             | \$ 2,377,791         | \$ 583,303          | \$ 583,303          | 25%          | \$ 505,222          | 23%        |
| City Clerk                |                             | \$ 618,248           | \$ 100,299          | \$ 100,299          | 16%          | \$ 114,431          | 21%        |
| Legal Services            |                             | \$ 1,274,580         | \$ 323,605          | \$ 323,605          | 25%          | \$ 265,449          | 21%        |
| Human Resources           |                             | \$ 1,213,755         | \$ 447,044          | \$ 447,044          | 37%          | \$ 428,022          | 37%        |
| Police Services           |                             | \$ 12,356,338        | \$ 397,415          | \$ 397,415          | 3%           | \$ 402,653          | 3%         |
| Fire Services             |                             | \$ 10,136,781        | \$ 16,152           | \$ 16,152           | 0%           | \$ 9,570            | 0%         |
|                           | <i>Central Facilities</i>   | \$ 929,929           | \$ 199,835          | \$ 199,835          | 21%          | \$ 185,684          | 22%        |
|                           | <i>Fire Stations (2)</i>    | \$ 34,895            | \$ 2,990            | \$ 2,990            | 9%           | \$ 11,252           | 30%        |
|                           | <i>Maintenance Facility</i> | \$ 86,340            | \$ 12,844           | \$ 12,844           | 15%          | \$ 13,516           | 26%        |
|                           | <i>Human Services</i>       | \$ 744,147           | \$ 45,756           | \$ 45,756           | 6%           | \$ 183,596          | 25%        |
|                           | <i>Park, CP &amp; Admin</i> | \$ 450,262           | \$ 83,065           | \$ 83,065           | 18%          | \$ 77,866           | 28%        |
|                           | <i>Rec. Svcs/Classes</i>    | \$ 941,118           | \$ 242,348          | \$ 242,348          | 26%          | \$ 195,721          | 23%        |
|                           | <i>Rec Prgms/Camps</i>      | \$ 741,315           | \$ 162,308          | \$ 162,308          | 22%          | \$ 189,462          | 26%        |
|                           | <i>Comm Ctr. Facility</i>   | \$ 162,753           | \$ 30,376           | \$ 30,376           | 19%          | \$ 19,334           | 14%        |
|                           | <i>Parks Maintenance</i>    | \$ 1,789,889         | \$ 355,033          | \$ 355,033          | 20%          | \$ 332,426          | 22%        |
| Parks, CS & Fac. Total    |                             | \$ 5,880,648         | \$ 1,134,554        | \$ 1,134,554        | 19%          | \$ 1,208,857        | 23%        |
|                           | <i>Planning</i>             | \$ 944,919           | \$ 199,802          | \$ 199,802          | 21%          | \$ 176,580          | 22%        |
|                           | <i>Building</i>             | \$ 1,606,809         | \$ 312,052          | \$ 312,052          | 19%          | \$ 255,385          | 20%        |
|                           | <i>Engineering Review</i>   | \$ 65,000            | \$ 3,518            | \$ 3,518            | 5%           | \$ 16,470           | 12%        |
|                           | <i>Economic Dvlpmnt</i>     | \$ 4,100             | \$ 155              | \$ 155              | 4%           | \$ 4,873            | 32%        |
|                           | <i>Code Compliance</i>      | \$ 401,198           | \$ 78,362           | \$ 78,362           | 20%          | \$ 76,368           | 21%        |
| Comm & Econ Devm't Total  |                             | \$ 3,022,026         | \$ 593,888          | \$ 593,888          | 20%          | \$ 529,676          | 21%        |
| <b>TOTAL GENERAL FUND</b> |                             | <b>\$ 39,583,270</b> | <b>\$ 4,274,116</b> | <b>\$ 4,274,116</b> | <b>11%</b>   | <b>\$ 3,926,447</b> | <b>10%</b> |



YTD Target: 25%

**City of SeaTac**  
**Summary of Expenditures by Fund and Department**  
**Expense to Budget Comparison**  
**Month Ending March 31, 2019**

**Summary of Expenditures by Department and Division Notes:**

City Council - AWC, SCA and PSRC memberships are due at the beginning of the year.

City Manager - Former City Manager contract payout.

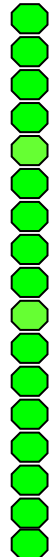
Human Resources & RM - Insurance premiums are due at the beginning of the year.

Police Services - First contract billing arrives in May.

Fire Services - First contract billing arrives in April.

**City of SeaTac**  
**Summary of Expenditures by Fund and Department**  
**Expense to Budget Comparison**  
**Month Ending March 31, 2019**  
**City of SeaTac**  
**Summary of Expenditures by Fund and Department**  
**Expense to Budget Comparison**  
**Month Ending March 31, 2019**

| OTHER FUNDS                          | Fund Name                 | 2019 Budget          | 2019 Q1 Actual      | YTD Actual Expended | YTD % Expended | 2018 Thru Q1 Actual | 2018 % Expended |
|--------------------------------------|---------------------------|----------------------|---------------------|---------------------|----------------|---------------------|-----------------|
| 102                                  | Street Fund               | \$ 9,932,888         | \$ 1,449,422        | \$ 1,449,422        | 15%            | \$ 1,681,931        | 17%             |
| 105                                  | Port of Seattle ILA       | \$ 1,588,000         | \$ 3,784            | \$ 3,784            | 0%             | \$ 3,034            | 0%              |
| 106                                  | Transit Planning          | \$ 311,346           | \$ -                | \$ -                |                | \$ -                |                 |
| 107                                  | Hotel/Motel Tax           | \$ 1,326,062         | \$ 344,048          | \$ 344,048          | 26%            | \$ 194,284          | 17%             |
| 108                                  | Building Mgmt             | \$ 1,236,670         | \$ 245,057          | \$ 245,057          | 20%            | \$ 231,293          | 31%             |
| 111                                  | DC Basin ILA              | \$ 156,058           | \$ 4,509            | \$ 4,509            | 3%             | \$ 32,259           | 10%             |
| 206                                  | 2009 LTGO Refunding       | \$ -                 | \$ -                | \$ -                | 0%             | \$ -                | 0%              |
| 207                                  | 2009 Score Bonds          | \$ -                 | \$ -                | \$ -                | 0%             | \$ -                | 0%              |
| 301                                  | Municipal CIP             | \$ 3,974,302         | \$ 214,313          | \$ 214,313          | 5%             | \$ 40,985           | 1%              |
| 306                                  | Facility Construction CIP | \$ 25,000            | \$ -                | \$ -                | 0%             | \$ 7,412            | 8%              |
| 307                                  | Transportation CIP        | \$ 16,391,222        | \$ 1,252,668        | \$ 1,252,668        | 8%             | \$ 682,635          | 7%              |
| 308                                  | Light Rail Area CIP       | \$ 500,000           | \$ -                | \$ -                | 0%             | \$ 1,086            | 0%              |
| 403                                  | Surface Wtr Mgt           | \$ 4,622,627         | \$ 594,163          | \$ 594,163          | 13%            | \$ 568,153          | 16%             |
| 404                                  | Solid Waste & Env         | \$ 270,859           | \$ 57,911           | \$ 57,911           | 21%            | \$ 55,025           | 20%             |
| 501                                  | Equipment Rental          | \$ 1,365,555         | \$ 83,401           | \$ 83,401           | 6%             | \$ 54,212           | 6%              |
| <b>SUBTOTAL OTHER FUNDS</b>          |                           | <b>\$ 41,700,589</b> | <b>\$ 4,249,275</b> | <b>\$ 4,249,275</b> | <b>10%</b>     | <b>\$ 3,552,309</b> | <b>10%</b>      |
| <b>ALL FUNDS - EXPENDITURE TOTAL</b> |                           | <b>\$ 81,283,859</b> | <b>\$ 8,523,392</b> | <b>\$ 8,523,392</b> | <b>10%</b>     | <b>\$ 7,478,756</b> | <b>10%</b>      |



YTD Target: 25%

Summary of Expenditures by Fund Notes:

SALARY  
AND  
BENEFITS  
EXPENDITURES

**City of SeaTac**  
**Salaries & Benefits**  
**Summary by Fund and Department**  
**Month Ending March 31, 2019**

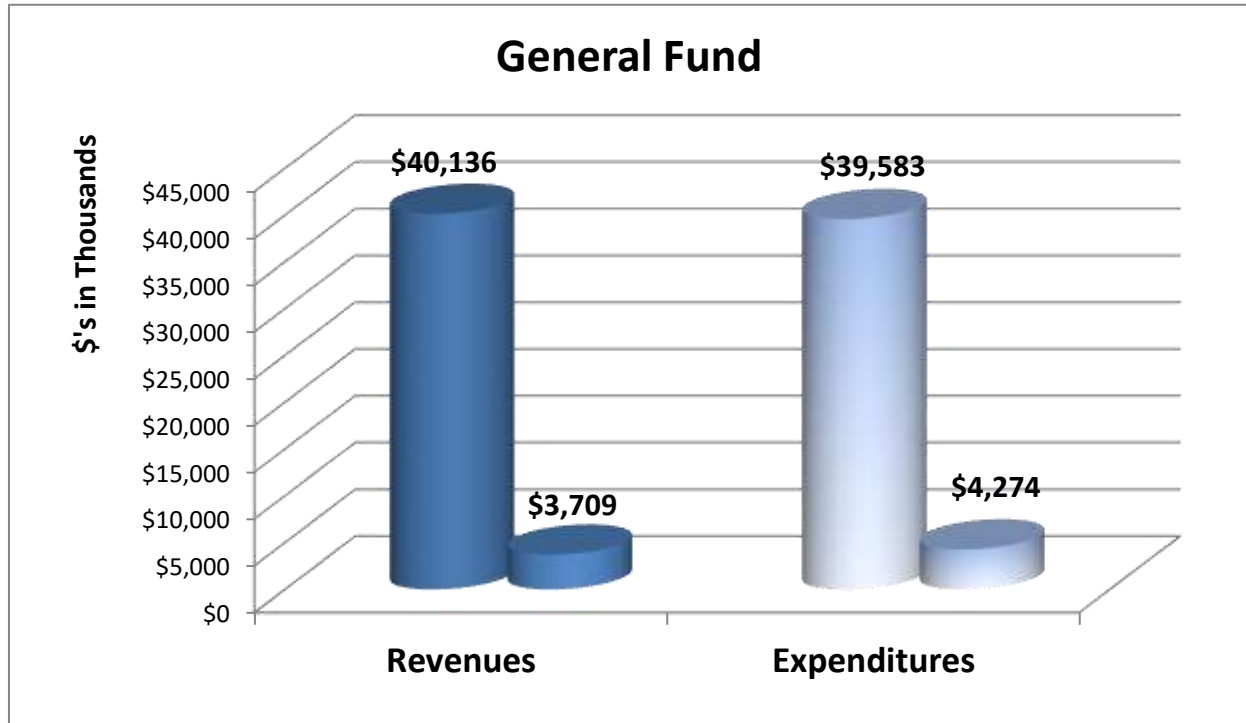
| GENERAL FUND                 |                               | 2019 Q1              | YTD Actual          | YTD %               | 2018 Q1        | 2018 %              |                 |
|------------------------------|-------------------------------|----------------------|---------------------|---------------------|----------------|---------------------|-----------------|
| Department                   | Section                       | 2019 Budget          | Actual              | Expended            | Expended       | Actual              | Expended        |
| City Council                 |                               | \$ 220,430           | \$ 53,293           | \$ 53,293           | 24%            | \$ 55,333           | 25%             |
| Municipal Court              |                               | \$ 715,722           | \$ 153,529          | \$ 153,529          | 21%            | \$ 151,959          | 21%             |
|                              | <i>City Manager Admin</i>     | \$ 753,398           | \$ 250,490          | \$ 250,490          | 33%            | \$ 170,170          | 21%             |
|                              | <i>Communications</i>         | \$ 308,089           | \$ 75,949           | \$ 75,949           | 25%            |                     |                 |
| City Manager                 |                               | \$ 1,061,487         | \$ 326,439          | \$ 326,439          | 31%            | \$ 170,170          | 21%             |
|                              | <i>Finance Administration</i> | \$ 977,692           | \$ 239,688          | \$ 239,688          | 25%            | \$ 181,514          | 20%             |
|                              | <i>Systems/GIS</i>            | \$ 915,554           | \$ 145,152          | \$ 145,152          | 16%            | \$ 163,504          | 23%             |
| Finance & Systems Total      |                               | \$ 1,893,246         | \$ 384,841          | \$ 384,841          | 20%            | \$ 345,018          | 21%             |
| City Clerk                   |                               | \$ 384,181           | \$ 93,339           | \$ 93,339           | 24%            | \$ 90,847           | 25%             |
| Legal Services               |                               | \$ 1,166,605         | \$ 296,515          | \$ 296,515          | 25%            | \$ 259,821          | 23%             |
| Human Resources              |                               | \$ 448,052           | \$ 107,539          | \$ 107,539          | 24%            | \$ 99,521           | 24%             |
| Police Services              |                               | \$ 100,182           | \$ 24,148           | \$ 24,148           | 24%            | \$ 23,657           | 26%             |
| Fire Service - LEOFF 1       |                               | \$ 74,150            | \$ 13,199           | \$ 13,199           | 18%            | \$ 8,969            | 12%             |
|                              | <i>Central Facilities</i>     | \$ 457,931           | \$ 112,847          | \$ 112,847          | 25%            | \$ 108,542          | 24%             |
|                              | <i>Human Services</i>         | \$ 110,705           | \$ 28,325           | \$ 28,325           | 26%            | \$ 23,571           | 17%             |
|                              | <i>Park &amp; Rec Admin.</i>  | \$ 308,922           | \$ 80,160           | \$ 80,160           | 26%            | \$ 76,179           | 28%             |
|                              | <i>Rec. Svcs/Events</i>       | \$ 1,073,402         | \$ 262,917          | \$ 262,917          | 24%            | \$ 254,057          | 26%             |
|                              | <i>Comm Ctr. Facility</i>     | \$ 185,711           | \$ 43,328           | \$ 43,328           | 23%            | \$ 38,241           | 23%             |
|                              | <i>Parks Maintenance</i>      | \$ 1,143,607         | \$ 262,487          | \$ 262,487          | 23%            | \$ 228,111          | 24%             |
| Parks, CS & Facilities Total |                               | \$ 3,280,278         | \$ 790,064          | \$ 790,064          | 24%            | \$ 728,701          | 25%             |
|                              | <i>Planning</i>               | \$ 865,874           | \$ 191,460          | \$ 191,460          | 22%            | \$ 175,518          | 24%             |
|                              | <i>Building</i>               | \$ 1,271,966         | \$ 297,110          | \$ 297,110          | 23%            | \$ 246,970          | 23%             |
|                              | <i>CED/Engr. Review</i>       | \$ -                 | \$ -                | \$ -                | 0%             | \$ 21,344           | 27%             |
|                              | <i>Code Compliance</i>        | \$ 321,331           | \$ 74,190           | \$ 74,190           | 23%            | \$ 72,315           | 24%             |
| Comm & Econ Devm't Total     |                               | \$ 2,459,171         | \$ 562,760          | \$ 562,760          | 23%            | \$ 516,147          | 24%             |
| <b>TOTAL GENERAL FUND</b>    |                               | <b>\$ 11,803,504</b> | <b>\$ 2,805,666</b> | <b>\$ 2,805,666</b> | <b>24%</b>     | <b>\$ 2,199,067</b> | <b>22%</b>      |
|                              |                               |                      |                     |                     |                |                     |                 |
| OTHER FUNDS                  | Fund Name                     | 2019 Budget          | 2019 Q1 Actual      | YTD Actual Expended | YTD % Expended | 2018 Q1 Actual      | 2018 % Expended |
| 102 Street Fund              |                               | \$ 1,994,701         | \$ 322,760          | \$ 322,760          | 16%            | \$ 370,708          | 21%             |
| 106 Transit Planning Fund    |                               | \$ 301,046           | \$ -                | \$ -                | 0%             | \$ -                | 0%              |
| 107 Hotel/Motel Tax Fund     |                               | \$ 192,960           | \$ 46,431           | \$ 46,431           | 24%            | \$ 58,716           | 25%             |
| 307 Transportation CIP Fund  |                               | \$ 1,039,087         | \$ 257,451          | \$ 257,451          | 25%            | \$ 237,152          | 23%             |
| 403 Surface Water Mgt.       |                               | \$ 1,479,659         | \$ 335,980          | \$ 335,980          | 23%            | \$ 331,740          | 23%             |
| 404 Solid Waste & Environ    |                               | \$ 155,383           | \$ 39,989           | \$ 39,989           | 26%            | \$ 41,842           | 25%             |
| 501 Equipment Rental Fund    |                               | \$ 51,217            | \$ 12,946           | \$ 12,946           | 25%            | \$ 9,213            | 17%             |
| <b>SUBTOTAL OTHER FUNDS</b>  |                               | <b>\$ 5,214,053</b>  | <b>\$ 1,015,558</b> | <b>\$ 1,015,558</b> | <b>19%</b>     | <b>\$ 887,729</b>   | <b>21%</b>      |
| <b>ALL FUNDS TOTAL</b>       |                               | <b>\$ 17,017,557</b> | <b>\$ 3,821,223</b> | <b>\$ 3,821,223</b> | <b>22%</b>     | <b>\$ 3,086,796</b> | <b>21%</b>      |

YTD Target:

25%

**City of SeaTac  
General Fund Totals to date  
Month Ending March 31, 2019**

| <b>Fund</b> | <b>Fund Name</b> | <b>Budgeted Revenue</b> | <b>Revenue to date</b> | <b>Budgeted Expenditures</b> | <b>Expenditures to date</b> |
|-------------|------------------|-------------------------|------------------------|------------------------------|-----------------------------|
| 001         | General Fund     | \$40,135,688            | \$3,709,246            | \$39,583,270                 | \$4,274,116                 |



# CAPITAL EXPENDITURES



**City of SeaTac  
Capital Funds Summary  
Capital Expenditures by Type  
Month Ending March 31, 2019**

| Type                         | Description                                    | Annual BUDGET  | YTD Actual Expended | YTD % Expended | Project Status   |
|------------------------------|--|----------------|---------------------|----------------|--|
| <b>61 Land</b>               |  |                |                     |                |  |
| Fund 308                     | S. 154th St - Land Acq.                        | -              | -                   |                | * Negotiations ongoing                                   |
| <b>Land Total</b>            |  | <b>-</b>       | <b>-</b>            |                | <b>*</b>   |
| <b>62 Buildings</b>          |  |                |                     |                |  |
| Fund 108                     | SeaTac Center Tenant Imprvmnts                 | 20,000         | -                   | 0%             |  |
|                              | City Hall Improvements                         | 150,500        | -                   | 0%             | Expected Q2 for 2nd floor                                |
| Fund 301                     | City Hall Elevator Hydraulics                  | 133,127        | -                   | 0%             | Expected Q2 or Q3 2019                                   |
|                              | Maintenance & Storage Facilities               | 29,508         | -                   | 0%             | Lighting Upgrades Q3 Start                               |
|                              | SeaTac Community Center Improvements           | 53,178         | -                   | 0%             | Senior Center Doors Complete, Lighting Upgrades Q3 Start |
| Fund 306                     | Maintenance Facility Roof Repair               | 25,000         | -                   | 0%             | Construction Complete Q2 2019                            |
| Fund 308                     | International Marketplace                      | 500,000        | -                   | 0%             |  |
| <b>Buildings Total</b>       |  | <b>911,313</b> | <b>-</b>            | <b>0%</b>      |  |
| <b>63 Other Improvements</b> |  |                |                     |                |  |
| Fund 102                     | 2017 Overlay Project                           | -              | -                   |                | * Substantially complete, awaiting Final Acceptance      |
|                              | 2018 Overlay Military Rd S from 200th to 209th | 457,228        | -                   | 0%             | In construction  |
|                              | 2019 Overlay- DMMD from 128th to 136th         | 1,040,708      | 77,880              | 7%             | In bid advertisement                                     |
|                              | 200th Street & I-5 Access Ramp                 | 1,476,807      | 5,059               | 0%             | In Design  |
| Fund 111                     | DMC Capital Replacement                        | 37,000         | -                   | 0%             |  |
| Fund 301                     | City Hall Parking Lot Repaving                 | 280,067        | -                   | 0%             | Complete May 2019  |
|                              | Valley Ridge Park Improvements                 | 612,112        | 6,760               | 1%             | Substantially completed, performing punch list           |
|                              | Angle Lake Park-Playground Equip               | 23,529         | 23,529              | 100%           | Completed in Janaury 2019                                |
|                              | Sunset Park Tennis Court Renovation            | 121,000        | -                   | 0%             | Scheduled for Q3 2019                                    |
|                              | Riverton Heights Property Development          | 30,000         | -                   | 0%             | Scheduled for Q3 2019                                    |
|                              | S 188th Street Fence Beautification            | 12,000         | -                   | 0%             | Complete February 2019                                   |
|                              | North SeaTac Park Improvements                 | 112,946        | -                   | 0%             | Scheduled for Q3 2019                                    |
|                              | Veterans War Memorial                          | 75,020         | -                   | 0%             | Scheduled for Q4 2019                                    |
|                              | North SeaTac Soccer Fields                     | 2,077,093      | -                   | 0%             | Design to begin Q4 2019                                  |
| Fund 307                     | 34th AVE S from S 160th to S 176th             | 2,932,690      | -                   | 0%             | In Design  |
|                              | Military Rd. S & S 152nd St                    | 4,879,849      | 190,791             | 4%             | In bid advertisement                                     |
|                              | Des Moines Memorial Dr & S 200th Intersection  | 1,691,473      | 99,225              | 6%             | In design  |
|                              | International Blvd Safety Imp Program          | 650,000        | -                   | 0%             | Targeting program kick off Q3 2019                       |

| Type                              | Description                                 | Annual BUDGET     | YTD Actual Expended | YTD % Expended | Project Status                                  |
|-----------------------------------|---|-------------------|---------------------|----------------|---|
|                                   | Intelligent Transportation Systems          | 182,000           | -                   | 0%             | Targeting program kick off Q3 2019              |
|                                   | 2017/2018 Ped Crossing Project              | 50,000            | -                   | 0%             | Study and Program expected launch Q4 2019       |
|                                   | S 166th ST Ped Improvements                 | 2,721,576         | 705,202             | 26%            | Construction complete 2019                      |
|                                   | S 200th ST Ped & Bicycle Shared Pathway     | 2,222,491         | -                   | 0%             | In Design                                       |
| Fund 403                          | Small Works Drainage Project                | 202,500           | -                   | 0%             | 2019 Projects in Design                         |
|                                   | Miller Creek Realignment & Daylight Project | 500,000           | -                   | 0%             | Burien led project - Design Complete            |
|                                   | Des Moines Memorial Dr S 128th to S 136th   | 421,000           | -                   | 0%             | In bid advertisement                            |
|                                   | S 221st St Drainage Improvements            | 351,000           | -                   | 0%             | Design to begin Q2 2019                         |
|                                   | S 166th St Drainage Improvements            | 10,000            | -                   | 0%             | Design to begin 2020                            |
|                                   | S 180th St Flood Reduction                  | 250,000           | -                   | 0%             | Design to begin Q2 2019                         |
|                                   | S 200th St Path Water Quality Retrofit      | 202,500           | -                   | 0%             | In Design with 200th St Pedestrian Path Project |
| <b>Other Improvements Total</b>   |   | <b>23,622,589</b> | <b>1,108,445</b>    | <b>5%</b>      |   |
| <b>64 Equipment</b>               |   |                   |                     |                |   |
| Fund 001                          | Council Chambers A/V Equipment              | 150,000           | -                   | 0%             | Out for Quotes                                  |
| Fund 301                          | Computer Software                           | 30,000            | -                   | 0%             |   |
|                                   | Computer Hardware                           | 159,877           | 130,186             | 81%            |   |
|                                   | Tools and Equipment-Parks Mtc               | 11,000            | -                   | 0%             |   |
| Fund 501                          | Vehicles/Heavy Equipment                    | 886,650           | -                   | 0%             |   |
|                                   | Tools and Equipment                         | 78,452            | 39,992              | 51%            |   |
| <b>Equipment Total</b>            |   | <b>1,315,979</b>  | <b>170,178</b>      | <b>13%</b>     |   |
| <b>Total Capital Expenditures</b> |   | <b>25,849,881</b> | <b>1,278,623</b>    | <b>5%</b>      |   |

Definition of Project Status Terms:

- Planning = Includes scoping, budgeting, and grant funding work
- Design = Includes both design and ROW acquisition work
- Bid Advertisement = Advertising for construction bids
- Construction = Construction contract awarded and project being built
- Substantial Completion = Construction complete to a point where facility can be used or occupied
- Final Acceptance = Owner acceptance of the facility/project as complete

**YEAR TO DATE  
SELECTED REVENUE**

- Property Tax
- Total Sales Tax
- Port Construction Sales Tax
- Port Sales Tax
- Parking Tax

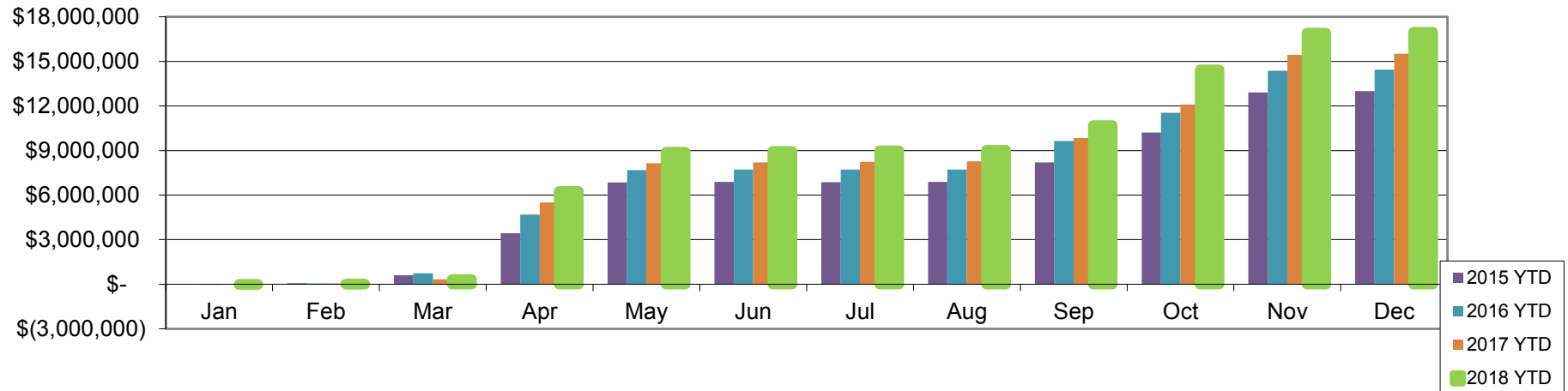
**COMPARISONS**

**City of SeaTac  
Year to Year Revenue Comparison**

**Property Taxes**

| Month        | 2015                 | 2015 YTD             | 2016                 | 2016 YTD             | 2017                 | 2017 YTD             | 2018                 | 2018 YTD             | Variance YTD  |
|--------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------|
| Jan          | \$ (9,811)           | \$ (9,811)           | \$ (43,546)          | \$ (43,546)          | \$ (11,008)          | \$ (11,008)          | \$ (19,741)          | \$ (19,741)          | \$ (8,733)    |
| Feb          | \$ 79,691            | \$ 69,881            | \$ 93,211            | \$ 49,665            | \$ 66,113            | \$ 55,106            | \$ 33,789            | \$ 14,048            | \$ (41,057)   |
| Mar          | \$ 539,264           | \$ 609,145           | \$ 693,945           | \$ 743,610           | \$ 275,653           | \$ 330,758           | \$ 309,901           | \$ 323,949           | \$ (6,809)    |
| Apr          | \$ 2,823,038         | \$ 3,432,183         | \$ 3,936,702         | \$ 4,680,312         | \$ 5,171,967         | \$ 5,502,726         | \$ 5,933,349         | \$ 6,257,298         | \$ 754,573    |
| May          | \$ 3,421,334         | \$ 6,853,516         | \$ 3,004,853         | \$ 7,685,165         | \$ 2,633,783         | \$ 8,136,508         | \$ 2,635,257         | \$ 8,892,555         | \$ 756,047    |
| Jun          | \$ 24,567            | \$ 6,878,083         | \$ 28,255            | \$ 7,713,421         | \$ 52,621            | \$ 8,189,129         | \$ 55,700            | \$ 8,948,255         | \$ 759,126    |
| Jul          | \$ (4,247)           | \$ 6,873,837         | \$ (4,927)           | \$ 7,708,494         | \$ 43,410            | \$ 8,232,539         | \$ 36,458            | \$ 8,984,713         | \$ 752,174    |
| Aug          | \$ 4,918             | \$ 6,878,755         | \$ 4,374             | \$ 7,712,867         | \$ 42,777            | \$ 8,275,316         | \$ 44,907            | \$ 9,029,620         | \$ 754,304    |
| Sep          | \$ 1,322,548         | \$ 8,201,303         | \$ 1,919,510         | \$ 9,632,377         | \$ 1,563,240         | \$ 9,838,556         | \$ 1,669,464         | \$ 10,699,084        | \$ 860,528    |
| Oct          | \$ 2,015,384         | \$ 10,216,687        | \$ 1,913,347         | \$ 11,545,724        | \$ 2,247,105         | \$ 12,085,662        | \$ 3,740,442         | \$ 14,439,526        | \$ 2,353,864  |
| Nov          | \$ 2,695,181         | \$ 12,911,868        | \$ 2,824,190         | \$ 14,369,915        | \$ 3,351,718         | \$ 15,437,379        | \$ 2,471,043         | \$ 16,910,569        | \$ 1,473,190  |
| Dec          | \$ 77,375            | \$ 12,989,243        | \$ 60,980            | \$ 14,430,895        | \$ 73,670            | \$ 15,511,050        | \$ 64,111            | \$ 16,974,680        | \$ 1,463,631  |
| <b>Total</b> | <b>\$ 12,989,243</b> | <b>\$ 16,900,000</b> | <b>\$ 14,430,895</b> | <b>\$ 12,889,000</b> | <b>\$ 15,511,050</b> | <b>\$ 14,800,000</b> | <b>\$ 16,974,680</b> | <b>\$ 15,800,000</b> | <b>107.4%</b> |

**Property Tax Comparisons YTD**



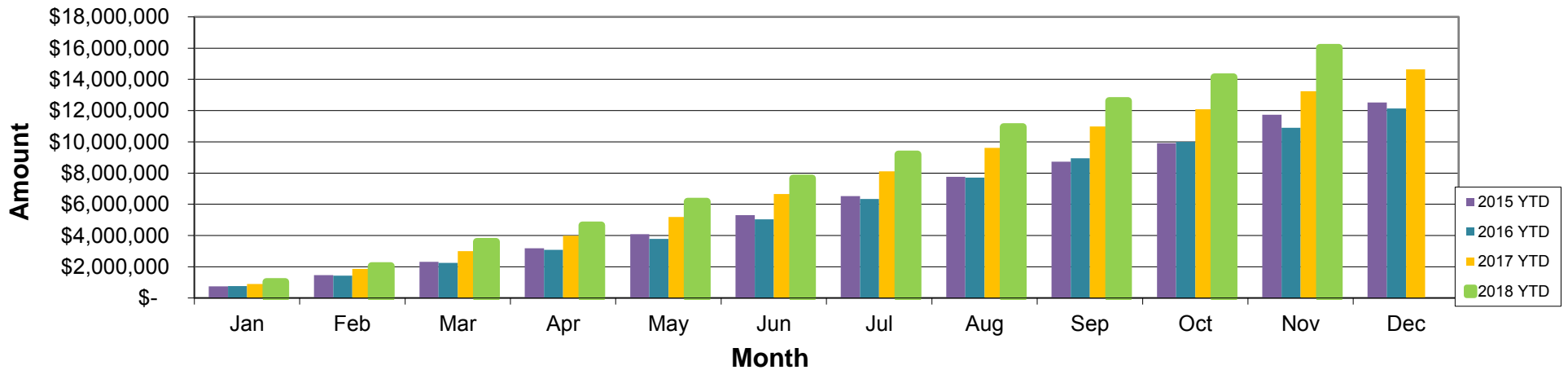
**City of SeaTac  
Year to Year Revenue Comparison**

**Sales Tax (Total Operating + Construction Activity)**

*(Monthly Spread reflects business activity: There is a 60 day delay for State to remit to Cities, so city will receive Nov/Dec amounts in the following year)*

| Month        | 2015                 | 2015 YTD             | 2016                 | 2016 YTD             | 2017                 | 2017 YTD             | 2018                 | 2018 YTD             | Variance YTD  |
|--------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------|
| Jan          | \$ 750,107           | \$ 750,107           | \$ 765,522           | \$ 765,522           | \$ 901,215           | \$ 901,215           | \$ 1,025,018         | \$ 1,025,018         | \$ 123,803    |
| Feb          | \$ 717,169           | \$ 1,467,276         | \$ 666,186           | \$ 1,431,708         | \$ 968,275           | \$ 1,869,490         | \$ 1,024,140         | \$ 2,049,158         | \$ 179,668    |
| Mar          | \$ 845,303           | \$ 2,312,579         | \$ 814,925           | \$ 2,246,633         | \$ 1,135,777         | \$ 3,005,267         | \$ 1,555,125         | \$ 3,604,283         | \$ 599,016    |
| Apr          | \$ 865,803           | \$ 3,178,382         | \$ 828,543           | \$ 3,075,176         | \$ 984,468           | \$ 3,989,735         | \$ 1,053,245         | \$ 4,657,528         | \$ 667,793    |
| May          | \$ 909,528           | \$ 4,087,910         | \$ 716,317           | \$ 3,791,493         | \$ 1,191,949         | \$ 5,181,684         | \$ 1,520,561         | \$ 6,178,089         | \$ 996,405    |
| Jun          | \$ 1,220,227         | \$ 5,308,137         | \$ 1,244,867         | \$ 5,036,360         | \$ 1,470,185         | \$ 6,651,869         | \$ 1,483,137         | \$ 7,661,226         | \$ 1,009,357  |
| Jul          | \$ 1,213,833         | \$ 6,521,971         | \$ 1,307,394         | \$ 6,343,754         | \$ 1,452,074         | \$ 8,103,943         | \$ 1,542,458         | \$ 9,203,684         | \$ 1,099,741  |
| Aug          | \$ 1,234,750         | \$ 7,756,720         | \$ 1,359,686         | \$ 7,703,440         | \$ 1,512,582         | \$ 9,616,525         | \$ 1,738,207         | \$ 10,941,891        | \$ 1,325,366  |
| Sep          | \$ 968,541           | \$ 8,725,261         | \$ 1,235,549         | \$ 8,938,989         | \$ 1,366,547         | \$ 10,983,072        | \$ 1,672,767         | \$ 12,614,658        | \$ 1,631,586  |
| Oct          | \$ 1,182,541         | \$ 9,907,802         | \$ 1,056,287         | \$ 9,995,276         | \$ 1,100,233         | \$ 12,083,305        | \$ 1,524,571         | \$ 14,139,229        | \$ 2,055,924  |
| Nov          | \$ 1,821,296         | \$ 11,729,098        | \$ 901,682           | \$ 10,896,958        | \$ 1,146,368         | \$ 13,229,673        | \$ 1,890,164         | \$ 16,029,393        | \$ 2,799,720  |
| Dec          | \$ 785,076           | \$ 12,514,175        | \$ 1,230,949         | \$ 12,127,907        | \$ 1,403,791         | \$ 14,633,464        | \$ -                 | \$ -                 | \$ -          |
| <b>Total</b> | <b>\$ 12,514,175</b> | <b>\$ 11,700,000</b> | <b>\$ 12,127,907</b> | <b>\$ 12,470,000</b> | <b>\$ 14,633,464</b> | <b>\$ 12,002,000</b> | <b>\$ 16,029,393</b> | <b>\$ 12,237,000</b> | <b>131.0%</b> |

**Sales Tax Comparison YTD**



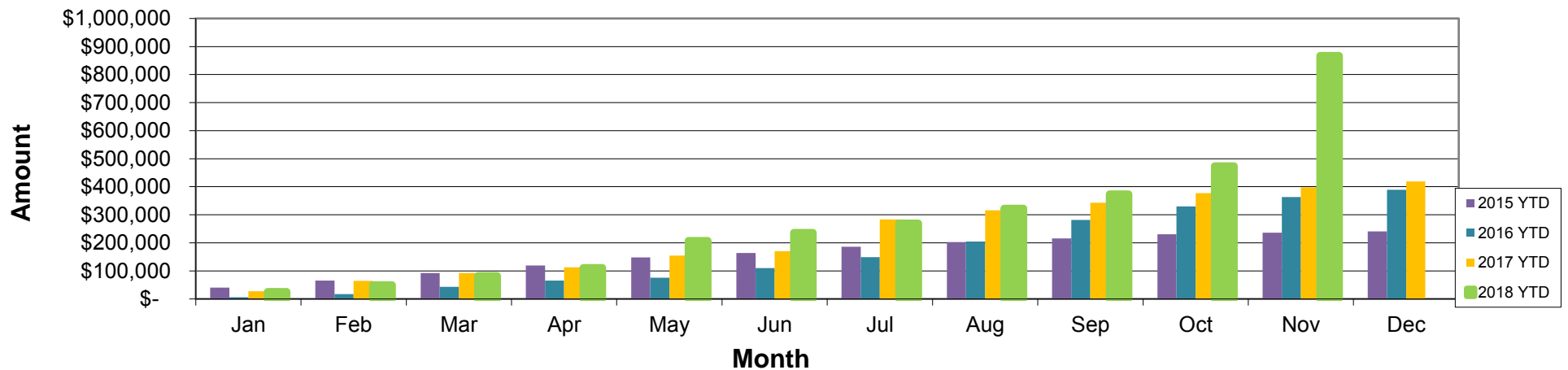
**City of SeaTac  
Year to Year Revenue Comparison**

**Port Construction Sales Tax**

*(Monthly Spread reflects business activity: There is a 60 day delay for State to remit to Cities, so city will receive Nov/Dec amounts in the following year)*

| Month        | 2015              | 2015 YTD          | 2016              | 2016 YTD            | 2017              | 2017 YTD          | 2018              | 2018 YTD          | Variance YTD  |
|--------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|---------------|
| Jan          | \$ 40,442         | \$ 40,442         | \$ 5,733          | \$ 5,733            | \$ 27,528         | \$ 27,528         | \$ 25,324         | \$ 25,324         | \$ (2,204)    |
| Feb          | \$ 25,232         | \$ 65,674         | \$ 11,509         | \$ 17,242           | \$ 36,816         | \$ 64,344         | \$ 24,180         | \$ 49,504         | \$ (14,840)   |
| Mar          | \$ 26,820         | \$ 92,494         | \$ 25,793         | \$ 43,035           | \$ 27,899         | \$ 92,243         | \$ 32,881         | \$ 82,385         | \$ (9,858)    |
| Apr          | \$ 26,607         | \$ 119,101        | \$ 22,206         | \$ 65,241           | \$ 20,436         | \$ 112,679        | \$ 28,414         | \$ 110,799        | \$ (1,880)    |
| May          | \$ 29,432         | \$ 148,533        | \$ 10,177         | \$ 75,418           | \$ 41,446         | \$ 154,125        | \$ 96,609         | \$ 207,408        | \$ 53,283     |
| Jun          | \$ 15,085         | \$ 163,618        | \$ 34,948         | \$ 110,366          | \$ 16,438         | \$ 170,563        | \$ 28,528         | \$ 235,936        | \$ 65,373     |
| Jul          | \$ 22,250         | \$ 185,868        | \$ 38,920         | \$ 149,286          | \$ 113,437        | \$ 284,000        | \$ 33,908         | \$ 269,844        | \$ (14,156)   |
| Aug          | \$ 17,202         | \$ 203,070        | \$ 55,145         | \$ 204,431          | \$ 31,859         | \$ 315,859        | \$ 52,808         | \$ 322,652        | \$ 6,793      |
| Sep          | \$ 12,952         | \$ 216,022        | \$ 76,910         | \$ 281,341          | \$ 26,765         | \$ 342,624        | \$ 51,246         | \$ 373,898        | \$ 31,274     |
| Oct          | \$ 14,955         | \$ 230,977        | \$ 48,676         | \$ 330,017          | \$ 34,901         | \$ 377,525        | \$ 99,403         | \$ 473,301        | \$ 95,776     |
| Nov          | \$ 5,319          | \$ 236,296        | \$ 32,989         | \$ 363,006          | \$ 19,778         | \$ 397,303        | \$ 394,110        | \$ 867,411        | \$ 470,108    |
| Dec          | \$ 4,544          | \$ 240,840        | \$ 26,452         | \$ 389,458          | \$ 21,750         | \$ 419,053        | \$ -              | \$ -              | \$ -          |
| <b>Total</b> | <b>\$ 240,840</b> | <b>\$ 890,000</b> | <b>\$ 389,458</b> | <b>\$ 1,340,000</b> | <b>\$ 419,053</b> | <b>\$ 650,000</b> | <b>\$ 867,411</b> | <b>\$ 650,000</b> | <b>133.4%</b> |

**Construction Sales Tax Comparison YTD**



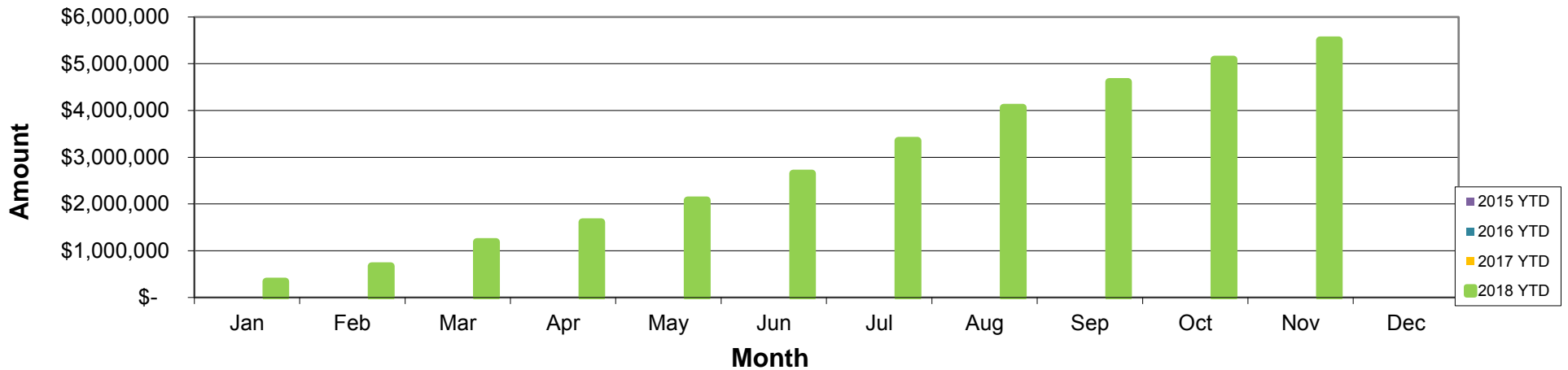
**City of SeaTac  
Year to Year Revenue Comparison**

**Other Port Sales Tax (excludes Construction)**

*(Monthly Spread reflects business activity: There is a 60 day delay for State to remit to Cities, so city will receive Nov/Dec amounts in the following year)*

| Month        | 2015 | 2015 YTD | 2016 | 2016 YTD | 2017 | 2017 YTD | 2018         | 2018 YTD     | Variance YTD |
|--------------|------|----------|------|----------|------|----------|--------------|--------------|--------------|
| Jan          |      |          |      |          |      |          | \$ 340,311   | \$ 340,311   |              |
| Feb          |      |          |      |          |      |          | \$ 333,567   | \$ 673,878   |              |
| Mar          |      |          |      |          |      |          | \$ 514,481   | \$ 1,188,359 |              |
| Apr          |      |          |      |          |      |          | \$ 422,410   | \$ 1,610,769 |              |
| May          |      |          |      |          |      |          | \$ 470,205   | \$ 2,080,974 |              |
| Jun          |      |          |      |          |      |          | \$ 573,964   | \$ 2,654,938 |              |
| Jul          |      |          |      |          |      |          | \$ 701,751   | \$ 3,356,689 |              |
| Aug          |      |          |      |          |      |          | \$ 703,602   | \$ 4,060,291 |              |
| Sep          |      |          |      |          |      |          | \$ 554,530   | \$ 4,614,821 |              |
| Oct          |      |          |      |          |      |          | \$ 475,904   | \$ 5,090,725 |              |
| Nov          |      |          |      |          |      |          | \$ 412,245   | \$ 5,502,970 |              |
| Dec          |      |          |      |          |      |          | \$ -         | \$ -         |              |
| <b>Total</b> |      |          |      |          |      |          | \$ 5,502,970 | 34%          |              |

**Sales Tax Comparison YTD**



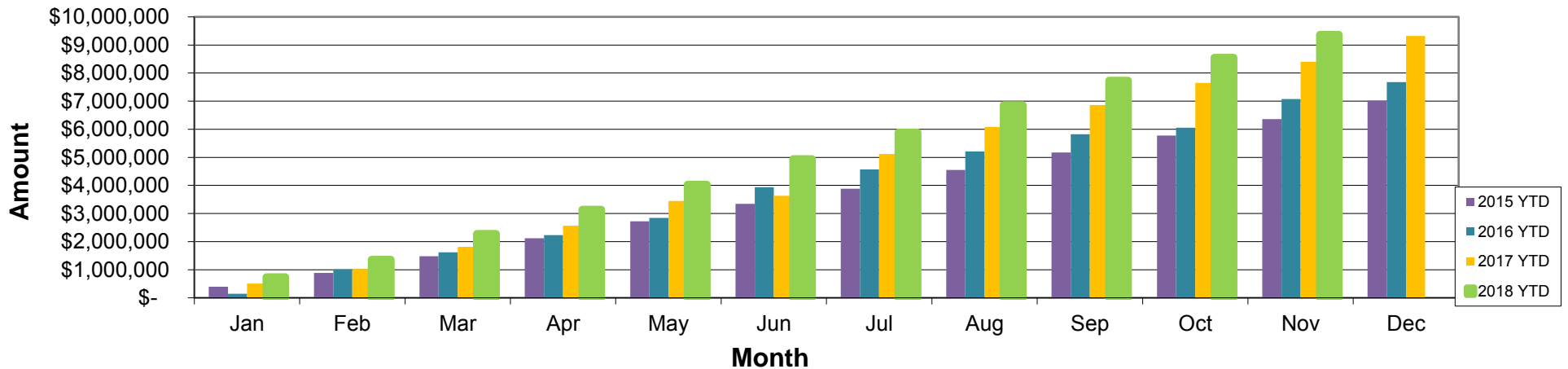
**City of SeaTac  
Year to Year Revenue Comparison**

**Parking Tax**

*(There is a 30 day delay for remittance to City)*

| Month        | 2015                | 2015 YTD            | 2016                | 2016 YTD            | 2017                | 2017 YTD            | 2018                | 2018 YTD            | Variance YTD  |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| Jan          | \$ 392,938          | \$ 392,938          | \$ 143,696          | \$ 143,696          | \$ 508,304          | \$ 508,304          | \$ 741,564          | \$ 741,564          | \$ 233,260    |
| Feb          | \$ 494,505          | \$ 887,444          | \$ 876,565          | \$ 1,020,261        | \$ 515,429          | \$ 1,023,733        | \$ 618,026          | \$ 1,359,591        | \$ 335,858    |
| Mar          | \$ 595,421          | \$ 1,482,864        | \$ 597,360          | \$ 1,617,620        | \$ 793,520          | \$ 1,817,253        | \$ 915,630          | \$ 2,275,221        | \$ 457,968    |
| Apr          | \$ 633,814          | \$ 2,116,678        | \$ 616,506          | \$ 2,234,126        | \$ 747,252          | \$ 2,564,505        | \$ 870,641          | \$ 3,145,863        | \$ 581,358    |
| May          | \$ 609,264          | \$ 2,725,942        | \$ 606,516          | \$ 2,840,642        | \$ 881,535          | \$ 3,446,040        | \$ 884,907          | \$ 4,030,770        | \$ 584,730    |
| Jun          | \$ 618,627          | \$ 3,344,568        | \$ 1,097,841        | \$ 3,938,484        | \$ 186,849          | \$ 3,632,889        | \$ 906,526          | \$ 4,937,296        | \$ 1,304,407  |
| Jul          | \$ 539,606          | \$ 3,884,174        | \$ 634,365          | \$ 4,572,849        | \$ 1,485,522        | \$ 5,118,411        | \$ 953,957          | \$ 5,891,253        | \$ 772,842    |
| Aug          | \$ 669,431          | \$ 4,553,605        | \$ 635,939          | \$ 5,208,788        | \$ 962,517          | \$ 6,080,928        | \$ 970,217          | \$ 6,861,470        | \$ 780,542    |
| Sep          | \$ 623,833          | \$ 5,177,438        | \$ 610,696          | \$ 5,819,484        | \$ 777,243          | \$ 6,858,171        | \$ 869,216          | \$ 7,730,686        | \$ 872,515    |
| Oct          | \$ 598,605          | \$ 5,776,043        | \$ 239,879          | \$ 6,059,363        | \$ 787,877          | \$ 7,646,048        | \$ 824,174          | \$ 8,554,860        | \$ 908,812    |
| Nov          | \$ 588,484          | \$ 6,364,526        | \$ 1,016,826        | \$ 7,076,189        | \$ 756,741          | \$ 8,402,789        | \$ 809,901          | \$ 9,364,761        | \$ 961,972    |
| Dec          | \$ 653,843          | \$ 7,018,369        | \$ 606,699          | \$ 7,682,889        | \$ 921,748          | \$ 9,324,537        | \$ -                | \$ -                | \$ -          |
| <b>Total</b> | <b>\$ 7,018,369</b> | <b>\$ 6,930,317</b> | <b>\$ 7,682,889</b> | <b>\$ 7,206,489</b> | <b>\$ 9,324,537</b> | <b>\$ 7,956,704</b> | <b>\$ 9,364,761</b> | <b>\$ 8,100,266</b> | <b>115.6%</b> |

**Parking Tax Comparison YTD**







# MEMORANDUM

To: Administration & Finance Committee  
Through: Carl Cole, City Manager  
From: Gwen Pilo, Finance & Systems Director  
Date: May 9, 2019  
Re: Parking Tax Process & Audit

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## **Background/Process:**

The City of SeaTac collects parking taxes from 34 vendors in the City. The current rate is set at \$3.20 per transaction. Parking taxes are due to the City by the end of the month following the month in which the taxes were collected (ex. May taxes are due to the City by June 30).

Parking tax is self-reported. Vendors complete the remittance form (attached) and submit it, along with payment, to the City. The Finance Department checks for the following:

- The correct transaction rate is paid.
- The total number of transactions times the transaction rate equals the amount paid.
- The amount paid is reasonable when considering the vendor's previous payments and trends.

The Finance Department tracks all parking tax payments received and any missing or late payments are followed up with appropriate action. The Finance Department also investigates any complaints received by the public and works with the Legal Department as needed.

## **Audit History:**

In 2013 the City hired an independent accounting firm, Clark Nuber, to perform an audit on parking tax vendor compliance. The final report is attached.

## **A&F Consideration:**

Does the A&F committee want to direct staff to hire an outside firm to perform an audit on parking tax collections?



# COMMERCIAL PARKING TAX REPORT

*For taxes collected January 1<sup>st</sup> through December 31<sup>st</sup>, 2019*

Business Name: \_\_\_\_\_ SeaTac Business License #: \_\_\_\_\_

Address: \_\_\_\_\_ State UBI #: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone #: \_\_\_\_\_

For the Month of: \_\_\_\_\_ Verify # of Stalls: \_\_\_\_\_

SeaTac ordinances require operators of commercial parking businesses within the City to remit parking taxes each month for taxes collected during the previous month. **Parking taxes are due on or before the last day of the month following the month during which the taxes were collected.**

**Note:** A separate Commercial Parking Tax Report should be completed and submitted for each lot operated. Per SMC 3.70.070, penalties may be assessed for violations of SMC 3.70.020.

| TRANS CODE<br>(FOR CITY USE) | TOTAL NUMBER<br>OF PARKING<br>TRANSACTIONS | TRANSACTION<br>RATE | PARKING TAX DUE<br>(Number of Transactions<br>X Rate) |
|------------------------------|--|---------------------|---|
| 3024                         |  | \$3.20              | \$  |
|                              |  | <b>Total Paid</b>   | <b>\$</b>   |

CERTIFICATION: I HAVE READ THIS RETURN AND I CERTIFY THAT THE INFORMATION SUBMITTED TO THE CITY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

**Remit to:**  
*City of SeaTac  
 Finance Department  
 4800 South 188<sup>th</sup> Street  
 SeaTac, WA 98188*

*\*This document may be exempt from disclosure pursuant to RCW 42.56.230(3). Consult with the Legal Department prior to disclosure.*

***CITY OF SEATAC***

Independent Accountants' Report  
on Applying Agreed-Upon Procedures

For the Period October 1, 2012  
to December 31, 2012

***Independent Accountant's Report on Applying Agreed Upon Procedures******To the Management  
City of SeaTac  
SeaTac, Washington***Certified Public  
Accountants  
and Consultants

We have performed the procedures enumerated below, which were agreed to by the City of SeaTac (the City) and the City's management in our engagement letter dated October 28, 2013, solely to assist the City with procedures related to commercial parking operations and related City tax for the period from October 1, 2012 to December 31, 2012. The City's management is responsible for the City's accounting records and the management of the selected operators are responsible for their respective accounting records.

This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. The agreed-upon procedures were to:

1. Ensure selected parking lot operators charge the proper amount of parking tax for each transaction.
2. Ensure the selected parking lot operators report the proper number of transactions.
3. Ensure the selected parking lot operators track the parking tax charged and remit that money to the City of SeaTac on time.

Our procedures were performed as follows:

1. Reviewed the applicable Municipal Code governing the Local Option Transportation tax for commercial parking facilities.
2. Obtained from the City of SeaTac a listing of all parking operators with an approved business license for fiscal year 2012.
3. Obtained from the City of SeaTac a listing by parking lot operator, of the parking tax remitted to the City per City approved parking stall.
4. Obtained from the City of SeaTac a listing of hotels with an approved hospitality business license but without a separate approved parking operator business license for fiscal year 2012.

# CLARK NUBER

Certified Public  
Accountants  
and Consultants

- Researched online (local web addresses) and drove by street location in-person to determine if commercial parking transactions may be occurring. Based on our observations, commercial parking transactions appeared to be taking place.
- Accordingly, we selected five locations and conducted unannounced site visits where we:
  - Determined each of the five locations appeared to be functioning as a commercial parking facility, and
  - Engaged in a transaction and reviewed the transaction receipt to determine whether the facility was collecting the required tax.

Unlike the testing done in procedure #5 below, we did not meet with management personnel for these locations nor did we have access to the facilities' accounting records for a detailed recalculation of taxes owed.

We selected the following five locations, with the results as follows:

## Hotel A

Location offers parking for a fee to the general public. A clearly-marked sign detailing the parking rates indicated \$0.90 for SeaTac parking tax for up to two hours of parking, and \$3.00 for all parking transactions over two hours. The amount charged was in accordance with the sign, including the SeaTac parking tax.

## Hotel B

Location offers parking for a fee to the general public. We parked for one hour in the parking lot. The receipt obtained indicated a total tax charge of \$3.87 on a daily rate of \$9.13. The receipt and signage at the facility did not indicate how taxes were being charged, however we note that the sales tax rate is 9.5% which amounts to \$0.87 on a charge of \$9.13, leaving \$3.00 of additional tax collected by the hotel which matches the City parking tax rate.

## Hotel C

Location offers parking for a fee to the general public. We paid for one day of parking. The receipt obtained indicated sales/miscellaneous tax of \$0.86 on the daily rate of \$9.00. The receipt and signage at the facility did not indicate how taxes were being charged, however we note that the sales tax rate is 9.5% which amounts to \$0.86 and represents 100% of the tax indicated on the receipt. There was no indication that the City of SeaTac parking tax of \$3.00 for a non-short stay was charged or collected for this transaction.

# CLARK NUBER

Certified Public  
Accountants  
and Consultants

## Hotel D

Location offers parking for a fee to the general public. We parked for the minimum amount of time to accrue a parking charge, which was half an hour. The hotel's sign indicated total charges by amount of time parked, but did not identify how much, if any, of that charge represented taxes. The receipt obtained indicated a total charge of \$3.29. This is \$0.29 more than the \$3.00 rate indicated on the sign. The \$0.29 is equal to 9.5% of the \$3.00 charge which matches the sales tax rate, but the receipt did not indicate any taxes included in the total charge. There was no indication that the City of SeaTac parking tax of \$0.90 for a short stay was charged or collected for this transaction.

## Hotel E

Location offers parking for a fee to the general public. We paid for one day of parking. The receipt obtained indicated sales tax charge of \$1.14 on a daily rate of \$12.00. There was no indication that the City of SeaTac parking tax of \$3.00 for a non-short stay was charged or collected for this transaction.

5. From the information obtained in #3 above, identified the five operators who remit the least amount of tax per approved parking stall and conducted site visits before and during which we performed the following:
  - Contacted the operator to arrange a mutually convenient time for a pre-audit meeting to discuss the general audit process, the nature of their business and their accounting system, etc. Prior to contacting the operators, the Finance and Systems Director for the City drafted and delivered a letter to the five selected operators informing them that the City was exercising its right to review and inspect financial records associated with the parking tax under the City of SeaTac Municipal Code. Furthermore they informed the operators that Clark Nuber had been appointed and would be contacting them to schedule a time to conduct the review.
  - Obtained from the City of SeaTac the most recently filed parking tax remittance forms for the identified operators, for the most recent three month period.
  - Requested support from the operators for the selected parking tax remittance forms to include the number of short-stay transactions, the number of other transactions, and the number of exempt vehicle transactions.
  - Recalculated the tax owed for the time period selected based on the information obtained above.
  - Discussed with the operator any significant variances between our calculated tax owed and the tax remitted by the operator to resolve variance, where possible.
  - For the five operators selected below, the City requested that we not include the business names in our report. As such, we used the identifiers below as designated by the City.

# CLARK NUBER

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## Operator A

The company operates a long-term parking lot, with in-and-out privileges, whereby parkers sign a contract for a one-month minimum. They are charged by the month, and continue to be charged monthly until they give notice that they want to cancel. There is no further commitment by the parkers. The operator has interpreted the tax regulations such that they report and pay tax only when a new renter takes over a parking spot. If a parker rents for one month, or for many months, the operator only files and pays the \$3.00 tax once. During our site visit we observed that the lot has 77 spaces and according to the operator's records had 81% occupancy for the three month period we reviewed. Conversely, the operator filed tax returns with the City in which they reported and paid on a transaction volume of four transactions per month.

We reviewed reports generated from the operator's computer system of the four transactions reported each month during the period under review (October through December 2012). The reports indicated six transactions for October, six transactions for November, and five transactions for December. The operator was unable to provide an explanation for the variance between these reports and what was reported and paid. The individual we spoke with was new to the company. The previous staff person in charge of filing the City of SeaTac parking tax was no longer on staff at the company.

## Operator B

The operator provided reports generated from their computer system for October, November, and December 2012, and indicated to us that they had initially incorrectly reported these parking transactions to the City. Prior to our site visit, the City had contacted Operator B regarding the incorrect reporting. Operator B recalculated the amounts owed, and paid additional amounts to the City in October 2013 to "true up" the taxes paid with the taxes owed for the period under review.

We reviewed the reports provided and tracked the flow of supporting information from individual Parking Permit tickets, to a daily log, to entry into the computer system, and ultimately to tax reporting to the City, to gain comfort over the validity of the documents. We then traced the number of parking transactions according to the operator's records to the corrected number as reported to the City in October 2013, noting no variance.

## Operator C

We reviewed reports provided from the operator's computer system for the period under review, including reports that summarized the total dollar amount of parking tax collected each day. These daily summary reports totaled up to the amount reported and remitted to the City for that month. Due to the availability of paper-based register tapes we also reviewed daily cash register receipt tapes for one haphazardly selected day from each month, and traced the total number of parking transactions from the register tapes to the monthly summary reports, noting no variances.

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## Operator D

We reviewed reports provided from the operator's computer system for the period under review, including monthly reports that summarized the number of transactions by payment type, plus a reconciling report that listed the total number of voided transactions and a daily count of exempt vehicles.

We noted the daily counts of exempt vehicles were reports that were generated specifically upon our request. Weekends, holidays, and certain other days indicated no exempt vehicles, or did not have counts performed. Operator D admitted they did not always perform this count on a daily basis, and some of the numbers were estimates. They indicated that they preferred to be conservative and report more transactions as taxable, although there was no way we could confirm that assertion. Operator D also indicated they thought the parking tax was more like a fee charged to the operators, and not a tax that should be charged to the customers and remitted to the City. As such, they do not charge different daily rates to exempt and nonexempt customers to account for the tax portion.

## Operator E

We observed the operator generate reports directly from their computer system, including transaction codes for parking tax and parking tax adjustments, for the three-month period under review. According to the operator, parking tax adjustments are needed for cases where the customer has purchased a package deal that already includes the parking tax, or is staying in the hotel, or for data entry errors. We agreed the computer reports to the number of parking transactions reported to the City.

We further obtained the manual tickets that each customer fills out upon leaving their car at the parking lot. We tied the total number of tickets for each month to the system report generated above, noting no variances.

This report is intended solely for the use of management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.



Certified Public Accountants  
May 27, 2014