From: <u>Debbie Tarry</u>

To: <u>Carolyn Wurdeman</u>; <u>Heidi Costello</u>

Subject: FW: SCL Questions

Date: Monday, May 05, 2014 1:30:54 PM

Green Folder for tonight - SCL Franchise

Debbie Tarry
City Manager
City of Shoreline
17500 Midvale Ave N.
Shoreline, WA 98133

From: Debbie Tarry

Sent: Monday, May 05, 2014 1:30 PM

To: Jesse Salomon **Cc:** John Norris

Subject: FW: SCL Questions

Jesse -

Here is a response to your questions regarding the SCL franchise.

Debbie Tarry City Manager City of Shoreline 17500 Midvale Ave N. Shoreline, WA 98133

From: John Norris

Sent: Monday, May 05, 2014 1:27 PM

To: Debbie Tarry Cc: Carolyn Wurdeman Subject: RE: SCL Questions

Debbie,

Here are the responses to Councilmember Salomon's questions. Please let me know if you have any questions. Thanks.

-John

What is the change in vegetation management? How have we addressed pro-tree community concerns about tree preservation and pruning?

The vegetation management section is now much more prescriptive, with requirements for an Annual Vegetation Management Plan, Vegetation Management

Activity Notice, identified clearance distance requirements, tree replacement requirements for ROW tree removal, many requirements for tree management along the Interurban trail, and tree removal notification requirements. All of these requirements are new requirements that are not in the City's current franchise agreement with SCL. Staff feels that this language helps address the community's need for information and better management of the public trees in Shoreline.

Why would SCL be exempt from right of way tree regs? Are they required to replace fewer trees (two rather than three)?

The main reason that SCL was exempted from the right-of-way tree regulations (SMC 12.30.040) is that the regulations state that "a right-of-way use permit shall be required and shall only be issued by the director for the nonexempt pruning or removal of trees in rights-of-way adjacent to the applicant's property". This requirement would therefore require SCL to have each adjacent property owner apply for a tree removal/pruning permit, or they would need to apply on each adjacent property owner's behalf, for each tree removed or pruned. Given that they have been granted a franchise (if approved by Council) which provides for an Annual Vegetation Management Plan and Vegetation Management Activity Notice and blanket permit, we will have already captured this information in the ROW pruning permit, but the process will be incredibly less cumbersome for the utility.

As for tree replacement, the formula in the franchise is different than the formula used in the ROW street trees regs, as it is more streamlined with a set amount of trees that must be replaced - 2- (or paid for via a fee in lieu), as you mention. This follows the same replacement formula for the Interurban Trail, and what the City of Seattle requires SCL to do on City of Seattle property.

Our ROW street tree regs on the other hand do not require that three trees be replaced per say, but it depends on the size of the tree removed. Here are the tree replacement requirements:

- 1. One existing significant tree of eight inches in diameter at breast height for conifers or 12 inches in diameter at breast height for all others equals one new tree.
- 2. Each additional three inches in diameter at breast height equals one additional new tree, up to three trees per significant tree removed.
- 3. Minimum size requirements for trees replaced under this provision: deciduous trees shall be at least 1.5 inches in caliper and evergreens six feet in height.

Thus, they aren't necessarily required to replace fewer trees, it just depends on the size of tree removed (for big trees, the utility would be required to replace one less tree).

Why is there an eight percent SCL differential when we only charge six percent as a franchise fee? Does SCL profit by two percent?

The eight percent rate differential is what was negotiated in our current franchise and what we were able to negotiate in this proposed franchise. You are correct in that 6%

of this 8% comes back to the City in the form of SCL's contract fee payment that they make to us (the City is not allowed by statute to charge an electric utility a franchise fee; the 6% is a contract fee payment for the City forbearing its right to start our own electric utility). Thus, the remaining 2% in rate differential is kept by the utility. Their rationale for this is that providing service to a farther out location within their service territory costs more resources, and thus, they charge Shoreline ratepayers an additional 2% for this. While staff argued the merits of this point with SCL when negotiating the franchise, SCL was firm in that the 8%/6% needed to stay in the franchise, and staff was weary to push too hard on this piece of the negotiation. As well, from a context perspective, Seattle Public Utilities charges Shoreline ratepayers a 14% surcharge. Given this, a 2% "administrative charge", is somewhat reasonable.

For tree replacements, is there a certain size the new tress have to be when planted? If a tree is removed along the Interurban and there is a loss of privacy, I would think the resident would want the new trees to restore a reasonable amount of privacy right away.

There is not a specific size replacement trees must be when planted (or at maturity). For replacement trees in the ROW, the franchise states, "Replacement trees shall be a City-approved variety of Street Tree, per the City's Engineering Development Manual Recommended Street Tree List, and shall be replaced in the area of removal. Tree replacement will take into consideration the replacement tree's future growth and impacts to SCL's critical infrastructure and access to such infrastructure." This will likely mean that replacement trees will be selected will be from the City's Small Tree List (a subsection of the Street Tree List), as this is the requirement for any new trees planted under SCL facilities.

For replacement trees along the Interurban, the franchise states, "Tree replacement on SCL property along the Interurban Trail shall take into consideration the tree's future growth and impacts to SCL Facilities and access to those Facilities. Whenever possible, the replacement trees on the Interurban Trail will be selected from the same grouping of trees that was removed (i.e., conifer for conifer; deciduous for deciduous.) Every effort shall be made by SCL to provide an equivalent replacement tree for the tree it is replacing." This language speaks to tree species and the potential size of the tree, but SCL was unwilling to negotiate language that stated that they would provide tree replacement with a minimum tree height (i.e., replacement trees along the Interurban shall be at least 50 feet tall at maturity) or guarantee adjacent property owner privacy once the replaced tree grows to its mature height.

From: Debbie Tarry

Sent: Saturday, May 03, 2014 6:56 PM

To: John Norris

Cc: Carolyn Wurdeman **Subject:** Fwd: SCL Questions

Some questions from Jesse.

Debbie

Sent from my iPad

Begin forwarded message:

From: Jesse Salomon < <u>isalomon@shorelinewa.gov</u>>

Date: May 3, 2014 at 5:10:38 PM PDT

To: Debbie Tarry < <u>dtarry@shorelinewa.gov</u>>

Subject: SCL Questions

What is the change in vegetation management? How have we addressed pro-tree community concerns about tree preservation and pruning?

Why would SCL be exempt from right of way tree regs? Are they required to replace fewer trees (two rather than three)?

Why is there an eight percent SCL differential when we only charge six percent as a franchise fee? Does SCL profit by two percent?

Jesse Salomon, Councilmember City of Shoreline <u>Jsalomon@Shorelinewa.gov</u> (206) 396-5807

Sent from my iPad