

LEAVENWORTH CITY COUNCIL STUDY SESSION MINUTES

April 13, 2010

Mayor Eaton called the April 13, 2010 Study Session to order at 9:02 a.m.

Council Present: Mayor Robert Eaton, Peter DeVries, Tibor Lak, Michael Molohon, Lucky Moore, Elmer Larsen, Robert Francis, and Cheri Kelly Farivar.

Staff Present: Connie Krueger, Chantell Steiner, David Schettler, and Michelle Brooks.

1. Council Open Discussion

Mayor Robert Eaton opened discussion with an update on Projekt Bayern's Oktoberfest event. He stated that he addressed the Board during the meeting with Projekt Bayern with regard to the proposal of the pre-sale of tickets for Oktoberfest as a means to limit the number of attendees. Mayor Eaton noted that the proposal would limit the number of tickets sold at the door to 1000 making the bulk of the tickets pre-sale, and that he had concerns with this. He firmly recommended to the Board that they develop a different solution to the concerns with the growing festival. Councilmember Farivar inquired whether a research has been conducted on the pre-sale of Oktoberfest tickets and discovered there had not been any research on this.

Councilmember Peter DeVries inquired about the search for a new City Administrator. Mayor Eaton stated that applications are being accepted through April 26th and as of the end of March there were 47 applicants.

Councilmember DeVries asked about the appointments for Planning Commission and Mayor Eaton replied that they were going well and he will report more on it at this evening's Council meeting.

Councilmember DeVries asked that the Ice Rink project be placed on the May Study Session agenda and Councilmember Farivar requested that it be for at least an hour. Mayor Eaton suggested that the Parks Committee review the project plans prior to this going to Study Session.

Councilmember DeVries reported that the Finance Committee is beginning to work on Building Department fees and reviewing information obtained from other Cities to ensure that Leavenworth's fees are comparable.

Councilmember Elmer Larsen stated that the City needs to install a chain link fence around the City Shop for safety and security reasons. He presented a list that he created detailing the safety and security reasons for why a fence should be installed, and suggested that the Code be amended to allow for the installation of a chain link fence in situations where the facility, like the City Shop, creates a safety hazard. Councilmember Michael Molohon disagreed stating that the fence should be an approved fence that follows City Code of the Bavarian design. Consensus of the Council was that the City Shop property needs to be fenced; however they were not in agreement on the type of fencing. Community Development Director Connie Krueger stated that this Code modification could be placed on the Planning Commission agenda if Council makes a motion during a regular session to direct them to do so.

Councilmember Larsen reported on the Residential Advisory Committee (RAC) meeting discussions. He noted that the primary focus of the meeting was discussion about Summit Ave.

They also discussed the new garbage truck and Councilmember Lak's radio interview with regard to the arrival of the new truck. Councilmember Larsen stated that they discussed the potential Ice Rink and where to locate it. Councilmember Farivar suggested a public meeting or hearing to discuss potential locations for the Ice Rink and seek input from residents. She also suggested doing a study on where to locate the rink. Councilmember Larsen announced that the topic for the next RAC meeting will be yard waste. This then led to a discussion of garbage can sizes and locating a place for yard waste disposal. Mayor Eaton stated that he will contact Brenda Harn, Chelan County Solid Waste to see if the City may have the County chipper here for a time frame to help with yard waste.

Public Works Director Dave Schettler updated Council on the arrival of the garbage truck and receptacles. He stated that the new receptacles should be distributed soon, hopefully by May 10th. He also shared a brochure that he is going to have sent to all residents, and Councilmember Lak suggested adding to the brochure that customers now have the option to pay their bills online.

Mayor Eaton gave a legislative update and announced that the revenue package passed. He stated that the new tax increases will take effect May 1, 2010.

2. Ordinance 1362 Budget Amendment – Chantell Steiner

Finance Director Chantell Steiner outlined the proposed Budget Amendment that is on the evening's agenda. She explained the garbage truck and containers invoicing and loan, noting that the invoice was less than the loan amount. Director Steiner said that this generated a savings for 2010 of approximately \$10,000. She briefly explained the increase to the ER&R Fund for the payback of the \$700,000 loan for the downtown project and the allocation of \$45,000 for the second shelter at Icicle Station. Director Steiner noted that the amendment also includes the addition of the new Public Works Maintenance Worker position as well as minor adjustments to various salary line items based on Union Contract negotiations. She explained that an adjustment was also made to the Senior Planner's salary line item due to the identification of an annual increase in the offer of employment that was not recognized during the budget process. Director Steiner noted that Exhibit B had not been attached and that she would distribute it at the evening meeting. She then explained the final portion of the amendment being the Council approved Tenth Street Stormwater Project and the amended Gazebo Paver Project including funding for the entire paver project.

3. Ordinance 1363 Payment of Claims – Code Amendment – Chantell Steiner

Finance Director Steiner presented a code amendment on the payment of claims explaining the need for this as recommended by the State Auditor's office to ensure a policy for payment of claims pertaining to checks that are cut prior to the Council's approval; specifically the allowance for check cutting on a weekly basis for the Leavenworth Area Promotions and Pool Operations. Director Steiner said that the amendment also includes some minor modifications to clean up titles of staff and includes the missing section 3.34.020 Payment Orders – Signatures.

4. Current Budget Status – Chantell Steiner

Finance Director Steiner presented an overview of the current budget status and provided current budget comparison spreadsheets identifying the original budget versus the current budget with approved amendments including the ones for the evening agenda. There was discussion of the Public Works Trust Fund and Street Fund for 2011 and various potential funding strategies.

Director Steiner reminded Council of the Financial Reports that were included in their packets and stated that she is available to meet and discuss them after Study Session.

5. SHARE Project/CDBG Grant – Connie Krueger and Brian Thompson-Royer

Community Development Director Connie Krueger explained that she had been approached by Brian Thompson-Royer, Upper Valley MEND/SHARE, regarding a potential Community Development Block Grant (CDBG). She introduced Brian Thompson-Royer, Director of MEND/SHARE. Mr. Thompson-Royer explained the purpose of MEND/SHARE and reviewed the handout he distributed. He then discussed Affordable Housing issues in Leavenworth stating that there will be two parts of his presentation today; 1. Cornerstone Project and Fee waiver request. 2. Chumstick Development.

He then introduced John Agnew who gave Council an update on the Cornerstone Project, and introduced Rob Gors, Cusick Construction, who explained the dilemma of the Water Connection Fees and how the bidding process worked. Public Works Director Dave Schettler reviewed with Council what transpired with the Water Connection Fees and the application submitted by Cornerstone Project for connection to the Water and Sewer System. He also updated Council on the fee revisions for this application stating that Varella and Associates has revised the fees after speaking with the Fire Marshall to around \$8,800 for Water, Sewer and Fire Tap. Mayor Eaton explained that the request for waiver will be presented to the Public Works Committee at their meeting this afternoon for recommendation to grant or deny the waiver at the evening meeting. Councilmember Lak inquired whether Cusick Construction inquired about rate changes after their original bid in July of 2008 and prior to construction beginning. Mr. Gors stated they did not, and that in this type of project, a HUD project, the contractor is locked into the bid amount. After further discussion on how this occurred, Community Development Director Connie Krueger clarified this project was permitted in the County, not the City and would be subject to their regulations. As a result, the City does not have the capability to track projects outside the City as closely. She explained the Interlocal Agreement between the City and the County that states the County is supposed to notify the City of all Building Permits in the UGA; however the County typically only notifies the City when there is a subdivision application rather than all building permits. Mayor Eaton restated that the request for waiver will go to the Public Works Committee for a recommendation to Council for tonight.

Mr. Thompson-Royer presented the Chumstick Development and the potential CDBG funding. He would like to propose a type of development agreement between the City and MEND that would allow potential access to \$1,000,000 in public CDBG funds to the City for utility infrastructure for affordable housing. Mr. Thompson-Royer stated that he would like the City to set the Chumstick Affordable Housing Development as a priority. Discussion took place of the moral and economic benefits of a project such as this, as well as City project load and deadlines. Director Krueger said the concept Mr. Thompson-Royer is proposing is new to her and that she will need time to meet with him to further discuss specifics of his idea or vision. She did not think that the appropriate agreement however, would be a development agreement. Councilmember Farivar asked Mr. Thompson-Royer what it is that MEND is looking for the City to do at this time. Mr. Thompson-Royer stated that they would like help resolving the utility issues with the project, and would like the City to administer the grant if awarded. He stated that they do not plan on having the City write the grant. Mayor Eaton stated that the City would have to find the appropriate vehicle to deliver this project including needing a fiscal note and time commitment which may possibly require a shift in project priorities. Council consensus was that this type of project is a project the City has wanted

April 13, 2010

and needed for a long time. Mayor Eaton suggested that Senior Staff meet with Mr. Thompson-Royer to develop a plan and then call a Special meeting to present an agreement or plan to Council.

Study Session adjourned at 10:47 a.m.

APPROVED

ATTEST

Robert C. Eaton
Mayor

Chantell Steiner
Finance Director/City Clerk