

LEAVENWORTH CITY COUNCIL MINUTES
November 13, 2007

Mayor Mel Wyles called the regularly scheduled November 13, 2007 Leavenworth City Council meeting to order at 6:00 P.M., and led the City Council in the Flag Salute.

ROLL CALL

Council Present: Rob Eaton, Peter DeVries, Tibor Lak, Larry Langston, Cathy Miller, Chris Rader and Michael Molohon.

Staff Present: Rich Brinkman, Terry McCauley, Connie Krueger, Chantell Steiner and Carrie Brewer.

Mayor Wyles read a proclamation formally designating November 2007, as Disabled Veterans Outreach Month.

APPROVAL OF THE CONSENT AGENDA

Mayor Wyles asked for a motion to approve the consent agenda as follows and to add the following two items to the meeting agenda under Resolutions, Ordinances, Orders and Other Business:

7. Motion to authorize the Mayor to sign a contract with Local Improvement District (LID) Consultant Debra Foreman to provide the preliminary analysis and Special Benefit Study for the Downtown Infrastructure Improvement Project LID.

8. Motion to approve Resolution 8-2007, recognizing the years of service of Councilmember Larry Langston.

Consent Agenda:

1. Approval of Agenda
2. Approval of October 23, 2007 Regular Meeting Minutes
3. Claims \$301,251.96
4. October 2007 Payroll \$137,157.49
5. PRSA Voucher request: \$40,000

Councilmember DeVries moved to approve the consent agenda. The motion was seconded by Councilmember Rader and passed unanimously.

COUNCILMEMBER AND COMMITTEE REPORTS

Councilmember Miller reported that the Parks Committee met with Patrick Walker from Chelan/Douglas Land Trust and discussed possible routes through the City of Leavenworth to connect with the proposed trail system from Leavenworth to Wenatchee.

Councilmember DeVries reported that the Finance Committee met this afternoon and discussed the 2008 Budget process and related topics.

MAYOR AND ADMINISTRATIVE REPORTS

City Administrator Rich Brinkman thanked Councilmember Molohon for participating in the Delta Epsilon Chi (DEC) conference last week, which drew approximately 75 students from across the State. He reported that recruiting this conference is consistent with one of the City's economic development goals, and that Leavenworth will host the State DEC Conference in 2008 and 2009. Brinkman also reported that the City offered the Public Works Director position to David Schettler, and that Mr. Schettler has accepted the position and will start with the City on December 10. He also advised the Council that he would be working with Finance Director Steiner to expend nominal funds to provide Gazebo entertainment over the Thanksgiving weekend and to have horses to pull the Beer Wagon for the November 29 Good Morning America event. Finally, Administrator Brinkman vehemently denounced the editorial that appeared in the Leavenworth Echo on November 7th, pointing out that the City knew it would not be able to advertise the November 6 meeting of the Upper Valley Park and Recreation Service Area (PRSA) in the Echo since the PRSA meeting was finalized after the Echo deadline, but that the City did advertise the PRSA meeting in both The Wenatchee World and on KOHO Radio. Councilmember Lak supported Brinkman's comments.

Director Krueger reported that she received the Community Trade and Economic Development (CTED) grant award and that the amount was different from what she had been told and reported on at the last Council meeting. The award was actually for \$50,000, not the \$100,000, which was stated previously. She said the good news is that the grant is for the regional bicycle and pedestrian path planning project, which was applied for last year. Director Krueger also announced that the Chamber has a meeting on Thursday night that she will be attending to present the Downtown Master Plan.

RESOLUTIONS, ORDINANCES, ORDERS, AND OTHER BUSINESS

1. Motion to approve Payroll Direct Deposit

Director Steiner reported that the City would like to offer a direct deposit of mid-month and end-month payroll checks for those employees that would like to participate. The monthly cost to the City will be approximately \$21.80 to provide this service, which will be available to Councilmembers as well. This will not be mandatory participation by all employees but rather voluntary on an individual basis. Councilmember Eaton moved to approve the Payroll Direct Deposit for employees. Councilmember Miller seconded the motion, which passed unanimously.

2. Motion to Amend Ordinance No. 1295: 2008 Property Tax Levy

City Attorney McCauley recommended an amended Ordinance for Council adoption of the 2008 Property Tax Levy. The City Council originally adopted Ordinance No. 1295 at the previous meeting, increasing property taxes by the allowable 1% to be dedicated to youth programming, with this amendment consistent with that action. Councilmember Eaton moved to amend Ordinance No. 1295 setting the 2008 Property Tax Levy. Councilmember Rader seconded the motion. Council members Eaton, DeVries, Lak, Miller, Rader and Molohon voted to approve the amended Ordinance, while Councilmember Langston voted in opposition.

3. Motion to rescind Ordinance No. 1296: Property Tax Levy Certification

City Attorney McCauley recommended that the Council rescind Ordinance No. 1296, which the Council approved at the previous meeting to certify the tax levy. McCauley noted that he recently

spoke with the Chelan County Assessor to determine that this action is no longer necessary. Councilmember Eaton moved to rescind Ordinance No. 1296. Councilmember DeVries seconded the motion, which passed unanimously.

4. Moratorium Considerations

Because the public hearing time of 6:45 P.M. had not been reached, Mayor Wyles moved on with the agenda to return to this item at 6:45 P.M.

5. Motion to authorize the Mayor to sign the contract with HNTB for Icicle Station design services

Administrator Brinkman reported that he and Councilmember DeVries met last week with representatives of the selected Icicle Station design/engineering consultant, HNTB, to discuss the scope and fee components of this proposed contract. The contract itself is representative of a standard consultant contract, with the proposed scope only including Phase I to ensure that various project uncertainties are made known prior to proceeding with Phase II of the design process. Councilmember DeVries moved to approve the Mayor to sign the contract with HNTB subject to final review by the City Attorney. Councilmember Rader seconded the motion, which passed unanimously.

6. Motion to approve Municipal Software Contract with BIAS

Director Steiner reported that Staff has completed a comprehensive review of the municipal software choices available to Washington cities that complies with the Washington BARS code requirements. In addition, the City can save 7% percent off the total cost with the BIAS software if 50% of the costs are made before the end of the 2007 budget year, and the City has sufficient funds for this purchase now. The City anticipates purchasing the CORE modules of General Ledger, Utility Billing, Cash Receipts, and Payroll at this time and will look at future modules, as they become needed. Councilmember Eaton moved to approve the Municipal Software Contract with BIAS. Councilmember Lak seconded the motion, which passed unanimously.

7. Motion to authorize the Mayor to sign a contract with Local Improvement District (LID) Consultant Debra Foreman to provide the preliminary analysis and Special Benefit Study for the Downtown Infrastructure Improvement Project LID

Administrator Brinkman reported that the City is still hopeful to initiate the LID petition in December, and would be relying on Debra Foreman to provide a preliminary LID assessment analysis prior to completing a Special Benefit Study. Councilmember DeVries moved to approve authorization to enter into the contract with Debra Foreman. Councilmember Rader seconded the motion, which passed unanimously.

8. Resolution 8-2007 recognizing the years of service for Councilmember Larry Langston

Mayor Wyles read Resolution 8-2007, which recognized Councilmember Langston's years of service on the City Council and various Citizen Committees. Councilmember DeVries moved to approve Resolution 8-2007. Councilmember Lak seconded the motion, which passed unanimously.

Information Items for Future Consideration

1. Tree Hazard Resolution

Administrator Brinkman reported that the City Council recently adopted a policy requiring property owners to remove hazardous trees and branches hanging over City Right-of-Way, and that a follow-up Resolution was required and forthcoming.

PUBLIC HEARING ITEMS

1. Preliminary 2008 Budget (6:30 P.M.)

Administrator Brinkman reported that the City Council was presented with the Preliminary 2008 Budget at the previous meeting. He stated that the document has been available to the public since that time, and that this hearing provided the public with the opportunity to provide input to the Council on the proposed 2008 Budget. Mayor Wyles opened the Public Hearing at 6:30 P.M. and invited input from the public. There was no public comment. Mayor Wyles closed the public hearing at 6:32 P.M.

2. Moratorium Considerations (6:45 P.M.)

Director Krueger reported that the current moratorium on water and sewer connections in the City and its urban growth area (UGA) is scheduled to expire on November 22, with the hearing tonight giving the City Council the opportunity to extend the moratorium if determined necessary. The City Council was presented with the water and wastewater Master Plans from Varela & Associates at the morning Study Session, and she noted that it would take some time for Council to review these comprehensive documents. City Attorney McCauley recommended that the City Council extend the moratorium for six months to allow for policy recommendations to be implemented prior to lifting the moratorium. Krueger noted that a proposed Ordinance extending the moratorium with the required Finding of Facts has been prepared.

Mayor Wyles opened up the Public Hearing for public comments at 6:45 PM, with the following comments from the public:

1. Tom Peckham, 507 Cedar Street, Leavenworth: Mr. Peckham discussed his concerns regarding the extension of the moratorium due to having his project ready just days before the moratorium was put in place, and that the smaller projects like his should be allowed to proceed.

2. Dan Acton, 3997 Camas Creek Rd, Leavenworth: Mr. Acton voiced his concerns regarding the moratorium and allowing the smaller developments to connect to the utility system since the infrastructure is currently in place. He would like to request that his project, which is located on Mine Street, be excluded from the moratorium if it is extended.

3. Mike Kelly, 12230 Detillion Rd, Leavenworth: Mr. Kelly expressed his concerns regarding extending the moratorium. He is in the process of subdividing two acres, and although he will not be building for approximately two years, he needs to demonstrate to Chelan County that he will have access to water; therefore, he would like to be excluded from the moratorium.

4. William West, 585 W. Hwy 2, Leavenworth: Mr. West expressed his opposition to extending the moratorium, saying that the City has more hookups available now than was suggested when the moratorium was put into effect.

5. Hank Truiani, Prowell Road, Leavenworth: Mr. Truiani gave numerous examples of water crises across the country and urged the Council to be very thorough and deliberate in making its decision.

Seeing no additional public comment on this issue, Mayor Wyles closed the Public Hearing.

Considerable City Council discussion followed, with Councilmembers debating the advantages and disadvantages of extending the moratorium. During the Council discussion, Councilmember Eaton requested that the proposed Finding of Facts be read. City Attorney McCauley read the Finding of Facts to the Council, and suggested a 20-minute recess to allow him and Director Krueger to execute a few minor revisions to the proposed Ordinance and Findings of Fact to present back to the Council for consideration. At 8:00 P.M., Councilmember Eaton moved to recess for 20 minutes. The motion was seconded by Councilmember Lak and passed unanimously. At 8:20 P.M., Councilmember DeVries moved to reconvene the City Council meeting. Councilmember Eaton seconded the motion, which passed unanimously.

City Attorney McCauley presented Ordinance No. 1300 to the City Council with the Finding of Facts to extend the water and wastewater connection moratorium for six months, but to allow pre-application conferences to begin by January 15, 2008. Administrator Brinkman asked the City Attorney to confirm that the City Council could amend this moratorium Ordinance at the Council's December Study Session and Regular Meeting to review, and possibly add to, the moratorium exclusion list. The opinion of the City Attorney was that the City Council would be able to conduct this review and add projects to the exclusion list if they determine it appropriate to do so.

Councilmember Eaton stated that while extending the moratorium is not a popular decision, it is the result of decades of piecemeal planning, and necessary for the Council to be responsible stewards of City infrastructure and resources. He stated that the City Council has several critical policy decisions to make based on the water and wastewater master plans, and that adequate time is needed to ensure that these plans are thoroughly reviewed leading up to the policy implementation. He also noted that the Council could lift the moratorium at any time should the policies be implemented sooner than anticipated. Director Krueger explained the history of the moratorium. She stated that it was initially discussed in relation to infrastructure planning and a then limit of around 100+ water connections with pending projects, which could result in 500-700 new residential units of varying types. She stated that prior to the moratorium being put in place, the number of water connections was reassessed by the Department of Health and approximately 940 connections were authorized. The staff then conducted an assessment of the potential residential units, which resulted in approximately 1200 potential new units of varying types (condominium, hotel, single/multi-family residential). She indicated that the Council had discussed many important policy issues in the morning study session and that pursuant to Exhibit A attached to the moratorium ordinance, that the Council was now being allocated time to complete its review of the draft infrastructure master plan. This will allow adequate time to review complex policy issues related to: Water Rights Development Policies, Water/Wastewater/Stormwater/Street Development Standards, Water/Wastewater System Development Charges, and Development Policies Regarding Financing and Development Agreements. She stated that the timeline shown in Exhibit A was tightened substantially to try to accommodate the timeline of the second moratorium and that the reason for adoption of interim controls was to further accommodate this timeline. She also indicated that at a minimum, the full timeline was needed to accommodate all of the work in these subject areas. Councilmember Eaton then moved to adopt Ordinance No. 1300 with its Finding of Facts to extend the water and wastewater moratorium for six months. The motion was seconded by Councilmember Molohon.

Additional Council discussion again ensued, and Mayor Wyles eventually requested a vote on the motion. The motion passed with a vote of 4-3, with Councilmembers Eaton, DeVries, Rader, and Molohon voting in favor, and Councilmembers Lak, Langston, and Miller voting in opposition.

COMMENTS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA

There were no comments from the public.

Councilmember Langston announced his resignation from the City Council effective November 13, 2007 and moved to appoint newly elected Councilmember Lucky Moore effective immediately. Councilmember Miller seconded the motion, which passed unanimously.

ADJOURNMENT

Seeing no other business, Councilmember DeVries moved to adjourn the November 13, 2007 meeting of the Leavenworth City Council. The motion was seconded by Councilmember Miller and passed unanimously. The meeting adjourned at 8:45 PM.

APPROVED

ATTEST

Mel Wyles, Mayor

Chantell Steiner
Finance Director/City Clerk