

LEAVENWORTH CITY COUNCIL

**Study Session Agenda
City Hall - Council Chambers
August 9, 2011 9:00 a.m.**

9:00 – 9:45 Ski Hill Heritage Foundation, Tony Keyser, Ice Rink

The Council will be given an update on the Pavilion and Ice Rink Project that is being developed by the Ski Hill Heritage Foundation. Their spokesperson, Mr. Terry Keyser will provide an update on where the project is to date and identify the next critical steps. The presentation material and results from a recent community survey on this project is provided as supplemental information.

9:45 – 10:00 Notice of Intent for 2011 LOCAL Financing for a Street Sweeper – Chantell Steiner

The 2012 Budget and Equipment & Replacement Revolving Loan Fund (ER&R) identifies seeking funding in 2011 for payments to begin in 2012 for a new Street Sweeper. The first payment will be due in June 2012 and the total purchase is estimated at \$185,000. Instructions for the process that begins with a Notice of Intent and a summary of recent interest rates are included in section 4 of the packet. Also included is the prepared copy of the Notice of Intent form. Council is being asked to authorize the Mayor Pro Tempore to sign the Notice of Intent to begin the process for requesting funding. The deadline this year for all paperwork for equipment purchases has been moved up to September 15th.

10:00 – 10:30 Utility Rate Study Update – Joel Walinski

The City Council will be provided an update on the Utility Rate Study that is currently underway. The City entered into a contract with HDR Engineering in April 2011 to complete a review and recommendation on determining the City's rate structure for water, sewer, and garbage utility service charges. HDR's work will also include a peer review on the water modeling that had been done previously on the water system plan and preliminary work on developing a stormwater utility. To date, work completed includes a review of the various utility operating costs and revenue collection and the City Public Works Committee has also reviewed potential Capital Improvement Projects over the next 6 years that are necessary for individual utilities. Additionally, the water system plan and sewer plan have been reviewed by HDR to identify the current system costs to begin developing depreciation costs which should be part of the discussion on the rate structure. Prior to a dialogue with HDR representatives on specific utility rates and fees in September, today's discussion will be on several policy issues regarding financial planning for the utilities.

These financial policies include three areas: Reserve and Rate Stabilization Funds, Debt Service Coverage Covenant, and Capital Funding from Rates.

These policies will be used in defining the parameters to be used in providing various rate structures to the Council next month. Additionally, these financial planning policies and guidelines can be used as overall goals on how the city moves forward in determining its fiscal policies and maintaining its financial sustainability. These policies are also used in a debt service review and bond rating which is typically completed prior to a bonding company issuing a credit rating for the City; the better the rating the more favorable the interest rate. HDR has provided two handouts as supplemental information; The Overview of the Study and Study Approach Handout and the Summary of Utility Rate Studies Progress and Policy Issues.

10:30 – 11:00 Discussion on Utility Reimbursement Agreement Processes – Joel Walinski

The Council will be provided an update on the current status of the Utility Reimbursement Agreements (URA) with Cascade Medical Center (CMC) and DNR, LLC. Notices were recently sent to all property owners affected by either of the URA's. The deadline for a response requesting a Public Hearing review by the City Council was July 25, 2011.

The City received one request for a public hearing appeal from Mr. Albert Howie. A motion to set the public hearing is on the City Council agenda for Tuesday evening. The Public Hearing will be conducted by the Leavenworth City Council to consider the appeal by Albert L. Howie with regard to the area boundaries and special benefits and charges related to the utility extension constructed by DNR, LLC. After reviewing the public hearing testimony and the Director's determination, the City Council shall apply the criteria of Leavenworth Municipal Code Section 14.04.070 and may approve, modify or reject the benefit reimbursement area and/or charges for the affected property. The procedures and rules regarding the public hearing on this matter will be discussed at today's Study Session.

The City did not receive any requests for appeal of the Cascade Medical Center URA. The Council will be asked at Tuesday evening's meeting to approve the next steps for the CMC agreement which would be accepting the agreement and having staff proceed with the property filings at Chelan County. A copy of the LMC is provided in the packet with the study session agenda; the memorandum on the calculations for benefit of the CMC URA is included in section 6 of the packet material.

11:00 – 11:15 Electrical Vehicle Charging Station Ordinance – Nathan Pate

Electric vehicles and electric vehicle charging stations are coming to Washington State. In 2009 the Washington State Legislature passed and the Governor signed into law House Bill 1481 an Act relating to electric vehicles. The law addresses electric vehicle infrastructure which are defined as the structures, machinery, and equipment necessary and integral to support an electric vehicle, including battery charging stations, rapid charging stations, and battery exchange stations. The purpose of the law is to encourage the transition to electric vehicle use and to expedite the establishment of a convenient and cost-effective electric vehicle infrastructure that such a transition necessitates. The Legislature agreed that the development of a convenient infrastructure to recharge plug-in electric vehicles is essential to increase consumer acceptance of these vehicles. The state's new electric vehicle law requires that all local governments in Washington State allow electric vehicle charging stations in most of their zoning categories.

Allowing charging stations creates the need to address a number of issues beyond zoning. These include on-street and off-street signage, charging station design standards, parking enforcement, accessibility for all users, SEPA exemptions, and more.

11:15 – 11:30 Quarterly City Newsletter Recommendations - Joel Walinski

The schedule for the third quarter newsletter for 2011 is for the end of August 2011. The Council is being asked at this time for any recommendations for content.

11:30 – 11:40 Contract Approvals

The City Council will be asked to approve several engineering contracts at this evenings meeting, this time is provided to answer any questions on those items.

11:40 Council Open Discussion

This time slot allows for Council discussion of items not on the agenda.