

LEAVENWORTH CITY COUNCIL

**Study Session Agenda
City Hall - Council Chambers
October 11, 2011 9:00 a.m.**

9:00 – 9:20 Biennial Audit Exit Interview for 2009 & 2010 – Katie Marshall

Katie Marshall will review with the Council her work completed for the audit of the 2009 and 2010 fiscal years and financial statements. This review is formally considered the Exit Interview. Based on discussions upon her departure, there appears to be no major concerns and the City will likely only receive some minor recommendations that are not significant in nature. The City anticipates no findings or management letter this year. A management letter, as defined by the auditor's office, would include items of significance, however not significant enough to be reported as an actual finding.

9:20 – 9:50 Budget Priorities Discussion – Joel Walinski

As part of the 2012 Budget development process, City staff has developed a Proposed Budget Expenditures spreadsheet, which is a comprehensive list of capital projects, programs, and initiatives the City Council has identified over the past several months beginning with the April 2011 Budget Retreat. One step in the process was the review of the Proposed Budget Expenditures by the City Council's Finance Committee. The committee met on Monday, October 4th, 2011, to review the list of expenditures and make their recommendations of changes and priorities. The updated 2012 Proposed Budget Expenditures attachment is provided in the Study Session packet with the recommended changes by the Finance Committee. The Council will be asked to review the Finance Committee recommendations at the Tuesday Study Session.

9:50 – 10:10 Leavenworth Area Promotions 2012 Proposed Budget – LAP Committee

Included for discussion with the study session documents is a copy of the City's current proposed budget for the Lodging Tax Fund, the prior year 2011 budget request from LAP, and the current LAP request for the 2012 proposed budget. Council will hear from the Committee on the proposed budget request for consideration for use of the Lodging Tax Funds.

10:10 – 10:30 Rate & Fee Schedule for 2012 / Utility Rate Study Discussion

This is a follow-up discussion item from the September Study Session. At that time Ms. Cil Pierce of HDR, Inc provided a PowerPoint presentation on the utility rate study. She reviewed the results of the water, sewer and garbage utility rate studies and provided several options to the Council on designing the new rate structure for utility charges. Staff will be providing updated information based on the recommendation and direction provided by the Council. Three areas of the Study Session discussion are as follows:

- Review the impact on fees by reducing the outside surcharge by 15%.
- Proposed Rate Designs – Water Conservation Structure

- System Development Charges – Summary and Recommendations

A copy of the presentation slides is provided with the Study Session items.

The Council is also being provided a copy of the current Rate & Fee Schedule that includes the minor amendments passed by Council on April 26, 2011. Those changes increased pool fees, reduced pre-application fees and modified meter charge fees to include one rate for inside and outside city residents. At this time there are no new changes to any fees, however, some minor changes to formatting have been included in preparation for the annual approval of the Rate and Fee schedule through the budget process.

10:30 – 11:00 Front Street Design Updates – Dave / Joel / Pete Weber / John Tilley

Hammond Collier Wade and Livingston Engineering (HCWL) is under contract with the City to develop the plans and specifications for the Front Street Reconstruction: Division Street to Hwy. 2. The project includes the reconstruction of the street, curbs, sidewalk, and the replacement of the storm water, water, and sewer utilities. Additionally, the project will incorporate the urban design elements identified in the Downtown Master Plan; these include brick pavers, lighting, crosswalks, and landscaping. City staff and engineers from HCWL have been working with the Downtown Steering Committee on the development of the plans and specification. The team has also met with a number of property owners to problem solve the various issues at multiple locations. At this time the Council will receive a progress report on the project. Mr. Pete Weber and Mr. John Tilley will review the project to date. The next step in this project will be a public open house on the project and additional meetings with individual property owners if necessary.

The estimated project costs at this time are \$1.9 Million which includes the full reconstruction. Funding sources identified at this time includes an \$800,000 grant award from the Transportation Improvement Board (TIB), and up to \$1.2 M request for a Public Works Trust Fund (PWTF) low interest construction financing loan for the utility reconstruction. Preliminary approval of the PWTF has been received and the request is awaiting legislative approval, which is expected by May of 2012. Included in the study session items are current draft drawings of the project.

11:00 – 11:15 Resolution 19-2011 Public Records Request Policy – Chantell / Joel

The City currently does not have an adopted Public Records Request Policy. However, the City does follow a standard procedure on any records request. With the recent statewide litigation concerns regarding the processing and procedures for information requests, the City's insurance provider, Washington Cities Insurance Authority (WCIA), recommends the council adoption of a written policy. In preparation for the City's annual audit review with the WCIA, city staff has comprised a Public Records Request Policy used by other member cities. The Council is being asked to review this policy and if the Council is in concurrence with the policy, Staff recommends approving the policy at the evening meeting. Staff will be meeting with the WCIA representatives on Friday, October 14th, 2011 as part of the annual audit review. Should there be any recommended changes to the policy by WCIA; those will be brought back to Council in a future resolution for amendment. This policy, once approved, will be posted on the City's

website as well as in an area open to the public at City Hall. The policy is located in Section 6 of the packet.

11:15 – 11:25 Christkindlmarkt Special Use Permit – Dave Schettler

The proposed activities for Christkindlmarkt for this year are very similar to that for last year. Tents and booths will be assembled in Front Street Park and will resemble a Bavarian style Christmas market (Christkindlmarkt). The Special Use Permit (SUP) will authorize the use of the park for these special activities, features and associated facilities for the dates of November 25, 26 and 27th (Fri., Sat. and Sun.) with allowances for set-up and takedown. The applicant has requested the use of Front Street so as to close off parking on the north side of Front Street from 8th to 9th Street for these dates so as to allow pedestrian travel along Front Street Park. A Right-of-Way Permit along with the SUP will be issued by the City for this event.

11:25 – 11:35 Prosecution Services Report Review – Joel Walinski

The City has an ongoing contract with Chelan County for Prosecution Services. This contractual agreement is approved on an annual basis. The costs associated with the contract are based upon the total number of cases which were prosecuted during the past 12 months (4 months of 2010 and 8 months of 2011) at a specified fee. The 2010 contract was based on the 58 misdemeanor crimes occurring within the City limits of Leavenworth. The total contract charge in 2011 was \$11,600 with a per case charge of \$200 for prosecutorial services. The Council at this time is being asked to review the preliminary information for the 2012 Prosecution Services Contract. Included with the study session materials is the summary information on the 55 misdemeanor charges which have been prosecuted from September 2010 through August 2011.

11:35 – 11:40 Personnel Policy Review – Joel Walinski

The City currently does not have a full and complete Personnel Policy. The City practice has been to adopt a policy or procedure to address issues as they have been identified over time or required. In the City's 2010 annual audit by the Washington Cities Insurance Authority (WCIA), the absence of a complete personnel policy was identified as a potential legal liability. The WCIA requested the City work on adopting a full and complete Personnel Policy. At this time, the personnel policy being developed has been reviewed by the WCIA and the in-house review of the document will begin. The Council is being provided a copy of the document at this time for their review. A follow-up review will be scheduled for the November Study Session prior to adoption of the Personnel Policy.

11:40 – 11:50 Quarterly Newsletter Recommendations – Joel Walinski

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

11:50 – 12:00 Council Open Discussion

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