



# City of Leavenworth

700 HIGHWAY 2 / POST OFFICE BOX 287  
LEAVENWORTH, WASHINGTON 98826  
(509) 548-5275 / FAX: (509) 548-6429

**City Council**  
Robert C. Eaton - *Mayor*  
Peter D. DeVries  
Tibor Lak - *Mayor Pro-Tem*  
Michael Molohon  
Elmer Larsen  
Robert Francis  
Cheri Kelley Farivar  
Larry Meyer  
Joel Walinski - *City Administrator*

## LEAVENWORTH CITY COUNCIL AGENDA

Leavenworth City Hall - Council Chambers  
May 24, 2011 6:00 p.m.

### Call to Order

### Flag Salute

### Roll Call

### Council Committees -4<sup>th</sup> Tuesday

Econ. Dev. 4:00 Finance 5:00

### PRESENTATIONS: Terrence McCauley Retirement / Ellen Laramie Resignation Design Review Board

### Consent Agenda

1. Approval of Agenda
2. Approval of May 10, 2011 Study Session Minutes
3. Approval of May 10, 2011 Regular Meeting Minutes
4. Approval of May 14, 2011 Special Meeting Minutes
5. Claims \$201,282.08

### Public Safety Reports

### Councilmember and Committee Reports

### Mayor/Administration Reports

### PUBLIC HEARING CONTINUATION: Transportation Improvement Plan (TIP)

### Resolutions, Ordinances, Orders and Other Business

- Action 1. Approval of Washington State Department of Transportation Agreement for Highway Signs – Joel Walinski
- Action 2. Resolution 7-2011 Six-Year Transportation Improvement Plan – Dave Schettler
- Action 3. Council Appointment Confirmation of Housing Authority Board of Commissioners – Joel Walinski
- Action 4. Council Confirmation City Attorney Appointment and Attorney Contract – Joel Walinski
  - a. Confirmation of City Attorney Mr. Thom Graafstra
  - b. Approval of City Attorney Retainer Agreement
- Action 5. Approval of Non-Binding Lease and Purchase Option – Joel Walinski
- Action 6. Discussion on City Staff Vacancies – Joel Walinski

### Information Items for Future Consideration

### Comments from the Public on Items Not on the Agenda

### Adjournment

**Note: Transportation Benefit District Meeting to Follow.**

**(Next Ordinance is 1394 - Next Resolution is 10-2011)**

## SUPPLEMENTAL COUNCIL AGENDA

### 1. Approval of Washington State Department of Transportation Agreement for Highway Signs

The City Council is being asked to approve the Maintenance Agreement Contract with the Washington State Department of Transportation (WSDOT). The contract is in the amount of twenty thousand (\$20,000) dollars for the installation of five (5) highway information signs directing traffic on eastbound I-90 to the City of Leavenworth.

The Cost of the contract is to be divided between several partners:

Leavenworth Chamber of Commerce	\$5,000
Chelan County	\$2,000
Leavenworth Lodging Association	\$1,000
Chelan PORT Authority	\$4,000
City of Leavenworth	\$8,000

The City will be invoiced once the installation work is completed. The City will pay the invoice and request reimbursement from the partner organizations.

**MOTION:** *The Leavenworth City Council to approve the Maintenance Agreement Contract with the Washington Department of Transportation in the amount of \$20,000 for the installation of five (5) highway directional signs on I-90.*

### 2. Resolution 7-2011 Six-Year Transportation Improvement Plan (TIP)

The City Council is being asked to approve Resolution 7-2011 which amends the City's Six-Year Transportation Improvement Plan to include the Ski Hill Pavement Preservation Project and the Commercial Street Pavement Preservation Project. Both these projects were awarded Wenatchee Valley Transportation Council (WVTC) STP Grant Funds early this year. Funding for both of these projects require Transportation Benefit District (TBD) Funds, the grants were awarded on with 80% STP funding with 20% TBD or city match. The Ski Hill Pavement Preservation project is a leveling, grinding and spot pavement overlay with ADA corner upgrades to Ski Hill Drive with a total project cost of \$183,000. The Commercial Street Pavement Preservation is a crack seal and seal coat or BST coating of Commercial Street from 9<sup>th</sup> to Division Street with a total project cost of \$80,000. Approval of Resolution 7-2011 amending the Six-Year TIP will allow the City to access the STP Grants awarded to the City for the projects identified above.

**MOTION:** *The Leavenworth City Council approves Resolution 7-2011 amending the 2011-2016 Six Year Transportation Improvement Plan.*

### 3. Council Appointment Confirmation of Appointment to the Housing Authority Board of Commissioners

The City Council is being asked to confirm the Mayor's appointment of Ms. Lisa Romine to the Chelan County Housing Authority Board of Commissioners Position #7. The Housing Authority was formed in 1981 and is governed by an 11 member Board of Commissioners who are appointed into three-year terms by local government representatives. The mission of the Housing Authority is to assist in providing affordable housing to households that are 80% or below the area's median income, as established by the United States Department of Housing & Urban Development. The Housing Authority also supports efforts to encourage short-term housing assistance, when appropriate. Until recently Ms. Maggie Simmons represented the City of Leavenworth on the Board of Commissioners.

Ms. Romine was first appointed to the Housing Authority in 2001 as a City of Chelan representative. Ms. Romine moved to Leavenworth several years ago, but remained on the board representing the City of Chelan. She has served previously as board chair and also works with SkillSource / Workforce

Development Council. The appointment would be for a three-year term beginning May 24, 2011 through May 23, 2014

4. City Attorney:

Item 4 on the Council agenda is in two parts, Item 4-a is confirmation of the appointment of the City Attorney and Item 4-b is the City's Council's consideration for the approval of the City Attorney Legal Agreement with the law firm of Weed, Graafstra and Benson, Inc., P.S. These items require separate actions but should be discussed in-conjunction with each other.

a. Council Confirmation City Attorney Appointment

The City Council is being asked to confirm the Mayor's appointment of Mr. Thom Graafstra from the law firm of Weed, Graafstra and Benson, Inc., P.S. to the position of City Attorney for the City of Leavenworth. LMC Chapter 2.16 concerning the appointment and duties of the City Attorney is included as Attachment #1. Mr. Graafstra met with the City Council at the May 10, 2011 Study Session and information regarding his experience and his firm's background was previously provided.

**MOTION:** *The Leavenworth City Council confirms the Mayors appointment of Mr. Thom Graafstra to the position of City Attorney for the City of Leavenworth effective June 1, 2011.*

b. Council Approval of City Attorney Retainer Agreement

The City Council is being asked to review and consider approval of the contract with Weed, Graafstra and Benson, Inc., P.S. The City Attorney Retainer Agreement is included as an attachment for your review.

In comparing the potential fee charged for legal counsel, a spreadsheet has been developed using the legal counsel expenditures from 2008 – 2010. The comparative charges developed were based on identifying the changes in hourly rates, retainer fees and retainer hours using a 3 year average of legal counsel requested. The identified differences are:

- The new firm hourly rates increase from \$140 per hour to \$160 per hour, although the new firm does have access to paralegals at \$120 per hour.
- The new firm has a higher retainer fee, \$150 per hour compared to the existing \$140 per hour. The new firm however has 20 hours/month of legal counsel at the retainer rate, while the existing agreement had 10 – 12 hours.

With the changes in the fee structure and retainer time and fee, the firm has agreed to schedule a six month review of the fees and contract at this time. Another change incorporated in the language of the contract, the weekly legal meeting will be on a bi-weekly schedule, and reviewed for effectiveness at the three month mark. Both of these items should assist the City in holding changes in costs for legal services to a minimum. The contract has been reviewed by the current City Attorney Terry McCauley. The recommendation by the City Administrator at this time is for the Council to approve the contract after confirming the City Attorney appointment.

5. Approval of Non-Binding Lease and Purchase Option

The City Council is being asked to review and consider the approval of a Non-Binding Letter of Intent to Lease with an Option to Purchase for the property located at 10<sup>th</sup> and Highway 2 commonly referred to as the Fruit Warehouse property. The agreement would be with the Estate of Barbara J. Nelson represented by Michael M. Nelson. The non-binding letter of intent does allow the parameters of a lease and purchase option to be developed and considered for approval at a later date. The Non-Binding Letter of Intent to Lease with Option to purchase is included for your review.

By approving the Non-Binding Letter of Intent, the Council would be initiating several actions:

- a. By approving this non-binding agreement, the City will be authorizing the Mayor and City Administrator to work with the Estate of Barbara J. Nelson and develop a lease agreement and purchase option for the Council to consider for approval. The lease/purchase option would be presented to the Council at the June 14, 2011 Council Study Session.
- b. By approving this non-binding agreement, the Council is also allowing the information concerning the leasing and potential purchasing of the property to be public information. This action will allow for discussions to occur with service organizations that have expressed some interest in partnering with the City in the development and future use of this property.
- c. By approving this non-binding agreement, City staff will move forward in developing the projected revenue models for the City's lease payment and financial scenarios and implications for the purchase of the building. This information would be presented at the June 14, 2011 Study Session.
- d. By approving this non-binding agreement the City is taking the first cautious step in moving towards controlling a significant piece of real property that in the short term addresses some of the parking needs of the community, but this property can also be used to shape the future economic development of the community and will play a significant role in shaping the future community transportation and access issues.

At the June 14, 2011 meeting, the City Council will begin the review of entering into a lease purchase agreement. The lease purchase option in itself, allows the City to have full control over the Fruit Warehouse site in the short term and at a minimal cost. During that time frame the City can assess the revenue demands needed for purchase of the property and determine the specific future costs for site clean-up, stabilization and necessary site improvements. If, after a review of the financial model, the City Council no longer is supportive of the purchase option they will have the ability to opt out of the agreement by providing a six (6) month written notice.

6. Discussion on City Staff Vacancies

The City Council will be provided an update on the City staffing changes that have occurred recently, they will include an update on several staff vacancies and several changes in staffing for the summer season.