

LEAVENWORTH CITY COUNCIL MINUTES

June 28, 2011

Mayor Robert Eaton called the June 28, 2011 Leavenworth City Council meeting to order at 6:00 p.m. and led the City Council in the Flag Salute.

ROLL CALL

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

Staff Present: Joel Walinski, City Attorney Grant Weed, Chantell Steiner, David Schettler, and Nathan Pate.

APPROVAL OF THE CONSENT AGENDA

Mayor Eaton asked for a motion to approve the consent agenda as follows:

Consent Agenda:

1. Approval of Agenda
2. Approval of June 14, 2011 Study Session Minutes
3. Approval of June 14, 2011 Regular Meeting Minutes
4. Claims \$189,120.33

Councilmember Lak motioned to approve the Consent Agenda. The motion was seconded by Councilmember Larsen and passed unanimously.

PUBLIC SAFETY REPORTS

City Administrator Joel Walinski noted that there had been a correction initiated by the Chelan County Sheriff's office in regard to the Public Safety Report that was given at the June 14, 2011 Council Meeting. Sergeant Bruce Long had mentioned in his report the incorporated area of Manson; the Chelan County Sheriff's office clarified that Manson also includes the outlying area, which is a greater area than the businesses alone.

COUNCILMEMBER AND COMMITTEE REPORTS

Councilmember Meyer informed Council of his Link Board Meeting in which he attended. He noted that Link is questioning the City's seriousness in purchasing the trolley. The trolley has had some updates which will lower maintenance costs for the City. Councilmember Meyer also stated that the electric buses have arrived in Wenatchee and the Board was able to test them from the rider's standpoint, and noted that they are very smooth and will be a great asset to the communities.

Councilmember Farivar reported on the Finance Committee Meeting that was held earlier in the afternoon. She stated that the City is keeping pace with its projections. Councilmember Farivar noted that the Committee had discussed Upper Valley MEND'S request for \$25,000 from the affordable housing funds. She commented that the committee will be coming forth with a

recommendation for approval, with some conditions to be met at their next scheduled meeting in July.

Councilmember DeVries attended the Chelan/Douglas Health Board Meeting; he stated that the staff at Chelan/Douglas Health has been reduced from 60 employees to 28.1. There has been some consolidation amongst employees, which contributed to the District's ability in retaining \$190,000. Councilmember DeVries also noted that he had attended the Leavenworth Area Promotions (LAP) meeting. He reported to Council that the State had eliminated the Department of Tourism. Councilmember Larsen added that the Department of Transportation signs are for east bound and west bound traffic on I-90. Councilmember DeVries also commented that Councilmember Farivar and Councilmember Francis have been invited to attend a LAP meeting as Mayoral candidates for a question and answer session.

MAYOR AND ADMINISTRATIVE REPORTS

Mayor Eaton noted that he had previously attended the Mayor's meeting and was pleased to report that the City of Leavenworth was the only City that reported an increase in sales tax. Each community gave a report on their statistics and productivity. Mayor Eaton gave acknowledgement to the City of Entiat in their success of obtaining grants and loans for their waterfront development and their wastewater facility. Mayor Eaton also noted that he had reported on the grant funding that the City of Leavenworth had received for the downtown area, as well as the funding that was received through the Transportation Benefit District for residential road improvements. Mayor Eaton reported to the Mayors' information regarding the elimination of the Washington State Department of Tourism, and stressed how important it would be to unite and work together as a team for the sake of our communities. Mayor Eaton stated that the success of Entiat was attributed to their leadership and the support of Susan Driver's abilities to move her community forward on the state and federal levels.

Administrator Walinski stated that Mountain Meadows has obtained their permit and hopes to break ground next week. This permit will cover a 42,000 square foot addition to their current facility. Administrator Walinski also noted that the City will be assisting in the City's booth at the Leavenworth Farmer's Market this Thursday; Councilmember Larsen has volunteered to be on hand along with City staff. He commented on the meeting that was held with the Downtown Steering Committee and the discussions that took place regarding the Front Street Reconstruction Project from Division Street to Highway 2. He stated that the design phase is about 60-90% complete, and they are currently in the process of reviewing a number of issues that pertained to the project. Administrator Walinski hopes to have the design completed and brought forth to Council during late October or the first part of November to review funding options and prepare for going to bid at the end of 2011 or the early part of 2012. He also noted that Cascade Medical Center (CMC) is finishing phase two of their construction project. CMC is hoping to have this phase finalized and occupancy obtained by the middle of next week. Once phase two is complete CMC plans to begin on their final phase three. Administrator Walinski commented on discussions that he had held with community members regarding the purchase of the trolley. He noted that he was given a figure of \$78,000 for a private company (B.T. Parton's) to operate and maintain the trolley on a yearly basis. Discussions would be needed in conjunction with the Chamber, City, LAP and the entire community on how to proceed. Administrator Walinski also noted that previous hopes in using storage sites at the School District will not be feasible; however, the District offered the possibility of maintenance for the trolley using the District mechanics on a fee basis.

Public Works Director Dave Schettler reported on the news that he had received from the Department of Ecology regarding the timeline extension increasing the capacity of our well field. The extension was granted until 2014. Director Schettler noted that the golf course sign structure is up and the roof is scheduled for placement today. He also reported that the utility crew placed a directional sign at the Amtrak Station indicating the mileage and direction to town.

Development Services Manager Nathan Pate informed Council that the Community Development Department will provide them with a quarterly report in July. Nathan Pate updated Council on the Posthotel Project; he noted that they are waiting for deferred submittals for plumbing permits and will then move forward with some plumbing and framing work. He noted that earth work has begun at the larger portion of the building.

Administrator Walinski presented a letter from Dennis Johnson, Mayor of the City of Wenatchee. Administrator Walinski read aloud the heartfelt letter thanking Mayor Eaton for his service and dedication throughout the years.

RESOLUTIONS, ORDINANCES, ORDERS, AND OTHER BUSINESS

1. Water Use Efficiency Rule Report

Assistant Water Plant Operator Tracy Valentine was present to review and discuss the annual water report with the City Council. She indicated that the time period related to the report is from January 1 through December 31, 2010. Ms. Valentine informed Council of the 19.3% system water loss, which had increased from 4.8% in 2009. She also indicated that a 10% average is the State's guidelines whereas the City's average over three years is 8.3%; Council previously adopted their own goal of 3%. Ms. Valentine explained the nature of leaks and how the annual report aids the City in addressing issues as they arise. She noted that the report has indicated that the demand for water has decreased which supports the concept of our community being aware of water conservation. Director Schettler reported that the water pipe crossing the Wenatchee River at Icicle Road has been out of commission due to its age and potential cause for leakage. He also noted that the City contracted with a leak detection firm recently which reviewed and tested the lines and located six leaks along East Leavenworth Road and near the water plant that will require repair as soon as possible. Mr. Schettler noted that the leak on East Leavenworth Road is in an area that has been repaired many times in the past and the City will need to look for a more permanent solution. Ms. Valentine discussed factors that may contribute to the changes in the reports that include anything from weather to new construction, second homeowners, and landscaping changes. Director Schettler noted that he is reviewing the water loss issue and noted that the 19.3% loss could be a combination of infrastructure leaks, meter factor errors, and data reporting. Discussion ensued on how the City needs to present the Annual Water Report for public comment.

2. Memorandum of Understanding Chelan-SEPA/NEPA Lead Agency MEND Project

The City Council is being asked to consider approval of a memorandum of understanding between Chelan County and the City of Leavenworth, identifying Chelan County to act as the lead agency for the SEPA and NEPA reviews for the Upper Valley MEND Project, and the Affordable Housing Development. Administrator Walinski noted that the City would retain the appropriate rights and serve as a commenting agency. He also noted that the MEND project is taking place partially in the County and partially in the urban growth area. Instead of having two separate projects, the City and

County can work in partnership through this agreement. Administrator Walinski stated that if the City agrees to this understanding that there will be potential language modifications.

Councilmember Larsen motioned to approve the Memorandum of Understanding with Chelan County as the SEPA/NEPA Lead Agency for the MEND Project pending final attorney review. The motion was seconded by Councilmember Farivar and passed unanimously.

3. PRSA Councilmember Appointments

Administrator Walinski stated that the PRSA (Parks and Recreation Service Area) has four quarterly meetings per year that includes two City Council representatives for the Board. Councilmember Francis is currently serving on the Board and plans to continue. Due to Mayor Eaton's resignation, Mayor Pro Tem Lak will need to appoint someone to replace Mayor Eaton. Mayor Eaton briefly discussed the function of the board as well as potential growth. Councilmember Farivar volunteered to sit on the board; she noted the importance of having a member of the finance committee available at PRSA meetings. Mayor Pro Tem Lak appointed Councilmember Farivar to the PRSA Board.

4. Utility Payment Plan

Administrator Walinski noted that this item was brought forth in previous discussions last year. The City had discussed the option of assisting new homeowners when connecting to City water and utilities through a utility payment program. Administrator Walinski noted that the State of Washington has very strict laws regarding gifting, lending, and creating programs. Although, he noted, that we may be able to proceed if the City identifies a public good in creating that service. Administrator Walinski stated that the City does have city ground water that it uses for supplying the City water and the City sewer utility does aide in achieving those long term clean water standards which would support the program. City Attorney Grant Weed noted the importance in amending or adopting an ordinance like this; it is best to have clear findings in your ordinance that declare what the public purpose is and what you are trying to achieve by establishing the program. Mayor Eaton and Administrator Walinski explained the background of this topic and also pointed out Council's prior discussions regarding the reduction of impact by spreading the initial fees over a 3-5 year period. This item will be including on the next study session for further discussion.

5. Sign Code – Review Current Draft Issues

Administrator Walinski reported that the City has been working on a new draft of the sign code. He noted that the City Attorney has had the opportunity to comment on the revised draft. He stated that the Council would like to have a joint meeting with the Planning Commission in late July to discuss further in a public forum setting. Administrator Walinski reviewed section 14.10.050, as well as section G and section H. He identified a couple of changes to the draft throughout those sections. Administrator Walinski noted the importance of obtaining public and Council input before finalization. Discussion between staff and council ensued regarding community service and event signage. Councilmember Lak commented on the work of the Design Review Board and the details involved with the continuance of Leavenworth's culture. Councilmember Larsen asked to have examples available in the sign code to help differentiate between various types of signs.

6. Warehouse Property Acquisition Update

It was noted that this discussion item will be discussed in executive session.

7. Council Meeting Schedule

Administrator Walinski reviewed the schedules as follows:

July 19th – Special Study Session/Critical Areas Update.

July 26th – Special Council/Planning Commission Joint Meeting/Critical Areas Adoption Hearing and an update on the Sign Code amendments.

Administrator Walinski stated that he had received comments on the fruit warehouse acquisition which included a request for a public meeting, perhaps at the next meeting Council can make a recommendation on what direction to take in order to promote the acquisition.

8. Filling Mayor Vacancy

Mayor Eaton announced his official resignation to be effective as of June 30, 2011. Mayor Pro Tem Lak will fill the duties of Mayor until the Council elects to fill the office amongst themselves (which will open up a council seat for appointment), or opt to accept applications from the public. Administrator Walinski reviewed the process of interviews, placement and election. Council discussed the process of filling the vacancy. The consensus amongst the Council was that they felt the position needed to be filled as soon as possible; however, they need to take an appropriate amount of time to consider their options.

Councilmember DeVries motioned to table action until the first meeting in July. The motion was seconded by Councilmember Molohon and passed unanimously.

9. Surplus Items Auction Results

Director Steiner briefly reviewed the items that had sold previously at the surplus auction. She informed Council that the amount the City received in profits from the auction was \$10,744.94 that would go directly into the Equipment Rental and Revolving Loan Fund for future equipment purchases.

INFORMATION ITEMS FOR FUTURE CONSIDERATION

None.

COMMENTS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA

None.

EXECUTIVE SESSION

Mayor Eaton announced that Council was going to enter into executive session at 7:27 p.m. under RCW 42.30.110 (1)(b) to discuss public property acquisitions for approximately twenty minutes, with no action to be taken.

Councilmember DeVries moved to enter into executive session for approximately twenty minutes to discuss public property acquisitions, with no action to be taken. Councilmember Lak seconded the motion, which passed unanimously.

Councilmember DeVries moved to reconvene the meeting at 8:01 p.m. The motion was seconded by Councilmember Lak and passed unanimously.

ADJOURNMENT

Seeing no other business, Councilmember DeVries motioned to adjourn the June 28, 2011 meeting of the Leavenworth City Council. The motion was seconded by Councilmember Molohon and passed 5-2 with Councilmembers Lak and Francis opposed.

The meeting adjourned at 8:02 p.m.

APPROVED

ATTEST

Tibor Lak
Mayor Pro Tempore

Chantell Steiner
Finance Director/City Clerk