



City of Leavenworth

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City Council
Cheryl K. Farivar - *Mayor*
Michael Molohon
Elmer Larsen
Robert Francis
Carolyn Wilson - *Mayor Pro-Tem*
Gretchen Wearne
Mia Bretz
Margaret Neighbors
Joel Walinski - *City Administrator*

LEAVENWORTH CITY COUNCIL AGENDA

Leavenworth City Hall - Council Chambers

March 22, 2016 - 6:30 p.m.

Call to Order

Flag Salute

Roll Call

Consent Agenda

1. Approval of Agenda
2. Approval of March 4, 2016 Annual Retreat Minutes
3. Approval of March 8, 2016 Study Session Minutes
4. Approval of March 8, 2016 Regular Meeting Minutes
5. 2016 Claims \$350,910.49

Comments from the Public on Items Not on the Agenda

Councilmember and Committee Reports

Mayor/Administration Reports

Resolutions, Ordinances, Orders and Other Business

1. Action: Resolution 5-2016: Autumn Leaf Festival Funding Request
2. Action: Mayor Reappoint Andy Lane to the Planning Commission – Expires April 2016
3. Action: IntegriTech General Contract Agreement
4. Action: Authorization – Equipment Purchase for Loader
5. Action: Authorization – Equipment Replacement of 1999 Ford F-350 XL Super Duty 4x4
6. Action: Ordinance 1523: Accessory Dwelling Unit Amendments LMC 18.20.020 (B) (3)
7. Action: Contract Amendment/Varela & Associates: Waste Treatment Facility Planning
8. Action: WA DOT VMS Maintenance Agreement – Variable Message Sign
9. Action: Resolution 6-2016: Supporting Municipal Research Services Center State Funding

Information Items for Future Consideration

1. Reminder – Public Disclosure Commission Filing Deadline April 15th.

Executive Session: RCW 42.30.110 (1)(i)(ii) Potential Litigation

Adjournment

Next Ordinance is 1524 - Next Resolution is 07-2016)

The City of Leavenworth is committed to providing reasonable accommodations in accordance with the Americans with Disabilities Act. Please contact City Hall at (509) 548-5275 at least 72 hours prior to a scheduled meeting to request an accommodation.

Council Committees -4th Tuesday –

Econ. Dev. 4:00 Finance 5:00

SUPPLEMENTAL COUNCIL AGENDA

1. Resolution 5-2016: Autumn Leaf Festival Funding Request

The City Council is being asked to consider additional funding for the Autumn Leaf Festival that was discussed at the March 8 Study Session. Funding for Autumn Leaf comes from Lodging Tax dollars and staff will need a specific request for this allocation due to the specific stipulations regarding the use of the funds and to clearly identify any one-time and grant match requirements. Similar to last year's additional \$15,000 grant funds, the resolution provided addresses how the \$10,000 in funding will be dispersed based on reimbursements for actual costs to attend other festivals and the remaining \$5,000 grant match requirement for reimbursement.

The following items are included under **TAB 1:**

- Resolution 5-2016
- Request for funding from the Autumn Leaf Festival Board
- **MOTION:** *The Leavenworth City Council moves to approve Resolution 5-2016 authorizing additional Lodging Tax funding for the Autumn Leaf Association with one-time and grant match requirements as prescribed within Resolution 5-2016.*

2. Mayor Reappoint Andy Lane to the Planning Commission – Expires April 2016

The Leavenworth City Council is being asked to confirm the Mayoral reappointment of Andy Lane to the Planning Commission. All Planning Commission members shall be appointed by the Mayor with confirmation by the City Council. Members of the Leavenworth Planning Commission shall reside within the city limits of Leavenworth, except that up to two members may reside outside the city limits of Leavenworth, provided they reside or own property within the urban growth area as depicted by the Leavenworth Comprehensive Plan. Andy Lane was appointed to the Planning Commission in 2008. Andy is an attorney, and his practice focuses on land use issues for both private and municipal clients. Andy and his wife, Suzi, started visiting the Leavenworth area in 1990 and bought a house here in 2003. They have been full-time residents since 2008. This land use background continues to offer an additional perspective to the Leavenworth Planning Commission. The Leavenworth Planning Commission meets the first Wednesday of the month at 7:00 PM.

The table below provides the current names of appointed Planning Commission members and their terms:

<u>NAME</u>	<u>4 year terms</u>
Vacant	1 / Expires Apr 2018
Chuck Reppas	2 / Expires Apr 2019
Andy Lane	3 / Expires Apr 2016
Pete Olson	4 / Expires Apr 2017
Scott Bradshaw	5 / Expires Apr 2020
Larry Hayes - Chair	6 / Expires Apr 2018
Anne Hessburg	7 / Expires Apr 2018

There are no items included under **TAB 2.**

- **MOTION:** *The Leavenworth City Council moves to confirm the Mayoral reappointment of Andy Lane to Planning Commissioner Position No. 3 for a four (4) year term.*

3. IntegriTech General Contract Agreement

The City Council is being asked to review and approve a Professional Services Agreement (PSA) with IntegriTech for on-call engineering consultant services. IntegriTech is a local engineering firm, represented by Mr. Aaron Schmidt and Mr. Bill Schmidt, the firm founder. This agreement would allow the City to have a local on-call engineering firm to respond to engineering inquiries or smaller City engineering needs when necessary. In the event consultant services from IntegriTech would be requested for projects, a scope of work would be requested and an amendment to this contract would be considered based on the City's purchasing policy. IntegriTech is listed on the City's Consultant Roster which is through the Municipal Research and Services Center of Washington (MRSC) Small Public Works Consultant Roster.

This would be the third year that the City has had a service contract with the firm. In 2014, Aaron Schmidt provided engineering assistance to the City on Storm Water issues, a report entitled "Water Front Park Bridge Embankment Assessment", and general plan review at a cost of \$2,935 under the general service contract. The firm also assisted the City on the Well #3 Project and the West Street Pavement Project under separate engineering contract amendments to this contract. In 2015, Mr. Schmidt provided final reviews for Well #3, improvements for the Parking Lots P1 – P2 and exploration and development of preliminary plans of the ski hill water hydrant access for the Leavenworth Ski Club.

This agreement is capped at \$10,000 for general engineering support for 2016; in addition, the City would have an initial payment to cover the cost of requested additional insurance coverage by the City which is \$2,403. The consultant would invoice at the hourly rate stated in the IntegriTech Statement of Fees for any specific projects where a scope of work would be requested by the City; those cost estimates would be based on the hourly fee provided within the scope of work.

The following items are included under **TAB 3**:

- 2016 Professional Services Agreement – IntegriTech
- Exhibit A: Statement of Fees
- Insurance Information

- **MOTION:** *The Leavenworth City Council moves to approve and authorizes the Mayor to sign the Professional Services Agreement with IntegriTech for on-call consulting engineer services.*

4. Authorization – Equipment Purchase for Loader

The City Council is being asked to authorize the expenditure of funds for the purchase of a used large loader, similar to the 2003 Caterpillar loader now owned by the City in an amount not to exceed \$100,000. On March 8, 2016, staff reviewed this request with the Public Works Committee and explained the current process and the long-term savings to the City to purchase, rather than lease this type of equipment. This newly purchased used loader will be used primarily for snow removal and as additional equipment for the Cemetery. Currently the City expends between \$16,000 (short snow year) and \$22,000 (extended snow year) per year to rent the loader for snow removal. The purchase would allow the use of the loader by the Public Works and Parks crews throughout the year at a significantly reduced price. Within the Street Fund is a section for snow removal; this section includes the annual \$22,000 allocation that will be converted to a transfer into the Equipment Rental & Revolving Loan Fund (ER&R) starting with any remaining funds in the 2016 budget year.

This motion, while not approving the purchase of a specific loader, would authorize the expenditure of funds once the loader is identified. This authorization is necessary as the used comparable loaders often are only listed or available for a short period of time. The authorization of approval is necessary for compliance with the City's Purchasing Policy.

In addition, the purchase of the loader would allow the surplus sale of the 1991 Caterpillar 416 backhoe that is used by the staff at the Cemetery; this equipment is presently valued at approximately \$10,000 and will be auctioned by the end of 2016 via online public auction.

The following item is included under **TAB 4:**

- Example of a similar loader to be purchased
 - **MOTION:** *The Leavenworth City Council moves to approve a not to exceed purchase amount of \$100,000.00 plus tax and shipping for a used loader to be identified by the Public Works staff and authorizes the City Administrator to approve the expenditure.*
 - **MOTION:** *The Leavenworth City Council moves to declare the 1991 Caterpillar 416 Backhoe, VIN # 5PC13091 as surplus equipment and approves selling the backhoe on the Public Surplus online auction site.*

5. Authorization – Equipment Replacement of 1999 Ford F-350 XL Super Duty 4x4

The City Council is being asked to authorize the expenditure of funds for the purchase of a 2016 Ford F-350 1 Ton 4WD pick-up truck and Tool Box Bed in the amount of \$35,131 excluding tax and license. The City Equipment Rental & Revolving (ER&R) schedule identified the replacement of the 1999 Ford F-350XL 4WD 1 Ton pick-up truck in the 2016 Budget which includes an estimated replacement cost of \$34,000. The replacement vehicle was selected by staff via the Washington State Contract Request System (CARS); therefore the three (3) bid requirement does not apply. The CARS system has proven to provide extremely competitive quotes from dealers throughout the state. Staff has researched the purchase of similar vehicles through local dealers on previous occasions and was unable to obtain comparable bids. The estimated delivery time for the new vehicle would be approximately 90 days. Approval of purchase and subsequent delivery of the new vehicle would allow the sale of the 1999 Ford F-350XL 1 Ton pick-up as a surplus vehicle that is currently estimated at approximately \$10,000.

The following item is included under **TAB 5:**

- Quote and photo of a 2016 Ford F-350 1 Ton 4WD pick-up truck and Tool Box Bed
 - **MOTION:** *The Leavenworth City Council moves to approve the purchase of a 2016 Ford F-350 1 ton 4WD pick-up truck and tool box bed in the amount of \$35,131.00 excluding tax and licensing.*
 - **MOTION:** *The Leavenworth City Council moves to declare the 1999 Ford F-350XL 4WD 1 Ton pick-up truck, VIN # 1FDSF35F1XE11557 as surplus equipment and approves selling the truck on the Public Surplus online auction site.*

6. Ordinance 1523: Accessory Dwelling Unit Amendments LMC 18.20.020 (B)(3)

The City Council is being asked to adopt Ordinance No. 1523. This Ordinance amends the Leavenworth Municipal Code to update the Accessory Dwelling Units rules, regulations, standards, and specifications within Section 18.20.020 (B)(3). On March 8, 2016 during the regular Council Study Session, the Council reviewed and discussed the findings and recommendations of the Planning Commission as they relate to Accessory Dwelling Units. These amendments are what have been identified as the “low hanging fruit” to this broad topic. The major changes include:

- 1) Allowing parking from an alley; and
- 2) Providing more area for living and storage space (increase to 1,200 sq ft); and
- 3) Removal of the requirement for the owner to occupy one of the units.

Other minor changes are included in the language.

As included within the Planning Commission 2015 Amendment Docket, the Planning Commission has been asked to review and study "Residential uses. A) Review and study the allowed listed uses for this district, and B) Study substandard lot (less than 60ft) and building size ratio)." The update and modification of the accessory dwelling unit standards and specifications was separated from the body of work as "phase one" to allow for additional workshops and public outreach to address more complex portions of the residential code update.

The Planning Commission considered the differing and varied housing which plays an important role in achieving Council's priorities to increase the supply of housing options across the City. The update of the Accessory Dwelling Unit (ADU) regulations is to encourage this type of housing which helps meet one of many goals within the Comprehensive Plan for infill and meeting other housing needs. One of the clear tasks for the Planning Commission to achieve these objects is to reduce or remove limitations, restrictions, and/or standards within the ADU sections of the LMC which may encumber ADU development. In addition, the Planning Commission's changes to the LMC creates new relaxed regulations for conversion of existing structures to an ADU which may have the added benefit of removing or reducing illegal and/or “non-permitted” conversions.

The amendment to LMC 18.20.020 (B)(3) has been reviewed and deliberated upon by the Planning Commission on July 1, 2015, September 2, 2015, October 21, 2015 and November 25, 2015. During the November 25, 2015 hearing, the Planning Commission continued the action upon obtaining research and feedback from the Council's Public Works Committee regarding utility connections. During the January 12, 2016 City Council Public Works Committee meeting, recommendations were discussed and incorporated into the amendment. During the Planning Commission March 2, 2016 public hearing, the Planning Commission recommended forwarding the amendment to the City Council.

The following items are included under **TAB 6**:

- Ordinance No.1523
- Chapter 18.20 Residential Low Density 6,000 District (RL6) – Redline
- Planning Commission Staff Report
- **MOTION:** *The Leavenworth City Council moves to adopt Ordinance 1523 Accessory Dwelling Unit Amendments to Leavenworth Municipal Code Section 18.20.020 (B)(3).*

7. Contract Amendment/Varela & Associates: Waste Treatment Facility Planning

The City Council is being asked to approve an amendment to a Professional Services Agreement with Varela & Associates to provide consultant services for the Facility Plan and General Sewer Plan. The proposal from Varela provides the City with assistance through the development of a Facility Plan and General Sewer Plan with the scope of work including the investigation and identification of improvements necessary to address the phosphorus permit levels, initial investigation of possible reclaimed water alternatives, assistance in the necessary environmental review process, and providing some assistance to the City in funding procurement for the plant design and construction which would be the next phase of the project. The contract amendment is for a not to exceed amount of \$193,988 which is funded through a 50/50 low interest loan and forgivable loan through the Department of Ecology (DOE) awarded to the City in 2015. The action Tuesday evening is a contract amendment to the current contract between the City and Varela & Associates in 2014. The initial contract was to begin the work on the DOE permitting requirements concerning the Phosphorus Total Maximum Daily Load (TMDL). The TMDL requirements are part of the 2020 permit requirement by DOE on the City of Leavenworth. At this point in time, the project team has some clarity on the measurement requirements for the TMDL from DOE; DOE has begun the City's wastewater discharge permit renewal process, and the City has secured funding for the planning phase of the project.

Varela & Associates have had an ongoing relationship with the City of Leavenworth since 1987. They have been involved with many of the City water and wastewater projects. A brief profile of their work with the City is included as an attachment. More recently Varela & Associates has worked with the City on several water modeling projects for developers and the extension of the City utilities. In 2012/2013, Ms. Jamie Varela authored and completed the Community Development Block Grant application for the Meadowlark Development which was awarded to the City in 2013. The grant application was compiled with the assistance of Upper Valley MEND and City Staff. More recently Mr. Dana Cowger, P.E. Varela & Associates, Ms. Chantell Steiner, and the City Administrator presented at the Infrastructure Funding Coordinating Council (IFCC) Conference in October of 2014 to the DOE and other funders to secure the low interest loan and forgivable loan awarded to the City by the DOE in 2015. Those funds (\$197,060) will be used to cover the costs of work included in this contract amendment.

The City selects consultant engineers via the MRSC Small Works Public Works Roster; Varela & Associates have provided their credentials to MRSC. In 2014, City Staff selected and interviewed three firms off of the MRSC Roster. All three had previously completed work with the City of Leavenworth; the three firms were TD&H, Pace Engineering, and Varela & Associates. Varela & Associates was recommended to the Public Works Committee at that time because of the extensive body of work and the utility projects Varela had completed with the City. In reviewing the process for selecting a consulting firm to work with the City, the Public Works Committee recommended moving forward with Varela because of the past relationship with the City, and specifically because Varela had been the design engineers for the existing waste treatment facility which has been well received by the community. A presentation was made by Mr. Dana Cowger at the June 10, 2014 Study Session and the Council approved the contract with Varela & Associates that evening. The contract amount was a not to exceed amount of \$50,900. As of this time, the remaining contract balance is approximately \$18,000. Uncompleted tasks under the previous agreement are included in the new scope of work.

One item that was of interest to the City Council was a robust investigation of the use of reclaimed water processing to address the TMDL requirements. That investigation is included in this scope of work. While any waste treatment facility plan under current statutory requirements (RCW 90.46.005) requires some level of investigation, this contract provides some additional funds in the area to provide

a more in depth investigation. In the event a possible alternative is identified, additional funds for regulatory review, testing and engineering will be necessary.

If requested, a follow-up discussion with Varela & Associates can be scheduled with the full Council or Public Works Committee if additional information is needed on this contract. If approved, follow-up discussions will be provided through the Public Works Committee as work progresses and with the full Council as information becomes available. The first task under this contract will be an audit inspection of the current plant identifying the condition of the various plant mechanical equipment and the overall facility.

The following items are included under **TAB 7:**

- 2014 Professional Service Agreement & Attachment A: Scope of Work.
- March 4, 2016 Varela & Associates, Inc. Memo
- Contract Amendment #1: Wastewater Facilities Engineering and Planning
- Wastewater Facility Project: Typical
- Wastewater Facility Project: Aggressive
- City of Leavenworth/Varela & Associates Service History
- RCW 90.46.005

- **MOTION:** *The Leavenworth City Council moves to approve the amendment to the Professional Services Agreement (PSA) with Varela & Associates for consulting services associated with the Wastewater Facility Plan for a not to exceed amount of One Hundred and Ninety Three Thousand, Nine Hundred and Eighty Eight dollars (\$193,988) and authorizes the Mayor to sign the contract amendment.*

8. WA DOT VMS Maintenance Agreement – Variable Message Sign

The City Council is being asked to review, approve, and authorize the Mayor to sign a Maintenance Agreement with Washington State Department of Transportation (WA DOT) for the installation and operation of a Variable Message Sign (VMS) within the Leavenworth City Limits. The VMS will be installed by WA DOT on Highway 2 near the DOT Parking Lot at mile post 99.31 within the city limits. Leavenworth Municipal Code (LMC) Title 14, Development Standards requires structures within the city limits to be built consistent with the Bavarian Theme; the State, although not legally obligated to comply with said ordinance has agreed to design and construct the sign structure pursuant to the Development Standards.

WA DOT is responsible and has full authority for the content and timing of messages posted on the VMS; the VMS messaging will be primarily for emergency messages regarding pass conditions and non-emergency messages shall be limited. The content of the messages shall be to redirect traffic at this location or to advise of mountain pass related emergencies and conditions. The City, by agreement, agrees to maintain the structure that supports the VMS, remove or trim trees in the vicinity of the board, and maintain line of sight to the board for the traveling public.

The term of this agreement shall be for one year, beginning on the date of execution of the agreement and ending on December 31 of the initial year. The Agreement shall automatically be renewed on a calendar year basis unless written notice of termination is given by either Party by the preceding November 1 on any such year.

The following items are included under **TAB 8:**

- City of Leavenworth VMS Maintenance Agreement

- VMS Sign Support Layout

- **MOTION:** *The Leavenworth City Council moves to approve and authorize the Mayor to sign the Maintenance Agreement with Washington State Department of Transportation for the installation and operation of a Variable Message Sign (VMS).*

9. Resolution 6-2016: Supporting Municipal Research Services Center State Funding

The City Council is being asked to support the Municipal Research Services Center (MRSC) State provided funding for assisting cities and counties. As you may have heard, funding for MRSC that had been zeroed-out as part of the Senate's Proposed Supplemental Budget was restored when the Senate released its new proposed budget last Friday; it's clear that efforts are making a difference. MRSC truly appreciate the incredible support and outreach efforts by all of our local government partners. While the new Senate budget represents a significant step forward, the conditions placed on the funding restoration are problematic. Most troubling is the clear intent to end funding support for MRSC next year. So, while progress has been made, there is still a long way to go in the budget negotiations between the Senate and House.

What MRSC is seeking now is to maintain current law as-is regarding MRSC, which would result in the organization being fully funded, without the threat of an imminent end to MRSC funding, so they can maintain the high level of service local governments have come to rely on from MRSC. The current budget proposals by the House and the Governor meet this objective by fully funding MRSC with no conditions. Although the Senate's proposed budget restores MRSC's funding, it does so for only one year and with conditions, including a reduction in city and county funds. At this critical stage in the process, it is vital that continued efforts are made to reach out to all of the Senators and Representatives on the budget negotiating team and in the leadership to let them know the extent to which cities and counties use and value MRSC's services.

The City of Leavenworth actively utilizes the MRSC Roster Process for Bidding & Purchasing of products, public works projects, and architectural/engineering acquisitions. State laws regarding bidding and purchasing are intricate and can be costly to advertise each and every project; through the MRSC Roster process this is streamlined for efficiency and saves thousands of tax dollars each year for Leavenworth. In addition, MRSC has experienced staff on hand to assist cities free of charge with new legislation implementation, legal research, and sample documents and policies from other cities. If the Council approves this resolution it will be forwarded onto the State Legislature to support the restoration of MRSC.

The following item is included under **TAB 9:**

- Resolution 6-2016
- **MOTION:** *The Leavenworth City Council moves to approve Resolution 6-2016 supporting the Municipal Research Services Center State funding.*