

## **LEAVENWORTH CITY COUNCIL MINUTES**

**April 24, 2018**

Mayor Cheryl Kelley Farivar called the April 24, 2018 Leavenworth City Council meeting to order at 6:30 PM and Executive Assistant Sue Cragun led the City Council in the Flag Salute.

### **ROLL CALL**

Council Present: Mayor Cheryl K. Farivar, Mia Bretz, Elmer Larsen, Margaret Neighbors, Sharon Waters, Clint Strand, and Jason Lundgren.

Staff Present: City Administrator Joel Walinski, City Attorney Tom Graafstra, Chantell Steiner, Nathan Pate, Herb Amick, and Sue Cragun.

Mayor Farivar excused Councilmember Carolyn Wilson from the meeting.

### **APPROVAL OF THE CONSENT AGENDA**

#### Consent Agenda:

1. Approval of Agenda
2. Approval of April 10, 2018 Regular Meeting Minutes
3. Approval of April 10, 2018 Study Session Minutes
4. 2018 Claims \$317,151.76

Councilmember Neighbors motioned to approve the consent agenda. The motion was seconded by Councilmember Lundgren and passed unanimously.

### **COUNCILMEMBER AND COMMITTEE REPORTS**

Councilmember Bretz announced that the first Housing Committee meeting took place earlier in the day.

### **MAYOR/ADMINISTRATION REPORTS**

City Administrator Joel Walinski stated that there is an available position on the Downtown Steering Committee for a member of the City Council and asked if there was anyone available to fill the vacancy.

### **COMMENTS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA**

Duane Goehner, 11670 Riverbend Drive, Leavenworth; Mr. Goehner reiterated his concern regarding the peak traffic in Leavenworth. He said that proof of the data is clear that it takes place on the weekends. He asked that the Council review the data and make the correct decision regarding new data; peak traffic takes place on the weekends.

Al Johnson, Box 295, Hill City, South Dakota; Mr. Johnson stated that he is the Executive Vice President of KOA and attending the meeting as a representative of the Pine Village KOA. He addressed an article that he read in the Leavenworth Echo and refuted negative statements that

were made within the article in regard to the quality of the owners, managers, and guests of the local KOA. He briefly stated the history of the company and the quality of the founders, owners, and managers. He noted that the negative remarks paid a disservice to the KOA customers who are guests in Leavenworth and he hopes that there is no economic damage to the KOA. On a final note he addressed the use of Riverbend Drive by the KOA and stated that the business has been there for 40 – 50 years, he has never heard of an accident, and they are in the process of putting in a new road. He added that it is a “county road,” not necessarily a “residential street,” and it is there for both uses.

Duane Goehner, 11670 Riverbend Drive, Leavenworth; Mr. Goehner stated that it is a residential road to the residents; he cares about the traffic and feels that the new KOA managers are doing a stellar job.

### **GROUP FUNDING REPORT – LEAVENWORTH FILM FESTIVAL**

Mr. Andy Jaynes thanked the Council for providing funding for the Leavenworth Film Festival that recently took place at the Feshalle. He stated that the event was a huge success, took place on a Friday and a Saturday, and will continue being a two day event going forward. He said that there were just under 900 attendees and provided statistics regarding those who were from out of town, how far attendees traveled, and how many attendees stayed overnight. He briefly described the event which included mountain films, a red carpet event, and limousine rides. On a final note he addressed their marketing campaign which included radio ads, posters, online marketing, and a sweepstakes. He noted that the Film Festival is a fundraiser for the Ski Hill Memorial Project.

### **PUBLIC HEARING ON ORDINANCE 1561 – INTERIM CONTROLS BITCOIN HIGH DENSITY LOADS AT 6:45 PM**

Mayor Farivar opened the public hearing at 6:52 PM.

Development Services Manager Nathan Pate stated that the public hearing is an opportunity for the Council to receive public testimony regarding cryptocurrency mining and high density loads in the City of Leavenworth; this is a follow-up from a previous Council discussion. He explained that the mining consumes huge amounts of power and that the Chelan County PUD would like appropriate controls for the activity taking place within the city limits. He explained that this is an emergency scenario due to the high load of power that is unable to be supported by the existing power infrastructure. He said that the Council must take immediate action in regard to where the activity may occur. He went on to discuss the Findings of Fact relating to the interim controls and reiterated that the infrastructure must be in place prior to cryptocurrency mining taking place within the city limits. Councilmember Larsen noted that due to the high amount of energy consumed by mining, the PUD will be unable to accurately estimate power consumption in our area. Councilmember Bretz requested further examples of the problems associated with cryptocurrency mining in the city limits. Manager Pate further explained the process of cryptocurrency mining and the problems that may arise without proper infrastructure and coordination with the PUD.

Mayor Farivar asked if there were any questions from the public. Hearing none, she closed the public hearing at 7:03 PM.

### **RESOLUTIONS, ORDINANCES, ORDERS, AND OTHER BUSINESS**

## **1. Resolution 06-2018 Adopting Findings of Fact Interim Controls Bitcoin High Density Loads**

Development Services Manager Nathan Pate stated that the City Council is being asked to approve Resolution No. 06-2018 Findings of Fact relating to cryptocurrency mining operations in the City of Leavenworth, which will add new sections and amend existing sections of the Leavenworth Municipal Code (LMC). He said that there are 26 actual findings for the Council to support the interim control.

Councilmember Larsen motioned to approve Resolution No. 06-2018. The motion was seconded by Councilmember Waters and passed unanimously.

## **2. Lodging Tax Group Funding Request**

Finance Director Chantell Steiner stated that the City Council is being asked to approve an additional request for the Lodging Tax Group Funding from Icicle Creek Center for the Arts Music in the Meadow Concert Series. She said that the applicant attempted to apply for the funding prior to the March 1 deadline, although their email request was not received by the City. She added that the Economic Development Committee has recommended approval of the funding in the amount of \$2,000. She briefly addressed the event and their plans to increase attendance and overnight stays.

Councilmember Neighbors motioned to approve \$2,000 for Icicle Creek Center for the Arts Music in the Meadow Concert Series for use of the Lodging Tax Group Funds for the 2018 calendar year. The motion was seconded by Councilmember Bretz and passed unanimously.

## **3. Motion to Set Public Hearing on Annexation for 9342 Icicle Road**

Development Services Manager Nathan Pate stated that the City Council is being asked to set a public hearing for May 22, 2018 at 6:30 PM for the annexation of 9342 Icicle Road. He noted that this will be the second public hearing on the matter; he explained the petition certification process that the City previously completed and then explained the process that the County Assessor is requiring, which has consequently triggered the need for another public hearing on the matter. He said that the original ordinance will need to be repealed and replaced, as the County Assessor will not transfer the taxes to the City until after the petition certification is corrected. It was noted that the developers are still in the process of obtaining their Conditional Use Permit. Mayor Farivar noted that during the next public hearing, comments will need to pertain to the annexation of the property. City Attorney Graafstra quoted the required steps for annexation from the Revised Code of Washington (RCW).

Councilmember Lundgren motioned to set a Public Hearing on the annexation request for May 22, 2018 at 6:30 PM. The motion was seconded by Councilmember Larsen and passed unanimously.

## **4. Authorization of Change Order – Water Line/Hydrant Installation**

Public Works Director Herb Amick stated that the City Council is being asked to review and authorize a change order for work regarding the City's agreement with Pine Village KOA for the construction of Zelt Strasse roadway and utilities. He said that the proposed Change Order

provides for the extension and installation of the 12" water main beyond what was originally proposed; extending it approximately 180 feet north and terminating with a fire hydrant at the intersection of Riverbend Drive and Zelt Strasse. He noted that the water line extension will provide water access for future development and immediately provide access to water for Fire District service calls and emergencies. He explained that the agreement states that the City agrees to reimburse Pine Village KOA an amount not to exceed \$32,000, as stipulated in the Change Order, once the work is accepted through City Standards and Specifications. There was a brief discussion of how the charges are verified and approved.

Councilmember Lundgren motioned to authorize the Mayor to sign the Change Order Agreement between the City and Pine Village KOA for the installation of a water transmission line and fire hydrant at a cost not to exceed \$32,000. The motion was seconded by Councilmember Waters and passed unanimously.

### **5. 1st Reading: Chapter 13.06 Cross Connection Control**

Public Works Director Herb Amick stated that the City Council is being asked to review revisions to City of Leavenworth Municipal Code (LMC) regarding Cross Connection Control, Backflow Assembly Requirements, Testing and Repair, and New Construction. He stated the proposed changes to the LMC, which will simplify the current system and better protect the City's water supply from backflow contamination. He noted that the new code language has been recommended by Water Plant Supervisor Arnica Briody and Public Works Director Herb Amick. He confirmed that Water Plant Staff Arnica Briody and Tracy Valentine are both approved for this type of testing. He added that the revisions have been recommended by the Public Works Committee. Councilmember Bretz stated that the Public Works Committee has worked to protect the City's water system, while not being over burdensome on homeowners. Councilmember Larsen would like to see the City take care of the testing in order to minimize the impact on the user. There was a brief discussion of the process, survey, assessment of current homes, and assessment on new construction.

Andy Jaynes, 426 Cedar Street, Leavenworth; Mr. Jaynes stated that he had his backflow assembly tested last year; his concern this year is that without the City contracting with a specific vendor, rates may be increased. He also questioned the process that the City uses to ensure that all systems requiring testing are tested. Administrator Walinski briefly explained the City's enforcement process.

### **6. Discussion: Draft Resolution XX-2018 Six-Year Transportation Improvement Plan**

Public Works Director Herb Amick stated that this time has been set aside to discuss the review of revisions to the Six-Year Transportation Improvement Program (STIP). He said that the City has compiled a list of transportation improvement projects that are priorities for the City to complete over the next six years. He explained that the projects are listed in order of their percentage of funding, from the most funded to the least funded. He added that this update allows for the completed projects to be removed from the list, new projects added, and funding sources updated. Development Services Manager Nathan Pate stated that the project list is quite long and he would like the Council to focus on the projects that are most likely to be completed within six years; by reducing the current six year plan to a manageable number of projects. He noted that this topic will be available for further discussion at an upcoming Study Session.

Administrator Walinski asked the Council members to review the list and compile a list of 8 – 10 projects that can actually be completed in six years.

### **7. Discussion: Draft Resolution XX-2018 Six-Year Capital Facilities Plan**

Development Services Manager Nathan Pate stated that the City Council is being asked to review the draft 2019-2024 Six-Year Capital Facilities Plan (CFP). He explained that the plan is a compilation of the 20-year plan for Water, Sewer, Transportation, Parks / Recreation, and Capital Facilities, although the six year Capital Facilities plan addresses the top priorities within the 20-year plan. He said that the City can then budget for the six year projects, develop funding, and prioritize. He asked the Council members to reorganize and prioritize the list, which will be available for further discussion at an upcoming Study Session. There was a brief discussion of the Ice Rink & Pavilion project and the cost.

### **ITEMS FOR FUTURE CONSIDERATION**

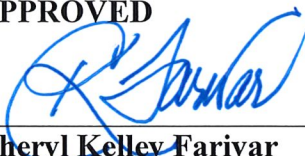
Mayor Farivar noted that there will be a public meeting for the Parking Study on May 2, 2018 at 6:00 PM at the Festhalle. Administrator Walinski stated that Councilmembers Neighbors and Waters will be taking the playground options to the elementary schools for discussion. Councilmembers briefly discussed a Community Forum that will be taking place on April 25<sup>th</sup>.

### **ADJOURNMENT**

Seeing no other business, Councilmember Larsen motioned to adjourn the April 24, 2018 meeting of the Leavenworth City Council. The motion was seconded by Councilmember Bretz and passed unanimously.

The meeting adjourned at 8:12 PM.

**APPROVED**



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**Cheryl Kelley Farivar**  
Mayor

**ATTEST**



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**Chantell Steiner**  
Finance Director / City Clerk