



City of Leavenworth

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City Council
Cheryl K. Farivar - *Mayor*
Elmer Larsen
Carolyn Wilson - *Mayor Pro-Tem*
Mia Bretz
Margaret Neighbors
Sharon Waters
Clint Strand
Jason Lundgren
Joel Walinski - *City Administrator*

LEAVENWORTH CITY COUNCIL AGENDA

Leavenworth City Hall – Council Chambers
April 24, 2018 - 6:30 PM

Call to Order

Flag Salute

Roll Call

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 and Committee Reports

Mayor/Administration Reports

Comments from the Public on Items Not on the Agenda

Group Funding Report – Leavenworth Film Festival

Public Hearing on Ordinance 1561 – Interim Controls Bitcoin High Density Loads at 6:45 PM

Resolutions, Ordinances, Orders and Other Business

1. Action: Resolution 06-2018 Adopting Findings of Fact Interim Controls Bitcoin High Density Loads
2. Action: Lodging Tax Group Funding Request
3. Action: Motion to Set Public Hearing on Annexation for 9342 Icicle Road
4. Action: Authorization of Change Order – Water Line/Hydrant Installation
5. 1st Reading: Chapter 13.06 Cross Connection Control
6. Discussion: Draft Resolution XX-2018 Six Year Transportation Improvement Plan
7. Discussion: Draft Resolution XX-2018 Six Year Capital Facilities Plan

Information Items for Future Consideration

1. Parking Study Public Meeting, May 2, 2018 @ 6:00 PM @ Festhalle

Adjournment

(Next Ordinance is 1564 - Next Resolution is 7-2018)

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

Housing 3:00

Public Safety 4:00

Finance 5:00

SUPPLEMENTAL COUNCIL AGENDA

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

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, adding new sections Leavenworth Municipal Code (LMC) 18.04.040, 18.04.050, and 18.04.060, and amending LMC 18.28.030 and 18.45.030. This resolution is compliant with RCW 36.70A.390 and RCW 35A.63.220 which allows for interim controls of regulations and zoning; and sets the process for implementation. On March 27, 2018, the City Council adopted Ordinance No. 1561.

Pursuant to RCW 36.70A.390, Findings of Facts are developed and presented to the Council within Resolution No. 06-2018.

Today's hearing is an opportunity for the Council to receive public testimony and incorporate, as necessary, any finding of fact derived from the testimony.

This official interim zoning amendment will be in place for not longer than twelve (12) months while the Mayor and other responsible staff study and address issues related to determining the impacts and necessary controls on cryptocurrency mining in the City of Leavenworth. The Development Services Department Manager is directed to establish a work plan, to study issues related to cryptocurrency mining and regulation. Development Services Department anticipates completion of study on or before April 24, 2019. At such presentation, the Council will be asked to extend Ordinance No. 1561 as provided in state law, terminate by Ordinance, or ratify Ordinance No. 1561.

The following item is included under **TAB 1:**

- Resolution No. 06-2018
- **MOTION:** *The Leavenworth City Council moves to approve Resolution No. 06-2018.*

2. Lodging Tax Group Funding Request

The City Council is being asked to approve an additional request for the group lodging tax funds from Icicle Creek Center for the Arts Music in the Meadow Concert Series. This event was awarded funding in 2017 in the amount of \$2,000 and has requested a second year of funding. The Economic Development Committee reviewed the application at the April 10, 2018 meeting and is recommending approval of the remaining \$2,000 in funding.

The following items are included under **TAB 2:**

- Group Funding Application
- Spreadsheet of Awarded Recipients for 2018
- **MOTION:** *The Leavenworth City Council moves 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.*

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

The City Council is being asked to set a public hearing for May 22, 2018 at 6:30 PM and provide notice specifying the time and place of the hearing and inviting interested persons to appear and voice approval or disapproval of the annexation. The notice is to be:

1. Published in one or more issues of a newspaper of general circulation in the City; and
2. Posted in three public places within the territory proposed for annexation.

In summary and as discussed during the regular Council Study Session of April 10, 2018, the status of the 9342 Icicle Road Annexation (Ordinance 1560) is being questioned by the Chelan County Assessor. The Chelan County Assessor is in the process of evaluating the components of the annexation procedures and reviewing the final approval of the annexation. As of this time, the City has not received comment back from the assessor's office. Staff is recommending proceeding with scheduling a new public hearing to alleviate the issue with the Assessor's Office.

Pursuant to RCW 35A.14.120, the process starts with notice/request to the City (by 10% of the property owners). The next step is finding if the City wishes to proceed at the first Council meeting following the request. If the decision is to proceed, then under RCW 35A.14.130 a petition is circulated, which needs 60% of property owner signatures. This Petition falls under RCW 35A.01.040, and this is a petition where signatures are to be validated by the Assessor who issues a certificate.

The Assessor believes that the Petition and subsequent certificate of ownership must be in place prior to the Public Hearing, although the City believes that the Petition and subsequent certificate of ownership serves as confirmation of ownership and acknowledgement of the owner's commitment to the City.

The commitment to the City was completed on February 13, 2018 prior to the Public Hearing on February 27, 2018, and ownership is known to be a single person (Larry Langston) with 100% ownership for a single property (the notarized agent authorization satisfied ownership). The City was satisfied with the commitment of the future owner, of their obligations (see the February 13, 2018 meeting), and confirmation paperwork for ownership could be affirmed at any time.

This new public hearing is required by the County Assessor to be consistent with the Assessor's preferred timeline to process the taxation transfer from the County to the City.

During the City Council Hearing, the City Council:

- a. Gives proponents and opponents an opportunity to speak.
- b. The City Council decides whether to approve the annexation. If the Council decides to approve, the Council must enact an ordinance (motion) to annex the territory (Pursuant to RCW 35A.14.140). Subject to RCW 35.02.170, the ordinance may annex all or any portion of the proposed area but may not include in the annexation any property not described in the petition. Upon passage of the annexation ordinance, a certified copy shall be filed with the Board of County Commissioners of the county in which the annexed property is located.

The following item is included under **TAB 3**:

- Annexation Parcel Description
 - **MOTION:** *The Leavenworth City Council moves to set a Public Hearing on the annexation request for May 22, 2018 at 6:30 PM.*

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

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 (water main, sewer force main, and lift station). This proposed Change Order provides for the extension and installation, as per City specifications, of the 12” water main beyond what was originally proposed; extending it approximately 180 feet north and terminating with a fire hydrant (which will serve as a line blow out) at the intersection of Riverbend Drive and Zelt Strasse. This water line extension will serve for water access for use in further future development and immediately serve to provide access to water for firefighters during calls for service and emergencies. One benefit of the installation of the fire hydrant to the residents on Riverbend Drive is a possible reduction in home/property insurance. Typically, homes and properties where fire hydrants are in close proximity pay less for home insurance than those properties located in areas where fire hydrants and efficient access to water is not available. In this agreement, the City agrees to reimburse Pine Village KOA in an amount not to exceed \$32,000, as stipulated in the Change Order, once the work is completed and accepted by the City’s Consulting Engineer. As noted above, the water line will be built to City standards.

The following items are included under **TAB 4**:

- Change Order Acceptance Form – City of Leavenworth
- J&K/Pine Village KOA Change Order
 - **MOTION:** *The Leavenworth City Council moves 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.*

5. 1st Reading: Chapter 13.06 Cross Connection Control

The City Council is being asked to review revisions to City of Leavenworth Municipal Code (LMC) Title 13, Water and Sewers. The proposed changes can be found in Chapter 13.06, Cross Connection Control, Sections 13.06.050, Backflow Assembly Requirements, Section 13.06.130, Testing and Repair, and Section 13.06.200, New Construction. Upon review of the existing code by the Public Works Director in consultation with Water Plant Supervisor Arnica Briody, who is a level 4 Operator and a Cross Control Specialist, these revisions were deemed necessary to simplify the current system and better protect the City’s water supply from backflow contamination. The revisions include the following:

- All new commercial construction will be required to install a higher risk reduced pressure backflow assembly (RPBA).

- All new residential construction will be assessed by a City Cross Connection Specialist to determine the potential risk to the City water supply and the need and/or type of backflow device necessary.
- The City Cross Connection Specialist can evaluate and assess existing and/or non-existing backflow control devices at residential and commercial sites and require upgrades, changes, or new installations as backflow contamination risks dictate.
- Annual testing of devices will be the sole responsibility of the owner as well as any costs associated with the testing and the possible required repairs (the City will no longer supply or organize a testing contractor).
- The City will notify all owners annually of the required inspections and completion time frames by a State certified tester and will electronically supply all forms necessary to the tester/owners.

The City presently employs two Cross Connection Specialists (CCS), Ms. Arnica Briody and Ms. Tracy Valentine. A CCS must, through testing, maintain all requirements of a Specialist established by the Washington Department of Health. Ms. Briody also holds an additional backflow testing certification (BAT) required to test backflow devices.

These Revisions have been discussed and reviewed by the Public Works Committee at the last several meetings and is now being brought to the full Council as a first reading for review and comments. A second reading and consideration for approval will be forwarded at the next City Council meeting and will reflect any changes that the Council may require tonight.

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

- Chapter 13.06, Cross Connection Control:
 - Redlines Sections 13.06.050, Backflow Assembly Requirements
 - Redlines Section 13.06.130
 - Redlines Testing and Repair

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

This time has been set aside to discuss the review of revisions to the Six-Year Transportation Improvement Program (STIP). STIP is a short-range planning document that is annually updated based on needs and policies identified in the Leavenworth Comprehensive Plan and Transportation Plan. RCW 35.77.010 requires a perpetual six-year plan. It represents Leavenworth's current complete list of needed projects and programs for the next six years and future years. The document also identifies secured or reasonably expected revenues and expenditures for each of the projects included in the STIP. Typically, projects listed in the first three years of the document are shown as having secured funding while projects in the further out years may be partially or undetermined regarding funding.

Programs and planning efforts help achieve the City vision by meeting a particular transportation need (such as a mode or safety) in a systematic way, completing smaller scale projects, and planning for the need over a long period of time. Plans help determine the future transportation network through citywide and corridor long studies.

The annual STIP update starts with the previously adopted plan; this year's STIP is identified with the dates of 2019 – 2024. Projects in the previously adopted STIP are reviewed and projects

that have been completed, or because of changing conditions are no longer needed, are removed. The remaining projects carried over from the previous STIP are reviewed for changes to cost estimates, project funding, schedule, or scope during the update process to ensure that the best information is represented in the STIP.

New projects are generated from many sources, including appointed commissions and committees representing parks (bicycle and pedestrian trails) and traffic safety, elected officials, City of Leavenworth staff, and other interested individuals and groups. In many cases, City of Leavenworth staff uses tools such as the STIP Pavement Management Program – Performance Management Dashboard to help identify potential new projects.

Updated projects from the previous STIP and new projects are then used to create a draft STIP project list. The phasing and funding of these projects is based on an evaluation of project priority compared with priorities laid out in the Leavenworth Transportation Plan, commitments to projects, partnerships that the City has entered into with other jurisdictions and agencies, and new opportunities that arise to leverage local transportation funding in combination with other funding sources.

Once the draft STIP has been developed, a public hearing is held to provide an opportunity for the community to comment. The City Council will conduct a public hearing at an evening meeting; based on the results of the public hearing and comments from the Leavenworth City Council, a final version of the STIP will be developed for final Council approval if needed.

The other planning document regarding transportation is the 20-Year Transportation Improvement Project list. This is also included for the Council review.

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

- 2018 – 2023 TIP
- 20 – Year Transportation Project List
- Redline Changes 2019 – 2024 TIP DRAFT

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

The City Council is being asked to review the draft 2019 – 2024 Six-year Capital Facilities Plan (CFP). The Six-year Capital Facilities Plan is a subset of the City’s adopted Capital Facilities Element within the Comprehensive Plan, which is compiled from the Water, Sewer, Transportation, Parks / Recreation, and other Plans / Studies and/or Elements. The review and approval of the 2019 – 2024 CFP is part of the 2019-2020 Budget development process. The development of this document and inclusion of projects is also necessary for grant funding; typically, the granting agency requires that the projects identified for grant or loan funding be included in the CFP.

The Council reviewed past CFPs, and identified projects to be added to the CFP. In addition, staff updated cost estimates, added projects identified in the City’s Stormwater / Wetland Management Plan, and added additional projects from the City Council Annual Retreat. A Public Hearing on the CFP will be conducted in the future for Council approval regarding revisions to the CFP.

At this time, the Council is being provided the draft Six-year Capital Facilities Plan for review. The City Council is being asked to consider the staff recommended Six-year CFP.

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

- Redline Changes Leavenworth Capital Facilities Plan 2018-2024 Six Year Project List with recommended projects
- Adopted Leavenworth Capital Facilities Plan Six Year Project List