



**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

June 26, 2018 – 6:30 PM

### **Call to Order**

### **Flag Salute**

### **Roll Call**

### **Council Committees – 4<sup>th</sup> Tuesday**

Housing 3:00 PM

Public Safety 4:00 PM

Finance 5:00 PM

### **Consent Agenda**

1. Approval of Agenda
2. Approval of June 12, 2018 Regular Meeting Minutes
3. Approval of June 12, 2018 Study Session Minutes
4. 2018 Claims \$162,921.40

### **Councilmember and Committee Reports**

### **Mayor / Administration Reports**

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

### **Resolutions, Ordinances, Orders, and Other Business**

1. Action: Interlocal Agreement with Link Transit for Maintenance
2. Action: Resolution 10-2018 – Amending Council Rules
3. Action: Ordinance 1568 Amending Chapter 2.04 City Council Study Session Time
4. Discussion: First Reading - Ordinance 1569 Festival Permits
5. Action: Development Agreement Between the City of Leavenworth and Aasgard, L.L.C
6. Action: 1987 Sludge Truck Purchase / Surplus
7. Discussion: Garten Haus / Housing Authority Update Community Development Block Grant
8. Discussion: Golf Course Property Rezone and Surplus
9. Property Purchase 1440 Commercial

### **Information Items for Future Consideration**

1. Annexation of Pinegrass NNA – McDevitt – 7/10/2018 @ 6:30 PM

### **Adjournment**

**(Next Ordinance is 1570 – Next Resolution is 11-2018)**  
**SUPPLEMENTAL COUNCIL AGENDA**

**1. Interlocal Agreement with Link Transit for Maintenance**

The City Council is being asked to review and consider for approval the Interlocal Cooperative Agreement between Link Transit and the City of Leavenworth regarding the maintenance and use of the new Link Park & Ride which is being constructed on Ward Strasse behind the Safeway Grocery Store. This Agreement is made pursuant to the Interlocal Cooperation Act - Chapter 39.34 RCW, and includes five distinct parts.

1. The City is being asked to be solely responsible for maintaining and operating the Restroom as a City building or facility, and
2. The City is being asked to be solely responsible for maintaining the turf area within the stormwater retention pond, and
3. The City is being asked to be responsible for overseeing and maintaining trash collection within the parking lot following festivals, and
4. The City is being asked to provide parking enforcement, and
5. The agreement includes language for future cost sharing of capital maintenance improvement or damage repair to the facility; however, the cost sharing for expenditure over \$500.00 must be approved by each agency.

The agreement is in some ways similar to the agreements in place for the existing Park & Ride on Hwy. 2; the Park & Ride facility is owned by Link and the property is owned by the City. Both agencies recognize that their customers and/or residents benefit from the Park & Ride facility. The restroom facility is unique to this Park & Ride; Link typically does not include public restroom facilities at Park & Rides. The City and Link also recognize that this lot will be used by other patrons that are not strictly transit users. The City is best equipped to provide parking enforcement to limit overnight use of the parking lot and provide some garbage removal if the parking lot is used during festival periods. The City involvement for maintenance and parking enforcement shall begin after construction is completed. The tentative timeline for completion is Summer of 2019. At this time, the estimated costs for the City services provided under this contract are \$6,000 annually; the main expenditure will be the required maintenance at the restroom facility. The agreement is provided in the packet materials.

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

- Interlocal Cooperative Agreement between Link Transit and the City of Leavenworth
  - **MOTION:** *The Leavenworth City Council moves to approve the Interlocal Cooperative Agreement between Link Transit and the City of Leavenworth and authorizes the Mayor to sign the Agreement.*

## **2. Resolution 10-2018 – Amending Council Rules**

The City Council annually reviews the Council Rules, typically in January, for consideration of changes needed or desired by the Council. This is also a critical step after a General Election when the Council may have three to four new members. The City Council is being asked to approve Resolution 10-2018 amending the Council Rules for the new Study Session start time of 8:00 AM rather than 9:00 AM as was discussed and requested by the Council at the last meeting.

The following item is included under **TAB 2:**

- Resolution 10-2018 Redline
  - **MOTION:** *The Leavenworth City Council moves to approve Resolution 10-2018 amending the Council Rules to include a new Study Session start time of 8:00 AM.*

## **3. Ordinance 1568 Amending Chapter 2.04 City Council Study Session Time**

The City Council is being asked to approve Ordinance 1568 amending Chapter 2.04 “Study Sessions – When” for the new Study Session start time of 8:00 AM rather than 9:00 AM.

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

- Ordinance 1568
  - **MOTION:** *The Leavenworth City Council moves to adopt Ordinance 1568 amending Chapter 2.04.020 for a new Study Session start time of 8:00 AM.*

## **4. First Reading - Ordinance 1569 Festival Permits**

This is the First Reading of Ordinance 1569 Festival Permits. This ordinance establishes new code language pertaining to the issuance of permits for festivals and parades within the City of Leavenworth. The ordinance and accompanying permit application are tools which will allow for better planning to mitigate some of the impacts on the use of public streets, emergency services, and dedication of public resources. The template of the ordinance language was provided through the Washington Cities Insurance Authority (WCIA) the City’s insurance provider. The ordinance is recommended for WCIA Member Cities to help establish protocols for city organized special events, as well as those special events organized and operated by other entities held in the City. The ordinance is also recommended to minimize risk exposures associated with the operation of special events and secure the risk transfer of special event losses related to events operated by other entities.

“Special Events and/or Festivals” include any event which is to be conducted on public property or on a public right-of-way; and, also, any event held on private property which would have a direct significant impact on traffic congestion; or traffic flow to and from the event over public streets or rights-of-way; or which would significantly impact public streets or rights-of-way near the event; or which would significantly impact the need for City-provided emergency services such as police, fire, or medical aid. It is presumed that any event on private property which involves an open invitation to the public to attend, or events where the attendance is by private invitation of 250 or more people, are each presumed to be an event that will have a direct significant impact on the public streets, rights-of-way, or emergency services. Special events may include, but are not limited to, fun

runs/walks, athletic competitions, auctions, bike-a-thons, public fundraisers, parades, carnivals, festivals, shows or exhibitions, film/movie events, circuses, block parties, and fairs.

Ordinance 1569 Festival Permits:

- Establishes the regulation that a permit is required to hold a special event or festival;
- Identifies which events are not required to have a permit for the special event;
- Allows the City to identify possible issues of concern with the event, and work with the applicant to find solutions to mitigate those concerns by requiring a set of conditions if necessary;
- Provides the City with the ability to deny the permit for specific reasons and establishes a procedure for the event organizer to challenge the decision;
- Allows the City to require indemnification, insurance, and establish deposits;
- Establish and require fees for the use of City services and equipment; and
- Provides language and conditions for the City to waive all or a portion of those fees.

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

- Special Events/Festival Permit Information Sheet
- Special Events/Festival Application
- Ordinance 1569 Festival Permits

This is the first reading and public review of Ordinance 1569 Festival Permits. The Council is being asked to take public comments on the draft ordinance and offer changes to the ordinance, if any. A second reading with consideration of approval of Ordinance 1569 will be presented at a future meeting. Schedule to be determined based on changes requested at Tuesday's meeting.

## **5. Development Agreement Between the City of Leavenworth and Aasgard, L.L.C**

The City Council is being asked to set a public hearing date of July 10, 2018 for the Development Agreement (DA) between the City of Leavenworth and Aasgard, L.L.C (Oliver J. Brulotte, Manager and owner of the Icicle Brewery). During the April 10, 2018 regular Study Session, the Council reviewed the reconstruction of the City's sewer system within County Shop Road. The DA is the next step in this process, and sets the terms for the reconstruction of the City service by Aasgard, L.L.C.

The sewer is intended to serve a future Icicle Brewing facility and is necessary due to the limitations of an existing two (2) inch PVC pressure sewer line that currently serves County Shop Road. The original line was constructed in 1999 by way of an "Interlocal Agreement" whereby costs were shared with Chelan County and the City; the replacement line will be constructed per the attached sewer plans. The Council is being asked to proceed with the replacement line utilizing a "Development Agreement." Due to the fact that the line is within Chelan County Right-of-way, the City desires this type of agreement for construction of a City sewer line. This form of contract must be authorized by the City Council.

- A. “RCW 36.70B.170 authorizes the execution of a development agreement between a local government and a person having ownership or control of real property outside its boundaries and as a service agreement.
- B. This Agreement relates to the installation of sanitary sewer line extension improvements as specifically depicted and described in Exhibit “A” hereto (the “Utility Improvements”), which will be installed by the Developer in connection with the construction of an approximately 12,500 square foot building, which requires the ability to discharge industrial waste to the City’s sewer (the “Project”) by the Developer on the real property described in Exhibit “B” hereto (the “Property”).
- C. The following events have occurred in the processing of the Developer’s applications for the Utility Improvements and the Project:
1. An application for a right of way permit was filed on April 11, 2018 (No. 8831) and an application for a building permit was filed on February 2, 2018 with Chelan County. A City-owned pressure sewer currently serves the Property area. Due to the condition of the existing sewer, the City is not allowing the Project to connect.
  2. The City already serves water to this area. An application for water services is in process.
  3. After a public hearing as required by RCW 36.70B.200 by Resolution No. \_\_\_\_\_ the City Council authorized the Mayor to sign this Agreement with the Developer (the “Adopting Resolution”) and authorizes and approves the Mayor to sign Exhibit C: Contract for Discharge of Industrial Wastewater to the City of Leavenworth publicly owned Wastewater Treatment Plant.

The following items are included under **TAB 5**:

- Development Agreement
- Application for Permit for Work in the Chelan County Right-of-way
- Leavenworth Water Availability Form
- **MOTION:** *The Leavenworth City Council moves to set a public hearing date of July 10, 2018 for consideration of the Development Agreement by Resolution.*

## **6. 1987 Sludge Truck Purchase / Surplus**

The City Council is being asked to authorize the expenditure of funds for the purchase of a 2019 International HV607 SBA Dump Truck in the amount of \$122,070.81 excluding tax and license. The City Equipment Rental & Revolving (ER&R) schedule identified the replacement of the 1987 Wastewater International S2500 Dump/Bio-solids truck in the 2018 Budget, which includes an estimated replacement cost of \$80,000. The replacement vehicle was selected by staff via the request of three (3) bids as required. The City was able to only secure two (2) bid responses from the inquiries solicited as shown in the packet materials.

This vehicle will be utilized by the Wastewater Treatment Plant for the transport of Bio-solids (two to three times per week) to the Boulder Park disposal site in Waterville, Washington and is one of the most utilized trucks in the fleet. Therefore, due to this highway hauling consideration and in

regard to safety and reliability, Council is being asked to approve an amount required to purchase a new vehicle instead of the ER&R proposed used vehicle. In addition, the City's existing specialized (sealed) dump body required for the transport of bio-solids will be transferred to the new chassis by staff.

Approval of purchase and subsequent delivery of the new vehicle will allow for the sale of the 1987 International S2500 Dump Truck as a surplus vehicle that is currently estimated at a value of approximately \$40,000. The additional funding required for the purchase of the new truck will come from the ER&R fund balance with an amendment being presented to Council for approval by the City Finance Director at a later date.

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

- International HV607 SBA Dump Truck
- Truck Quotes
  
- **MOTION:** *The Leavenworth City Council moves to approve the purchase of a 2019 International HV607 SBA Dump Truck in the amount of \$122,070.81 excluding tax and licensing.*
  
- **MOTION:** *The Leavenworth City Council moves to declare the 1987 International S2500 Dump Truck, VIN # 1HTZ7DVR1HH527810, as surplus equipment and approves selling the truck on the Public Surplus online auction site.*

## **7. Garten Haus / Housing Authority Update Community Development Block Grant**

City staff will provide an update regarding progress and discussions with Alicia McRae, Executive Director for the Housing Authority of Chelan County & the City of Wenatchee who is currently overseeing the Garten Haus Senior Housing Apartment Complex construction planning here in Leavenworth. Ms. McRae reached out to the City on May 31, 2018 looking to explore options for acquiring a Community Development Block Grant (CDBG) that would require a municipality or county government to apply and administer. City Administrator Joel Walinski and Finance Director Chantell Steiner participated in a follow-up conference call on June 13, 2018 with Ms. McRae, her funding team partners, and the administrators of the CDBG program to consider eligibility, anticipated construction timelines, and the potential for the City of Leavenworth to sponsor the application for a General Purpose Grant.

The City Council assisted the Garten Haus Apartment Complex with a feasibility study for upgrading the aging facility last fall. This two (2) story complex consists of 32 units of low-income senior housing that was built in 1973 and is in need of significant upgrades estimated at about \$3.5 Million. Costs include relocation services for the residents during construction, upgrades to plumbing, electrical, siding, interior walls, exterior lighting, shared common area amenities, parking and individual units permanent structures such as doors, cabinets, windows, etc. Also included in the cost would be a new ADA accessible elevator and fire suppression / sprinklers throughout the building.

While a formal request by the Housing Authority has not been made for partnering with the City on a CDBG application at this time, the evening discussion will be a review on the responsibilities for the City if a joint partnership CDBG application and subsequent award were to come to fruition.

The are no items included under **TAB 7**.

## **8. Golf Course Property Rezone and Surplus**

This time is provided to review and discuss property owned by the City of Leavenworth adjacent to the City golf course property. Previously, the City Council had directed the administration to explore how to best surplus this property. City staff did investigate providing sewer and water to the site, and also studied the best future use of this property considering the adjacent land use. The subject property is identified and located at 9139 Icicle Rd, 9125 Icicle Rd, and 9111 Icicle Rd. The Golf Course BLA (Boundary Line Adjustment) Survey of Record can be found within the packet materials. The three lots are currently zoned recreation public zone.

As in previous cases, the City Council may determine that real property owned by the City is not needed for future or current municipal use(s). Those parcels / properties can then be returned to private ownership thereby returning the land to the tax rolls and private use. In most cases, disposal of such City owned surplus property would allow the land to be put to a higher or better use for the community at large. This area is similar to the land across Icicle Road at this location that the Council chose to surplus in 2012.

If the City Council determines or has an interest that the subject property should be surplus, there are a few steps to the process, and each may have details or steps necessary for Council consideration.

- If the Council determines that the City has an interest in declaring the property surplus, City Council begins the process of declaring the land surplus by setting a date for a public hearing, holding the public hearing, and then consider the approval of passing a resolution declaring the property surplus.
- In the same time period (or about), the Development Services Department is recommending that the subject property be “rezoned” from Recreational Public Zone to a Residential Zone. Such action will need to be placed on the Planning Commission Docket as a Comprehensive Land Use and Zoning District Map Amendment. This process includes public hearings and action by both the Planning Commission and Council.
- Once the Council has determined the property to be surplus property and the property is rezoned; the Council will then determine how the property should be sold. At this time the Administration is recommending that the property should be sold by sealed bid.
- If the Council moves forward with the sale of the property, and the property is sold, the City Council then determines how the proceeds from the sale will be used by the City.

For tonight, the Council is being asked to provide direction as to the next steps to initiate the surplus process.

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

- List of City Owned Property (Draft in Progress)
- Three Parcel Map Location

- Resolution No. 23-2012: Procedures Regarding the Surplus and Sale Process of Real Property Owned by the City of Leavenworth.
- Golf Course BLA survey of record

## **9. Property Purchase 1440 Commercial**

The City Council is be asked to consider the approval of the purchase of property at 1440 Commercial Street, Leavenworth WA. This property is adjacent to the City's Public Works Facility and also fronts on Hwy. 2. The purchase price of the property is for \$409,000, which is the appraised value of the property, completed on May 15, 2018 by Pacific Appraisal. Other conditions of the sale include allowing the homeowner to remain on site through December 31, 2018, with an option to rent the home through April 30, 2018.

The Council has previously discussed the purchase of this property in regard to consolidating property and master planning of the Public Works Facility. This property is an island surrounded by Hwy. 2 and the Public Works Facility, additionally, is not within the incorporated boundaries of the City. The Administration is recommending the purchase of the property with the future specific use to be determined as the City develops a Master Plan for this area. This would be a cash purchase with monies available in the reserves of several City funds. A Purchase and Sale Agreement will be provided on Tuesday evening.

The are no items included under **TAB 9**.

- **MOTION:** *The Leavenworth City Council moves to approve the purchase of property located at 1440 Commercial Street, Parcel #24170144I0150, for a cost not to exceed \$409,000 and authorizes the Mayor to sign the Purchase and Sale Agreement and all necessary documents subject to final review of the City Attorney.*