



## 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

July 10, 2018

#### Call to Order

#### Flag Salute

#### Roll Call

#### **Council Committees – 2<sup>nd</sup> Tuesday**

Economic Development 3:00 PM

Parks 4:00 PM

Public Works 5:00 PM

#### Consent Agenda

1. Approval of Agenda
2. Approval of June 26, 2018 Regular Meeting Minutes
3. 2018 Claims \$141,710.87
4. Motion to Set Public Hearing on Six-Year Capital Facilities Plan on 8/14/2018 at 6:45 PM

#### Councilmember and Committee Reports

#### Mayor / Administration Reports

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

#### Public Hearing on Annexation for NNA Pinegrass – McDevitt at 6:30 PM

#### Public Hearing on Development Agreement with Aasgard, LLC for Discharge of Industrial Wastewater at 6:45 PM

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

1. Action: Ordinance 1570 Annexation for NNA Pinegrass - McDevitt
2. Action: Resolution 11-2018 Development Agreement with Aasgard, LLC for Discharge of Industrial Wastewater
3. Action: Ordinance 1571 – Quarterly Budget Amendment
4. Action: Motion to Continue Approval of the June 12, 2018 Study Session Minutes
5. Action: Cancel July 24, 2018 Regular Council Meeting

#### Information Items for Future Consideration

1. Mayor's Annual Breakfast, 8/21/2018 at Wild Huckleberry – 7:00 – 9:00 AM

#### Adjournment

**(Next Ordinance is 1572 – Next Resolution is 12-2018)**

## **SUPPLEMENTAL COUNCIL AGENDA**

### **Public Hearing on Annexation for NNA Pinegrass – McDevitt at 6:30 PM**

The City Council is being asked to conduct a public hearing for the requested annexation. The Public Hearing is an opportunity for interested persons to appear and voice approval or disapproval of the annexation. 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 Chelan County Commissioners.
- c. The Ordinance is prepared for tonight's Council action under "Resolutions, Ordinances, Orders, and Other Business."

The property owner, McDevitt Land Co. (Jordan McDevitt, Managing Member and Olivia McDevitt, Member), is requesting annexation for property approximately 3.38 acres located north of Pinegrass Street and east of Ski Hill Drive, identified as portions of parcel numbers 241701320060 and 241701320050, and further described as Lot G of Boundary Line Adjustment 2018-164 within Leavenworth's Urban Growth Area. The City of Leavenworth Comprehensive Land Use Plan has designated this area as Residential Low Density 6,000 District (RL6).

On May 22, 2018, the City Council met with the petitioner, outlined the obligations of the annexation, approved proceeding with the process, and set the public hearing for tonight.

Mandatory notice specifying the time and place of the hearing and inviting interested persons to appear and voice approval or disapproval of the annexation has been completed.

The State of Washington's Growth Management Act of 1990 (GMA) requires counties to establish 20-year Urban Growth Area (UGA) boundaries for every city to accommodate projected growth. GMA also encourages cities to annex lands within their UGA and provide urban-level services to these areas. Lands outside the UGA cannot be annexed. Basically, the UGA establishes a boundary around the City, with everything outside the boundary intended for rural land use, and everything inside the boundary intended for urban land use. This helps prevent sprawl and loss of resource lands, (for example, agriculture / orchards and critical areas). This property is within the UGA. The City of Leavenworth UGA was established as a part of the GMA and has remained unchanged since 1994.

### **Public Hearing on Development Agreement with Aasgard, LLC for Discharge of Industrial Wastewater at 6:45 PM**

See Resolution 11-2018 Development Agreement located within the packet materials.

## Resolutions, Ordinances, Orders, and Other Business

### 1. Ordinance 1570 Annexation for NNA Pinegrass - McDevitt

The City Council is being asked to adopt Ordinance No. 1570. Adoption of Ordinance No. 1570 is the final step for the annexation of approximately 3.38 acres of property owned by McDevitt Land Co. (Jordan McDevitt, Managing Member and Olivia McDevitt, Member) located north of Pinegrass Street and east of Ski Hill Drive, identified as portions of parcel numbers 241701320060 and 241701320050, and further described as Lot G of Boundary Line Adjustment 2018-164, and further described and shown within Exhibits A and B of the Ordinance.

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

- Ordinance No. 1570
- Annexation Territory Legal Description Exhibit "A"
- Annexation Territory Survey Exhibit "B"
- Intent to annex letter
- Petition for Annexation
  
- **MOTION:** *The Leavenworth City Council moves to adopt Ordinance No. 1570 Annexation of property owned by McDevitt Land Co. (Jordan McDevitt, Managing Member and Olivia McDevitt, Member) located north of Pinegrass Street and east of Ski Hill Drive, identified as portions of parcel numbers 241701320060 and 241701320050, and further described as Lot G of Boundary Line Adjustment 2018-164.*

### 2. Resolution 11-2018 Development Agreement with Aasgard, LLC for Discharge of Industrial Wastewater

The City Council is being asked to approve Resolution 11-2018 Development Agreement with Aasgard, LLC for Discharge of Industrial Wastewater. Aasgard, LLC (Icicle Brewing) is requesting the Council to allow for the reconstruction of the City's sewer system. 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 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, which are included in the packet materials. The future action of the Council may be 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 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 February 12, 2018 and an application for a Building Permit was filed on February 2, 2018 with Chelan County.
  - 2) The City already serves water to this area. An Application for Water Services was received in March 1990.
  - 3) After a public hearing, as required by RCW 36.70B.200 by Resolution No.11-2018, the City Council authorized the Mayor to sign this Agreement with the Developer (the “Adopting Resolution”) and authorized and approved the Mayor to sign Exhibit C: Contract for Discharge of Industrial Wastewater to the City of Leavenworth publicly owned Wastewater Treatment Plant.”

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

- Resolution 11-2018 Development Agreement with Aasgard, LLC.
  - **MOTION:** *The Leavenworth City Council moves to approve Resolution 11-2018 Development Agreement with Aasgard, LLC.*

### **3. Ordinance 1571 – Quarterly Budget Amendment**

The City Council is being asked to adopt Ordinance 1571 Quarterly Budget Amendment (QBA), which amends the budget at the fund level. A majority of this amendment includes Council approved actions from the past quarter. The Council will find other amendments based on staff recommendations that have affected revenues and expenditures in 2018 that were not originally anticipated for in 2016 when the biennial budget was adopted. In some cases, unanticipated revenues are included to assist in offsetting expenditures, allowing for a true picture of the funds ending fund balance estimate.

At the last Council meeting, the Council approved the purchase of property and questions were asked pertaining to how the purchase would affect the individual fund reserves. On the attached line item details sheet, the land purchase items are highlighted to identify the percentage of the purchase by each fund. Below is a chart identifying the recommended funds for the purchase, what the funds reserve policy is, what the funds reserve was before this full budget amendment (not just the property), and what the funds reserve is after this budget amendment. From a budget perspective, the Garbage Fund will be dropping below the normal reserve policy with the purchase; however, with the anticipated increases in revenues and expenditures remaining on budget this year, staff anticipates restoration of the fund balance back to approximately 25%.

Fund	Reserve Policy	Reserve Before QBA	Reserve After QBA
General	35% - 40% by 2020	44%	41%
Street	N/A – \$0.00	\$392,189	\$332,266
Garbage	25%	27%	19%
Sewer	35%	168%	108%

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

- Ordinance 1571 Quarterly Budget Amendment
- Revenue and Expense Line Item Details
- **MOTION:** *The Leavenworth City Council moves to adopt Ordinance 1563 Quarterly Budget Amendment.*

#### **4. Motion to Continue Approval of the June 12, 2018 Study Session Minutes**

The Council is being asked to continue approval of the June 12, 2018 Study Session Minutes. As a reminder, these minutes were removed for further clarification of the discussion topic regarding peak flow traffic. At this time the City has sent that discussion item out for transcription services and is anticipated to be returned by no later than the August 14 meeting.

There are no items included under **TAB 4**.

- **MOTION:** *The Leavenworth City Council moves to continue approval of the June 12, 2018 Study Session Minutes to the August 14, 2018 meeting.*

#### **5. Cancel July 24, 2018 Regular Council Meeting**

The Council is being asked to approve the cancelation of the regularly scheduled July 24, 2018 City Council Meeting, as there are no current items anticipated for action. If new items need to be added or considered from the July 10, 2018 meetings, Council may choose to continue the July 24, 2018 meeting as regularly scheduled or ask that staff add items to the August 14, 2018 meeting. At this time, Council Subcommittee Meetings for Housing, Public Safety and Finance will continue as usual, as each of the Committees have important ongoing agenda items to review and discuss.

There are no items included under **TAB 5**.

- **MOTION:** *The Leavenworth City Council moves to cancel the July 24, 2018 Regular City Council meeting.*