

LEAVENWORTH CITY COUNCIL STUDY SESSION MINUTES

November 8, 2016

Mayor Cheryl Kelley Farivar called the November 8, 2016 Study Session to order at 9:00 AM.

Council Present: Mayor Cheryl Kelley Farivar, Elmer Larsen, Carolyn Wilson, Gretchen Wearne, Mia Bretz, Margaret Neighbors, and Richard Brinkman.

Staff Present: Joel Walinski, Herb Amick, Nathan Pate and Chantell Steiner.

1. Chamber Report

Chamber Director Nancy Smith updated the Council on annual membership renewals with the Chamber members. She reminded the Council that this is the 50th anniversary for Christmas Lighting and noted some of the festivities being planned including the Gluehvein Tent and new 50th anniversary decorations. She then noted the planning in progress that is underway for January events including Ice Fest.

2. Discussion with Lodging Association Representatives and Review of LAP Budget Requests

Lyman Boyd representing the Leavenworth Lodging Association briefly discussed the history of Lodging Tax Funding that is included within the study session agenda. He noted the first few years of the tax in Leavenworth that was generated by just three hotels at that time and how it came to be today with the total tax allocation of 5%. He talked about the effort of the original hoteliers to grow the LAP Committee and advertising that occurred to bring Leavenworth to the successful tourist driven community today. He stated that today there is a significant amount of funding from the tax, and he would like to share his support to continue funding the LAP Committee because of the past success of the Committee. There was a brief discussion on other communities and how they do not allocate the funding towards advertising the same way as Leavenworth, which may be somewhat detrimental to their success. The Council discussed how LAP leverages the dollars to do advertising in a methodical and systematic approach that is supported by long-term volunteers and currently by paid staff. Mr. Boyd stated that he wants the Council to support the LAP Committee budget increase this year to continue the ongoing support for advertising.

Mr. Boyd then addressed some concerns that he has heard about the new shift in transitioning some of the revenue to offset operational type costs such as city related personnel costs. City Administrator Joel Walinski discussed the recent City audit conducted by the State Auditors required that the City complete a cost allocation review of where and what staff do and to ensure those expenditures are appropriated to the correct funding source. He specifically noted the significant amount of time that was identified through the past year of studying and tracking employees time; through the study it was found that staff spends a large portion of staff in support of the downtown commercial area; picking up garbage, cleaning up the streets and Front Street Park, and supporting the visitor attendance. Council discussed how the cost allocation has to be fair and equitable as well as ensuring that other utilities are not subsidizing the staff's time for supporting the downtown area.

The next item for discussion included the capital project support for such items as the new downtown plaza, expansion of the downtown restrooms and the support for the new Skatepark. Mr. Boyd stated that these are good projects and he would like to know if the Council is also considering setting funding aside in the future for expanding to new locations for such items as the restrooms; Administrator Walinski noted that this has been discussed but is not included in the current biennial budget. Mr. Boyd then asked whether there might be other temporary fixes to increase permanent restroom opportunities in the downtown that may come from other funding sources, because the need for these amenities exists today. Mayor Farivar stated that the Administration has been questioning the opportunities to expand restrooms including the possible use of the Festhalle. Mr. Boyd suggested the use of temporary or mobile restrooms, better than just port-a-potties, which might be an option in the short-term. The Council updated Mr. Boyd on some of the concepts being explored for new and expanded parking opportunities, looking at the best uses for various city owned properties within the downtown, and the need to factor in restroom facilities as the City continues to grow in development and tourist attendance.

Mayor Farivar noted that recent changes have been included in the Lodging Tax Fund Budget; Administrator Walinski identified the changes to support the full LAP request for funding and the ongoing discussions with the Downtown Steering Committee to reduce the project costs for the new downtown plaza. Councilmember Wearne voiced her support for the LAP budget to include funding for media buys and shows noting that it is important to continue to fund these costs and attend the conferences to keep Leavenworth in the public view. Administrator Walinski concurred on the need to continue to invest in the Community through funding support for groups such as LAP and the Chamber because the work they do is significant in continuing to bring visitors back to Leavenworth. Councilmember Larsen added that the City has done some varied support over the years with debt service, capital projects, operations and advertising noting that the near 50% of the funding for LAP and the Chamber has been fairly consistent from a percentage perspective. He shared some history on the Council's decision to build the reserve fund balance from \$100K to \$200K to have funding for emergencies and natural disasters such as the fires that have occurred in the last few years; having the reserves allows the Council to allocate immediate support should a situation arise. Council members noted the many great benefits to having a dedicated staffing resource in the LAP budget to ensure ongoing advertising, leveraging the dollars for the best deals and being available to the travel writers, magazines and visitors.

3. Review of Rate & Fee Schedule for 2017

Administrator Walinski stated that a discussion will occur this afternoon regarding the Stormwater Fee in Lieu with the Public Works Committee. He then addressed a new \$50.00 fee for the Council to consider regarding the private requests for the Front Street Park Gazebo based on an ongoing increase each year in Gazebo requests; Councilmembers voiced support in including this new fee.

Councilmember Neighbors updated the Council regarding discussions with the Solid Waste Advisory Committee on increasing the Dryden Transfer Station fees for garbage disposal by about 5%. Administrator Walinski added that he has been discussing with the County the operational costs of the Dryden Station and that he has heard the increase is going to affect the larger commercial accounts such as the City of Leavenworth and Waste Management and not necessarily all users of the facility. The Council continued to discuss drop off fees charged, the increased changes over the recent years on dump fees at the Dryden Transfer Station and

changes to the City's expenses related to recycling savings on weight and increased revenues generated from increased tourism. Council discussed concerns related to recycle bags not being picked up for specific reasons and the need for the Staff to provide notices in those instances to help inform and educate the residents; Administrator Walinski said this would be addressed.

Administrator Walinski continued the review of the fees being included such as the holiday commercial garbage pick-up and downtown commercial garbage surcharge driven by tourism. The Council had a brief discussion on the change included for the City Hall parking lot to change the lot to a limit of two hours to assist in meeting attendance by officials and library visitors; Councilmembers supported this change and discussed options for setting time frames such as 7:00 AM to 5:00 PM. This item will be further discussed for changes at the Public Safety Committee. Council members concurred support on the remaining recommendations in the fee schedule.

4. Discussion of 2016 – 2017 Legislative Priorities for the City

Mayor Farivar stated the importance of putting together a recommendation to the Legislature to consider for the 2016-2017 Priorities. Administrator Walinski proceeded to review the draft priorities from last year that includes infrastructure funding that may be supported through changes in the retail sales tax limits, housing affordability funding sources, concerns with limitations on outdoor burning, the need to reinstate funding of the Public Works Trust Fund program for cities, and supporting secure funding for the Municipal Research Services Center (MRSC). The Council proceeded to review eleven additional initiatives that could also be included to help cities retain revenues and expand uses of current programs. Administrator Walinski identified how flexibility in personnel costs could be addressed differently through retirement fund distributions and Labor and Industry fees that are currently administered by the State Legislature. Councilmember Larsen noted a potential change regarding the FireWise program being consolidated into a larger group that may open opportunities to work better with Chelan County. Administrator Walinski provided an example related to the constraints on outdoor burning, such as the ice damage the City had with local trees, and the need for the City to be able to effectively burn, which in turn would reduce removal costs considerably; the initiative is to support the City's ability to burn in rare cases and not necessarily for residential burning.

5. Initial Review of 2017 Planning Commission Docket

Development Services Manager Nathan Pate reviewed the upcoming State mandates to comply with the 2017 Comprehensive Plan updates. He noted the need to comply timely to avoid future sanctions and potential penalties for non-compliance. He stated that the Staff has been bringing the amendments forward in small portions to ensure the City meets the 2017 deadline to fully adopt the entire plan as a whole. He explained that the list being presented today is the top priorities and does not include other priorities that are also on the docket that will likely not be completed. Manager Pate stated that he will provide a future update to the Council on the 2016 docket items and where those items are in the approval process. Administrator Walinski noted that the Planning Commission has been working on several of the other priorities over this past year and those will be brought to the Council in January and February of 2017 for final review and approval. Councilmember Larsen stated that he wants to see further review on change of uses, particular to residential areas, and provided his perspective on the need to continue

exploring this . He suggested a possible work session on the issue if there was interest by the Council.

6. Highway 2 Crosswalk Improvement Project

Public Works Director Herb Amick provided the Council with an update on the upcoming Highway 2 Crosswalk projects for 2017. He stated that the question of being able to synchronize the crosswalks with the traffic light systems and to consider a delay in how they are activated requires the use of a different pedestrian signaling system called the HAWK system. In discussing this option with the Department of Transportation (DOT) it is possible to implement this new system. The equipment costs and installation are approximately \$110,000 and this would require scope changes for the grant provided through the DOT. The current grant contract includes rapid flashers similar to the one that is already installed outside of City Hall. There was concern at amending the contract and putting off the project longer due to the need to get these installed as soon as possible. Mayor Farivar added that a benefit to the HAWK system, as noted by the DOT, is that the DOT has more capability to control and monitor the system than they do with rapid flashers. Another benefit is the ability to synchronize the crosswalks with the traffic lights that will help to reduce vehicular back-ups during busy times of the day. Council discussed concerns with the length of time involved to create and amend contracts with the DOT, the potential concerns with placement and aesthetics of the devices and the compliance by drivers to stop appropriately. Councilmembers discussed the pros and cons of proceeding with the original plan of rapid flashers to save time and money as well as getting the project underway in 2017; Council members concurred that the immediate need to proceed with the original plan makes the most sense at this time and to consider the more advanced HAWK system at a later date. Councilmember Brinkman stated that the Council might consider signage at each end of the town announcing the pedestrian friendly environment to help mitigate driver frustration.

7. Council Open Discussion

Mayor Farivar wanted to discuss with the Council the direction they would like to go regarding the recent unanticipated resignation of newly appointed Councilmember John Bangsund. She and Administrator Walinski explained that the options of filling of the vacancy; options being filling the vacancy by appointing the other candidate Ms. Sharon Waters since the interviews were conducted within the last month or to consider starting the process over again. Councilmember Brinkman stated that he is in support of appointing Ms. Waters this evening. Councilmember Wilson stated that she would support the appointment of Ms. Waters to avoid waiting longer to have the seat filled. Councilmember Wearne stated that she would like to support starting the process over as she does not want to limit others that might be interested, such as Jason Lundgren, who had started the process of applying previously. Councilmember Larsen stated that based on the short term remaining before the next election he would support proceeding with appointing Ms. Waters. Councilmember Bretz stated that she concurs with Councilmember Wearne and would like to see if other people are interested in applying. Councilmember Neighbors stated that she is leaning towards expediency and thinks that she would like to proceed with supporting the appointment of Ms. Waters at this time. Mayor Farivar stated her support for Ms. Waters and added that Ms. Waters has shown more attendance and interest in serving the Council than any applicant in recent history. It was noted that a motion could be added this evening for consideration on either appointing Ms. Waters or starting the vacancy process over.

Councilmember Neighbors announced that the City has a local resident celebrity, Radioman and Gunner Mr. Verg Bloomquist who is showcased in a new documentary entitled Eleven that is a film on the Carrier Air Group 11 that flew during World War II. She questioned if the Council could do some sort of honor for him, perhaps a proclamation, and an announcement of the film and/or screening of the documentary possibly at the Festhalle later.

Administrator Walinski provided the Council with the current list of participants on each of the City Council Committees and asked the members to consider what committees they could participate on for concerns on attendance this evening and to consider future appointments for 2017.

Study Session adjourned at 11:35 AM.

APPROVED



Cheryl K. Farivar
Mayor

ATTEST



Chantell Steiner
Finance Director/City Clerk