



City of Leavenworth

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City Council
Cheryl K. Farivar - *Mayor*
Elmer Larsen
Carolyn Wilson - *Mayor Pro-Tem*
Gretchen Wearne
Mia Bretz
Margaret Neighbors
Richard Brinkman
Sharon Waters
Joel Walinski - *City Administrator*

LEAVENWORTH CITY COUNCIL AGENDA

Leavenworth City Hall - Council Chambers

November 14, 2017 - 6:30 PM

Call to Order

Flag Salute

Roll Call

Council Committees - 2nd Tuesday

Public Safety 3:00 Parks 4:00

Public Works 5:00

Consent Agenda

1. Approval of Agenda
2. Approval of October 24, 2017 Regular Meeting Minutes
3. October 2017 Payroll \$234,497.98
4. 2017 Claims \$776,915.31
5. PRSA Voucher Request \$41,500.00
6. Set Public Hearing for a Local Facility Charge on November 28, 2017 @ 6:45 PM

Public Safety Report: Sergeant Scott Lawrence, Liaison Officer

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: Ordinance 1554 Adopting Ad Valorem Tax
2. Action: Authorize Mayor to Sign Tax Levy
3. Action: Emergency Management Services Contract
4. Action: Approval Traffic/Foot Patrols Needed for Christmas Lighting
5. Action: Professional Services Agreement – USIC Locating for Utility Locates

Information Items for Future Consideration

Adjournment

(Next Ordinance is 1555 - Next Resolution is 20-2017)

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.

SUPPLEMENTAL COUNCIL AGENDA

1. Ordinance 1554 Adopting Ad Valorem Tax

The City Council is being asked to consider options for Ordinance 1554, which is the authorization of the property tax levy for the 2018 tax year. Due to the annexation into the Fire District in 2013, the City has a banked capacity of approximately \$84,000 at this time allowing for the City to request more than the 1% annual cap per initiative 747 limits without an additional vote. This ordinance will include increase estimates of \$15,390.89 for new construction and \$1,441.73 for refunded revenue by the Assessor's office. The total maximum preliminary property tax allowed is \$581,075.09.

Several options are available for the 2018 tax collection:

- The first option would be to approve the annual property tax collection with no increase, which would create more banked capacity for future requests and lower the City's annual collections by about \$56,000; if this is the preferred option then the motion would be to state adoption of Ordinance 1554 with a 0% increase.
- The second option, referred to as Option A below, is to approve the tax from last year with the 1% allowable limit per State Law.
- The third option, referred to as Option B below, is to include the 1% annual allowable increase plus approximately \$56,000 in banked capacity creating no new tax increase. Although the Park Levy is currently trending towards passage, the City will not be able to meet mandatory deadlines for 2018 property tax requests prior to the passage needed of an official ordinance that sets the bond covenants and future debt payments in place. The City will need to prepare the necessary planning and design, conduct the bid process for the improvements and then set an ordinance in place based on the final bid estimates for bonding; these steps can occur in the spring of 2018, which will then allow for the first year's collection of tax revenues beginning in 2019. The Council has an opportunity at this time to request up to \$56,000 in banked capacity without increasing actual collections for the City due to the final year of collection on the property taxes for the 1997 Fire Bond that ended with the 2017 collection request.
- The fourth option, referred to as Option C below, is to approve the tax from last year with the 1% allowable limit and the option for Council to fill in the additional desired amount; if this option is chosen, final documents will need to be crafted and signed by all members.

Options A, B and C include the required prior year levy figure of \$475,771.73. Option A includes identification of the annual increase of just 1% or \$4,757.72. Option B includes identification of an annual increase of 12.75% or \$60,661.00, which includes the 1% annual limit plus an estimated additional amount of \$55,903 from banked capacity. Option C as noted above will need to be crafted based on the Council's desired dollar figure.

These options are being presented to the Council based on past discussions on expenditures. One is regarding increased public safety related contract costs. Another area is the need to consider funding support for utility related projects, such as the need to replace water meters citywide in the near future. A final one is to consider setting aside dollars to begin the process of setting the Park Levy in motion for planning, design and bonding in 2018. The Council can choose to adopt

any variation of the tax; however, the Ordinance will need to be transmitted to the Assessor's Office by no later than November 30, 2017.

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

- Ordinance 1554 – Option A – 1%
 - Ordinance 1554 – Option B – 12.75%
 - City of Leavenworth Regular Tax Levy Preliminary Values for 2018 Tax Year
 - Presentation Slides
- MOTION:** *The Leavenworth City Council moves to adopt Ordinance 1554 Option ____ with the Ad Valorem Tax increase of ____%.*

2. Authorize Mayor to Sign Tax Levy

In addition to setting the property tax levy, the Department of Revenue and the County Assessor requires a levy certification. This certification figure is approximately \$30,000 more than the actual levy amount for the regular levy to allow the Assessor to collect more revenue if projections for taxes come in higher than anticipated due to revaluations, new construction, annexations, or refunds; this also ensures that any banked capacity does not continue to grow. Depending on the Council's decision to enact the 1% versus the 12.75% property tax increase, the Council is being provided two options for the Levy Certification document. If the Council chooses Option A for Ordinance 1554, then the Council will need to authorize Option A for the Levy Certification; if choosing Option B for Ordinance 1554, then the Council will need to authorize Option B for the Levy Certification. If the Council chooses to adopt a different rate as Option C then the motion should state Option C that will be calculated by staff and presented for signature by the Mayor. As a note, there is included a hand written figure of \$359.56 for the 1997 Fire levy bond refund as included from the Assessor's Office that will not be requested as funding for the final bond payment in 2017 is anticipated to meet the debt service requirement.

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

- Department of Revenue Levy Certification Document – Option A
 - Department of Revenue Levy Certification Document – Option B
- MOTION:** *The Leavenworth City Council moves to authorize the Mayor to sign Option ____ for the Tax Levy Certificate.*

3. Emergency Management Services Contract

The Council is being asked to review and approve the annual contract with the Chelan County Department of Emergency Management for compliance with the Superfund Amendment and Reauthorization Act. The contract covers several items that are financially important to the City of Leavenworth:

- The Emergency Management Department is charged with developing a comprehensive emergency management plan for the City. This plan is critical in securing future FEMA funding by the City, should the City of Leavenworth face a declared emergency incident or disaster.

- The Emergency Management Department would provide emergency and disaster control and coordination either on site or through the Emergency Operations Center (EOC). The added personnel, professional assistance, and access to equipment would help contain ongoing emergency operation planning costs and costs to the City during an incident. The cost of the contract amount is based on a “per resident” number. The per resident amount is the Emergency Management annual operating budget divided by the number of residents within Chelan County.

The amount of the 2018 contract is \$5,319.60, which is slightly higher than the 2017 contract cost of \$5,254.00. The table below reflects contract costs in previous years as a comparison:

2017	\$5,254.00
2016	\$5,227.20
2015	\$5,358.40
2014	\$4,432.50
2013	\$4,432.50
2012	\$5,320.00
2011	\$5,270.00
2010	\$5,225.00
2009	\$5,006.00

The Sheriff’s Department based the change in costs in 2015 on a new calculation methodology. The contract amounts are now based on a standard cost per resident throughout small cities in Chelan County. The increase of \$65.60 for the 2018 contract is due to a population increase in the City of Leavenworth. Economic nodes located in Chelan County, such as Peshastin, Monitor, and Manson do not pay an added fee for Emergency Services or Public Safety Services as the small cities do. The Emergency Management Service contract is of benefit to the City; a recent example of the services provided by Emergency Management Services in 2016 was the incident management training exercise focused on “Shelter in Place”, traffic management, and emergency response and communication.

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

- 2018 Emergency Management Contract
 - **MOTION:** *The Leavenworth City Council moves to approve the 2018 Emergency Management Contract with Chelan County in the amount of \$5,319.60 and authorizes the Mayor to sign.*

4. Approval Traffic/Foot Patrols Needed for Christmas Lighting

The City Council is being asked to consider approval for the expenditure of City Funds for additional Chelan County Sheriff staffing to provide traffic and crowd control for the Christmas Lighting Ceremonies in December. The estimated amount at this time is \$6,000 for approximately 150 hours of added coverage by the deputy sheriffs. City staff has worked with Sergeant Scott Lawrence to bring forward this staffing recommendation. This staffing recommendation is similar to the staffing provided last year. The added service is for six deputies on Saturdays and two deputies on Sundays for the three weekend events. Coverage of officers for Saturday would include two officers scheduled from 12:30 PM through 7:30 PM and four officers onsite from 2:30 PM through 7:30 PM. Duties for the officers would include assisting with the Alki Tours Christmas Train bus parking on their arrival, monitoring and

responding to service calls during the event (2:30 PM – 4:45 PM), assisting with traffic control for the departure of the Alki Tour buses, and then general Hwy. 2 traffic control from 6:00 – 7:30 PM. The two officers on Sunday would be available for service calls during the event 2:30 – 6:30. Each individual shift is actually one hour longer than listed above as the officers are given one hour travel time for overtime shifts. Service calls during the event typically include crowd assistance, lost people, shoplifters, drunk and disorderly conduct, car accidents, etc. The estimated total number of hours is 150.

A portion of these hours will be covered through the current Public Safety Contract where 200 hours of Sheriff OT are provided at a cost of \$50.00 per hour. The City did use 140 of these hours to provide additional officers in the residential and business area during Oktoberfest. Charges above the initial 200 hours will be charged at the individual deputy's 2017-overtime pay rate. Funding for the expenditure is available in the Lodging Tax Fund. The City Council is being asked to allocate \$6,000 from the Lodging Tax Fund Balance to cover this expense.

Early this year the Public Safety Committee recommended that Alki Tour be either charged for the traffic control service provided by the Sheriff Department Deputies or provide their own traffic control. This information was provided to the owners of Alki Tours on two separate occasions prior to October 2017. No response was provided by Alki Tours. On November 2, 2017 the Leavenworth Chamber of Commerce requested that the City continue for one additional year to fund the cost of Sheriff's Deputies to provide traffic control for Alki Tours. The Chamber Board wanted additional time to discuss with their members and Alki Tour owners on traffic control funding and options. At this point in time, the use of Lodging Tax Funds to cover the cost of this expenditure is recommended although it may require the City Council to limit the expenditure of these funds in other areas.

In addition to the Sheriff's Officers, Pacific Security will also be providing security patrols once again in the downtown and residential neighborhood beginning November 24, 2017. Their coverage will be from 3:00 PM – 1:00 AM Friday and Saturday evenings and two other weekday evenings. This service runs through the first week of January 2018.

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

- **MOTION:** *The Leavenworth City Council moves to approve the expenditure of \$6,000 for the additional Chelan County Sheriff's Officers for the Christmas Lighting Ceremonies and authorize the expenditure through a Lodging Tax Budget Amendment.*

5. Professional Services Agreement – USIC Locating for Utility Locates

The City Council is being asked to review and approve a Professional Services Agreement (PSA) with USIC Locating Services, LLC for underground facilities locating and marking services for the City of Leavenworth utilities for water, sewer and storm water. USIC is a nationwide locating service, which already visits 100% of Washington One Call locate requests in the City of Leavenworth. If approved, USIC will manage all request tickets received from Washington One Call on behalf of the City of Leavenworth. This service will include:

- Response to 100% of locate requests
- All labor and materials
- Painted and flagged locates with response clearance of ticket
- Photograph record of entire locate for City review

- Customer portal for the City to see all requests as well as status and history
- Damage investigation and access to electronic damage reports

Basic cost for this service is based per ticket request at \$27.00 per ticket. In 2016, the City of Leavenworth received 284 ticket requests. Based on that number, the annual investment to USIC will be \$7,668. Exhibit B outlines the specific costs for services.

Currently, the City Public Works crew responds to all Washington One Call locate requests for water, sewer and storm water. This typically requires the response of two employees, approximately two hours of labor each, plus a vehicle and fuel, to perform the locate. Approval of the service will result in considerable savings to the City in terms of labor, equipment, materials, and administrative costs. In addition, the locates pull City employees from regularly scheduled tasks assigned to the department. As the City continues to expand in facilities, tourism, etc. efficient and economical assignment of these tasks to private companies, allows the City to stabilize staff size and costs.

This agreement is for one year. Staff is recommending accepting the one year contract as a trial period to assess the cost savings and efficiency of the service. One issue with the contract is the limited liability for USIC. The liability for USIC is limited to the full contract amount, however this is offset by having an individual perform the locates that is specifically trained in this area and uses the newest locating equipment. In the event there is an issue with the locate, the USIC locate technician will contact the City for assistance.

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

- Professional Services Agreement (PSA) and Attachments
- Damage Prevention Outsourcing Locates
- **MOTION:** *The Leavenworth City Council moves to approve and authorizes the Mayor to sign the Professional Services Agreement with USIC Locating Services, LLC for underground facilities locating and marking services for the City of Leavenworth water, sewer and storm water.*