



## City of Leavenworth

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**City Council**  
Carl J. Florea - *Mayor*  
Carolyn Wilson  
Mia Bretz  
Sharon Waters  
Clint Strand  
Jason Lundgren  
Anne Hessburg - *Mayor Pro Tem*  
Position No. 2 - *Vacant*  
Joel Walinski - *City Administrator*

### LEAVENWORTH CITY COUNCIL AGENDA

Leavenworth City Hall – Council Chambers

February 11, 2020 – 6:30 PM

#### Call to Order

#### Flag Salute

#### Roll Call

#### Consent Agenda

1. Approval of Agenda
2. Approval of January 28, 2020 Regular Meeting Minutes
3. January 2020 Payroll \$252,907.42
4. 2020 Claims \$151,280.15
5. Set Public Hearing for LMC 3.44 Authorizing Tax for Affordable Housing Per HB 1406 on March 10, 2020 @ 6:45 PM

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

Economic Development 3:00 PM

Parks 4:00 PM

Public Works 5:00 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

#### Presentation: Link Transit Update on New Funding – Richard DeRock

#### Public Hearing: LMC Chapter 3.42 Affordable Housing Grant/Loan Program

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

1. Action: Ordinance 1606 – Chapter 3.42 Affordable Housing Grant/Loan Program
2. Action: Appropriation of Lodging Tax Group Funding Requests
3. Action: 2020 Pacific Security Contract
4. Action: Authorize to Advertise Request for Qualifications – Transportation Element Update
5. Action: Authorize to Advertise Request for Qualifications – Housing Action Plan
6. Action: Employment Settlement Agreement – City Administrator
7. Action: Wastewater Treatment Plant Bid Award

#### Information Items for Future Consideration

1. Salary Schedule Update – Pool Employees on February 25, 2020

#### Adjournment

**(Next Ordinance is 1607 – Next Resolution is 02-2020)**

## SUPPLEMENTAL COUNCIL AGENDA

### 1. Ordinance 1606 – Chapter 3.42 Affordable Housing Grant/Loan Program

The City Council is being asked to consider the codification of an Affordable Housing Grant/Loan program authorized by RCW 35.21.685 and historically used by the City, based on past Resolutions 01-1997, 10-2000, and 02-2002, to assist in the development or preservation of publicly or privately owned housing for persons of low-income. For this program, low-income is defined as eighty-percent of the average median income of Chelan County.

#### **COUNCIL GOALS**

<i>Revenue &amp; Fiscal Health</i>	Is the request/action (Ordinance/Resolution) consistent with the Financial Policy?	✓
<i>Infrastructure</i>	Does the request/action support a safe and efficient infrastructure?	
<i>Economic Development Growth and Vitality</i>	Is the request/action supportive of the Old-World Bavarian Theme or promote the diversification of the economic base?	
<i>Transparency and Accountability</i>	Does the request/action further public understanding and engagement?	✓
<i>Community Building</i>	Is the request/action supporting residential needs for housing, safety, transportation, affordable governmental services?	✓

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

- Ordinance 1606 with Exhibit A, LMC Chapter 3.42
- RCW 35.21.685
- **MOTION:** *The Leavenworth City Council moves to approve an Affordable Housing Grant/Loan Program codified under Leavenworth Municipal Code, Chapter 3.42.*

### 2. Appropriation of Lodging Tax Grant Funding Requests

The City Council is being asked to approve the expenditure of the Lodging Tax Grant Funding Requests for 2020. The total available funding for Festivals/Events is budgeted at \$15,000 with a limit of \$3,000 per applicant; total requests received for this group is \$11,465. The Hospitality/Special Projects budget is \$30,000 with a limit of \$7,500 per applicant; total requests received for this group is \$23,360. This year, the City received a total of ten applications for the 2020 Lodging Tax Group Funding Programs, which includes six (6) for Festivals/Events and four (4) for Hospitality/Special Projects. A summary spreadsheet is included identifying each of the applicants, the total funds requested, and the recommendation for allocations by the Economic Development Committee. In scoring the applications, the Committee concurred on one unanimous score per requestor and those totals are provided on a separate sheet.

The Committee met on January 27, 2020 to review, score and identify the recommended allocations. Many of the requests have been fully funded per the applicant's request with the exception of two applicants that are further reviewed below. Through the review process, the Committee found a need to consider some changes to the application and the score sheets; this will be reviewed in the fall of 2020 when the new committee members review the process for 2021. Suggested changes for the application include creating the form into a fillable pdf version, so it

can discourage a wide variety of uses in different formats, reformatting the structure of the questions to shorten the length of the form, and removal of any duplicated questions. Suggested changes for the score sheet include removal or amendment of some questions and consideration for awarding dollars based on score totals; this year there was not an issue with awarding requests, as they did not exceed the dollars available; however, future years may have requests that exceed the dollars available, which will require consideration of reduced funding scenarios. For both programs the Committee did not utilize the question “Development of key community assets that function as point destinations, or venues for multi-purpose events, and serve on a year-round basis.”; this question was found to be difficult to understand and, in most cases, irrelevant to the applicant’s request. Additionally, the Committee had concerns with scoring the question for the Tourism Hospitality/Special Projects “Projects/events that demonstrate citywide benefit”; this question either was irrelevant or could be considered as a citywide benefit for all requests depending on what perspective the scorer had. Based on these concerns, these two questions were left unscored.

In scoring the individual requests, the Committee found that almost all of the applicants met the minimum criteria of the intent of Tourism Promotion, which is to increase hotel occupancy/overnight stays and ensures allowable uses of the funds for marketing and advertising; all applicants met the non-profit requirement. Some of the Festival/Event requests included operational type expenditures; however, the Committee has directed that awards be provided with the stipulation that the funds only be used for marketing and advertising; this could have concern for the Charm Walk as a majority of their request is supplies. One request is recommended for a lower allocation while a second request was not funded; these are explained below.

The amended allocation is provided to the Wenatchee River Institute request for “Weddings at the Wenatchee River Institute.” In reviewing this application, the Committee recognized the marketing type expenditures which totaled \$2,000; the remaining \$500 was for equipment that would be used to support future profitable use, which the Committee did not consider as an appropriate use of lodging tax funds.

The unfunded request is for the Leavenworth Ski Hill Foundation request for “Kick Your Sticks for Cancer.” The Committee reviewed the data provided from the applicant that appears to identify little to no attendees from outside the area for a one day event, signifying no overnight stays (the application noted 25% of attendees come from an average of 15 miles, with some traveling 150 miles; however, no figures were provided on total attendance). In addition, the request for funds was solely for operational supplies and no marketing or advertising. If left unfunded by the Council, this applicant will be encouraged to apply again in the future for marketing/advertising purposes of their annual events and to provide more detail on potential overnight stays.

Two motions are provided below; Motion Option A accepts the full recommendation by the Economic Development Committee and Option B allows for the Council to amend the dollar amounts per each application.

***COUNCIL GOALS***

<i>Revenue &amp; Fiscal Health</i>	Is the request/action (Ordinance/Resolution) consistent with the Financial Policy?	✓
<i>Infrastructure</i>	Does the request/action support a safe and efficient infrastructure?	
<i>Economic Development Growth and Vitality</i>	Is the request/action supportive of the Old-World Bavarian Theme or promote the diversification of the economic base?	✓

<i>Transparency and Accountability</i>	Does the request/action further public understanding and engagement?	✓
<i>Community Building</i>	Is the request/action supporting residential needs for housing, safety, transportation, affordable governmental services?	

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

- Summary Spreadsheet of Applicants
- Economic Development Committee Score Results
  - **MOTION OPTION A:** *The Leavenworth City Council moves to approve the 2020 Lodging Tax Grant Recommendations as presented by the Economic Development Committee for Festivals & Events and Tourism Hospitality & Special Projects.*
  - **MOTION OPTION B:** *The Leavenworth City Council moves to approve*  
 \$ \_\_\_\_\_ for \_\_\_\_\_, \$ \_\_\_\_\_ for \_\_\_\_\_,  
 \$ \_\_\_\_\_ for \_\_\_\_\_, \$ \_\_\_\_\_ for \_\_\_\_\_,  
 \$ \_\_\_\_\_ for \_\_\_\_\_, \$ \_\_\_\_\_ for \_\_\_\_\_,  
 \$ \_\_\_\_\_ for \_\_\_\_\_, \$ \_\_\_\_\_ for \_\_\_\_\_ for  
*the use of the Lodging Tax Group Funds for the 2020 Lodging Tax Grant Recommendations for Festivals & Events and Tourism Hospitality & Special Projects.*

### **3. 2020 Pacific Security Contract**

The City Council is being asked to review and approve a Professional Services Agreement with Parker Corporate Services, Inc. dba Pacific Security for onsite security services for the Leavenworth downtown commercial area and surrounding residential areas; officers perform the duties of parking enforcement throughout the City and provide on call investigation services for the enforcement of overnight rental violations. The full contract amount for 2020 is a not to exceed amount of \$60,157.05. The officers provide an additional public safety presence throughout the downtown, parks, and residential neighborhoods; and the officers also have access to the Chelan County Sheriff's Office in the event they witness a crime or observe suspicious activity.

Last year the City conducted interviews with Pacific Security and Phoenix Protective Corp to ensure that our ongoing contract costs are in alignment. Both companies are on the state bid program and each of them interviewed well that would provide similar services; however, Pacific Security did provide the lower bid price by nearly \$10,000 annually; therefore, the City opted to continue our annual contract with Pacific Security. The recommendation for 2020 is to continue with Pacific Security; however, a change in parking enforcement as the parking plan is implemented may require changes in the scope of this contract in future years.

The additional "Security Patrol" began in September 2012 with subsequent contracts in 2013 and 2014; in each of those years, the contract was for extended periods from May through September and the month of December. This year's contract is similar to the service levels for the years 2015 – 2019. In 2014, the City began contracting with Pacific Security for parking enforcement at City parking lots and on street violations. In 2017 and 2018, the City amended the contract to assist the

City in overnight rental enforcement with Pacific Security providing 24-hour hotline and investigation services. Exhibit A provides a breakout of the three services and associated costs.

The City Council approves Sixty Thousand dollars (\$60,000) annually within the Lodging Tax Fund in the 2019-2020 Budget to be made available in order to provide this service and additional Sheriff deputy contracted services for festival support.

The “Parking Enforcement” service is for six random three-hour shifts six times per week, throughout the entire year; last year’s contract was slightly reduced due to an extension occurring on last year’s contract for the month of February 2019. In 2016, the City Council expanded this service and provided officers the authority to enforce yellow zone parking, overtime on street parking, and blocking of sidewalk travel areas. The not to exceed amount for this part of the contract is Twenty Thousand and Five Hundred and Ninety-One dollars and sixty-four cents (\$20,591.64) The officer would provide the necessary information, photos, and written report to the City for invoicing of the overtime/no pay parking citations. As the parking plan moves forward the City will need to review code and parking enforcement resources as parking options change within Leavenworth. Pacific Security has been advised that a change in the contract language regarding parking enforcement under this agreement may need to change in 2020.

The total contract allocation being requested for 2020 for Pacific Security, which includes security patrols, parking enforcements, and on-call services for overnight rental investigations is \$60,157.05. Below is a breakdown of the total contract comparing 2018 to 2019 to 2020:

Services	2018 Cost	2019 Cost	2020 Cost
<b>Parking Enforcement</b>	\$23,152.50	\$18,577.00	\$20,591.64
<b>Downtown Patrols</b>	\$28,835.00	\$25,770.00	\$26,224.41
<b>Vehicle</b>	\$0.00	\$10,450.00	\$11,913.00
<b>Overnight Rental</b>	\$10,000.00	\$5,000.00	\$5,000.00
<b>Total:</b>	\$61,987.50	\$59,797.00	\$60,157.05

The agreement is a template of the City agreement that has been provided and reviewed by the City Attorney. The Public Safety Committee did review the draft proposal at their last meeting and have recommended moving forward with the approval of this agreement.

**COUNCIL GOALS**

<i>Revenue &amp; Fiscal Health</i>	Is the request/action (Ordinance/Resolution) consistent with the Financial Policy?	✓
<i>Infrastructure</i>	Does the request/action support a safe and efficient infrastructure?	
<i>Economic Development Growth and Vitality</i>	Is the request/action supportive of the Old-World Bavarian Theme or promote the diversification of the economic base?	
<i>Transparency and Accountability</i>	Does the request/action further public understanding and engagement?	✓
<i>Community Building</i>	Is the request/action supporting residential needs for housing, safety, transportation, affordable governmental services?	✓

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

- Professional Service Agreement with Exhibit A: Proposal & Scope of Services, Pacific Security.
- Pacific Security Services Proposal Handout

- **MOTION:** *The Leavenworth City Council moves to approve and authorizes the Mayor to sign the 2020 Professional Services Agreement with Pacific Security for security patrols and parking enforcement patrols for an amount not to exceed Sixty Thousand and One Hundred and Fifty-Seven dollars and five cents (\$60,157.05).*

**4. Authorize to Advertise Request for Qualifications – Transportation Element Update**

The City Council is being asked to authorize the posting and publication of a request for proposals and qualifications (RFP/Q) to review and update the Transportation Element. This project rated as a priority item on the 2020 Docket. Funding for this project is expected from the General Fund and the RFP/Q estimates \$60,000-\$75,000 but does not limit consultants from proposing tasks and budgets outside the City’s estimated costs. The objectives for the update are to incorporate the Parking Study, the Upper Valley Highway 2 Corridor Study, review peak hour and level of service policies, and update the 20-year Transportation Plan. It is noted in the RFP/Q that review of other Comprehensive Plan elements may be necessary to ensure that any changes to the Transportation Element remain consistent with the remaining document.

The review of the proposals will be by select members of the City Public Works and Economic Development Committees and key staff. Interviews may be conducted prior to making a recommendation to the City Council.

**COUNCIL GOALS**

<i>Revenue &amp; Fiscal Health</i>	Is the request/action (Ordinance/Resolution) consistent with the Financial Policy?	
<i>Infrastructure</i>	Does the request/action support a safe and efficient infrastructure?	✓
<i>Economic Development Growth and Vitality</i>	Is the request/action supportive of the Old-World Bavarian Theme or promote the diversification of the economic base?	
<i>Transparency and Accountability</i>	Does the request/action further public understanding and engagement?	✓
<i>Community Building</i>	Is the request/action supporting residential needs for housing, safety, transportation, affordable governmental services?	✓

The following item is included under **TAB 4:**

- Draft Request for Proposals/Qualifications for Transportation Element Update
  - **MOTION:** *The Leavenworth City Council moves to authorize the posting and publication of the Request for Proposals/Qualifications for the Transportation Element Update.*

**5. Authorize to Advertise Request for Qualifications – Housing Action Plan**

The City Council is being asked to authorize the posting and publication of a request for proposals and qualifications (RFP/Q) for the Housing Action Plan. This project is grant funded from the Department of Commerce and requires specific data collection, analysis, and implementation for housing needs. The grant requires that all work be completed by June 2021; however, the goal is to complete the Housing Action Plan in the fall of 2020 so that the City Planning Commission may continue to work on housing related needs for the community.

The review of proposals will be by the City Housing Committee and key staff. Interviews may be conducted prior to making a recommendation to the City Council.

**COUNCIL GOALS**

<i>Revenue &amp; Fiscal Health</i>	Is the request/action (Ordinance/Resolution) consistent with the Financial Policy?	
<i>Infrastructure</i>	Does the request/action support a safe and efficient infrastructure?	
<i>Economic Development Growth and Vitality</i>	Is the request/action supportive of the Old-World Bavarian Theme or promote the diversification of the economic base?	✓
<i>Transparency and Accountability</i>	Does the request/action further public understanding and engagement?	✓
<i>Community Building</i>	Is the request/action supporting residential needs for housing, safety, transportation, affordable governmental services?	✓

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

- Draft Request for Proposals/Qualifications for the Housing Action Plan
  - **MOTION:** *The Leavenworth City Council moves to authorize the posting and publication of the Request for Proposals/Qualifications for the Housing Action Plan.*

**6. Employment Settlement Agreement – City Administrator**

The City Council is being asked to review and consider for approval an Employment Settlement Agreement between the City of Leavenworth and the City Administrator, Mr. Joel Walinski. The Settlement Agreement is based on Mr. Walinski’s Employment Contract with the City and discussions between Mayor Florea and Mr. Walinski. The format for the agreement was provided by the City Attorney.

**COUNCIL GOALS**

<i>Revenue &amp; Fiscal Health</i>	Is the request/action (Ordinance/Resolution) consistent with the Financial Policy?	✓
<i>Infrastructure</i>	Does the request/action support a safe and efficient infrastructure?	
<i>Economic Development Growth and Vitality</i>	Is the request/action supportive of the Old-World Bavarian Theme or promote the diversification of the economic base?	
<i>Transparency and Accountability</i>	Does the request/action further public understanding and engagement?	✓
<i>Community Building</i>	Is the request/action supporting residential needs for housing, safety, transportation, affordable governmental services?	

The following item is included under **TAB 6:**

- Employment Settlement Agreement
  - **MOTION:** *The Leavenworth City Council moves to approve and authorizes the Mayor to sign the Employment Settlement Agreement with the City Administrator.*

**7. Wastewater Treatment Plant Bid Award**

The City Council will be discussing the Wastewater Improvement Project and the bids received at the morning Study Session. Depending on the outcome of that discussion the City Council may opt to award the bid at the evening meeting.

***COUNCIL GOALS***

<i>Revenue &amp; Fiscal Health</i>	Is the request/action (Ordinance/Resolution) consistent with the Financial Policy?	✓
<i>Infrastructure</i>	Does the request/action support a safe and efficient infrastructure?	✓
<i>Economic Development Growth and Vitality</i>	Is the request/action supportive of the Old-World Bavarian Theme or promote the diversification of the economic base?	
<i>Transparency and Accountability</i>	Does the request/action further public understanding and engagement?	TBD
<i>Community Building</i>	Is the request/action supporting residential needs for housing, safety, transportation, affordable governmental services?	✓

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

- **MOTION:** *To be determined.*