



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*
Zeke Reister
Vacant - *City Administrator*

MEETING VIA ZOOM CONFERENCING April 28, 2020 06:30 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://zoom.us/j/97760502463?pwd=cDUxS0VKNEcwMjMzMzhnb09ScUQ1UT09>

Meeting ID: 977 6050 2463

Password: 934667

Dial by your location

+1 301 715 8592 US

+1 253 215 8782 US

Find your local number: <https://zoom.us/u/aeGK1g6nYa>

The City requests that all non-essential visits to City Hall for the Council Meeting be observed. City Hall will be open for the public that wants to attend the meeting in person; however, social distancing will be required for those that choose to attend. Space may be limited. We encourage all Councilmembers and the public to utilize the zoom meeting feature. Staff will ensure hosting of the access approximately 10 minutes prior to the Council meeting; no meeting business may be discussed prior to the official opening of the meeting beginning at 6:30 PM. The public is encouraged to submit written comments prior to the meeting by sending to the City Clerk at financedir@cityofleavenworth.com; comments via email will need to be submitted by no later than 6:00 PM on April 28, 2020 in order for them to be received and prepared for submission into the record; comments received will be read aloud as part of the Comments From the Public on Items Not on the Agenda or during the discussion of specific items. If you would like to deliver comments you may contact City Hall at 509-548-5275 prior to 1:00 PM on April 27, 2020 to schedule an appointment for delivery. Comments received through US Mail will be included if they are received prior to the meeting.

LEAVENWORTH CITY COUNCIL AGENDA

Leavenworth City Hall – Council Chambers

April 28, 2020 – 6:30 PM

Call to Order

Flag Salute

Roll Call

Council Committees – 4th Tuesday

Housing - Cancelled

Public Safety - Cancelled

Finance - Cancelled

Consent Agenda

1. Approval of Agenda
2. Approval of April 14, 2020 Regular Meeting Minutes
3. 2020 Claims \$353,756.65
4. PRSA Voucher Request \$60,000.00

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: Mayor Reappointment of Lisa Romine to the Housing Authority of Chelan County Board of Commissioners
2. Discuss: Wastewater Plant/Collection System – Rural Development Funding Update
3. Discuss: Financial Status and Opportunities
4. Discuss: City Council Committee Meetings via Zoom

Information Items for Future Consideration

Executive Session: RCW 42.30.110 (1)(i)(ii) Potential Litigation

Adjournment

(Next Ordinance is 1612 – Next Resolution is 09-2020)

SUPPLEMENTAL COUNCIL AGENDA

1. Mayor Reappointment of Lisa Romine to the Housing Authority of Chelan County Board of Commissioners

The City Council is being asked to confirm the Mayor’s re-appointment of Ms. Lisa Romine to the Chelan County Housing Authority Board of Commissioners Position No. 7. The Housing Authority was formed in 1981 and is governed by an 11-member Board of Commissioners who are appointed into three-year terms by local government representatives. The mission of the Housing Authority is to assist in providing affordable housing to households that are 80% or below the area’s median income, as established by the United States Department of Housing & Urban Development. The Housing Authority also supports efforts to encourage short-term housing assistance, when appropriate.

Ms. Romine was first appointed to the Housing Authority in 2001 as a City of Chelan representative. Ms. Romine moved to Leavenworth several years ago, but remained on the Board representing the City of Chelan. She was appointed to the Board as a representative of the City of Leavenworth in 2011. The appointment would be for a three-year term ending May 23, 2023.

COUNCIL GOALS

<i>Revenue & 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?	✓

There are no items included under **TAB 1.**

- **MOTION:** *The Leavenworth City Council moves to approve the Mayors re-appointment confirmation of Lisa Romine for the Housing Authority Board of Commissioners.*

2. Wastewater Plant/Collection System – Rural Development Funding Update

This time is provided to give a current update on the process for additional funding from Rural Development. The City, with support from Varela & Associates, completed the necessary forms for the additional funding on Monday, April 20, 2020. At this time, staff is awaiting further review by Rural Development.

There are no items included under **TAB 2.**

3. Financial Status and Opportunities

This time will provide for the Council to have an open discussion on the City's current financial situation that will include up-to-date reports on utility related revenues and shortfalls anticipated for the month of April. As a municipality, a City is very similar to a small business; each of the City's funds is often referred to as individual businesses. These businesses are not profit generating businesses; however, the State does require that we plan and budget accordingly to remain financially sound. With this comes monthly reporting, annual or biannual budgeting, auditing, and annual review of financial policies and ensuring reserves when possible.

Councilmembers and citizens have been questioning what opportunities may be available to assist in the current financial crisis from the COVID-19 pandemic. Council and staff can discuss legal options and the potential for use of City funds for both residents and businesses alike. The Council will need to keep in mind that any use of funds will need to first have a policy outlining processes, ensuring strong documentation of grants and/or loans, and providing staffing to administer any proposed programs. Areas of consideration may include:

- Utility Fund Assistance – Providing grants for individuals and businesses in need to pay utilities. The City normally collects about \$300,000 (all utilities combined) per month. Is the Council open to this type of funding support and if so, how much and for how long? If so, what utilities are involved; just water, sewer, stormwater? A recent public utility webinar by MRSC identified that the Governor's Proclamation only included residential utility provisions for Electric and Water; no special provisions were afforded for Sewer, Stormwater, Garbage or businesses.
 - Benefit: This could possibly be implemented via utility billing credits or separate credit applications for just those in need.
 - Concern: Council should consider the need of the City to balance current demands with the long-term commitment to provide these services – any depletion of reserves may lead to possible steep increases in rates down the line.
 - If providing garbage utility support – Garbage has been reduced by most businesses and a majority of residential are with Waste Management. This could be a benefit for residents and businesses; parameters would have to be discussed on how to administer the program equitably. Because the Garbage Fund is already below a sustainable level (per the Financial Policy), any assistance here would require the use of General Funds. Normal garbage collection revenues are approximately \$46K monthly; April's collection is at \$26K or about 55%.
- Lodging Tax Funds – First question is legality; at this time, State law does not allow for use of these funds to be granted openly and specifically to for-profit business; further discussion will need to occur with legal consultation. However, if the Council is interested in funding support through small business grants, a process and several criteria would need to be considered; including, who can apply, how much is available, and who will review and approve the applications. Do we consider a one-time grant for all or just those that apply, is funding based on the size of the business or does everyone

just get a set amount? If funding is limited and resources are spent on the first 100 applications; how do you support the next applications? The City had approximately 330 registered businesses in 2019, of which 200-225 reside within Leavenworth. Should funding dollars be required to only benefit direct local support; for instance, is it okay to pay a business's rent that goes to an owner that doesn't live here?

- General Fund – Should the City consider partnerships with appropriate entities that are designed to provide program assistance for payment of utilities, rent, and food? If so, how much does the Council want to consider funding and are there any stipulations to provide those funding dollars? When should this be implemented; currently Upper Valley MEND is supporting families with food and not utilities or rent because there are no current fees/shutoff or evictions allowed at this time. Should it just be residents and businesses within the City Limits or can it go to assist anyone in the Upper Valley?

Revenue concerns appear to be the immediate issue, future discussions may be needed for cutting expenses; here are a few items to keep in mind:

- Cutting Programs / Projects – Where to start and what do we cut? Funding for programs is generally within the General Fund with the larger expenditures occurring for the Cemetery and Parks budgets as well as Capital Projects. The Council has earmarked over a half million in reserves in the General Fund for future capital projects; do we utilize those dollars?
- Employee Staffing Levels – If and when layoffs are needed, what does this look like and how is it designed based on requirements within the Union Contract. Should we consider hiring freezes and removal of current part-time staff?

What have we done so far?

- Business license renewal late fee waivers and allowing for extensions that are authorized by the Department of Licensing.
- Freeze on utility related late fees/penalties and shut-offs.
- Re-established utility service to anyone that was currently shut-off due to non-payment.
- Freeze on required re-evaluation of senior discount applicants.
- Creation of utility payment plan option for up to 180 days after the Stay at Home mandate is lifted; per the MRSC presentation, the recommendation included up to 60 days.
- Freeze on parking violation late fees.
- Providing ongoing updates on the City's Website and Facebook Page for information and resources. In addition, the Leavenworth Chamber of Commerce has provided, at a minimum, weekly reminders for loan programs through the Small Business Administration and other resources as they become available.

These are just some options for the Council discussion. Staff is seeking any potential direction for further consideration. If Council chooses a certain direction, staff will need time to review financial information further and consult with legal counsel. Prior to implementation of any new policy, the City Council will need to have a follow-up resolution for approval.

- There are no items included under **TAB 3**.

4. City Council Committee Meetings via Zoom

This time is for the Council to consider reinstating City Council Committee meetings beginning in May. These meetings can be conducted via Zoom or, if public meetings are a viable option, they may be scheduled in the Council Chambers to allow for continued use of social distancing. Several items that staff has been working on are ready for Committee discussion prior to those items being acted upon in a regular City Council meeting. Some examples include the Housing Action Plan, Transportation Element Update, Water Meter Bid Review, and the upcoming Website Redesign Request for Proposal (RFP) review.

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