

LEAVENWORTH CITY COUNCIL STUDY SESSION MINUTES

May 12, 2020

Mayor Carl Florea called the May 12, 2020 Study Session to order via Zoom at 8:33 AM.

Council Present: Mayor Carl Florea, Carolyn Wilson, Mia Bretz, Sharon Waters, Jason Lundgren, Anne Hessburg, and Zeke Reister.

Staff Present: Chantell Steiner, Herb Amick, and Lilith Vespier.

Mayor Florea excused Councilmember Clint Strand.

1. Chamber Report

Chamber Director Nancy Smith updated the Council on the progress that the Chamber and businesses are working on to address the new regulations for the COVID-19 phases set by the Governor. She reviewed the survey monkey that the Chamber is conducting with the businesses; she noted that she will need to ensure confidentiality for the respondents before she can provide responses to the Council. She reviewed efforts to address hand washing stations, social distancing requirements, and noted that questions came about whether the city staff was able to pressure wash the downtown streets while it is still relatively quiet.

Public Works Director Herb Amick noted that the City crew has been on a limited staff schedule due to the restrictions in place; however, city staff is anticipating coming back to full time by next week. He stated that there are many tasks that are on the crew's agenda to work on catching up on, including general park/street maintenance and street striping. He added that pressure washing has traditionally been handled by individual business owners; however, he will look into what additional assistance his staff can provide for fixing up the streets and sidewalks.

2. Water Meter Replacement Proposals Review

Public Works Director Herb Amick stated that the City received six bids ranging from \$614,598.60 to \$907,656.07 while the engineer's estimate was between \$900,000 - \$950,000. He said that the staff met on May 6th to review the bids and have narrowed it down to the top three respondents based on the type of meters and remote connectivity options available. He added that the customer portal is another feature that affects the difference in pricing for each of the companies. He stated that staff anticipates having a recommendation by May 26, 2020.

3. Draft Resolution XX-2020 Six-Year Transportation Improvement Plan

Director Amick stated that the Council annually reviews and adopts changes to the City's Six Year Transportation Improvement Plan (STIP). He asked that Council consider additional changes that might be needed prior to the hearing in June. Councilmembers had general questions related to the Transportation Element, traffic study review, and inclusion of the Corridor Study; Development Services Manager Lilith Vespier stated that those are separate documents and are not relevant to the STIP which is related to identification of the street projects only. Manager Vespier confirmed that the 20-year TIP provided in the packet is the existing 20-year TIP until the Transportation Element is reviewed and updated. Finance Director Chantell Steiner stated that this annual document is required to be completed and is provided to the State;

project funding from state agencies requires that the project be listed on the STIP in order to be considered for funding requests.

4. Vacation of Alley

Development Services Manager Lilith Vespier reviewed the history of the use of the alleyway between Evans and Ski Hill. She identified some use by the property owners that has extended into the City's right-of-way access. She noted concerns with access to the alley on one end and the lack of maintenance over time. She stated two options to consider that includes vacating the alleyway to the property owners, or if the Council prefers, enforcement on the encroachment that has occurred. Manager Vespier reviewed the process of vacating an alleyway, which transfers the rights and use to the existing property owners equally; however, the City can require retaining the ability to have easement access.

Councilmember Hessburg stated that vacating this could remove the future ability to utilize the land in a more efficient way for future growth and housing related improvements. She added that it does not seem like a good idea at this time, as the Planning Commission is still working on current code language for new housing opportunities. This area could be developed for expansion of current property build-out or adding accessory dwelling units. She recommends holding off on consideration of this alley to allow the Planning Commission time for further review. Councilmember Lundgren stated that he would like to see a future process developed, such as a decision tree, to assist the Council in consideration of future alley vacations.

Manager Vespier stated that some of the issues related with this alley comes from vegetation, under development, odd access onto Ski Hill, as well as property owner encroachments. Director Amick stated that the City does not have any current utilities within this alley and does not anticipate any desire to do so; although, the PUD has power through the alley. He added that in order to do encroachment enforcement, the City will need to pay for a survey and will have to consider additional alleys that also have similar issues. Manager Vespier confirmed that creating a future "white paper" will help to identify the pros and cons for consideration of future alley vacations and costs involved with each of those will be considered with each alley. Mayor Florea noted concerns with the City's ability to maintain many of the alleyways throughout the community and the lack of funding keeping streets updated, let alone addressing alleyway improvements. Director Amick reminded the Council that improvements to alleys are not funded by State agencies, such as the Transportation Improvement Board, so acquiring financial assistance for alleyway improvements is not an option. Manager Vespier noted that this particular alleyway has been reviewed by staff for consideration because of the odd design of the alley and the location that does not provide enough benefit to consider it for development. Surveying creates more concerns for the City on costs and can be concerning to the residents affected.

Councilmember Reister questioned the issue of the property owners building in this alley; Manager Vespier stated that it is quite obvious that sheds and fencing have been installed by the owners over time that are likely within the right-of-way. The City will have to pay for a survey of the alley to identify if something is actually within the right-of-way prior to any enforcement action. She noted that there could be some liability for the City if the City does not address the encroachment that is occurring now that this has been identified. She stated that the existing fencing and small sheds have been built without a permit; however, they may also fall under sections of the code that do not require a permit due to the size. Staff will need to further

investigate the issues that may be identified; Director Amick added that this is just one of many alleyways that have encroachment concerns that will need to be addressed.

5. City Administrator Contract Review

Mayor Florea updated the Council on the process for approving the contract this evening that is coming forward after several interview processes were conducted with the staff, some community members, Council and the Mayor. Council had some general questions on the salary package in relation to the former package, whether Mrs. Cortez-Steiner is seeking housing within the area, and any ability to start getting involved with meetings and email prior to June 1. Mayor Florea noted that she is excited to move to Leavenworth with her husband as a retirement location and he does anticipate that she is likely going to be getting herself up to speed prior to June 1. There was a brief discussion on probation versus termination and how that comes into play, if necessary.

6. Festhalle Funding

Finance Director Chantell Steiner noted that changes are occurring daily and lost revenues continue to grow from cancellations at the Festhalle. She stated that some bookings are being rescheduled for later this year but at this time the revenues have stopped coming in, which is also affecting the ability to keep the fund solvent. She stated that full refunds have been provided to those that were required to cancel due to the COVID-19 restrictions.

Councilmember Wilson updated the Council on the Festhalle Committee and noted concern at the need to finish some molding work before the facility can be rented again. Director Amick stated that this is in the queue for staff to complete. Councilmember Lundgren questioned how funding is provided; Director Steiner clarified that operations are covered by the rentals themselves and small capital projects typically come from those revenues once they are built-up and set aside. She stated that the current resurface project was funded by 50% from the Festhalle reserves and 50% from the Lodging Tax Fund. She explained that the long-term debt of the building was a voter approved ballot measure that is paid for annually through Lodging Tax revenues. She then reviewed the difference of a transfer versus a loan and how each are administered; she stated that this is the Council's option and if a transfer is preferred, she would provide monthly updates on the status of the transfer. Mayor Florea stated that the Festhalle was doing very well before COVID-19 and was on the verge of a record-breaking year for use and revenues; he would like to see the Council consider a direct transfer rather than strapping the fund with a loan and debt payment option. Director Steiner confirmed that revenues are anticipated to come back in as bookings are already filling for 2020 and into mid-2021; right now, containing expenses is the main priority.

Council discussed the past outsourcing of the facility that was problematic in maintaining the facility and had other management related issues. Council and members present discussed ideas for renting it out in the short-term; for instance, Art in the Park may be interested in setting up in the building that could free up more space downtown for social distancing, or perhaps some businesses that do not have space in front of their buildings may be able to utilize it for set-up. It was noted that the Council could consider use for locals only type of events, building/manufacturing, or even just access to the restroom facilities. Staff voiced concerns at just allowing open access to the facility due to damage and misuse that has and would occur; opening the facility requires some amount of management, which increases costs of the facility.

Director Amick stated that the City is planning to open the 8th street restrooms by this weekend so this will alleviate visitor access/use. Councilmember Reister stated that he would like to explore the use of the restrooms through outsourcing at another time.

Councilmember Bretz voiced concern at just providing direct transfers from the General Fund without any requirement to pay it back later. Director Steiner stated that the transfers can be initially set-up with the intent to get the fund stabilized; once revenues begin coming back in, if transfers have not already been returned, then the Council could consider approving a resolution to implement the loan over a three-year period.

7. Public Comment

Business owner Kevin Reike thanked the Mayor for allowing some public comment and shared his concerns with the accelerated hiring of the City Administrator. He said he is disappointed that the community is not able to have the traditional meet and greet opportunity with the top candidates prior to a final decision being made; however, he understands that this is due to the COVID-19 restrictions. Councilmember Hessburg concurred that the meet and greet is a very helpful tool in ensuring a good fit for the community and the process has stretched out longer than anticipated due to the COVID-19 restrictions.

The meeting adjourned at 10:02 A.M.

APPROVED



Carl Florea
Mayor

ATTEST



Chantell Steiner
Finance Director/City Clerk