



City of Leavenworth

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Leavenworth, Washington 98826
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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*

MEETINGS VIA ZOOM CONFERENCING May 26, 2020 Pacific Time (US and Canada)

Afternoon Committee Meetings 4:30 – 6:00 PM – All 3 Meetings will run for ½ hour each via the same zoom meeting beginning at 4:30 PM; Councilmembers will attend based on their specific assignments.

Join Zoom Meeting
<https://zoom.us/j/92207500659>
Meeting ID: 922 0750 0659
Password: None Required

Regular Evening Meeting Begins at 6:30 PM

Join Zoom Meeting
<https://zoom.us/j/94863212855?pwd=UE1RNDc0R2YrSEcxRmZrQXd3b2tKZz09>
Meeting ID: 948 6321 2855
Password: 772708

All Meetings allow for the same dial by your location option using the numbers listed below:

+1 253 215 8782 US
+1 301 715 8592 US

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

The City requests that all non-essential visits to City Hall for the Council Meetings be observed. The City Hall Council Chambers will be open for the public that wants to attend the meetings 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 each of the scheduled meetings; no meeting business may be discussed prior to the official opening of the meetings. The public is encouraged to submit written comments prior to the meetings by sending to the City Clerk at financedir@cityofleavenworth.com; comments via email will need to be submitted by no later than 5:00 PM on Monday, May 25, 2020 in order for them to be received and prepared for submission into the record; comments received for the evening meeting 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. Due to the Memorial Day closure on Monday, May 25th; if you would like to deliver comments, you may contact City Hall at (509) 548-5275, Extension 123; prior to 1:00 PM on Tuesday, May 26, 2020 to schedule an appointment for delivery. Comments received through US Mail will be included if they are received prior to the meetings.

LEAVENWORTH CITY COUNCIL AGENDA
Leavenworth City Hall – Council Chambers
May 26, 2020 – 6:30 PM

Call to Order

Flag Salute

Roll Call

Council Committees – 4th Tuesday

Housing – 4:30 PM

Public Safety – 5:00 PM

Finance - 5:30 PM

Consent Agenda

1. Approval of Agenda
2. Approval of May 12, 2020 Study Session Minutes
3. Approval of May 12, 2020 Regular Meeting Minutes
4. 2020 Claims \$363,228.49
5. PRSA Voucher Request \$28,500.00
6. Set Public Hearing: Six-Year Transportation Improvement Plan on June 9, 2020 at 6:45 PM.

Councilmember and Committee Reports

Mayor / Administration Reports

Comments from the Public on Items Not on the Agenda

Group Funding Report: Wenatchee River Institute Spring Bird Fest 2020

Resolutions, Ordinances, Orders, and Other Business

1. Action: Water Meter Presentation and Bid Award
2. Action: Mayoral Reappointment of Oliver Brulotte to the Design Review Board
3. Action: Trout Unlimited Fish Screen / Boulder Field Project Agreement – Amendment No. 1
4. Action: Festhalle Funding
5. Action: USDA Rural Development Loan Documents
 - a. Water and Waste System Grant Agreement
 - b. Resolution 11-2020 USDA Rural Development Loan – Grant for WWTP

Information Items for Future Consideration

Public Hearings Scheduled for June 9, 2020:

1. Design Review Board Code Amendments Continued from April 14
2. Subdivision Code Amendments Continued from April 14
3. Six-Year Transportation Improvement Plan

Adjournment

(Next Ordinance is 1612 – Next Resolution is 12-2020)

SUPPLEMENTAL COUNCIL AGENDA

1. Water Meter Presentation and Bid Award

At this time, Council is being asked to review Staff’s recommendation and award the purchase and installation of an Advanced Metering Infrastructure (AMI) System. At a previous City Council meeting, Council authorized the advertisement for bids for the removal and replacement of the existing City water meters with a new AMI system. The bid request was posted, and the bid opening was held on April 27, 2020 at 3:00 PM. The City received six bids at the opening, ranging from \$614,698.60 to \$907,656.07. The projected estimate for the project was in the \$900,000 - \$950,000 range.

Staff reviewed and graded the six bid submittals and discussed them via a Zoom Conferencing meeting on May 6, 2020; staff made the decision to interview the top three companies on May 13, 2020 via Zoom conferencing. The three proposals under consideration were as follows:

- Consolidated Supply Company - \$802,488.74
- Core and Main - \$807,239.62
- Correct Equipment - \$614,698.60

As a result of those presentations/interviews, and after careful consideration and discussion, Staff is now recommending that the City Council award the AMI System installation bid to Correct Equipment, Inc. for the base bid amount of \$614,698.60. There will be additional costs related to meter lid replacements/drilling that were not included in this company’s base bid; these costs will be based on the actual number of lids that need replacement. However, the total cost, with these additional improvements, will still keep this total contract significantly lower than the other bids received. At this time, an estimate is not determined, but will be negotiated and brought back for Council approval. Correct Equipment, Inc. representatives will be present at the evening meeting to make a presentation to Council of their proposed AMI System and to answer any questions prior to the vote.

Funding for the project comes from two grant sources; a Federal WaterSMART Grant in the amount of \$300,000 and an Icicle Work Group Grant award of \$487,000.

Once awarded by Council, the contract documents, required bonding, and insurance will be reviewed and put in place prior to the start of work. The City has been assured completion of the work by late fall of 2020.

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? | ✓ |

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

- Correct Equipment, Inc. Bid Summary
- AMI System Bid Opening Summary – April 27, 2020
 - **MOTION:** *The Leavenworth City Council moves to award the purchase and installation of an Advanced Metering System, including change-out/replacement of all existing meters, to Correct Equipment, Inc. at the base bid amount of \$614,698.60 including Washington State Sales Tax.*

2. Mayoral Reappointment of Oliver Brulotte to the Design Review Board

The Leavenworth City Council is being asked to confirm the Mayoral reappointment of Mr. Oliver Brulotte to the Design Review Board. All Design Review Board members shall be appointed by the Mayor with confirmation by the City Council (LMC 2.38.010 (B)).

The table below provides the current names of appointed Design Review Board members and their terms:

| | | |
|---|--------------------------------------|-----------------------------------|
| 1 | Oliver Brulotte | Expires Jun 1, 2020 |
| 2 | Todd Smith – <i>Chair</i> | Expires Jun 1, 2021 |
| 3 | Robert Smith | Expires Dec 1, 2020 |
| 4 | Ken Kohnhorst – <i>Vice Chair</i> | Expires Dec 1, 2021 |
| 5 | Mary Morse | Expires Jun 1, 2021 |
| 6 | Heidi Forchemer | (Alternate) / Expires Jan 1, 2023 |
| 7 | Fred Dowdy - Construction Specialist | |

COUNCIL GOALS

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|---|---|---|
| <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 2:**

- **MOTION:** *The Leavenworth City Council moves to confirm the Mayoral reappointment of Oliver Brulotte to the Design Review Board Position No. 1 for a four (4) year term.*

3. Trout Unlimited Fish Screen / Boulder Field Project Agreement – Amendment No. 1

The City Council is being asked to approve an amendment to the Trout Unlimited (TU) Boulder Field Project Agreement to assist TU with their funding of \$410,000 that is being provided to them through the Department of Ecology (DOE). Finance Director Chantell Steiner reviewed the request to assist by acting as the fiscal agent for TU, which would include making payments to TU's

contractors and submitting payment reimbursements through Ecology. Since the City of Leavenworth is already an active participant in Ecology’s financial system, also known as EAGL, the City has the ability to efficiently assist the project through this role. The funding provided from Ecology is State Funding and will not affect the City’s concerns in regard to federal funding and requirements for reporting and auditing in future years; invoices for all services will be maintained with the project files should there be future audit questions on payments made. TU will be the lead on other reporting requirements that will still be necessary to Ecology, and they will handle all other aspects of their requirements with Ecology, including retention requirements for all documentation. In addition, TU anticipates the fiscal portion of the process to be very minimal, in that they anticipate a limited number of invoices to submit for the funding reimbursements. If Council approves this amendment, the July Budget Amendment will include the addition of this revenue and expenditure being incorporated within the City’s Water Fund.

Director Steiner has stressed the need for TU and Ecology to act swiftly on reimbursement processes as the City may have limited cash flow in the Water Fund due to the upcoming Water Meter Replacement Project. Director Steiner recommends approval of this amendment to allow for the Boulder Project to move forward as soon as possible.

COUNCIL GOALS

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|---|---|---|
| <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? | |

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

- First Amendment Agreement with Trout Unlimited
- Original Agreement with Trout Unlimited
- **MOTION:** *The Leavenworth City Council moves to approve and authorizes the Mayor to sign the First Amendment Agreement with Trout Unlimited and directs the Finance Director to incorporate the revenue/expenditure of \$410,000 within the City’s 2020 Budget.*

4. Festhalle Funding

The City Council reviewed the need to consider an additional direct transfer to the Festhalle Fund at the May 12,2020 City Council Study Session due to the recent cancellations of events at the facility. The Council discussed the options of a direct transfer that will be utilized, as needed, on a monthly basis versus a temporary loan. As recommended, the Council is being asked to proceed with the approval of the direct transfer, at this time, for cash flow purposes, of \$20,000 to be incorporated as a budget amendment for 2020. Director Steiner will be monitoring this transfer on a monthly basis and will be able to move the funds to the Festhalle Fund and back to the General Fund as the cash flow needs change. Council will be provided a monthly update on the status of the Festhalle Fund balance. As of Friday, May 22, 2020, the estimated ending fund balance, with

the voucher run included for May 26, 2020, will be negative \$2,753.75. The necessary transfer for May will be determined based on the actual balance as of May 31, 2020. The City Council can amend this action at a later date to incorporate a temporary loan, with interest, if that is the desired decision.

COUNCIL GOALS

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| <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? | |

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

- Festhalle Fund May Status as of Friday, May 22, 2020
 - **MOTION:** *The Leavenworth City Council moves to authorize a budget amendment to include a new direct transfer of \$20,000 from the General Fund to the Festhalle Fund.*

5. USDA Rural Development Loan Documents

The City Council is being asked to approve a new grant agreement and funding resolution from the United States Department of Agriculture (USDA) for the Rural Development Loan and Grant program that the City applied for to assist in the additional funding needed for the Wastewater Treatment Plant Facility upgrades.

The City received official authorization that the application was accepted on Friday, May 15, 2020. Mayor Florea, Attorney Graafstra, and Finance Director Chantell Steiner reviewed and approved the new Letter of Conditions; this was a critical step to ensure that the new funding was not reauthorized back to the federal government from the State local offices. The City has requested full funding of the project for \$19,506,000, which includes loan funds from the original application of \$10,670,000 plus the new allocation of \$1,476,000 from Rural Development, and a requirement for the City to match the project with \$123,000; additionally, the request includes the original \$3,270,000 plus \$3,967,000 in grant funds. The loan terms will be finalized at the end of the project and allows for up to 40 years with a locked in interest rate of 1.375% or lower, that will be based on the rates at the time of loan approval or closing. The previous agreement had a maximum interest rate of 2%. The City Council will need to authorize the approval of the Water and Wastewater System Grant Agreement and the new resolution for the additional loan and grant dollars.

The signing of the agreement and approval of the resolution does not bind the City to accepting the loan or grant at this time. However, the loan dollars are required to be expended before any grant dollars are allocated. Approval of the agreement and resolution is the final step at this time in securing the new funding.

COUNCIL GOALS

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|---|---|---|
| <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? | ✓ |

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

- Water and Waste System Grant Agreement
- Resolution 11-2020
- Loan Resolution (USDA Form with approval accepted via Resolution 11-2020)
- New Approved Letter of Conditions Dated May 18, 2020

a. Water and Waste System Grant Agreement

- **MOTION:** *The Leavenworth City Council moves to approve and authorizes the Mayor to sign the Water and Wastewater System Grant Agreement for a loan total of \$12,269,000 and grant total of \$7,237,000.*

b. Resolution 11-2020 USDA Rural Development Loan – Grant for Wastewater Treatment Plant

- **MOTION:** *The Leavenworth City Council moves to approve Resolution 11-2020 authorizing and providing for the additional incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving, and/or extending its public body facility to serve an area lawfully within its jurisdiction to serve and to raise a portion of the cost of such undertaking by issuance of its bonds in the principle amount of \$1,476,000.*