

## **LEAVENWORTH CITY COUNCIL MINUTES**

### **May 26, 2020**

Mayor Carl J. Florea called the May 26, 2020 Leavenworth City Council meeting to order at 6:30 PM. This meeting was conducted via Zoom teleconference.

### **ROLL CALL**

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

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

### **APPROVAL OF THE CONSENT AGENDA**

#### **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 Wilson motioned to approve the consent agenda. The motion was seconded by Councilmember Strand and passed unanimously.

### **COUNCILMEMBER AND COMMITTEE REPORTS**

Councilmember Wilson reported that she attended the Public Safety meeting and has been in touch with the Leavenworth Golf Course Board. She noted that there are no Golf Course Board meetings scheduled at this time. She reported on the Chamber of Commerce Retail and Restaurant meetings and stated that there was discussion of the previous weekend with regard to open consumption of alcohol, the need for help with garbage pickups, and the use of community picnic tables. She noted that retailers are not as interested in selling their wares on the street, as are the restaurants, once entering into Phase 2 of the Governor's plan. She said that the Chamber of Commerce Director will contact the City with any other needs from the business community.

Councilmember Bretz reported on the Housing Committee meeting and stated that a letter regarding a housing partnership was provided to Chelan County; the Committee would like to invite County Commissioner Bob Bugert to an upcoming Committee meeting. She provided updates on the status of the Housing Action Plan; the initial meeting regarding the Scope of Work will take place on May 28, 2020, and a larger meeting will be held for the community and stakeholder groups at a later date. She attended the Link Transit Board meeting and stated that Link is currently running reduced services at no charge and Leavenworth frequency will be reduced further, due to low ridership. She noted that the ridership has had a slight increase in recent weeks, although is still low overall. On a final note she stated that Link is embarking on a Transit Study with a Consultant, which will look into efficiencies of the services provided by Link Transit.

Councilmember Waters reported on the Greater Leavenworth Museum Board meeting and stated that the flooring is ready to be installed, others are working on final touchups, and that the Museum anticipates reopening in July. She said that she has also attended several Chamber of Commerce meetings. She noted the work that the business community is putting into being prepared and ready to open in Phase 2; those businesses that are already open have implemented systems that promote social distancing and safety. She attended the Chelan Douglas Health District Board and Executive meetings; they are working toward implementing the Governor's orders. She added that she visited downtown Leavenworth and noted the problem with open consumption of alcohol, lack of social distancing, and visitors not wearing masks. She thanked Mayor Florea for providing his Community Letters and also thanked the City Public Works crews who were handling garbage pickups.

Councilmember Strand reported on the Public Safety Committee meeting and stated that the group addressed the general impressions of the weekend activity downtown; there was concern of open consumption of alcohol. He thanked the Chamber of Commerce efforts for providing masks to downtown visitors. He said that he walked around downtown and noted that very few people were wearing masks. He said that the Committee also addressed river use with regard to the rafting and tubing businesses, although no recommendations are being provided at this time. He reported on the Finance Committee meeting and stated that the March Sales Tax numbers have been received, which are low; April's numbers will likely provide a more accurate picture of what is to come.

Councilmember Lundgren reported on the Upper Valley Park & Recreation Service Area (PRSA) meeting and stated that the group discussed the opening of the Community Pool. The pool will be prepped and filled, as the pool was recently resurfaced, in anticipation of possibly opening the pool for a partial season; the final decision will be made by June 15, 2020. He said that discussions included safety measures that would need to be in place prior to opening, and anticipated revenues and expenses that are necessary in order to determine the opening of the pool.

Councilmember Hessburg reported that she attended the Economic Development, Public Safety, Finance, Residential Advisory (RAC), and Parking Advisory Committee meetings. She stated that the Parking Advisory Committee discussed the rollout of the Paid and Timed Parking Program, received updates from the CivicSmart Consultant regarding equipment purchase and installation, discussed a timeline for construction, and a rate schedule and revenue plan.

Councilmember Reister reported that he attended the Leavenworth Area Promotions (LAP) Committee meeting and stated that the Committee is reviewing the social media promotions. He noted that social media traffic has been flat, although response from local social media promotions has increased. He provided a brief update regarding recent advertising campaigns by Howl at the Moon Productions. He briefly addressed his findings over the weekend in downtown Leavenworth; garbage pickup was a concern and he was happy to see that the City crews and Chamber of Commerce representatives were maintaining garbage pickups. He stated that he is concerned with open consumption of alcohol, suggested the use of decorative barricades downtown, and agreed that not enough masks were being worn. On a final note, he requested consideration for the City owned parking lots be free of charge for visitor use, due to the downtown closure.

## **MAYOR/ADMINISTRATION REPORTS**

Mayor Florea reported that the City has been working closely with the business community in considering how to best open up safely. He said that there is opportunity in encouraging the visitors

to subscribe to the safety aspect of the new culture. He said that it is in everyone's best interest to apply the safety practices and wear a mask when one is downtown. He addressed the success of the placement of picnic tables on Front Street, which allowed visitors permission to distance from one another and get out into the street. He briefly addressed the City's appeal with the Growth Management Hearings Board regarding the River Stone Development and provided an update on the progress of that appeal. He confirmed that the City and property owner agreed to stipulate to a condition if the Hearing Examiner would approve, conditioned on the results of the City's appeal to the Growth Management Hearings Board. He said that the Hearing Examiner has since rendered a decision and did approve with the condition.

Finance Director Chantell Steiner addressed the Sales Tax Revenue and noted that the City will have a better understanding of upcoming revenues once the April numbers are received. She said that Sales Tax revenue for March was approximately 40% down and Lodging Tax revenue was over 75% down. She addressed parking revenue and noted that a more remote parking lot may be considered for no charge; she noted that the annual debt payment for those parking lots is approximately \$200,000. There was a brief discussion regarding the lack of parking downtown due to the street closure, and providing additional parking at no charge for visitors.

Development Services Manager Lilith Vespier provided a brief update on the numbers of Special Use Permits that have been requested for the use of Front Street during the COVID-19 Phase 2 opening. She added that alcohol sales will be allowed in a designated space and that permits have been requested by restaurant and retail establishments. She went on to address the size requirement, confirmed that there is no charge for the permit, and businesses are being encouraged to work with their neighbors in defining their space along Front Street. On a final note, she briefly addressed the number of building permits that have been requested year to date.

Public Works Director Herb Amick addressed the garbage pickups over the weekend in the downtown core. He said that the amount of garbage has surpassed the amounts seen during busy festival weekends; the main cause is takeout containers, which quickly overwhelm the small garbage containers. Public Works is working to address the situation by the coming weekend. There was a brief discussion of providing recycle containers and how to pay for the excess garbage disposal as the costs are currently being accounted for by the City's garbage fees for cans.

## **COMMENTS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA**

None.

## **GROUP FUNDING REPORT: WENATCHEE RIVER INSTITUTE SPRING BIRD FEST 2020**

Wenatchee River Institute (WRI) Director Ms. Carolyn Griffin-Bugert addressed the recent virtual Spring Bird Fest and thanked the Council for providing the Lodging Tax grant funding to WRI. She said that the funding was used to promote their wedding venue, update their website, and provide signage for outdoor walking tours. She addressed the number of registrations received for Bird Fest and contributions by local sponsors. WRI Education Director Ms. Rebecca Ryan addressed the planning, preparation, and art contest for local schools. WRI Community Programs Manager Ms. Rachel Bishop explained how the virtual Bird Fest took place and the website redesign, which directed participants to the WRI website. She noted that through social media,

they were able to reach nearly 8,000 participants, which brought more awareness to Bird Fest and the City of Leavenworth.

## **RESOLUTIONS, ORDINANCES, ORDERS, AND OTHER BUSINESS**

### **1. Water Meter Presentation and Bid Award**

Public Works Director Herb Amick stated that the City Council is being asked to award the purchase and installation of an Advanced Metering Infrastructure (AMI) System to Correct Equipment, Inc. for the base bid amount of \$614,698.60. He briefly reviewed the process for advertising and receiving bids and noted that 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. Correct Equipment Representative Mr. Doug McClintic provided a presentation on the AMI System, which addressed the features, benefits, and reliability of the system. Councilmembers asked questions for additional clarification, which was provided by Mr. McClintic.

Councilmember Bretz motioned 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. The motion was seconded by Councilmember Waters and passed unanimously.

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

Mayor Florea stated that the City Council is being asked to confirm the Mayoral reappointment of Mr. Oliver Brulotte to the Design Review Board for a four year term.

Councilmember Strand motioned to confirm the Mayoral reappointment of Oliver Brulotte to the Design Review Board Position No. 1 for a four (4) year term. The motion was seconded by Councilmember Waters and passed unanimously.

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

Finance Director Chantell Steiner stated that 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). Director Steiner said that the request is to assist TU by acting as their fiscal agent, which would include making payments to TU's contractors, and submitting payment reimbursements through Ecology. She briefly detailed the terms of the agreement.

Councilmember Lundgren motioned 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. The motion was seconded by Councilmember Hessburg and passed unanimously.

### **4. Festhalle Funding**

Finance Director Chantell Steiner briefly reviewed the May 12, 2020 Study Session discussion regarding the need to stabilize the Festhalle Fund, as a result of the many cancellations, due to

COVID-19. She stated that the Council is being asked to proceed with the approval of a direct transfer of \$20,000 for cash flow purposes, which will be incorporated as a budget amendment for 2020. There was discussion of transferring the funds back to the General Fund once revenues are being generated again, the possibility of using Lodging Tax Funds, and the option for a short-term loan versus a direct transfer at a later date.

Councilmember Bretz motioned to authorize a budget amendment to include a new direct transfer of \$20,000 from the General Fund to the Festhalle Fund. The motion was seconded by Councilmember Wilson and passed unanimously.

## **5. USDA Rural Development Loan Documents**

Finance Director Chantell Steiner stated that 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 to assist in the additional funding needed for the Wastewater Treatment Plant Facility upgrades. She said that 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. She confirmed that the terms of the loan 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.

### **a. Water and Waste System Grant Agreement**

Councilmember Wilson motioned 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. The motion was seconded by Councilmember Lundgren and passed unanimously.

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

Councilmember Reister motioned 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. The motion was seconded by Councilmember Waters and passed unanimously.

## **INFORMATION ITEMS FOR FUTURE CONSIDERATION**

Development Services Manager Lilith Vespier stated that there are three Public Hearings Scheduled for June 9, 2020; Design Review Board Code Amendments Continued from April 14, Subdivision Code Amendments Continued from April 14, and the Six-Year Transportation Improvement Plan.

Mayor Florea addressed the upcoming Study Session and Committee meetings; Councilmembers discussed the time frame for the meetings and agreed to a 2-hour Study Session and 30-minute Committee meetings via Zoom Conferencing.

## ADJOURNMENT

Seeing no other business, Councilmember Hessburg motioned to adjourn the May 26, 2020 meeting of the Leavenworth City Council. The motion was seconded by Councilmember Lundgren and passed unanimously.

The meeting adjourned at 9:04 PM.

### APPROVED

  
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**Carl J. Florea**  
**Mayor**

### ATTEST

  
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**Chantell Steiner**  
**Finance Director / City Clerk**