

LEAVENWORTH CITY COUNCIL MINUTES

April 12, 2022

Mayor Carl J. Florea called the April 12, 2022 Leavenworth City Council meeting to order at 6:31 PM. This meeting was conducted in the Council Chambers and via Zoom conferencing.

ROLL CALL

Council Present: Mayor Carl J. Florea, Carolyn Wilson, Sharon Waters, Jason Lundgren, Anne Hessburg, Zeke Reister and Marco Aurilio.

Staff Present: Chantell Steiner, Lilith Vespier, Tom Wachholder, Christie Voos, and Andrea Fischer.

APPROVAL OF THE CONSENT AGENDA

Consent Agenda

1. Approval of Agenda
2. Approval of March 22, 2022 Regular Meeting Minutes
3. March 2022 Payroll \$293,304.50
4. 2022 Claims \$221,258.20
5. Set Public Hearing for Six-Year Transportation Improvement Plan – 5/10/2022 @ 6:30 PM
6. Contract Authorization to Sign – Space Needs Assessment
7. Contract Authorization to Sign – Residential Alley Study
8. Subscription Agreement – Short Term Rental Monitoring & Notices
9. Confirmation of Mayoral Appointments to the Leavenworth Area Promotions Ad Hoc Committee
10. Confirm Mayoral Appointment of Erika Azuster to Design Review board Position #4; Kevin Rieke to DRB Position #6; and Moving Mary Kornienko Morse to DRB Position #6 Alternative

Councilmember Lundgren motioned to approve the consent agenda as written. The motion was seconded by Councilmember Hessburg and passed unanimously.

PRESENTATION BY CHIEF ADAM MUSGROVE ON BOMB THREAT INCIDENT

Chief of Patrol Adam Mugrove gave an overview of the bomb threats that happened in Downtown Leavenworth on March 24, 2022 and March 25, 2022. Besides the Chelan County Sheriff, the Chelan County Fire District #3, Washington State Patrol, Washington State Department of Transportation, Cascade Medical EMS and the City of Leavenworth Streets Department were the many agencies that were involved in this event. We listened to both 911 calls and he went over the details of the response from both calls. Deputy Fire Chief Dave Nalle commented that with their help it allowed the Sheriff Department to do their work. He encourages them to work together to plan for contingencies. The Council thanked them for their service and appreciates their hard work.

COMMENTS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA

Paula Strozyk – 12375 Village View Drive: She addressed the comments regarding the behavior of the public at the Planning Commission meeting. She would like to offer a different perspective

from what was presented at the Study Session meeting this morning. A member of the public was removed from the Planning Commission Meeting for being “rowdy”; and it was true that their comments were having an emotional tone, she felt that the removal was unwarranted and believes there is a deep disconnect between the Planning Commissioners and the public. She senses that the community is losing trust in the City. It was reported that the height issue is no longer a concern since very few people showed up at the Planning Commission meeting, and she is disheartened by the lack of attendance at the meeting; she feels that many have given up.

Scott Schimelfenig – 12375 Village View Drive: He has been following the Planning Commission meetings and Council meeting for some time now, and admits to being frustrated and was the “rowdy” uncivilized person that was ejected from the meeting. He has a history of working in City and County government and understands the process of getting things done. He was impressed at the details of how height is calculated. He was confused as there were three Planning Commissioners that didn’t think height change was necessary and there was not much discussion past that, which was upsetting to him.

Bob Bugert, Chelan County Commissioner – 400 Douglas Street, Wenatchee: He is extremely pleased with the job that Chief Musgrove is doing. The Chelan County Sheriff is looking to expand their Behavioral Health Unit to go out with the Deputies in the field to treat people who are having mental health issues, and to continue training and building up that part of their enforcement. He also warned about the Fentanyl crisis in the Valley that is affecting our kids.

RESOLUTIONS, ORDINANCES, ORDERS AND OTHER BUSINESS

11. Ordinance 1653 - Workforce Housing Grant Loan Program

Development Services Manager Lilith Vespier brought forth Ordinance 1653 the Workforce Housing Grant/Loan Program that will provide the framework for the pending Cedar Street project with Borealis Builders and MEND as well as future workforce housing projects with non profit organizations. If the Council has changes, they can be addressed in amendments in the future. The Council discussed some ideas they had for future amendments and improvements in applying for this grant.

Councilmember Reister motioned to adopt Ordinance 1653 Workforce Housing Grant Loan Program. The motion was seconded by Councilmember Hessburg and passed with a vote of 5-0-1 with Councilmember Waters abstaining.

12. Ordinance 1652 – Quarterly Budget Amendment

Finance Director/City Clerk Chantell Steiner stated every quarter she asks for a budget amendment which amends the budget at the fund level. This is the largest amendment she has put forth at \$13.8 million dollars. A majority of this amendment includes the necessary adjustments to the beginning and ending fund balances; the Council will find other amendments based on Council actions or necessary corrections to the 2022 budget that have either been carried over from the 2021 budget or require amendment due to changes not foreseen in the development of the original budget in 2020. Due to the magnitude of increases in various revenue streams, some funds include recognition of the estimated actual increases for 2022 based on 2021 final actuals. In addition, salaries/wages and benefits have been amended to include the ramifications of the Union Contract

settlement that were finalized in December 2021 after the last City Council meeting. You may recall in the fall budget presentation for capacity building that the anticipated total adjustments for capacity building plus union negotiations in 2022 was estimated to be between \$800,000 and \$900,000; the total now finalized is \$814,827.

Councilmember Wilson motioned to adopt Ordinance 1652 Quarterly Budget Amendment. The motion was seconded by Councilmember Lundgren and passed unanimously.

13. Resolution 4-2022 – Rate & Fee Schedule Update (Tabled from March 22, 2022)

Manager Vespier reviewed the tabled Resolution 4-2022 Rate & Fee Schedule at the March 22, 2022 meeting which includes the addition of Festhalle rates for 2023 with no changes from the 2022 rates, removal of Festhalle rates for 2020-2021, and the new fee for the Street Right-of-Way rate. The City Council at the November and December 2021 Study Sessions reviewed fees for the Street Right-of-Way ranging from \$6 a square foot (estimated parking revenue) to \$2 a square foot. The fee will apply to closed and open streets. Concerns related to the cost for businesses to maintain a space, particularly year-around, were discussed at the March 8th Council meeting. Gavin Evans, an employee of Stein, has provided a breakdown of business costs and is requesting the fee be \$1 per square foot. After a review of increased workload over the last year and parking revenue impacts total \$52,616 to \$93,416. The \$2 fee would provide a general lease of land rate of .50 cents and \$1.50 to cover estimated costs and lost parking revenue, assuming 20 parking spaces. Mr. Evans stated he does not feel it is fair for restaurants to have to cover all of the lost parking revenues. Councilmember Lundgren commented that he agrees with the restaurants not bearing all the weight. Manager Vespier reported that we are closing part of Commercial Street and those are the parking revenues that we are referring to. She stated the \$1.50 rate will mostly cover our costs. Councilmember Hessburg encourages starting with a lower rate to start and see how that goes. She likes the outdoor eateries and is hopeful this won't deter restaurants from participating. There was additional discussion from the Council and the public. This fee will go into effect at the conclusion of the emergency proclamation on April 15, 2022.

Councilmember Waters motioned to approve Resolution 4-2022 amending the Rate & Fee Schedule for Festhalle and Street Right-of-Way at \$1.50. The motion was seconded by Councilmember Wilson and passed with a vote of 4-2 with Councilmembers Lundgren and Aurilio opposed.

14. Street Closure Options

Manager Vespier stated that she reviewed options for street closures during the morning Study Session. This time is provided to take action on which, if any, streets are closed during the Closure Study estimated to be completed by December 31, 2022, as outlined in the Study Session materials.

Councilmember Hessburg motioned to close public right-of-way pursuant to RCW 47.48 until December 31, 2022 for the:

- A. 600-700 blocks of Front Street & north half of 8th Street between Front and Commercial.
- B. 800 block of Front Street.
- C. 900 block of Front Street.

The motion was seconded by Councilmember Aurilio and passed unanimously.

15. Authorization to Purchase / Surplus Equipment

Parks Manager John Schons requested the Council to authorize the purchase of a 2022 Exmark Zturf 30” Stand On Aerator from Jennings Equipment, Inc. in the amount of \$11,584.85 (including retail sales tax of 8.5%). The 2022 Equipment Rental & Revolving (ER&R) capital expenditure fund includes a budget of \$9,365.00 for the purchase of a new aerator and requires an increase of approximately \$2,220.00. This proposed purchase through Jennings Equipment, Inc. was procured through the WA State Department of Enterprise Services State Contract, known as the “State Bid List.” Therefore, competitive bidding requirements have been met. This purchase, if approved, will replace a 2015 Exmark 30” Stand On Aerator. This piece of equipment is used by the Parks Division in the spring and fall to aerate turf, which mitigates compaction of the soil and contributes to a healthy root system. The City will attempt to surplus the 2015 Aerator on the Public Surplus website once the new 2022 Aerator has been received.

Councilmember Lundgren motioned to approve the purchase of a 2022 Exmark Zturf 30” Stand On Aerator from Jennings Equipment, Inc. in the amount of \$11,584.85 including retail sales tax of 8.5%. The motion was seconded by Councilmember Hessburg and passed unanimously.

Councilmember Waters motioned to authorize the surplus of the 2015 Exmark 30” Stand On Aerator (Serial Number 315617058). The motion was seconded by Councilmember Reister and passed unanimously.

16. Supplemental Agreement No. 1 to Developer Extension Agreement

Public Works Director Tom Wachholder presented Supplemental Agreement No. 1 associated with the October 29, 2021 Developer Extension Agreement (DEA) between the City of Leavenworth and Prusik Investments, LLC. The City Council approved the original Developer Extension Agreement (DEA) at the October 12, 2021 City Council meeting. The DEA is for Pete Olson of Prusik Investments, LLC to develop two lots located at the 130 block of Stafford Street. Due to insufficient water availability along the Stafford Street corridor, staff recommended the DEA, which allowed a partnership between the City and Mr. Olson to replace an existing insufficient water main with an eight (8) inch ductile iron water main. The DEA obligates City funding resulting from Mr. Olson providing redundant water capacity. Since the original DEA has been in place, construction costs for labor and materials have increased significantly. Mr. Olson’s current construction bids that he is currently receiving have increased approximately 40% over project estimates from October 2021. Due to the increase in construction costs, Mr. Olson has requested that the City increase its monetary contribution by \$15,000, which would amend the not to exceed contribution by the City from \$38,000 to \$53,000. He noted that there is an additional \$12,000 in contingency funding for potential rock removal based on DOT specifications.

Councilmember Hessburg motioned to approve and authorizes the Mayor to sign Supplement Agreement No. 1 associated with the October 29, 2021 Developer Extension Agreement with Prusik Investments, LLC for the Stafford Street Water Main Extension Project. The motion was seconded by Councilmember Waters and passed unanimously.

COUNCILMEMBER AND COMMITTEE REPORTS

Councilmember Wilson attended the Parks Committee meeting and the Festhalle Oversight Committee meeting. Changes were approved in the Festhalle bylaws, and they are looking for behaviors; to rent the facility to upstanding people who won't cause trouble. Gather Leavenworth would like to offer discounts for spur of the moment bookings while the Festhalle is empty and discounts for Monday through Thursday bookings. She announced that the new Octoberfest festival name is set to be Bavarianfest.

Councilmember Waters attended the Greater Leavenworth Museum Board meeting where they finalized their strategic plan. She attended the Design Review Board; Annie McPherson has volunteered for the Greater Leavenworth Museum as the volunteer coordinator and invited all the volunteers to get together. The Chumstick Wildfire Stewardship Coalition and the Chelan County Fire District #3 placed a remote water tank at the Tierra Learning Center on the Chumstick for fighting fires, which will lessen the time it takes to get water to a fire to fight them more effectively. She attended the Bob Bugert presentation at the Wenatchee River Institute in which he spoke about many hot topics. She also attended the Festhalle Oversight Committee meeting, Study Session, and the Parks Committee meeting where it was discussed that getting new trucks right now is very difficult due to low supply. She also stated that Public Works and Parks are looking to go with electric trucks, however they do not have any available on the State bid list. Director Wachholder spoke about strategic goals for the Parks department.

Councilmember Lundgren attended the Parks Committee Meeting where he expanded on the Electric truck idea. They are looking at getting a Ford F-150, but they are not available on State Surplus yet. He also attended the Bob Bugert Presentation at Wenatchee River Institute, the bridge project on Icicle River during the summer is going to be a huge benefit when it re-opens. He also attended the Planning Commission meeting where they focused on height; Maggie gave a great presentation of how height is calculated.

Councilmember Hessburg attended the Economic Development Committee meeting where Manager Vespier gave a report on Development Services activity and they have been busy. She stated that the code amendment for the workforce housing was looked at and gave them a chance to ask questions. The remainder of the meeting they discussed the Multi-Family property tax exemption that has been part of State Law for many years, but wasn't available to smaller municipalities until now.

Councilmember Reister attended the Bob Bugert presentation at Wenatchee River Institute, they are adding three feet to the bridge over Icicle River and the whitewater park proposal is an interesting idea. He also attended the Planning Commission and Public Works Committee meetings.

Councilmember Aurilio attended the Cascade School District wellness meeting, where they discussed a proposal for a new lunch program called "My Way Café", which has already been implemented in various schools in New England. It will cost less money for the kids while serving healthy food. He also met with Annie Schmidt regarding progress on improving the forests around us to make the forests more resilient and fire wise. They are on a ten-year program to clean up the forests around Leavenworth. He also attended the Public Works Committee meeting and it was reported that they are looking at getting some new large equipment, such as a sewer vacuum and a couple new plow trucks. It was also discussed the hiring of a Capital Improvements Projects Manager which would take a lot off of Director Wachholder's plate and would keep things moving

at a more manageable pace. He also attended the Economic Development Committee meeting and the Bob Bugert Presentation.

MAYOR/ADMINISTRATION REPORTS

Mayor Carl Florea reported our new City Administrator search is in progress and first review will be on May 13, 2022. We are implementing a new program of making block parties much easier to do. It will cost \$15 and we will block off the streets that need to be blocked off. Elvis Garcia, Wenatchee business owner, has a foundation and is looking to do a fundraiser with the pride banners hanging in Downtown Leavenworth for the month of June. The banners will be purchased by different businesses or people. He also reported that he is saddened that KOHO radio is changing format as they have been sold and there will no longer be interviews with local officials.

Director Steiner reported that the Association of Washington Cities (AWC) reached out for the American Rescue Plan Act (ARPA) reporting requirement that is due on April 30, 2022. They have given us an option that under the final rule, the City can claim our \$566,000 with no backup. The money can be used for any government projects and the Council will need to decide what to spend the money on.

Manager Vespier stated that Development Services has been busy, getting the e-plan work station set up and getting their new inspector up and running. She spoke about a potential plan to give grants to Downtown business owners for adding sprinkler systems and egress.

Director Wachholder reported on the Parks Committee meeting and the strategic goals of Public Works. He gave a shout out to the Public Works leadership team for helping to develop these goals. Public Works is looking at getting two new snow plows that easily convert to a dump truck. We don't have a specific date for the 14th Street construction, but possibly at the end of May. He has done outreach to the businesses on that corridor to make them aware that construction will be happening and it will take around 7 weeks to complete. Pine Street Phase II, we got our Federal Funding all worked out and are ready to go. He attended an Emergency Training through the Chelan County Emergency Management and Fire District #3. The Well No. 1 rehabilitation was successful and we are getting more yield out of the well than was anticipated. Wastewater Treatment Plant phosphorus is trending down, but we are not yet in the high phosphorus season, which will be the real test. He thanked Parks Supervisor John Schons and his team as they completed the 8th Street restroom remodel. Director Steiner asked since there will be construction on 14th Street, will our recycle center remain open during that time. Director Wachholder stated that they are working with Waste Loop and might have alternative hours, but will try to remain open.

Communications Analyst Christie Voos reported that she has hired a parking program manager, Shannon Lemons. Hiring her will allow Christie to focus more on communications. The parking meters are getting an update with new stickers and an upgraded display. Parking revenue is just under \$80,000 for March and parking income is spent on parking expenses; funds do not go into the general fund. The Glacier parking lot is going to get an upgrade, many thanks to Manager Vespier for her help. She reported that the parking team is looking to sign a contract with a towing company to tow some abandoned cars left around Leavenworth. She is moving forward with testing new sensors in May and Parking enforcement with Duncan is now happening. In communications, Ms. Voos stated that all meetings are in a hybrid format.

INFORMATION ITEMS & FUTURE CONSIDERATIONS


- 17. Economic Development Committee Agenda Items**
- 18. Parks Committee Agenda Items**
- 19. Public Works Committee Agenda Items**
- 20. Development Services February Report and Planning Commission January Minutes**
- 21. Reminder – Public Disclosure Commission Filing Deadline April 15**

ADJOURNMENT

Seeing no other business, Councilmember Waters motioned to adjourn the April 12, 2022 meeting of the Leavenworth City Council. The motion was seconded by Councilmember Wilson and passed unanimously.


The meeting adjourned at 8:53 PM.

APPROVED



Carl J. Florea
Mayor

ATTEST



Chantell Steiner
Finance Director / City Clerk