



City of Leavenworth

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MEETING LINKS VIA ZOOM CONFERENCING April 23, 2024 Pacific Time

Study Session Begins at 5:30 PM
Regular Evening Meeting Begins at 7:00 PM

Join Zoom Meeting

<https://zoom.us/j/95960183556?pwd=U0wvTHdZSkd3a0llb0U0TjFMSVBNdz09>

Meeting ID: 982 5047 7856

Passcode: 461035

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

(253) 215-8782

Or find your local number: <https://zoom.us/j/abA4bfzOmT>

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LEAVENWORTH CITY COUNCIL AGENDA
Leavenworth City Hall – Council Chambers
April 23, 2024 – 7:00 PM

Call to Order
Pledge of Allegiance
Roll Call

Consent Agenda

1. Approval of Agenda
2. Approval of April 9, 2024 Study Session Minutes
3. Approval of April 9, 2024 Regular Meeting Minutes
4. 2024 Claims: \$553,978.66

Comments from the Public on Items Not on the Agenda

5. **Presentation:** Resolution 07-2024 – Mike Steele Acknowledgement
6. **Presentation:** Resolution 08-2024 – Keith Goehner Acknowledgement
7. **Presentation:** Public Safety Reports – Corporal Randy Lake of Chelan County Sheriff's Office and Mike Smith of Chelan County Fire District #3.
8. **Presentation:** Upper Valley Museum – Matt Cade
9. **Public Hearing:** Park Avenue Vacation on April 23, 2024 @ 7:00 PM
10. **Public Hearing:** Alley Vacation on April 23, 2024 @ 7:00 PM

Resolutions, Ordinances, Orders, and Other Business

11. **Action:** Ordinance 1690 – Park Avenue Vacation Request
12. **Action:** Ordinance 1691 – Alley Vacation Request
13. **Action:** Resolution 09-2024 – Financial Policy Update
14. **Action:** Resolution 10-2024 – Acceptance of Ecology Loan for Wastewater Facility and General Sewer Plan
15. **Action:** Supplemental Agreements No. 4 and 5 – Professional Services Agreement – Gray & Osborne – Glacier Parking Lot Improvements
16. **Action:** Supplemental Agreement No. 7 – Professional Services Agreement – Gray & Osborne – Public Works On-Call Contract for the 2024 Scrub Seal Construction Administration
17. **Action:** 2024 Scrub Seal Bid Award

Council Reports / Staff Reports

Information Items & Future Considerations

18. March 2024 Finance Report
19. March 2024 Public Works Department Report
20. March 2024 Planning Commission Minutes
21. Reminder: Community Engagement Night on May 7, 2024 from 4:00 – 7:00 at the Festhalle

Adjournment

(Next Ordinance is 1692 – Next Resolution is 11-2024)

CONSENT AGENDA ITEMS / REPORTS / PUBLIC HEARING

1. City Council Meeting Agenda

The following item is included under **TAB 1**.

2. Approval of April 9, 2024 Study Session Minutes

The following item is included under **TAB 2**.

3. Approval of April 9, 2024 Regular Meeting Minutes

The following item is included under **TAB 3**.

4. 2024 Claims:

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

PRESENTATION & HEARING ITEMS

5. Presentation: Resolution 07-2024 – Representative Mike Steele Acknowledgement

The Council is being asked to approve a Resolution acknowledging the efforts of Representative Steele to get MEND their first \$1 million capital grant for housing last year, and his support for the the additional \$1.3 million in the capital budget this year and for all his efforts to support the needs of Leavenworth. This is being done in the form of a Resolution rather than just a Mayor's Proclamation so that all of us can go on record in appreciation.

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

- Resolution 07-2024
- **MOTION:** *The Leavenworth City Council moves to adopt Resolution 07-2024 – Appreciation to Representative Mike Steele for his support of Leavenworth's housing needs.*

6. Presentation: Resolution 08-2024 – Representative Keith Goehner Acknowledgement

The Council is being asked to approve a Resolution acknowledging the efforts of Representative Goehner for his support of the additional \$1.3 million in the capital budget this year and for his leadership in addressing housing affordability challenges in tourism-dependent municipalities. This is being done in the form of a Resolution rather than just a Mayor's Proclamation so that all of us can go on record in appreciation.

The following items are included under **TAB 6**.

- Resolution 08-2024
- **MOTION:** *The Leavenworth City Council moves to adopt Resolution 08-2024 – Appreciation to Representative Keith Goehner for his support of Leavenworth's housing needs.*

7. Presentation: Public Safety Reports – Corporal Randy Lake of the Chelan County Sheriff's Office and Mike Smith of the Chelan County Fire District #3

The following items are included under **TAB 7**.

- Chelan County Regional Justice Center March 2024 Monthly Report

- Fire District #3 March 2024 Monthly Report

8. Presentation: Upper Valley Museum – Matt Cade

Representatives from the Upper Valley Museum will be presenting to the Council.

There are no items included under **TAB 8**.

9. Public Hearing: Park Avenue Vacation Request on April 23, 2024 @ 7:00 PM

The City has received a request to vacate an undeveloped portion of Park Avenue, located adjacent to properties owned by the Leavenworth Nazarene Church, in accordance with RCW 35.79. The area to be vacated has been historically used as a driveway access to residential property owned by the church. The residential unit has been demolished and the site will be graded, leaving a 2:1 slope on the west side of the church property, with the remainder of the site to be leveled with the existing parking lot grade. With access off Park Avenue no longer needed, the church has proposed to utilize this portion of the property for additional parking or a playground. The City will reserve and retain a perpetual snow storage easement within all that portion of vacated Park Avenue.

The following items are included under **TAB 9**.

- File of Record for Park Ave Vacation (LUA2023-042)

10. Public Hearing: Alley Vacation on April 23, 2024 @ 7:00 PM

The City has received a request to vacate an undeveloped portion of alley right-of-way, located adjacent to properties owned by the Leavenworth Nazarene Church, in accordance with RCW 35.79. The area to be vacated is located within the church's existing parking lot. The westerly portion of the alley was vacated by Ordinance 478 in December 1966. The proposal will vacate the remainder of the undeveloped alley abutting the church property, while continuing to provide access to the residential lots along the south 100 block of Park Avenue. The City has no need to reserve any easement or rights in the area to be vacated for access, utilities or any other purpose.

The following items are included under **TAB 10**.

- File of Record for Alley Vacation (LUA2023-043)

SUPPLEMENTAL COUNCIL AGENDA

11. Ordinance 1690 – Park Avenue Vacation Request

Following the public hearing, Council will consider action to vacate the undeveloped Park Avenue right-of-way, while retaining easement for snow storage on the property.

The following items are included under **TAB 11**.

- Ordinance 1690
 - **MOTION:** *The Leavenworth City Council moves to adopt Ordinance 1690 – Park Avenue Right-of-way Vacation.*

12. Ordinance 1691 – Alley Vacation Request

Following the public hearing, Council will consider action to vacate the Alley right-of-way.

The following items are included under **TAB 12.**

- Ordinance 1691
 - **MOTION:** *The Leavenworth City Council moves to adopt Ordinance 1691 – Alley Right-of-way Vacation*

13. Resolution 09-2024 – Financial Policy Update

The City Council reviewed the draft financial policy updates at the April 9th study session with a final determination to be made on whether to increase the Lodging Tax Fund reserve policy. In discussing this with the Chamber they noted their support for an increase, particularly due to rising advertising costs; however, they did not specify a particular limit. In addition to the reserve being available for emergency advertising, it should be recognized that other factors, such as COVID, could have a significant impact on this revenue stream in the future. In 2020, the City lost a total of just over \$400,000 between May and September compared to 2019 totals; fortunately a rebound occurred in the 4th quarter that ultimately resulted in a total yearly loss of just 12% or just under \$300,000. In looking at the time frame of this policy that was originally adopted in 2013, the overall percent increase in lodging tax revenues has been a total of nearly 385% going from an annual collection in 2013 of \$1.12M to \$4.3M in 2023. If this were to be a 1:1 factor the increase of the reserve would go from \$300K to \$1.1M; however, based on the COVID loss and the rare occurrence of the need for emergency advertising funding, Director Steiner recommends the increase to be no more than \$500,000.

The following items are included under **TAB 13.**

- Resolution 09-2024 Redlines
 - **MOTION:** *The Leavenworth City Council moves to approve Resolution 09-2024 – Financial Policy Update.*

14. Resolution 10-2024 – Acceptance of Ecology Loan for Wastewater Facility and General Sewer Plan

On April 9, 2024, the Council moved to approve and authorized the Mayor to execute the Water Quality Combined Financial Assistance Agreement with the State of Washington Department of Ecology for the Wastewater Facility and General Sewer Plan in the amount of \$472,000. Resolution 10-2024 further formalizes the acceptance of this loan. The approval of this resolution is a requirement from the Department of Ecology to complete the execution of the loan agreement.

The following items are included under **TAB 14.**

- Resolution 10-2024 – Acceptance of Ecology Loan for Wastewater Facility and General Sewer Plan
 - **MOTION:** *The Leavenworth City Council moves to approve Resolution 10-2024 – Acceptance of Ecology Loan for Wastewater Facility and General Sewer Plan.*

15. Supplemental Agreements No. 4 and 5 – Professional Services Agreement – Gray & Osborne – Glacier Parking Lot Improvements

In January 2022, Gray & Osborne (G&O) was selected to complete a preliminary design and geotechnical analysis of the Aasgard (P1), Blewett (P2), and Glacier (P6) parking lots. In October 2022, the contract with Gray & Osborne was supplemented to include the complete design and bidding of the Glacier Parking Lot (P6) Improvements project.

During the project design, both G&O and the City believed a prefabricated building could be used for the proposed restroom. As the restroom design progressed and the project was presented to the City's Design Review Board, it was ultimately determined that retrofitting a prefabricated building in order to meet the City's old world Bavarian alpine theme was not feasible. At the time of this determination, the anticipated project construction timeline was pushed back one year, and G&O began designing a traditional building for the restroom facility. At the City Council's February 13, 2024 meeting an interlocal agreement with Link Transit was approved for a single stall driver restroom to be designed and constructed within the same building as the City's public restroom. Supplemental Agreement No. 4 includes the additional costs associated with designing and permitting a traditional restroom building over the prefabricated building that was included in the initial project scope. The City will be responsible for paying for both the City restroom and Link restroom portion of the supplemental agreement fee; Link will be responsible for reimbursing the City for the Link restroom portion under the executed interlocal agreement. The total cost of Supplemental Agreement No. 4 is \$151,100.

At the City Council's March 26, 2024 meeting, the Council moved to award the Glacier Parking Lot (P6) Improvements project to KRCI, LLC of Wenatchee. Supplemental Agreement No. 5 includes tasks for the observation, documentation, and administration of the construction phase of the project, which is anticipated to begin in May 2024. The total cost of Supplemental Agreement No. 5 is \$316,660. The total combined amount is not to exceed amount of Supplemental Agreement No. 4 and Supplemental Agreement No. 5 is \$467,760.

The following items are included under **TAB 15**.

- Supplemental Agreement No. 4 – Additional Design Services
- Supplemental Agreement No. 5 – Construction Services
- **MOTION:** *The Leavenworth City Council moves to approve to authorize the Mayor to execute Supplemental Agreements No. 4 and 5 associated with the Gray & Osborne January 2022 Aasgard, Blewett & Glacier Parking Lot Professional Services Agreement, together updating the not to exceed amount to \$699,692.*

16. Supplemental Agreement No. 7 – Professional Services Agreement – Gray & Osborne – Public Works On-Call Contract for the 2024 Scrub Seal Construction Administration

The Council is being asked to consider approving Supplemental Agreement No. 7 to the Public Works On-Call Professional Services Agreement with Gray & Osborne for the construction administration of the 2024 Scrub Seal project. Supplemental Agreement No. 7 includes tasks for the observation, documentation, and administration of the construction phase of the project, which is targeted to begin in May 2024, pending bid award. Gray & Osborne was retained to complete the design phase of this project under the public works on-call professional services agreement; the design phase had a not to exceed amount of \$25,000. This supplemental agreement increases the public works on-call professional services agreement by \$150,000 for the construction administration of the 2024 Scrub Seal project.

The public works on-call professional services agreement is the basis of multiple projects that G&O has completed for the City and the total not to exceed amount of the public works on-call contract is the sum cost of all projects completed under this contract. As such, with the addition of Supplemental Agreement No. 7, the total not to exceed amount of the public works on-call professional services agreement will hereby be increased to \$313,000. As part of the 2024 Scrub Seal grant from the Transportation Improvement Board (TIB), 90-percent of the scrub seal project, including G&O's design and construction administration costs, will be funded by TIB; the remaining 10-percent is funded by the City's street fund.

The following items are included under **TAB 16**.

- Supplemental Agreement No. 7 – Professional Services Agreement – Gray & Osborne – Public Works On-Call Contract
 - **MOTION:** *The Leavenworth City Council moves to approve and authorize the Mayor to execute Supplemental Agreement No. 7 associated with the Gray & Osborne Public Works On-Call Professional Services Agreement, updating the not to exceed amount to \$313,000.*

17. 2024 Scrub Seal Bid Award

This agenda item is being included as a placeholder at this time. The 2024 Scrub Seal bid opening was held on Wednesday, April 3rd. The City received four (4) bids, ranging from \$1,178,870.00 to \$1,643,156.00. The engineer's estimate of probable construction costs was \$1,731,500.00. City staff received two (2) bid protests after the bid opening and the City Council was briefed on the receipt of these bid protests at the April 9, 2024 Council meeting. Both of these bid protests are still under review by the City's legal counsel. Pending legal counsel review and recommendation, City staff may ask the Council to consider awarding the 2024 Scrub Seal project. Additional information will be added to the packet and provided to the Council in advance of the April 23, 2024 City Council meeting if awarding the project is recommended.

There are no items included under **TAB 17**.

INFORMATION ITEMS & FUTURE CONSIDERATIONS

18. March 2024 Finance Report

The following item is included under **TAB 18**.

19. March 2024 Public Works Department Report

The following item is included under **TAB 19**.

20. March 2024 Planning Commission Minutes

The following item is included under **TAB 20**.

21. Reminder: Community Engagement Night on May 7, 2024 from 4:00-7:00 PM at the Festhalle

There are no items included under **TAB 21**.