

MINUTES OF THE 8/11/2011 CITY COUNCIL MEETING
City Hall, 135 East Johnson Avenue, Chelan, Washington

1. CALL TO ORDER

The meeting was called to order at 6:00 p.m.

2. ROLL CALL

Elected Officials Present: Mayor Goedde; Councilmembers Harper, Isenhardt, Lingard, McCardle, Morehouse, Morse. Absent/Excused: Councilmember Cooney.

Staff present: Administrator Reinbold, Attorney Galbraith, Clerk/Administrative Assistant Liles, Finance Director Grant, Planning & Community Development Director Gildroy, Public Works Director Van Epps.

3. AGENDA CHANGES

None

4. CITIZEN COMMENTS

A. FOOD BANK - Paul Palumbo, 208 West Nixon Avenue: Palumbo asked for the City's assistance with efforts to find a location for the food bank. There followed discussion culminating in Council consensus that staff work with the food bank board of directors to try to find a suitable permanent location for the food bank.

B. GOODFELLOW FINGERS- Gene Starcher, 106 East Woodin Avenue: Starcher said he had hoped that the information provided at the July 14, 2011 Council meeting would impel Council to require that the Goodfellow Brothers remove the three fingers fill. Instead, the City approved GBI's preliminary short plat application. Starcher also said he'd like to know why it is permissible for Council to discuss the food bank with Paul Palumbo during the citizen comment part of the meeting when he was told by the City Administrator at the last meeting that discourse concerning issues not on the agenda is inappropriate.

Morehouse responded to the two comments in reverse order, first pointing out that in contrast to the three fingers, the food bank isn't likely to generate litigation, and then explaining that Council has no authority to influence land use decisions.

5. CONSENT AGENDA

McCardle moved to approve the consent agenda as follows. Seconded by Lingard, motion passed unanimously.

- A. Approve: Minutes of the July 28, 2011 regular City Council meeting;
- B. Approve: Claim Warrants No. 77379 totaling \$226,009.78;
- Approve: Payroll Warrants No. 36468 – 36629 totaling \$206,691.27;
- C. Excuse: Cooney's absence from the August 11, 2011 City Council meeting.

6. SPECIAL PRESENTATIONS

- A. EMPLOYEE RECOGNITION: Grant was recognized for earning the 2011 Professional Finance Officer Award from the Washington Finance Officers Association.
- B. ROTARY PRESENTATION: Lake Chelan Rotary President Lester Cooper provided a power point presentation on the Rotary organization and its fund raising events, beneficiaries, and goals.

7. PUBLIC HEARINGS

None

8. ORDINANCES, RESOLUTIONS AND OTHER ACTION ITEMS

- A. SR 150 PEDESTRIAN SAFETY PROJECT (LAKESIDE TRAIL SECTION A): Van Epps reported as follows. The SR150 Pedestrian Safety Project (Lakeside Trail Section A) was substantially completed on 11/11/2010 at a final contract amount of \$454,757. The contractor has submitted final pay estimates. Staff is satisfied with project results and recommends the City accept the project as complete.

Following brief discussion, **Isenhardt moved to accept the SR150 Pedestrian Safety Project (Lakeside Trail Section A) as complete and to authorize release of all retainage upon the City's receipt of final contract documents from state agencies. Seconded by Morse, motion passed unanimously.**

- B. SR150/COLUMBIA STREET SIGNALIZATION PROJECT: Van Epps reported as follows: The SR150/Columbia Street Signalization Project started 11/11/2010, was suspended for the winter, then achieved substantial completion on 3/30/2011 at a final contract amount of \$340,759. Council authorized the final progress payment on July 14, 2011. Staff is satisfied with project results and recommends the City accept the project as complete.

Following brief discussion, **McCardle moved to accept the SR150/Columbia Street Signalization Project as complete and to authorize release of all retainage upon the City's receipt of final contract documents from state agencies. Seconded by Isenhardt, motion passed unanimously.**

- C. ON-CALL TRANSPORTATION ENGINEERING AND DESIGN: Van Epps reported as follows. Shea, Carr, Jewell has been providing on-call transportation engineering and design services to the City for the past two years. The contract governing those services has expired. Staff advertised for Statements of Qualification to provide these services for the next two years and received seven responses. The Public Works Committee (Cooney, Harper, Morehouse), Mayor Goedde, the City Administrator, and Public Works staff reviewed the SOQ's and conducted interviews with three firms, RH2 Engineering; Shea, Carr, Jewel; and Transpo. The resulting consensus was that the City enter into a contract with RH2 Engineering.

Morehouse objected, saying RH2 was not the first or even second choice of a majority of committee members, and he asked Mayor Goedde to explain why that firm was chosen. The Mayor explained that although he felt all three of the firms interviewed were qualified, he favored RH2 for their work on and familiarity with the South Shore Interceptor Project, their work on the Columbia/Johnson Street Signalization Project, the fact that they're located in Wenatchee, and because the Public Works Director indicated that he preferred working with

RH2. Morehouse pointed out that all three of the firms interviewed had successfully worked on City of Chelan projects in the past, and he explained that he favored Transpo because they had a broader scope of experience than the other firms and also for their work with with the County on the Chelan/Manson alternate route. Morehouse added that he brought the issue up because he believes the public should know how things are done and because the decision making and discussion process concerns him.

Lingard moved to authorize Administration to negotiate an agreement with RH2 Engineering for the provision of on-call transportation engineering and design services for the next two years and to authorize the mayor to sign the resulting agreement. Seconded by Harper, motion passed 5-1 with Lingard, Harper, Isenhardt, McCardle and Morse voting aye and Morehouse voting nay.

- D. PURCHASE OF LOT 16, BLOCK 32, ORIGINAL TOWNSITE: Reinbold reported that Mickey Green approached the City with an offer to sell the parking lot adjacent to the City owned parking lot on East Wapato between Emerson and Sanders. At the City's request, the lot was appraised and valued at \$180,500. Various funding options were explored, but staff is recommending outright purchase of the lot using a combination of 2% Tourism Promotion Funds, Real Estate Excise Taxes, and capital funds for parking. In support of the purchase, Reinbold cited the need to retain existing parking in downtown. Reinbold also reported that the seller has agreed to the terms in the proposed Purchase and Sale Agreement and has requested closing after the first of the year.

There followed discussion, with Morse recommending a number of changes in the proposed agreement, and Mayor Goedde asking Van Epps to look into rumors that there may be a settling problem with the lot's subsurface.

Morse moved to purchase Lot 16, Block 32 of the Original Townsite of Chelan for \$180,500 plus associated closing costs and to authorize execution of the Purchase and Sale Agreement with the following amendments to the draft agreement as distributed to City Council: (1) Paragraph 2, Condition of Title, shall read in its amended entirety, "Title to the real property and the personal property shall be free of defects and encumbrances except easements, covenants and restrictions of record that do not materially impair use of the property as a parking lot." (2) Paragraph 4, Conveyance of Title, shall read in its amended entirety, "Title to the real property shall be conveyed by Warranty Deed consistent with paragraph 2 above." (3) Paragraph 12, Default, shall read in its amended entirety, "If the Seller defaults in the performance of this agreement, the Purchaser may seek specific performance, damages, or rescission. If the Purchaser defaults, the Seller's remedy is the retention of the earnest money as liquidated damages. In the event legal action is required to enforce this agreement, the prevailing party shall be entitled to reimbursement of all costs incurred in such action and a reasonable sum as attorney's fees." (4) A new paragraph 13 entitled "Feasibility Study" shall be added to read "The Purchaser shall have thirty (30) days in which to conduct a feasibility study, including examination of the property for subsurface defects or conditions and the right to rescind the agreement if there is a significant problem. This condition is waived if no written notice is given to the Seller within said thirty day period." Seconded by Lingard, motion passed unanimously.

9. MAYOR, COUNCIL COMMENTS

A. DAYBREAK DEVELOPMENT: Morse reported that he heard the Daybreak property would be auctioned off at the end of the month and intends to say more about that at the next meeting when his recommendation to repeal code regarding the provision of untreated water to large scale developments is again considered.

B. DOWNTOWN APPEARANCE: Morehouse said he's hearing complaints about signs hanging all over everything downtown. Also, he's noticed the curb painting isn't very neat. Further, litter is a problem, and business owners need to be encouraged to keep their storefront areas clean.

Morehouse asked if the "Do Not Cross Yellow Line" signs on Wooden Avenue could be removed. Mayor Goedde said they could be if that is what Council wants. Councilmembers indicated that it was their consensus that the signs be removed.

C. EMPLOYEE RECOGNITION: Lingard congratulated Grant for receiving the WFOA award and pointed out that she was responsible for the proposal to fund the property purchase approved earlier in the meeting.

D. PARKING LOT PURCHASE: Lingard asked that staff inform Council of how the City will pay to maintain the parking lot it is about to purchase.

E. PARK USE: Lingard said that he is happy to see young people under the lights making use of the park in the evenings, and he thanked the parks staff for making that possible.

F. REVENUE: Mayor Goedde noted that 3% hotel-motel tax revenue is up and sales tax is up from last year.

G. VETERANS' ADVISORY BOARD: Mayor Goedde announced that the Veteran's Advisory Board will be doing a "stand down" on August 20 to offer assistance to veterans in need.

H. SISTER CITY: Mayor Goedde announced that Oliver, B. C., Chelan's Sister City, will be having their annual Festival of the Grapes the weekend of October 2nd. The Mayor said he would be in New Orleans representing the Link Board that weekend, so is unable to attend. He noted that McCardle is involved in event planning and suggested she attend to see how Oliver conducts the festival.

I. HOUSING AUTHORITY BOARD: Mayor Goedde reported that he is looking for someone to represent City of Chelan on the Board of Directors for the Housing Authority of Chelan County and City of Wenatchee.

10. CITY ADMINISTRATOR'S REPORT

A. NO-SEE-UM INTERSECTION: The City met with Department of Transportation staff regarding the need to improve the No-See-Um/Highway 150 Intersection. DOT asked the City to comment on the possibility of using roundabouts in that area.

Mayor Goedde added that he'd spoken to Senator Parlette about the need to improve the intersection and she is supportive.

- B. WEED ABATEMENT: Staff is working on weed abatement policies and, to further that effort, recently met with fire district and county weed control staff. Gildroy is leading that effort.
- C. WATER SYSTEM: The public works crew did a tremendous job in dealing with the recent water intake pipe leak.
- D. GBI SHORT PLAT (GOODFELLOW BROTHERS FINGERS): The City received two appeals to its decision on the GBI Short Plat Application.
- E. BUDGET WORKSHOPS: Workshops on the 2012 city budget have been schedule for August 23 and 24 from 4:00 to 6:00 p.m.
- F. SURPLUS EQUIPMENT: The City is selling surplus equipment. Information is posted on the city website.
- G. COUNCIL CHAMBERS RECORDING SYSTEM: New micro phones for the staff tables and podium and a digital recording system have been purchased for City Council Chambers.

11. RECESS (Airport Board Meeting)

At 7:19 p.m., meeting was recessed to allow the Mayor and City Councilmembers to participate in the regular meeting of the Lake Chelan Airport Board. Council meeting reconvened at 7:20 p.m. following adjournment of the Airport Board meeting.

12. EXECUTIVE SESSION

None

11. ADJOURNMENT

There being no further business, meeting adjourned at 7:35 p.m.



Linda Allison-Liles
City-Clerk



Robert R. Goedde
Mayor

Approved by City Council 8/25/2011