

MINUTES OF THE NOVEMBER 10, 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 Cooney, Harper, Isenhardt, Lingard, McCardle, Morse; Councilmembers-elect Higgins & Steele. ABSENT/EXCUSED: Councilmember Morehouse.

Staff Present: Administrator Reinbold, Attorney Galbraith, Clerk/Administrative Assistant Liles, Finance Director Grant, Parks and Recreation Director Sablan, Planning/Community Development Director Gildroy, Public Works Director Van Epps, Recreation and Facilities Supervisor Farris and Youth Sports Director Haerling.

3. AGENDA CHANGES

- A. Add to the consent agenda Morse's request for an excused absence from the special council meeting on 11/9/11 and Morehouse's request for an excused absence from the regular council meeting on 11/10/11.
- B. Add to the regular agenda a request to authorize a restitution agreement for theft at the Golf Course Pro-Shop.

4. CITIZEN COMMENTS

- A. ASBESTOS CONTAMINATION: Paul Ayers, 328 E Woodin, asked the City to declare his home a hazard waste site because it is contaminated with asbestos.
- B. VETERANS DAY: Tom Clark, 555 Antoine Creek Road, encouraged everyone to attend the Veterans Day Parade and the rally to protest corporate greed to be held in front of Bank of America immediately following the parade.
- C. ELECTION: Bill Crego, 526 E Wapato, said he was grateful for the opportunity to run against Bob Goedde for the Mayor's position, and he appreciated the way Goedde ran his campaign. Crego also asked Councilmembers to keep the citizens in mind when they act.
- D. SHORELINE RESTORATION/BEACH ENHANCEMENT/MARINA EXPANSION: Ben Higgins, 506 West Wooden Avenue, said he attended the special City Council meeting the previous night on the Don Morse Park Shoreline Restoration/Beach Enhancement/Marina Expansion Project and then visited the park this morning. He has some concerns about the City's ability to pay for all that is proposed in the project plan, but having seen how much the seawall has deteriorated, he considers its repair an emergency and believes it should be done immediately. He suggested installing additional steps in the seawall to stabilize it while providing improved access.

Higgins also said that the City should apply for permits to install new docks to replace those it removed – perhaps floating docks to provide better water access for visitors to the park; he is concerned about the consultant's plan to install boulders; and he would advise Council to go ahead

with whatever park projects it has grant funding for, but to rethink the rest as money is needed for maintenance.

- E ILLEGAL DRUG ACTIVITY: Linda Frankhauser, 209 West Gibson Avenue, thanked all those who attended the community meeting last week concerning illegal drug activity in Chelan neighborhoods.

5. CONSENT AGENDA

Cooney moved to approve the consent agenda as follows. Seconded by Harper, motion passed unanimously.

- A. Approve: Minutes of the October 4, 11, 18 & 25, 2011 Special City Council Meetings and Minutes of the October 27, 2011 Regular City Council Meeting.
- B. Approve: Claims No. 77904 – 77970 Totaling \$667,528.12 and Payroll Warrants No. 37237 – 37336 Totaling \$186,510.76.
- C. Excuse: Morse's Absence from the November 9, 2011 Special City Council Meeting and Morehouse's Absence from the November 10, 2011 Regular City Council Meeting.

6. SPECIAL PRESENTATIONS

- A. CITY'S YOUTH ATHLETICS PROGRAM: Sablan, Farris and Haerling provided a comprehensive report on the City's Youth Athletics Program. Sablan distributed a draft resolution recognizing and encouraging the official implementation of a community strategy to improve the culture of youth sports for all participants. He said he would be asking Council to pass this resolution early next year.

7. PUBLIC HEARINGS

- A. 2012 PROPERTY TAX AND OTHER REVENUE SOURCES: Mayor Goedde introduced a public hearing on 2012 property taxes and other revenue sources by stating the hearing's purpose and explaining how the hearing would be conducted. He then called for a staff report, which was provided by Grant. Council questions followed. The Mayor then opened the hearing to public comment (6:44 p.m.). There being no one in the audience who wished to testify, the Mayor closed the public hearing (6:45 p.m.).

8. ORDINANCES, RESOLUTIONS, AND OTHER ACTION ITEMS

- A. MASONIC LODGE PROPERTY PURCHASE: Reinbold related the process that led to the Library Expansion Feasibility Study and its recommendation, with concurrence from Friends of the Library and the Library Advisory Board, that the Masonic Lodge building at 216 North Emerson Street be purchased and renovated as the site for a larger public library. Reinbold reported: the building is appraised at \$525,000, but the Masonic Temple Board is willing to accept the negotiating committee's offer of \$495,000 with 25% down and fifteen years to pay off the balance at 4.5% interest. The total project cost would be \$1.5 million. The City would work with the Library Planning Committee to raise funds starting in January 2012 and the consultant selected to manage the project would seek grant funding. Council discussion followed.

Cooney: Suggested the City rent out space in the building both during renovation and after the library moves in. Said he envisions the building not as the new library, but as a community center that also houses the library. Recommended selling the building that is the site of the existing library to help offset the price of buying and renovating the Masonic Lodge building.

Lingard: Noted that the Masons had said they would remove nonfunctioning equipment now in the lodge basement but the proposed purchase agreement says "as is." Reinbold said he'd check to be sure the equipment in the basement would be removed.

Morse: Spoke against the purchase, saying if the City is going to spend \$1.5 million, the intelligent thing would be to build a new library on the site of the existing library. Noted the City's current debt, the various projects it needs to do, the funding requests it can expect from other entities, and the state of the economy. Pointed out that fund raising is meant to occur over three years and predicted that at the end of that period, the Planning Committee would be back asking the City for more money because it couldn't raise the promised funds. Said the building will require a complete renovation, which can't even begin until the end of the three year fund raising period, so why not lease the building with an option to buy?

Harper, Cooney, Isenhart and Lingard spoke in favor of the purchase.

Mayor Goedde: Noted revenue sources the State has cut and said he believes that's just the "tip of the iceberg" and doubts the needed grant money will be available. Said it should have been made clear to the Masons that the building wasn't being sought for the City; rather, it would be going to Chelan's citizens, the descendants of those who built and used the building in the first place.

McCardel moved to purchase the Masonic Lodge building as proposed. Seconded by Cooney, motion passed 5-1 with McCardle, Cooney, Harper, Isenhart and Lingard voting aye and Morse voting nay.

- B. SCHOOL DISTRICT BALL FIELDS CONSTRUCTION EASEMENT: Van Epps reported that the City will be installing a new sewer line and constructing a sidewalk along East Woodin Avenue and needs a construction easement from the School District for that part of the project immediately adjacent to the District's football field.

Isenhart moved to authorize Mayor Goedde to sign the construction easement allowing the City to install a new sewer line and sidewalk adjacent to Sargent Field. Seconded by Harper, motion passed unanimously.

- C. PRELIMINARY 2012 BUDGET DISCUSSION: Grant provided a brief update on changes to the Preliminary 2012 Budget, answered Council questions and entertained Council comments.

Mary Ann Warren, Past President of the Lake Chelan Arts Council, presented a request from the Arts Council for 2012 funding of \$8,000 to continue development of the Outdoor Gallery through the purchase of additional works of art and the continuation of the loaned art program and \$2,000 to support the building of bases for loaned sculpture to be placed in the downtown area.

- D. RESTITUTION AGREEMENT: Grant reported that the attorney for the seasonal employee who pleaded guilty to theft of funds from the Golf Course Pro Shop has offered restitution of \$17,000. Grant recommended the City accept this offer based on the following: Of the \$19,247

stolen, only \$8,488 was taken while the employee worked alone. It would be difficult to prove in court that the rest of the missing funds were stolen by the defendant since more than one employee had access to the cash drawer at the time it was taken. A settlement of \$17,000 would get the City full restitution for what was taken when the employee worked alone, cover the \$4,244.40 the City paid for the fraud audit and afford the City an additional \$4,267.60.

Morse moved to authorize a restitution settlement with Breanna Bailiff in the amount of \$17,000. Seconded by Isenhart, motion passed unanimously.

9. MAYOR, COUNCIL COMMENTS

- A. MASONIC LODGE PURCHASE: McCardle - She is excited about the decision to purchase the Masonic Lodge.

Lingard: He believes the purchase is a good deal.

Cooney: He thinks tonight's discussion challenged library expansion advocates to raise funds.

Harper: He believes the purchase is a good deal.

- B. ELECTION: Isenhart – She is disappointed that so many candidates ran unopposed. She is sad to see Morse and Lingard go, but excited about working with Mike Steele and Ben Higgins. She wants to thank everyone who ran for office and everyone who voted.

Cooney – Congratulated the Mayor on his re-election

- C. COMMITTEE ASSIGNMENTS: Cooney – He would like department directors to have input into council committee assignments.

- D. SHORE RESTORATION/BEACH ENHANCEMENT/MARINA EXPANSION PROJECT: Cooney – He doesn't think the consultant is hearing that the project should include no boulders and be kept to \$3.2 million.

- E. VETERANS: Cooney – The community should do whatever it can for its vets.

Mayor Goedde – Tomorrow is Veterans Day and there will be a parade at 11:00 a.m. on Woodin Avenue.

- F. TOWN TOYOTA CENTER: Mayor Goedde – There will be a meeting at 2:00 p.m. on November 18 at the Town Toyota Center to consider whether anything can be done at the state level about the Town Toyota Center's debt.

10. CITY ADMINISTRATOR'S REPORT

- A. LIBRARY EXPANSION PROJECT: The next step in the process is to review responses to the RFP and award the contract for project management.

- B. SOLID WASTE ADVISORY COUNCIL: Morehouse had intended to report that SWAC is going to be defunded.

11. RECESS (Airport Board Meeting)

At 8:27 p.m., council meeting was recessed to allow the Mayor and Councilmembers to participate in the regular meeting of the Lake Chelan Airport Board. Council meeting reconvened at 8:28 p.m. following adjournment of the Airport Board meeting.

12. EXECUTIVE SESSION

None

13. ADJOURNMENT

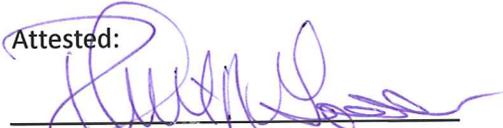
There being no further business, the meeting adjourned at 8:30 p.m.

Prepared by:



Linda Allison-Liles, Clerk

Attested:



Robert R. Goerde, Mayor

Date approved by Council: November 22, 2011.