

MINUTES OF THE March 8, 2012 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 and Councilmembers Cooney, Harper, Higgins, McCardle, Morehouse, Steele. EXCUSED ABSENCE REQUESTED: Councilmember Isenhardt.

STAFF PRESENT: Administrator Reinbold, Attorney Galbraith, Clerk/Administrative Assistant Allison-Liles, Finance Director Grant, Parks & Recreation Director Sablan, Planning & Community Development Director Gildroy, Public Works Director Van Epps, Receptionist/Clerical Assistant Gallucci, Chief Law Enforcement Officer Huddleston.

3. AGENDA CHANGES

None

4. CITIZEN COMMENTS

None

5. CONSENT AGENDA

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

- A. Approve minutes of 1/17/2012 and 2/21/2012 special City Council meetings;
- B. Approve Claim Warrants No. 78529 - 78587 totaling \$72,195.58 and Payroll Warrants No. 37852 - 37929 totaling \$167,724.69;
- C. Confirm Mayor's appointment of Ryan Robinson to position #5 on the Parks & Recreation Advisory Board for a term commencing immediately and expiring on 12/31/2013;
- D. Acknowledge receipt of 4<sup>th</sup> quarter 2011 financial report:

6. SPECIAL PRESENTATIONS

- A. WASHINGTON CITIES INSURANCE AUTHORITY (WCIA): Lisa Roberts, WCIA Risk Services Manager, presented information about the insurance pool's philosophies, finances and member services. Roberts also cautioned against certain Council actions that could needlessly generate claims and/or litigation against the City.
- B. WAREHOUSE INDUSTRIAL ZONE PLANNING: Gildroy reviewed the preliminary first draft of the Warehouse Industrial Land Use Plan and answered Council questions on Warehouse Industrial Zone planning.

7. PUBLIC HEARINGS

None

8. ORDINANCES, RESOLUTIONS AND OTHER ACTION ITEMS

- A. GOLF COURSE FOOD CONCESSION: Sablan reported as follows. The City's three year concession contract with Lovo's for food service at the golf course has expired, and Lovo's owner isn't interested in a new contract. Staff issued a request for proposals and received responses from three people interested in operating the concession. After interviewing the three, staff is recommending the contract be awarded to Sonja Murray, who worked for Lovo's and therefore understands the dynamics of the operation.

There being no discussion, **McCardle moved to authorize the Mayor to sign the 2012 Golf Course Food Service Concession Agreement with The Caddy Shack Café, LLC, and Sonja Murray. Seconded by Steele, motion passed unanimously.**

- B. DON MORSE PARK RESTROOM PROJECT: Sablan stated that on 2/9/2012 Council selected DOH Associates to provide engineering services for the Don Morse Park Restroom Project, and DOH advised that a facility assessment and feasibility study should be done before the City moves forward with the project. Sablan presented a proposed agreement with DOH to conduct the assessment and study and recommended Council's approval.

Following brief discussion, **Cooney moved to accept the scope of work and deliverables as set forth in the proposed letter of agreement with The DOH Associates for a facility assessment and feasibility study as the first step in the Don Morse Park Restroom Project and to authorize the Mayor to sign the letter of agreement as presented. Seconded by McCardle, motion passed unanimously.**

- C. DON MORSE PARK BEACH ENHANCEMENT/SHORELINE RESTORATION/MARINA EXPANSION: Sablan stated that on 2/23/2012 Council awarded the bid for supply and delivery of pea gravel for Phase I of the Don Morse Park Beach Enhancement/Shoreline Restoration/Marina Expansion Project to Godbey Red-E-Mix Concrete, Inc., the lowest responsible bidder at \$120,855.80 including sales tax. Sablan presented a proposed contract with Godbey and recommended its approval.

Following brief discussion, **McCardle moved to authorize the Mayor to sign the contract with Godbey Red-E-Mix Concrete, Inc. to supply and deliver 5,200 tons of pea gravel as specified in the bid document for Phase I construction of the Don Morse Park Beach Enhancement, Shoreline Restoration/Marina Expansion Project. Seconded by Cooney, motion passed unanimously.**

- D. DON MORSE PARK BEACH ENHANCEMENT/SHORELINE RESTORATION/MARINA EXPANSION: Sablan stated that Council awarded the bid for construction of Phase I of the Don Morse Park Beach Enhancement/Shoreline Restoration/Marina Expansion Project to KRCI, LLC, the lowest responsible bidder at \$2,355,066.60, including sales tax, for bid items 1, 4 and 5 (the "Dream Plan"). Sablan presented a proposed contract with KRCI and recommend its approval.

There being no discussion, **Steele moved to authorize the Mayor to sign the contract with KRCI, LLC, for Phase I construction of the Don Morse Park Beach Enhancement/Shoreline Restoration/Marina Expansion Project. Seconded by Morehouse, motion passed unanimously.**

- E. 2012 BUDGET - INTERFUND LOAN: Grant stated that the City was awarded two grants totaling \$1.5 million for the Don Morse Park Beach Enhancement/Shoreline Restoration/Marina Expansion Project with a required local match of \$1.7 million. Her research indicates that limited tax general obligation bonds or a bank loan would be appropriate for the match, and she is working towards that end. She has no concerns about the City's ability to obtain funding and interest rates are at an historic low. In the meantime, an interfund loan is needed for funds to keep the project moving forward.

There being no discussion, **McCardle moved to adopt Resolution No. 2012-1239 authorizing and directing a loan from the General Fund (#100) to the Recreation Capital Improvement Fund (#310), providing for repayment of said loan and providing for interest in addition to payment of the principal. Seconded by Steele, motion passed unanimously.**

- F. WASTE WATER TREATMENT FACILITY UPGRADE: Van Epps presented the scope of work for Gray & Osborne's services during construction of the Waste Water Treatment Plant Phase II Pipeline Project and asked that Council authorize the Mayor to sign an amendment to the existing engineering services agreement between the City and Gray & Osborne to reflect that work.

There being no discussion, **Harper moved to authorize the Mayor to sign Amendment #3 to Contract for Engineering Services with Gray & Osborne for additional services related to Phase II Waste Water Treatment Facility Upgrade – Pipeline Construction. Seconded by Cooney, motion passed unanimously.**

- G. WAGE ADJUSTMENT FOR MAYOR AND NON-REPRESENTED EMPLOYEES: Grant provided background information on the process that led to the Finance Committee's recommendation that wages for the Mayor and non-represented employees be increased by 2.5%. Finance Committee members provided additional information, explaining the basis for the recommendation. Higgins and Harper recommended considering the Mayor's pay separately since in their opinion that position is "grossly underpaid" and its increase should be more than 2.5%. McCardle and Steele advocated developing a framework and setting policies for considering wage adjustments in the future so the process will be less arbitrary.

**Cooney moved to authorize a 2.5% wage increase for non-represented employees effective during the remainder of 2012. Seconded by Morehouse, motion passed unanimously. Steele moved to refer the matter of the Mayor's compensation to the Finance Committee for review and recommendation to the full Council at a future date. Seconded by Morehouse, motion passed unanimously.**

## 9. MAYOR, COUNCIL COMMENTS

- A. WCIA PRESENTATION: McCardle and Steele thanked Lisa Roberts for her presentation earlier in the evening.

- B. TOWN TOYOTA CENTER: Morehouse said he agrees with all six Councilmembers who, in his absence, voted 4-2 to allow a ballot measure on increasing sales tax to pay off Town Toyota Center debt.
- C. COUNCIL COMPENSATION: Morehouse said he'd like to add a review of council compensation to the review of the Mayor's compensation.
- D. SERVING ON COUNCIL: Steele commented briefly on his first two months as a Councilmember.
- E. EMPLOYMENT LAW: Mayor Goedde reported attending an employment law seminar and said the City needs to review its personnel manual to be sure it's up to date.
- F. MIDDLE SCHOOL PRESENTATION: Mayor Goedde reported being asked to address middle school students on the topic "Advantages of Being a Small Town Mayor" and said the presentation was fun.
- G. VETERANS ADMINISTRATION: Mayor Goedde reported that about 100 vets showed up at an open house presented by the Veterans Administration in Wenatchee recently. He said about fifty signed up for the veterans clinic.

10. CITY ADMINISTRATOR'S REPORT

- A. COUNCIL COMPENSATION: Reinbold confirmed that the Finance Committee would look at council compensation at its next meeting.
- B. LIBRARY EXPANSION PROJECT: Reinbold reported that the CDBG grant application for the library project was submitted on time.
- C. CONSTRUCTION/TOURISM: Reinbold noted that there would be a lot of construction projects in Chelan this summer and said he hopes it doesn't interfere too much with the tourists.
- D. AIRPORT RUNWAY EXPANSION PROJECT: Reinbold reported that the environmental assessment for the Airport Runway Expansion Project is near completion with land acquisition to follow.

11. RECESS (AIRPORT BOARD MEETING)

Council meeting was recessed at 7:55 p.m. to allow the Mayor and Councilmembers to participate in the regular meeting of the Airport Board. Council meeting reconvened at 7:56 following adjournment of the Airport Board meeting.

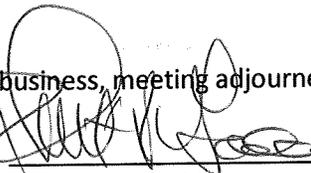
12. EXECUTIVE SESSION

None

11. ADJOURNMENT

There being no further business, meeting adjourned at 7:56 p.m.

  
Linda Allison-Liles, City Clerk

  
Robert R. Goedde, Mayor

DATE APPROVED BY COUNCIL: March 22, 2012

City-Clerk

Mayor