MINUTES OF THE JANUARY 23, 2014 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. ELECTED OFFICIALS PRESENT: Mayor Goedde, Councilmembers Cooney, Harper, Higgins, Isenhart, McCardle, Morehouse and Steele.

   STAFF PRESENT: City Administrator Schmidt, City Attorney Galbraith, City Clerk/Administrative Assistant Gallucci, Finance Director Grant, Parks & Recreation Director Sablan, and Public Works Director Van Epps.

3. AGENDA CHANGES
   A. None

4. CITIZEN COMMENTS
   A. None

5. MINUTES
   Mr. Morehouse moved to approve the minutes as follows. Second by Ms. McCardle. Motion passed unanimously.

   A. January 9, 2014 City Council Meeting

6. CONSENT AGENDA
   Mr. Morehouse moved to approve the consent agenda as follows. Second by Ms. Isenhart. Motion passed unanimously.
   A. December 31, 2013 Claims Warrants No. 82576 to 82584 totaling $18,165.89
   B. January 23, 2014 Claims Warrants No. 82591 to 82638 totaling $94,300.28 and Payroll Warrants No. 42398 to 42467 totaling $138,289.17
   C. Confirm the Mayor's Reappointment of Larry Bradley, Bill Crego, and Ryan Robinson to the Parks & Recreation Advisory Board
   D. Golf Cart Lease Agreement

7. SPECIAL PRESENTATIONS
   A. HYDROFEST/MAHOGANY & MERLOT PRESENTATION: Chris and Jon Courtright distributed handouts and gave a presentation on the Mahogany and Merlot event which happens the first weekend in October. They discussed the need for financial support from the community and in-kind donations. They stated this event brings many people and substantial revenue to the community and local businesses. They said there are other towns vying for this opportunity and although they don't want to move the event, but if they do not receive help financially, they will have to consider it.

John Walcker informed Council The Lake Chelan Recreation Association had started Hydrofest to draw people to Chelan in the off season. He stated Hydrofest fills up the park, people come and spend money at local businesses, and it draws people back every year. Now the event is essentially funded by Leo Miller, John Walcker, and the participants of the race. He said they need help to keep it going and are asking for help with some sites at the Lakeshore RV Park, use of the docks at Don Morse Park, and parking for the participants.

No action required.

B: CHELAN COUNTY FLOOD CONTROL ZONE DISTRICT PRESENTATION: Mitch Reister, Public Works Director/County Engineer, Jason Detamore, Environmental Affairs Coordinator, and Lauren Loebsack, Public Information Officer, and Commissioner Doug England were present to discuss the creation of a Flood Control District. Folders with various information were distributed. Mr. Detamore discussed damages caused by floods including homes, businesses, and infrastructure. These damages have an impact on Chelan County as a whole. He stated there is no funding to prevent flood hazards and they would like to have funds to be proactive instead of reactive. They are proposing a property tax increase of $.07 per $1,000 of assessed value. There will be more public meetings and outreach through June of 2014.

No action required.

8. PUBLIC HEARINGS
   A. None

9. ORDINANCES, RESOLUTIONS, AND OTHER ITEMS
   A. SANDERS/WOODIN SIGNALIZATION PROJECT AUTHORIZATION TO PROCEED: Mr. Van Epps gave a brief description of the project stating this project would be completed by WSDOT. Mr. Van Epps stated the design for the sidewalk bulbouts and planters had been provided to HDCA. HDCA would like Council to consider extending the sidewalk bulbouts to 15 feet which is twice as long as shown on the plans. Mr. Coulter of the HDCA design committee would like a larger planter placed in the area as it is an entry way feature. Increased sidewalk bulbouts will increase design continuity with Johnson Avenue and would increase the project cost by $15,000 to $20,000. Councilmembers were concerned about the loss of parking spaces if the bulbouts were increased.

Mr. Steele moved to authorize the Woodin/Sanders Signalization Project to proceed as presented. Second by Mr. Cooney. Motion passed 6 – 1 with Mr. Morehouse voting nay.

Ms. McCardle moved to have the Public Works Director bring back to Council a rendition of the sidewalk area to determine what it's going to look like, what will be placed in the area, and how much it is going to cost. Second by Ms. Isenhart. Motion passed unanimously.

B. NORTH BRADLEY STREET SIDEWALK PROJECT BID AWARD: Mr. Van Epps explained to Council this was the Safe Routes to School grant. It has been through design, public input, and presentations to Council. Eight bids were received and the lowest bid was $10,000 over the engineer's estimate. Mr. Van Epps distributed a handout with a breakout of costs including an added contingency allowance.

Mr. Steele moved to award the bid to McClung Construction for construction of the North Bradley Street Sidewalk Project in the amount of $476,110.28 plus any applicable taxes and $76,974 for construction engineering and project contingency allowance and authorize the project to proceed. Second by Mr. Morehouse. Motion passed unanimously.

C. CHELAN PUD TAX SETTLEMENT AGREEMENT: Ms. Grant explained to Councilmembers Chelan PUD conducted an internal audit and discovered there were several properties in the City which were not being charged the 6% Utility Tax and some properties which were not located in the City were being charged. Additionally, it was discovered the City was not being charged for any City-owned properties. It was determined the City was owed $36,000, the City took credits for the City's accounts and $24,000 was the final amount due to the City.

Ms. McCardle moved to authorize the Mayor to sign the Chelan County Public Utility District Agreement as presented. Second by Mr. Cooney. Motion passed unanimously.

D. PERSONNEL MANAUAL ADOPTION RESOLUTION: Mr. Schmidt reminded Councilmembers they had received the Personnel Manual at the previous meeting. He discussed the Electronic Resources Policy and the Travel Policy. Councilmembers had no questions and there was no discussion.

Mr. Cooney moved to approve Resolution 2014-1272. Second by Mr. Steele. Motion passed unanimously.

10. MAYOR AND COUNCIL COMMENTS

A. WINTERFEST: Mr. Steele gave a huge thank you to City staff, Public Works and the Parks Department and everyone involved in pulling off the second weekend of Winterfest. He thanked all the participants who helped. He stated the Chamber would continue to work on their own revenue models because there is no magic money tree. No tax dollars are used for the event it is run strictly on what is generated in revenue and sponsorships. He does recognize the struggle all events go through.

Mr. Morehouse had fun bartending at Winterfest. He is glad there was such a large crowd in attendance for Winterfest and he really enjoyed the people from Canada.

Mr. Cooney thanked everyone for all the effort put into Winterfest. He said the weekend was five to six times better than non-event weekends as far local business revenue. He suggested the people who complain about Wnterfest volunteer and become more involved.

Ms. Isenhart loved Winterfest. She said bartending was a riot and it was fun to work with Mr. Goedde, Mr. Morehouse, and Mr. Schmidt. She said she was taking tokens at the bar and was telling people she was the "token female". She thought Winterfest was just wonderful and she enjoyed being a part of it.

Ms. McCardle dittoed everything Mr. Steele said. Winterfest wouldn't have happened without staff including Mr. Schmidt, Mr. Van Epps, and Mr. Sablan. Everyone worked well together.

Mr. Goedde said he had fun serving beer at the Ice Bar. His daughter and her friend were in Chelan to attend Winterfest and both said they had a lot of fun.

B. PUD ECONOMIC DEVELOPMENT: Mr. Steele stated he and Mr. Goedde had attended the PUD Economic Development meeting. PUD is in the process of relicensing the dam through FERC. He and Mr. Goedde informed PUD of citizen feelings on how the lake level is being negotiated. There is a lack of citizen input and it is the citizens who deal with the effects of lake levels daily. Mr. Steele said PUD needs to understand how the level effects economic viability. He will continue working with PUD for economic data points and requested whatever data was supplied to PUD should not be dismissed just because they are related to money and not tribes, fish, etc.

Mr. Goedde said he told PUD tourism is big in Chelan and Chelan wants a better prospect for people to utilize their land. He discussed access to the water at the lowest point on the lake. He asked PUD provide FERC with preliminary terms and conditions.

C. DOWNTOWN DESIGN: Mr. Morehouse stated he would like to see City Council get involved in the design of projects so they can see how the design effects the town.

D. JIM ROGERS: Mr. Cooney said it was very tragic Jim Rogers passed away. He stated Mr. Rogers was at the time in his life where he could enjoy it after all the sweeping and mopping he did to get there.

E. LINK TRANSIT: Mr. Goedde gave update on his board meeting with Link Transit.

F. LADY OF THE LAKE WHEELHOUSE: Mr. Goedde stated the Lady of the Lake Wheelhouse will be moving onto City property to behind Campbell's and BC MacDonalds.

G. HDCA/CINDY SALAZAR: Mr. Goedde informed Council Ms. Salazar had resigned from HDCA. She will be missed and he wishes her well.

11. CITY ADMINISTRATOR'S REPORT

A. COMMITTEE MEETING STAFF NOTES: Mr. Schmidt stated to Council the City Clerk had distributed staff notes from the last four committee meetings. Council will receive this packet during committee meeting months.

B. CITY COUNCIL SPECIAL WORKSHOP: Mr. Schmidt informed Council the Woodin Avenue Bridge workshop will take place on February 18, 2014. There will be an open house from 3:00 p.m. to 6:00 p.m. with staff and KPFF present to answer questions. The City Council workshop will be held from 6:00 to 8:00 p.m.

C. AMERESCO PROPOSAL: Mr. Schmidt explained to Council the spreadsheets with the results of the energy audit were distributed prior to the meeting. This is not compelling City to do anything but allows the City to apply for grant funding. There is grant money available and the City has a high chance of acquiring the funds. He stated he may have Ameresco do a presentation at the February 13, 2014 meeting. Mr. Schmidt asked for Council consensus to allow the City to apply for the grant. Council concurred.

D. STRATEGIC RETREAT: Mr. Schmidt stated the Strategic Retreat will be held at Campbell's on March 1, 2014.

E. JIM ROGERS: Mr. Schmidt said Jim Rogers passing was sad and sudden. Additionally, he is was the concessionaire at the Golf Course. It is too late to get another concessionaire so the City may be taking it over. The City Clerk is applying for a liquor license.

F. PUD PROJECT FACT SHEET: Mr. Schmidt stated PUD will be starring a significant project downtown. They will be changing out electric overheads including poles and wire in the alley behind Kelly's Hardware. There will be intermittent power interruptions. It will begin February 3, 2014 and last approximately three months.

12. RECESS

The City Council meeting was recessed at 8:45 p.m. to allow the Mayor and Councilmembers to participate in the Airport Board Meeting. The Council meeting reconvened at 8:46 p.m. following adjournment of the Airport Board Meeting.

13. EXECUTIVE SESSION

A. MATTERS PERTAINING TO LITIGATION – RCW 42.130.110(1)(i) At 8:46 p.m. Mr. Goedde stated there would be an Executive Session lasting five minutes with possible action to be taken. Council Chambers were cleared and the Executive Session began at 8:49 p.m. At 8:54 p.m., Mr. Goedde stated the Executive Session would last two more minutes. At 8:56 p.m. the Executive Session adjourned and the regular meeting reconvened.

Mr. Cooney moved to authorize the Mayor to execute the settlement agreement. Second by Mr. Morehouse. Motion passed unanimously.

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 8:57 p.m.

Peri Gallucci
City Clerk

Robert R. Goedde
Mayor

DATE APPROVED BY COUNCIL:

February 13, 2014