MINUTES OF THE FEBRUARY 13, 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, and Morehouse. ABSENT/EXCUSED: Steele.

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

3. AGENDA CHANGES
   A. Add Excuse Councilmember Steele from February 13, 2014 City Council Meeting

4. CITIZEN COMMENTS
   A. Russ Jones, 29 Chestnut, Chelan, wanted to provide a quick follow up on the Mahogany & Merlot and Hydrofest presentation given at the January 23, 2014 Council meeting. He distributed a handout with various different amounts to Council.

   B. Richard Uhlhorn, 424 5th Street, Chelan Falls, stated he sent a letter to Council requesting information on their thoughts regarding what was accomplished in 2013. He asked if Council had received the request as only one Councilmember had responded. He asked Council to take the time and respond to his request. Councilmembers apologized.

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

   A. January 23, 2014 City Council Meeting

6. CONSENT AGENDA
   Mr. Cooney moved to approve the consent agenda as follows. Second by Ms. Isenhart. Motion passed unanimously.

   A. February 13, 2014 Claims Warrants No. 82639 to 82733 totaling $502,428.92 and Payroll Warrants No. 42469 to 42546 totaling $176,039.13 and Voided Payroll Warrants 42468, 42525, 42527, and 42544 due to printing errors.

      Based on his review of the warrants, Mr. Cooney requested a history of the dump fees the City is paying.

B. 4th Quarter 2013 Financial Report
C. Excuse Councilmember Steele from February 13, 2014 City Council Meeting

7. SPECIAL PRESENTATIONS
   A. DON MORSE PARK BRONZE AWARD PRESENTATION: Mr. Sablan presented the American Council of Engineering Companies Bronze Award to Mayor Goedde for the Don Morse Park Shoreline Restoration/Beach Enhancement/Marina Expansion Project.

      No action required.

   B. LAKE CHELAN AQUATIC & COMMUNITY CENTER PRESENTATION: Ms. Joanne Strandberg and Mr. Mike Sherer presented an update on the Lake Chelan Recreation and Community Center (LRACC). They discussed the need for funding, volunteers and materials. They have reduced the costs down to approximately 8.4 million dollars by choosing different materials and recruiting volunteer labor. They requested Council support and asked for the City to partner with the Center by establishing a task force with Councilmembers who can provide leadership in the community. They have an aggressive timeline as part of the conditions of the land donation by Ted Schroth, the owner of The Lookout. If the Center is not begun by a next spring, the land donation may revert back to Mr. Schroth with the possibility the Center will be built by someone else and for use by only those who own property at The Lookout. Mr. Sherer stated the Center will be built and the question is will it be for the whole community to use or just The Lookout property owners. If the LCRACC builds the Center, The Lookout property owners will be able to use the facility for free while the community will have to pay a fee for use. If the Center is built by someone else, the community will have regular access. Councilmembers asked questions and gave suggestions.

      No action required.

8. PUBLIC HEARINGS
   A. None

9. ORDINANCES, RESOLUTIONS, AND OTHER ITEMS
   A. DEPARTMENT OF COMMERCE GRANT APPLICATION/ENERGY CONSERVATION MEASURES: Mr. Sablan introduced Mr. Murray Greenwood from Amersco. Mr. Greenwood provided an overview of Amersco's specialization in energy efficiency improvements and energy saving performance. He discussed the results of his energy survey of City facilities stating the projects would eventually pay for themselves due to the energy savings. Two grant applications have been submitted on behalf of the City.

      No action required.

   B. BERK SHORELINE MASTER PROGRAM CONSULTANT/AGREEMENT EXTENSION: Mr. Gildroy stated this was necessary to continue the work for the Shoreline Master Program Update and he was building on Council's lead. This contract agreement is to review the science

which exists but not create new science. He has been working with the consultant to determine the cost to citizens and property owners for monitoring mitigation when a new dock is installed. He is working to streamline the process. This expenditure for this agreement was included in the 2014 budget.

Ms. McCardle moved to authorize the Mayor to sign the Second Addendum to the Professional Services Agreement with Berk and Associates for the Shoreline Master Program update. Second by Ms. Isenhart. Motion passed unanimously.

C. AFSCME 2014 – 2016 COLLECTIVE BARGAINING AGREEMENT: Mr. Schmidt discussed the changes in the current agreement from the previous agreement. He thanked Ms. Pat Lingle, Ms. Cheryl Grant, Mr. Eric Gocke, Ms. Linda Jo Williams, and Mr. Tom Cash for their work on the agreement. He complimented City staff and stated he believed this was a fair agreement for both parties.

Ms. McCardle moved to authorize the Mayor to enter into the AFSCME 2014 – 2016 Collective Bargaining Agreement. Second by Ms. Isenhart. Motion passed unanimously.

10. MAYOR AND COUNCIL COMMENTS

A. CHELAN LIBRARY SECOND FLOOR: Mr. Cooney asked if the City was moving forward on setting up the use of the 2nd floor of the Library. Mr. Schmidt stated he had met with the Library Advisory Board regarding the use of the second floor as well as the meeting room after hours. He stated the North Central Regional Library (NCRL) insurance coverage was only valid during business hours. The City Clerk has contacted WCIA and has requested a letter showing Evidence of Coverage to be submitted to NCRL. Mr. Schmidt stated the City is fine tuning the approach of second floor uses including obtaining tables and chairs.

B. CITY ACTION DAYS/PUBLIC WORKS TRUST FUND: Mr. Isenhart brought the sign she carried to Olympia regarding the Public Works Trust Fund. She stated restoration of the PWTF is moving through legislature but it appears there will be higher interest rates for the loan.

Mr. Goedde sated he had provided testimony regarding the Public Works Trust Fund and the impact it had on the Chelan and the restoration of the Woodin Avenue Bridge. There may be funds available in 2015.

C. REGIONAL TRANSPORTATION PLANNING ORGANIZATION (RTPO): Ms. Isenhart gave an update on the Regional Transportation Planning Organization. She said they have been informed by the Wenatchee Valley Transportation Authority they need to merge with the group which meets in Wenatchee. She stated it appears Chelan and Douglas Counties want to shear off Okanogan County and to her it feels like a "Wenatchifcation" of everything. She believes it may be due to a shortage of funds and now the larger organization wants the smaller towns to pay to belong. She informed Council a 28 million dollar funding package came through but there were 50 million dollars of projects specified by Wenatchee. She

said the Mayors of Wenatchee and East Wenatchee would both be in attendance at the next RTPO meeting.

Mr. Harper said he finds in interesting they want to centralize in Wenatchee. He said they have a lousy traffic plan and want everything their way.

D. CHELAN TEEN CENTER: Ms. Isenhart said she had heard there was a rumor going around the Teen Center was closing. She stated it isn't true, they have advertised for new board members and have received a lot of interest. They are doing extremely well and there are no plans for closing.

E. DIANE PRENTICE NOMINATION FOR JEFFERSON AWARD: Ms. Isenhart stated she was nominating Ms. Diane Prentice of the Apple Cup for the statewide Jefferson Award for the Thanksgiving Dinner prepared by the Apple Cup. Ms. Prentice has others donate ovens and food, and has many volunteers who help prepare and serve.

F. BRADLEY STREET BUILDING: Mr. Higgins asked if the tenants for the Bradley Street Building have started paying the lease payment. Mr. Schmidt stated they were not as they are not occupying the building yet.

G. STREET LIGHT POLES: Ms. McCardle asked Mr. Schmidt the status of the street light poles. Mr. Schmidt stated the City is in the process of getting a cost for removing the poles for sandblasting and painting compared to the cost of purchasing new ones.

H. LAKE CHELAN RECREATION AND COMMUNITY CENTER: Ms. McCardle asked if there were grant opportunities for the Lake Chelan Recreation and Community Center for partnering with the City. Mr. Schmidt stated there is a web based grant program the City is a member of which the LCRACC may utilize.

I. SETTING UTILITY RATES & GENERAL FACILITIES CHARGES: Mr. Morehouse told Council he has been reviewing the Association of Washing Cities information regarding how to set utility rates and general facilities charges. He said he was going to email the information to Council prior to the March 1, 2014 Strategic Retreat. He noted the End of Year 4th Quarter report showed there 39 water and sewer hook ups. The revenue based on the revised rates was approximately $120,000. If the City had used the 2006 and rates, it would have been approximately $327,000. He said this shows the citizens are paying for over 50% of new construction costs and he feels new construction should contribute more.

J. AMERESCO PRESENTATION: Mr. Harper stated he was impressed with Ameresco's presentation. There will be a lot of savings due to the energy efficiency improvements. He stated there is a lot of value in removing outdated equipment.

K. WOODIN AVENUE BRIDGE OPEN HOUSE: Mr. Cooney stated he hopes the public turns out in mass for the February 18, 2014 Woodin Avenue Bridge Open House. This will be an

opportunity for them to look at the various bridge options and provide input on what they want to see.

L. RECRATIONAL MARIJUANA TAXES: Mr. Goedde said cities will not receive taxes or additional law enforcement funding unless there is a retail store in the city. He feels if should be taxed and the taxes should be distributed back among the cities whether there is a retail store or not.

M. LAKE CHELAN WATER LEVEL: Mr. Goedde stated he had met with PUD and the lake levels will not be coming up quickly this year due to the lack of snow pack which is at 63% of what it normally is. PUD has to ensure they have enough water running across the salmon bed.

11. CITY ADMINISTRATOR'S REPORT

A. WOODIN AVENUE BRIDGE OPEN HOUSE: Mr. Schmidt informed Council the Open House and Council Workshop was being held on February 18, 2014. He stated a copy of the draft survey citizens will be asked to complete at the Open House had been handed out to them. If Council would like any revisions, please let the City Clerk know as soon as possible. He explained each option would have a drawing with pros and cons, estimated cost, and estimated construction timeline.

B. GOLF COURSE CONCESSION: Mr. Schmidt stated an ad had been placed in the newspaper and on the City website for a Golf Course Concessionaire. He told Council if they knew anyone who may be interested in running the Golf Course Concession Agreement to please have them submit a letter of interest.

C. CHELAN PUD UNDERGROUND UTILITIES: Mr. Schmidt, Mr. Goedde and Mr. Cooney are meeting with Chelan PUD to determine what it would entail to put electrical wires underground.

Mr. Cooney stated he had hired someone to take pictures of the alleys and air brush out he power lines so they could see what it would look like.

D. WSDOT NEWSLETTER: Mr. Schmidt stated he had handed out the WSDOT newsletter. He said there is a lot of good information in the newsletter and he will be handing it out every month.

E. STRATEGIC COUNCIL RETREAT: Mr. Schmidt passed out a draft agenda for the Strategic Retreat being held on March 1, 2014. He asked Council to inform him if they want to add or make any changes to the agenda.

12. RECESS

The City Council meeting was recessed at 8:16 p.m. to allow the Mayor and Councilmembers to participate in the Airport Board Meeting. The Council meeting reconvened at 8:18 p.m. following adjournment of the Airport Board Meeting.

13. EXECUTIVE SESSION

A. None.

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 8:18 p.m.

DATE APPROVED BY COUNCIL:

February 27, 2014

Peri Gallucci
City Clerk

Robert R. Goedde
Mayor