

MINUTES OF THE JUNE 12, 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, Planning Director Gildroy and Public Works Director Van Epps.

3. AGENDA CHANGES

- A. None.

4. CITIZEN COMMENTS

- A. Jerry Brag, 246 West Manson Highway and Mike Cushing, Lion's Club Members presented a plaque to Mr. Goedde honoring his twenty eight years as a Lions Club Member. Mr. Brag said Mr. Goedde was an excellent example of service to the community.

5. MINUTES

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

- A. Minutes of the May 8, 2014 Regular City Council Meeting

6. CONSENT AGENDA

Ms. McCardle moved to approve the consent agenda as follows. Second by Ms. Isenhart. Motion passed unanimously.

- A. June 12, 2014 Claims Warrants No. 83269 to 83384 totaling \$650,497.08 and Payroll Warrants No. 43160 to 43283 totaling \$233,359.19.
B. Van's Self Storage Utility Extension Agreement
C. Parks Maintenance Crew Foreman Job Description Approval

7. SPECIAL PRESENTATIONS

- A. None.

8. PUBLIC HEARINGS

- A. RECREATIONAL MARIJUANA ZONING TEXT AMENDMENT: Mr. Gildroy briefed Council on Planning Commission's recommendation regarding the Recreational Marijuana Zoning Text Amendment. He informed them public comment included concerns regarding nuisances and

odors. Another comment received advised Washington to look at how Colorado is handling recreational marijuana but Mr. Gildroy stated Colorado's state laws are very different. Mr. Gildroy discussed tax revenue and stated the City will only receive retail sales tax. Any other taxes will go to the state. Mr. Gildroy pointed out the City's proposed amendment only allows for 10,000 sq. ft. growing facility vs. the state's 30,000 sq. ft. Planning Commission also recommends adding a 1,000 foot buffer restriction for churches. He displayed a map showing the allowable areas in City limits. All advertising has to comply with the City's sign code. The federal prohibition clause is included. The Warehouse Industrial Zone is the only place retail would be permitted outright. Processors would be permitted outright in the Warehouse Industrial Zone with a fully enclosed secure indoor facility with an adequately filtered exhaust to deal with odors. However, the clean air agency (the Department of Ecology in Chelan) is responsible to enforce. Production will only be allowed inside. It would also be permitted outright in the Warehouse Industrial Zone and Special Use areas. It would be allowed indoors with adequate exhaust filters.

The next proposal includes the 1000 foot buffer from churches, limit the space to 10,000 sq. ft, and control the odors. Mr. Cooney stated he liked all of the proposal except the 1,000 foot barrier on religious things. He feels it is already stringent enough and it feels like prohibition by regulation. The voters approved this and there is no need to add morality. Mr. Gildroy stated the Apple Blossom Center has already said it will not provide space for recreational marijuana uses. There is only water and sewer in the Warehouse Industrial Zone so the available properties would have to build a building and extend the water and sewer quite a distance.

Mr. Morehouse stated he likes Planning Commission's recommendation. It is the goal to make Chelan a family orientated vacation spot and he thinks it may deter tourism if it was permitted in a more visible space.

The public hearing was opened at 6:32 p.m.

Dena Jenkins, 227 East Highland agrees with Mr. Morehouse. She prefers to see the no zone around religious establishments and restrict all recreational marijuana activities to industrial areas.

The public hearing was closed at 6:33 p.m.

Mr. Steele moved to accept Planning Commission's recommendation and authorize the Mayor to sign the General Provisions of the zoning code text amendment for permitted and conditional use recreational marijuana establishments in certain zones and to lift the moratorium. Second by Ms. Isenhardt. Motion passed 6-1 with Mr. Cooney voting nay.

- B. SIX YEAR TRANSPORTATION IMPROVEMENT PLAN: Mr. Van Epps informed Council this is done every year to identify projects in the City's planning efforts. Projects must be included to be eligible for grants. He discussed the items that were removed due to completion and

additions to the plan staff had made. Councilmembers added the Loop Trail from Union Valley to Walmart to the football fields and the Lake Chelan North Shore Trail.

The public hearing was opened at 6:44 p.m. There was no public comment. The hearing was closed at 6:45 p.m.

Mr. Morehouse moved to adopt Resolution No. 2014-1276 amending the Transportation Improvement Plan and extending it for the years 2015 to 2020. Second by Mr. Harper. Motion passed unanimously.

9. ORDINANCES, RESOLUTIONS, AND OTHER ITEMS

A. CARROLL OGDENT RESIDENTIAL PARKING PERMIT ORDINANCE AMENDMENT: Mr. Schmidt stated this item was at Council's direction from the May 22, 2014 Council meeting. It is to increase the number of residential parking permits from two to six. However, a petition was presented to Council from several residents requesting to repeal the residential parking permit ordinance.

John Fragnito, 243 Allen, put the petition together and went up and down his street for signatures. Every person he talked to wants it repealed. He stated 50% of the residents have had problems when having work down at their house as the contractors were getting tickets.

Dan Hunter, 219 West Allen, said he was looking over the City's mission statement at the bottom of the agenda and this was a good opportunity to be "responsive to the needs of Chelan's citizen's and visitors to the area". He enjoys visitors coming and having them park there.

Tonya Banks, Short Cuts, stated she sent all Councilmembers an email this week and the only one who responded was Mr. Morehouse. She wants to reiterate this is hurting her business. She would also like to have ample handicap parking.

Karen Cark, 222 West Allen, agrees with the petition.

Karen, (no last name or address given) has a standing hair appointment every week at Short Cuts and her husband has a hard time getting through to get her in. She would like to see a handicap parking spot.

Virginia and Paul Palumbo, 208 West Nixon Avenue, agree with John to repeal the ordinance. Mr. Palumbo said Council gave it a shot and he wants to say thanks. But people come in every week with tickets when they come to church. He said the whole thing is untenable and Council needs to consider repealing it.

John Page 228 West Nixon, wants it repealed. He has relatives come to visit and they are getting tickets. He would like to see it gone.

Deena Jenkins, Company Creek, 502 West Manson Highway, supports what everyone says. It is hurting her business.

Tony Race, 310 West Manson Highway, Red Apple Market, agrees with John, Paul, and the rest of the group and he wants it repealed.

Linda Finkhauser, 209 West Gibson, said they get a lot of the overflow parking from the City Park. If they need extra parking they move their cars in front of their driveway. They never had a problem but have gotten more people on their street because of the parking permits. She said the church has been there for decades. The streets are public streets, everyone pays for the streets, kudos to all for trying but it is not working and is ridiculous.

Sandy Bryan, First Creek, attends the Lutheran Church. An elderly couple in their late 80's or early 90's received a parking ticket. They turned it in but they received it back in the mail stating they would have to pay for it. She said something needs to be done.

Councilmembers stated this began because they were responding to a citizen's request. They relied on the people coming before them saying vulgar things were going on. They did it to make the neighborhood better.

Mr. Morehouse moved to repeal Section 10.36.225 of the Chelan Municipal Code regarding permitted parking in the Carroll Ogden area of the City. Second by Mr. Steele. Motion passed unanimously.

- B. CHELAN COUNTY PROPOSED FLOOD CONTROL DISTRICT FORMATION RESOLUTION: Mr. Schmidt informed Council there is a public hearing scheduled for June 17, 2014 and the County may take action and pass the ordinance creating the Flood Zone District and taxing authority. This proposed resolution is requesting the City of Chelan not be included in the District Boundary until a cost benefit analysis can be conducted to determine if it is worth .07/\$1000.

Ms. McCardle moved to approve Resolution No. 2014-1274. Second by Mr. Cooney. Motion passed unanimously.

- C. MOSAIC PLANNING STUDIO PROFESSIONAL SERVICES AGREEMENT: Mr. Gildroy explained to Council this was necessary because the Associate Planner Position is vacant and staff is falling behind on the amendment process. The work has to be complete by September 2014 and submitted to Chelan County. This request is for her to help draft the language for the amendments. Staff will attend the hearings and meetings.

Mr. Cooney moved to authorize the Mayor to sign the Professional Services Agreement with Mosaic Planning Studio for planning consulting services. Second by Ms. McCardle. Motion passed unanimously.

- D. LOCAL GOVERNMENT INVESTMENT POOL (LGIP) RESOLUTION: Ms. Grant informed Council this is required by the LGIP division of State Treasurer's office. The City has been a member since 1986. The pool takes resources from all kinds of entities and invests in a wider variety of instruments to get a better interest rate. It is very liquid and the City can have the funds within twenty four hours if needed. Historically the City has kept seven to eight million dollars in the pool which is valuable when conducting projects. The Treasurer's office requested an updated Resolution.

Ms. Isenhart moved to approve Resolution No. 2014-1275. Second by Mr. Cooney. Motion passed unanimously.

- E. BUDGET AMENDMENT AUTHORIZATION: Ms. Grant stated this item was authorizing the changes she described in memo attached to the agenda bill. The Finance Committee supports the amendments.

Mr. Steele moved to authorize a budget amendment adopting additional City expenses as outlined in the attached memo dated June 4, 2014. Second by Mr. Harper. Motion passed unanimously.

- F. UTILITY RATE & FEE ANALYSIS WORKSHOP: Mr. Van Epps reminded Council back in November Gray and Osborne were hired to conduct a general facilities charge and utility rate and fee analysis. Jeff Stevens and David Van Cleve, Gray & Osborne, Inc. consultants gave a Power Point Presentation which included a comparison of other cities charges, proposed changes to the GFC rate structure, utility fee changes, capital improvement projects and costs, and revenues vs. expenditures. They thanked the Finance staff stating it is the best data they have had from any city.

No action required.

10. MAYOR AND COUNCIL COMMENTS

- A. RESIDENTIAL PARKING PERMIT REPEAL: Mr. Morehouse said thanks for the repeal of the residential parking permits.

Mr. Harper agrees.

- B. MEET THE MAYOR: Mr. Cooney thanked Mr. Goedde and Mr. Morehouse for doing the Meet the Mayor at First Friday.

Mr. Goedde said Senator Parlette was at the meeting he attended in Cashmere and he asked if she would be able to participate in the "Meet the Mayor" at one of the First Friday events. She said she would try.

- C. UTILITY RATE & FEE STUDY: Mr. Cooney said the GFC's results overall seemed inconsistent. It seems the City built in conservation for water usage but it doesn't seem that sanitation follows suit and we are not working to reduce tipping fees.

Ms. Isenhart stated we are where we are because other people put money into the system and made the right decisions. She would like to continue not borrowing and having a sound financial standing.

Ms. McCardle thanked Mr. Van Epps for getting the recycling piece of the study together. She has a ton of questions and different scenarios she would like to discuss with Mr. Van Epps. She said if Methow can figure out how to have a curbside recycling program, Chelan should, too. Mr. Van Epps said it was very interesting to him the citizens of the Methow were willing to pay \$22.50 a month for the recycling service. Ms. McCardle said recycling costs are rising and revenues are well below. To continue on the route we are now is not sustainable and Council needs to figure out a solution for when Mr. Beaton is no longer at the City.

- D. NORTH CENTRAL WASHINGTON ECONOMIC DEVELOPMENT DISTRICT: Ms. Isenhart said the NCWEDD met and they learned the King Ross Mining Company in Ferry County was closing shop and leaving. The County may be adopted by Okanogan County or Stevens County and cease to exist as a separate county.
- E. BULBOUTS ON SAUNDERS AND WOODIN: Mr. Higgins stated the bulbouts by Tin Lily and Chevron are still just dirt. He inquired about the status of the landscape architect and that he wants to encourage Mr. Van Epps to complete the project.
- F. SHERIFF'S OFFICE: Mr. Goedde wants to send a thank you letter to the Chelan County Sheriff's Office thanking them for all of their assistance during Memorial Day Weekend. He wants all of Council to sign the letter.
- G. WHEELED ALL-TERRAIN VEHICLES: Mr. Goedde attended a meeting in Cashmere and WATV's were discussed. He said Tonasket allows WATV's to travel on any road and he feels Chelan is being short changed by the Forest Service.
- H. PUD STRATEGIC PLANNING: Mr. Goedde stated he had attend a meeting at the Chelan PUD for Strategic Planning. He said the highlight of the evening was a 14 year olds perspective on "What Do You Believe Quality of Life Is?"

11. CITY ADMINISTRATOR'S REPORT

- A. OPEN GOVERNMENT TRAINING ACT: Mr. Schmidt stated information on the Open Government Training Act had been distributed to Council. All elected officials must go through the training. Although the Act states it is for all newly elected officials, the Attorney General is pushing for all officials complete the training to establish a base.

- B. MAINSTREET B&O CREDIT PROGRAM UNDERWAY: Mr. Schmidt informed Council the City had already applied for the credit and will be distributing the funds soon. This is the second year for the City and Mr. Schmidt wanted to jump on this a little sooner than last year to make sure the credit amount was still available.
- C. WOODIN AVENUE FLOWER BASKETS: Mr. Schmidt informed Council there are some business who have received a sidewalk business license on Woodin Avenue. They are complying with code for seating and fencing but now staff cannot get the water cart through because it is too wide. There are three flower baskets staff can't get to so they may be relocated. The City will be looking at a drip irrigation system in the next couple years and updating irrigation for all landscaping areas. He said they are essentially another park.

12. RECESS

The City Council meeting was recessed at 8:22 p.m. to allow the Mayor and Councilmembers to participate in the Airport Board Meeting. The Council meeting reconvened at 8:23 p.m. following adjournment of the Airport Board Meeting.

13. EXECUTIVE SESSION

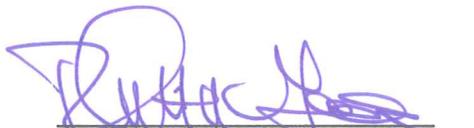
A. At 8:23 p.m. Mr. Goedde stated there would be an Executive Session lasting five minutes with no action to be taken. Council Chambers were cleared and the Executive Session began at 8:27 p.m. At 8:32 p.m., Mr. Goedde stated the Executive Session would last five more minutes. At 8:37 p.m., Mr. Goedde stated the Executive Session would last five more minutes. At 8:42 p.m. the Executive Session adjourned and the regular meeting reconvened.

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 8:42 p.m.



Peri Gallucci
City Clerk



Robert R. Goedde
Mayor

DATE APPROVED BY COUNCIL:

June 26, 2014