



**WENATCHEE CITY COUNCIL
SPECIAL MEETING
Thursday, November 16, 2017
Wenatchee City Hall
129 South Chelan
Wenatchee, WA 98801**

MINUTES

In attendance:

**Mayor Frank Kuntz
Councilmember Jim Bailey
Councilmember Ruth Esparza
Councilmember Lyle Markhart
Councilmember Keith Huffaker
Councilmember Mark Kulaas
Councilmember Linda Herald
Councilmember Mike Poirier**

Staff in attendance:

**Executive Services Director Allison Williams
City Attorney Steve Smith
City Clerk Tammy Stanger
IS Support Tim McCord
PIO/Deputy Clerk Annagrisel Alvarez
Community Development Director Glen DeVries
City Engineer Gary Owen
Public Works Director Matt Leonard
Police Chief Steve Crown
Police Captain Edgar Reinfeld
Parks & Recreation Director David Erickson
Economic Development Director Steve King
Finance Director Brad Posenjak
Senior Engineer-Utilities Jeremy Hoover
Accountant Deanne McDaniel
Accounting Supervisor Denise Pearce
Housing & Community Planner Brooklyn Holton**

4:30 p.m. Executive Session.

Mayor Frank J. Kuntz called the meeting to order at 4:30 p.m. for the purpose of meeting in executive session.

Executive session to consider the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price. RCW 42.30.110(1)(b).

Executive session to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. RCW 42.30.110(1)(c).

Motion by Councilmember Keith Huffaker to convene in executive session with legal counsel present, for a time period not to exceed 40 minutes. Councilmember Jim Bailey seconded the motion. Motion carried (7-0).

Council adjourned from executive session at 5:00 p.m.

5:15 p.m. Special Meeting

1. Call to Order, Pledge of Allegiance, and Roll Call.

Mayor Frank J. Kuntz called the meeting to order at 5:15 p.m. Councilmember Keith Huffaker led the Pledge of Allegiance. All Councilmembers were present.

2. Consent Items:

- Motion to approve agenda, vouchers, and minutes from previous meetings.

Motion by Councilmember Keith Huffaker to approve the agenda, vouchers, and minutes from previous meetings. Councilmember Jim Bailey seconded the motion. Motion carried (7-0).

3. Citizen Requests/Comments.

Laurie Nelson, 933 Coolidge Street, Wenatchee, spoke about her concerns with safety at the intersection of 9th and Chelan. The Mayor asked City Engineer Gary Owen if he could provide some information about that intersection and he will provide an analysis within the next three months relating to that. Laurie also had concerns about all the leaves in the roadway on Pioneer Street.

4. Work Session.

(1) Pavement Management Program

Public Works Director Matt Leonard and City Engineer Gary Owen presented information on the City's Pavement Management Program, which included background, recent pavement management study and current pavement condition results, the work of the citizen committee formed to study and develop goals for the program, their recommendations, funding recommendations, and the need to secure additional funding. Executive Services Director Allison Williams presented background information on how the city got to the need for a targeted B & O tax, identifying the work progress from the

2014 Sustainability Committee to current. City Attorney Steve Smith presented a draft ordinance for a proposed B & O tax, with the consideration that there are significant properties in the city limits that are exempt from property taxes. The ordinance is written to provide for a B & O tax at a rate of .0015% on professional health care services with annual gross receipts over \$12 million.

Dr. Mitchell Garrison with Confluence Health spoke with his concerns about the proposed B & O tax and the impact it would have on Confluence Health.

The proposed Ordinance is scheduled to be on the December 7, 2017, agenda.

5. Action Items.

A. Purchasing Policy and Procedures Manual Update

Accountant Deanne McDaniel presented the staff report. Council asked questions. Public Works Director Matt Leonard added information from the Public Works perspective.

Motion by Councilmember Mark Kulaas to approve Ordinance No. 2017-26, amending and repealing portions of the Wenatchee City Code as it relates to Chapter 1.10 – City Finances, Chapter 1.24 – Surety Bonds, Chapter 1.28 – City Warrants, Chapter 1.30 – Claims and Obligations, and Chapter 1.56 – Small Works Roster, with a suggested change to WCC Section 1.30.020 to add “and confirmed by the City Council”. Motion seconded by Councilmember Jim Bailey. Motion carried (7-0).

Motion by Councilmember Mark Kulaas to approve Resolution No. 2017-56, amending and restating purchasing policy and procedures. Motion seconded by Councilmember Lyle Markhart. Motion carried (7-0).

B. 2018 Utility Assistance Program

Accounting Supervisor Denise Pearce and Accountant Deanne McDaniel presented the staff report. Council asked questions.

Motion by Councilmember Keith Huffaker to approve Ordinance No. 2017-23, amending Chapter 9.02.010 WCC adding a new subsection (7) Utility Assistance Program. Motion seconded by Councilmember Linda Herald. Motion carried (7-0).

Motion by Councilmember Keith Huffaker to approve Resolution No. 2017-51, adopting the Utility Assistance Program guidelines relative to WCC 9.02.010(7). Councilmember Ruth Esparza seconded the motion. Motion carried (7-0).

C. Olds Station Sanitary Sewer Extension Phase 1 – Project No. 1718 Authorization for Consultant Supplemental Agreement #1

Jeremy Hoover, P.E. Senior Engineer – Utilities, presented the staff report. Council asked questions.

Motion by Councilmember Jim Bailey for City Council to authorize the Mayor to sign Consultant Supplemental Agreement #1 on behalf of the City with RH2 Engineering, Inc. for Geotechnical Investigation services for the Olds Station Sanitary Sewer Extension Phase 1 (Project No. 1718). Councilmember Lyle Markhart seconded the motion. Motion carried (7-0).

- D. McKittrick Street and Wenatchee Avenue Signal Project #0623 – Supplemental #8 to Agreement with RH2 Engineering

City Engineer Gary Owen presented the staff report. Council asked questions.

Motion by Councilmember Linda Herald for City Council to approve and authorize the Mayor to execute Supplement #8 with RH2 Engineering, Inc., providing for additional design and right-of-way acquisition services for the McKittrick Street and Wenatchee Avenue Signal Project #0623. Councilmember Mike Poirier seconded the motion. Motion carried (7-0).

- E. 1422 Grant Contract – Amendment #3 – Year 4

Housing & Community Planner Brooklyn Holton presented the staff report.

Motion by Councilmember Ruth Esparza for City Council to approve the Mayor's signature on the 1422 Grant Agreement Amendment #3 between the Grant County Health District and the City of Wenatchee. Councilmember Lyle Markhart seconded the motion. Motion carried (7-0).

- F. Memorandum of Understanding between Wenatchee Valley College and Wenatchee Police Department

Captain Edgar Reinfeld, Wenatchee Police Department, presented the staff report. Council asked questions.

Motion by Councilmember Linda Herald for City Council to approve the Memorandum of Understanding between the Wenatchee Police Department and Wenatchee Valley College. Councilmember Mark Kulaas seconded the motion. Motion carried (7-0).

- G. McKittrick Street Right-of-Way Purchase

Economic Development Director Steve King presented the staff report. Council asked questions.

Motion by Councilmember Keith Huffaker for City Council to authorize the Mayor to sign settlement agreements with Stemilt Growers for the purchase of right-of-way not to exceed the project budget of \$1.25 million. Councilmember Linda Herald seconded the motion. Motion carried (7-0).

H. Authorization for Temporary Lending of Cash

Finance Director Brad Posenjak presented the staff report. Council asked questions.

Motion by Councilmember Jim Bailey to approve Resolution No. 2017-57, approving the temporary lending of cash from the General Fund to other funds, including but not limited to, the CDBG Entitlement Fund and the Police Station GO Bond Fund, as needed, in 2017 and 2018. Councilmember Linda Herald seconded the motion. Motion carried (7-0).

I. Hospitality Ministries Grants: Solomon's Porch Repayment

Community Development Director Glen DeVries presented the staff report. Hospitality House Director Paul Hughes was present. Council asked questions.

Motion by Councilmember Ruth Esparza for City Council to authorize the Mayor's signature on a promissory note with Hospitality Ministries, secured with a deed of trust, for the amount of \$63,751. Councilmember Lyle Markhart seconded the motion. Motion carried (7-0).

6. Public Hearings.

The Mayor explained the public hearing process.

J. 2017 Budget Amendment

Finance Director Brad Posenjak presented the staff report. Council asked questions.

The Mayor asked for public comment. There was no one who wished to speak.

Motion by Councilmember Mark Kulaas to approve Ordinance No. 2017-28, amending the 2017 Budget as adopted by Ordinance No. 2016-32, revoking, recalling or decreasing all or a portion of total appropriations provided for, entering findings that this Ordinance is in the best interest of the City and requiring that this Ordinance be approved by a majority plus one of the entire Council. Councilmember Jim Bailey seconded the motion. Motion carried (7-0).

K. Public Hearing on 2018 Budget and Adoption

Finance Director Brad Posenjak presented the staff report. Council asked questions.

The Mayor asked for public comment. There was no one who wished to speak.

Motion by Councilmember Lyle Markhart to approve Ordinance No. 2017-27, adopting the Final Budget for the City of Wenatchee, Washington for the fiscal year ending December 31, 2018. Councilmember Mike Poirier seconded the motion. Motion carried (7-0).

7. Reports.

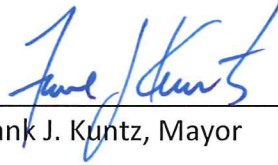
a. Mayor's Report. The Mayor reported on the following:

- The Washington State Community Economic Revitalization Board (CERB) today approved \$973,185 in public infrastructure development funding targeting business growth and job creation in the Wenatchee, for the McKittrick Street Extension Project.
- The Citizen's Academy graduation was held last evening and for 12 weeks, 25 people showed up and participated in the academy, and Corporal Vasquez put on a great program – off the charts!
- The next Council meeting is set for Thursday, December 7, and it will be a long meeting.
- Jail contract and the Emergency Management contract will be at the next Council meeting.
- He sat in for Chair Mark Kulaas on the Lodging Tax Advisory Committee this week, and the LTAC has recommended a five-year contract with the Chamber for destination marketing, Convention Center improvements and debt service, and continuation of support for the Fourth of July event. The Mayor has asked for a resolution to be prepared relating to the Convention Center debt service.
- The Mayor will be participating in "Night in a Box" tomorrow night, benefitting the Lighthouse Christian Ministries.
- The WDA dinner is November 30.
- The employee breakfast held this past Tuesday had good turn out from employees and was really nice.

b. Reports/New Business of Council Committees. None.

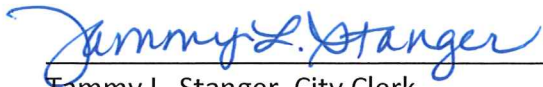
8. Announcements. None.

9. **Adjournment.** With no further business the meeting adjourned at 7:33 p.m.



Frank J. Kuntz, Mayor

Attest:



Tammy L. Stanger, City Clerk