



WENATCHEE CITY COUNCIL
Thursday, December 12, 2019
Wenatchee City Hall Council Chambers
301 Yakima Street, 2nd Floor
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
Human Resources Director Kari Page
Parks, Recreation & Cultural Services Director David Erickson
Senior Engineer Jeremy Hoover
Engineering Services Manager Jacob Huylar
Economic Development Project Manager Matt Shales
Economic Development Director Steve King
Housing & Community Planner Brooklyn Holton
Finance Director Brad Posenjak
Community Development Director Glen DeVries
Planning Manager Stephen Neuenschwander
Senior Planner Matt Parsons

5:15 p.m. Regular 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 Mike Poirier led the Pledge of Allegiance. All Councilmembers were present.

2. Consent Items:

Motion by Councilmember Keith Huffaker to approve agenda, vouchers, and minutes from previous meetings; for City Council to accept the work performed by the contractor, DJB Construction, on the Poplar Avenue Sanitary Sewer Extension, Project No. 1902, and further authorize the Mayor to sign the Final Contract Voucher Certification on behalf of the City of Wenatchee; for City Council to accept the work performed by the contractor, Hurst Construction, LLC, on City Project No. 1715 - Middle School Crossing Improvements Project, and further authorize the Mayor to sign the Final Contract Voucher; for City Council to accept the work performed by the contractor, Hurst Construction, LLC, on City Project No. 1616 - Western and Springwater Intersection Control, and further authorize

Motion by Councilmember Linda Herald for City Council to approve Resolution No. 2019-57, re-appointing a member to the Arts, Recreation and Parks Commission (Lisa Adan). Motion seconded by Councilmember Jim Bailey. Motion carried (6-0) (Markhart conflict).

D. Charter Communications Franchise

Executive Services Director Allison Williams requested this matter be continued to the next regular meeting due to being a public hearing item.

E. Wastewater Treatment Plant Digester 4 – Project No. 1810- Authorization for Consultant Supplemental Agreement #1

Senior Engineer Jeremy Hoover presented the staff report. Council asked questions.

Motion by Councilmember Keith Huffaker for City Council to authorize the Mayor to sign Consultant Supplemental Agreement #1 on behalf of the City with HDR Engineering, Inc., for additional design services for the Wastewater Treatment Plant Digester #4, Project No. 1810. Councilmember Ruth Esparza seconded the motion. Motion carried (7-0).

F. Tacoma Avenue Improvements, City Project #1907 - Interlocal Agreement with Chelan County PUD

Engineering Services Manager Jacob Huylar presented the staff report.

Motion by Councilmember Linda Herald for City Council to authorize the Mayor to approve the Interlocal Agreement between the City of Wenatchee and Public Utility District No. 1 of Chelan County, providing for the reimbursement of costs incurred with the design and construction of water line improvements associated with Project No. 1907. Councilmember Jim Bailey seconded the motion. Motion carried (7-0).

G. Lease for Temporary Use at Former WSDOT Property

Economic Development Project Manager Matt Shales presented the staff report. Council asked questions.

Motion by Councilmember Keith Huffaker for City Council to authorize the Mayor to enter into a lease with Town Auto Group for the temporary use and operation of a car dealership on the former WSDOT property. Councilmember Linda Herald seconded the motion. Motion carried (7-0).

H. Confluence Parkway Chelan PUD Coordination Memorandum of Understanding

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

Motion by Councilmember Mike Poirier for City Council to authorize the Mayor to negotiate and sign a Memorandum of Understanding between the Chelan County PUD and the City of Wenatchee for the purposes of NEPA compliance for Confluence Parkway. Councilmember Lyle Markhart seconded the motion. Motion carried (7-0).

I. Stella Street Annexation – Ordinance No. 2019-34

Housing & Community Planner Brooklyn Holton presented the staff report. Council asked questions.

Motion by Councilmember Ruth Esparza for City Council to adopt Ordinance No. 2019-34, to fully include the public right of way known as Stella Avenue within the corporate limits of the City of Wenatchee, and authorize the Mayor to sign and enter into an Agreement with Chelan County to share equally the cost of \$16,836.49 to overlay the unincorporated segment of Stella Avenue. Councilmember Linda Herald seconded the motion. Motion carried (7-0).

6. Public Hearing Items.

The Mayor explained the public hearing process and ground rules.

J. Consideration of Limited Business and Occupation Tax

Executive Services Director Allison Williams, Finance Director Brad Posenjak, and City Attorney Steve Smith presented the staff report. Council asked questions.

The Mayor then asked for public comment, and the following people spoke on the matter:

A power point prepared by Confluence Health was presented to the Council, with the following representatives speaking on each slide of the presentation (a copy of the power point is on file with the City Clerk):

1. Patricia Wachtel, 10 North Miller, Wenatchee, WA, and Chairman of the Confluence Health Board of Directors, provided an overview of Confluence Health employees and services provided (“At a Glance” slide).
2. Cory Ferari-Zimmerman, 1643 Holly Lane, East Wenatchee, WA, spoke on the nonprofit status and properties owned by Confluence Health (“Property Taxes” slide).
3. Stu Freed, 427 Douglas Street, Wenatchee, WA, presented information on Confluence Health’s revenue (“Overall Revenue” slide).
4. Tracy Kasnic, 430 George Johnson Road, Wenatchee, WA, addressed the Council on information that the Council may not be aware of (“Components you might not be aware of” slide)

5. Gus Heinicke, Confluence Health Board Member, requested the Council consider not passing a B & O tax because of the impacts it will have on services they provide. (“Because it’s the right thing to do” slide).
6. Peter Rutherford, 2105 Lone, Wenatchee, WA, CEO of Confluence Health, addressed the Council with his concerns about the proposed B & O tax and the process by which it was proposed, stating it was rushed, inaccurate and unthoughtful.
7. Garn Christensen, Confluence Health Board Member and Eastmont School District Superintendent, spoke against the proposed tax.
8. Shiloh Burgess, Wenatchee Valley Chamber Executive Director, and Jess Monnette, local Attorney and a member of the WVCC advocacy committee, together spoke against the tax and concerns with constitutionality and fairness.
9. Wilma Cartejena, President of the NCW Hispanic Chamber of Commerce, provided her feedback against the ordinance stating it was unfair and would cause a ripple effect to the community. She asked the Council to reconsider the tax.
10. Deanna Walter, Chelan County Assessor, stated she was not taking a position but rather her intent is to relay factual information, and she provided a spreadsheet to the Council and indicated there are 595 non-profits in city limits who do not pay property taxes. While the amount of property taxes recovered city-wide do not go down, the amount of property taxes not paid by non-profits are then shared and paid for from all paying properties in Wenatchee. (A copy of the spreadsheet provided is on file with the City Clerk’s office).
11. Beth Stipe, Executive Director of the Community Foundation, addressed the Council stating she appreciated the fact that the city needs to raise revenues and asked that they to take more time to consider additional revenues.
12. Paul Schmidt, stated his concerns with the tax and questioned why other health care providers weren’t included.

Police Chief Steve Crown addressed the Council speaking on the needs of the Police Department and concerns with capacity issues and the struggle to hire new officers. The 2020 budget will allow an increase for more proactive police enforcement to prevent future problems due to a recent uptick in gang activities and crime.

The Council and Mayor then discussed. The matter died for lack of a motion.

At 7:36 p.m. the Mayor called for a five minute break. The meeting resumed at 7:41 p.m.

K. WCC 10.72 - Nonconforming Signs – Billboard Amortization

Community Development Director Glen DeVries, Planning Manager Stephen Neuenschwander, and Senior Planner Matt Parsons presented the staff report and answered questions.

The Mayor asked for public comment, and the following people spoke:

1. Neil Schreibeis, with Lamar Outdoor, addressed the Council with his concerns with the proposed ordinance, statutes regarding just compensation, and loss of income to businesses.
2. Dennis Johnson, 1512 Anton Place, Wenatchee, a local sign owner (and former Mayor of Wenatchee), addressed the Council with the need for advertising and his concerns about the proposed ordinance and amortization.
3. Benjamin Goro, local Lamar Outdoor advertising representative, spoke to the Council of his concerns about notification and compromising with sign owners.
4. Jim Snyder, 34 Jennings Street, Wenatchee, stated some of the billboards are decades old and owners have recouped costs, stated he believes the billboards are an antiquated form of advertising, and compete with businesses on site. He thanked the Council for the process.

With no further discussion, the Mayor then turned the matter back over to the Council for additional discussion.

Motion by Councilmember Mark Kulaas for City Council to adopt Ordinance No. 2019-51, amending and restating Chapter 10.72 "Nonconforming uses, structures and lots" of the Wenatchee City Code, with the exception of Chapter 10.72.0950(2) changing the amortization period to 10 years. Councilmember Mike Poirier seconded the motion. Motion carried (7-0).

7. Reports.

- a. Mayor's Report. The Mayor reported on the following:
 1. In response to the car tab initiative, the PW/ED committee has reviewed the pavement management program for 2020 and there are three options for funding the program: (1) Continue with the full \$4.1 million; (2) Go with \$3.7 million (overlays); or (3) do the bare minimum with \$2.7 million. It was the consensus of the Council to go with the \$3.7 million and research other revenue choices.
- b. Reports/New Business of Council Committees. None.

8. Announcements. None.

9. **Adjournment.** With no further business the meeting adjourned at 8:31 p.m.



Frank J. Kuntz, Mayor

Attest:



Tammy L. Stanger, City Clerk