

CITY OF WENATCHEE

2015 ANNUAL REPORT

"Creating community through responsive leadership and services for the citizens and visitors of the Apple Capital of the World"

Mayor's Message



Mayor Frank J. Kuntz

Here we go again. It's 2015 and two things are the same as last year. The Seahawks again went to the Super Bowl and the City of Wenatchee continues to look at how to provide services more efficiently. The sustainability committee has given the city a roadmap to better financial health and we are working hard to implement their ideas.

The first idea was to annex the City of Wenatchee Fire Department with Chelan County Fire District 1. This is a huge step in developing regional solutions that provide better services to both the City residents and those in the fire district. There are no additional taxes to either the City residents or the county residents. The vote is scheduled for April 28th.

Next, the City is waiting for the Chelan County Assessor to validate the annexation of Olds Station. Again, this another step in continuing to better serve the region and will allow the city to expand sewer to promote growth.

And in the spirit of cooperation and patriotism, the 4th of July committee is planning a regional wide celebration on the 4th of July and will bring back the fireworks display at the waterfront park. I am looking forward to a renewed commitment to the celebration of the birth of our country.

Wenatchee continues to be a great place to live, work and play. Best wishes to all for a prosperous 2015.

Citizens Committee to Address the City of Wenatchee's Economic Sustainability

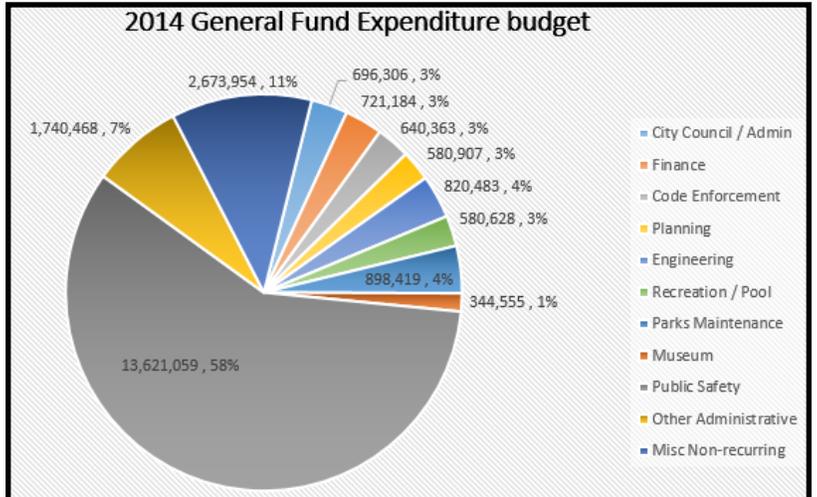
In early 2014, Mayor Frank Kuntz convened a committee to address the sobering reality that the City's financial picture was not sustainable for both the short and long term. They spent several months reviewing city data and regional data, as well as interviewing city staff and stakeholders. On June 9, 2014, the Mayor's Sustainability Committee delivered their recommendations to the Mayor and City Council for the City to create the \$3 million (short-term) to \$5 million (long-term) needed to deliver basic city services. Following is a chart with their recommendations and the actions the City has taken to implement this important piece of work. The committee was made up by seven local businessmen: Bart Clennon, John Janney, West Mathison, Mike Walker, Clay Gatens, Ken Martin and Peter Rutherford.

Recommendation	Action	Council Direction
Expand the City limits to include Olds Station, Sunnyslope and the limited pocket areas near or within the borders of the City	A 60% petition was submitted to the Chelan County Auditor for Olds Station on December 17, 2014	✓
Combine the City of Wenatchee Fire Department and Chelan County Fire Protection District #1	The vote to have the Fire District annex the City of Wenatchee for fire services is scheduled for April 28, 2015	✓
Combine the City of Wenatchee Police Department with the Chelan County Sheriff	This was not on the City Council priority list for the first 18 month work plan from the Sustainability Report	
Raise approximately \$1,250,000 through a public vote for a .58/1,000 property tax increase	This was not on the City Council priority list for the first 18 month work plan from the Sustainability Report	
Sell existing surplus of City of Wenatchee real property	This is underway with active marketing of properties	✓
Retain the existing \$20 car tab tax and increase this tax to \$40	\$20 was retained through action of the City Council in December 2014. There is currently no councilmatic authority to raise it to \$40 without a public vote and a vote has not yet been discussed	✓
Raise approximately \$625,000 through a \$70 annual fee to all employers within the City including all non-profit and tax exempt entities	Non-profit and tax exempt entities are currently being approached to discuss in a prioritized manner	
Raise approximately \$600,000 annually by increasing existing electric utility tax from 6% to 10%	This was not on the City Council priority list for the first 18 month work plan from the Sustainability Report	
Enter into discussions with the Chelan County PUD to explore opportunities to combine water systems with a goal of a regional solution that is in the best interest of customers	A study will be conducted and the timing is dovetailing with the Chelan County PUD's strategic planning efforts/outcomes	✓
Actively pursue opportunities for more efficient maintenance of City parks through another operational entity	The process was started to explore options	
Identify services that are provided by the City that are costly and used by a regional populace and develop a system where others contribute to the cost of operating/maintaining	The Wenatchee Valley Museum and Cultural Center and the City entered into a contract where they are operating on their own with contract dollars from the City. There are no longer city employees at the museum. Other operations (i.e. city pool) have not yet been discussed	✓

The Committee's Sustainability Report can be found on the City's website or by clicking [here](#).

2015 Budget

For 2015, the City Council passed a \$21,377,020 expense budget that began showing indications of financial recovery. This budget was 3.06% greater than 2014 and included 3.4 positions: police officer, parks maintenance position and community planner, with a partial position to allow the Public Services Center to reopen on Fridays. In the Street Maintenance fund, positions were added: street maintenance and traffic engineer. The chart shows where the city general fund budget is spent. With the uptick in the local economy, it was important to the City Council to make sure that our Public Services Center was open for new activity. Finally, the police department has been down positions and with upcoming retirements the city will begin ramping up public safety hiring, with two entry level candidates in the academy.



2015 Convention Center Upgrades

At the urging of the City's Lodging Tax Advisory Committee, the City developed a plan for the physical improvement of the Wenatchee Convention Center at the Stanley Civic Center complex. In order to remain competitive in the convention market, the facility warranted upgrades, particularly with building systems (HVAC), lighting and aesthetics. Approximately \$2.8 million is expected to be spent in 2015, and a new management contract was signed with Coast Hotels for their management of the facility.



School Resource Officer

For the first time since June of 2012 a School Resource Officer will again be working in Wenatchee schools. The prior School Resource Officer position, fully funded by the City of Wenatchee, ended due to budget shortfalls. However, in 2014 discussions between the City of Wenatchee and the Wenatchee School District took place about returning an officer to the schools, with 75 percent of the funding for the position provided by the School District.

In January of 2015 both sides were ready to move forward and Officer Brian Miller was selected by both the School District and the Wenatchee Police Department to be the next School Resource Officer. Officer Miller is a natural fit for the job. He speaks Spanish, has lengthy experience as a gang officer, and is a conscientious, hard-working employee. He is so highly thought of by his peers and superiors at the Police Department that he was selected as the 2014 Officer of the Year. Officer Miller begins working as a School Resource Officer, primarily at the High School, on February 1st.



Officer Brian Miller

Department Highlights

Human Resources: Concluded successful labor negotiations with Public Works/Association of Federal, State, County Municipal Employees (AFSCME), #846, and Wenatchee Fire & Rescue/International Association of Firefighters, #453; processed nineteen job openings; quarterly on-line training for all employees and Excellence in Management training for all Directors, Managers and Supervisors; interpretation of labor laws, union contracts, city policies/procedures, employee benefits, discipline, employee safety (L&I), etc. for 168 employees.

Finance Department: Implemented an investment policy to invest surplus cash; transferred the billing for residential garbage services to Waste Management; initiated the development of a citywide safety program.

Community & Economic Development/Planning: Filled two planning position vacancies and re-established a community planner position; participated in a number of efforts to streamline permit processing, enhancing customer service and public outreach; adopted voluntary compliance code enforcement regulations; completion of the Shorelines Master Plan Update; processed Olds Station annexation petition.

Parks and Recreation: Completed 20 parks and recreation related grant applications for over \$1.5 million (the Saddle Rock Gateway grant application ranked first in the state); over 15,000 people participated or attended parks and recreation department coordinated programs and events; the Special Needs Social Program received the Washington Recreation and Park Association Cultural Competency Award.

Fire Department: Received FEMA AFG grant for SCBA compressor/fill station; continued fire and code enforcement collaboration; completed Station 41 HVAC system upgrades; phone system upgrade; Station 41 original historic front door reinstalled.

Police Department: Four new police officers were hired in 2014; 10-month Police Training Reserve Academy was held in partnership with Chelan County Sheriff's Department; the department received an automated license plate reader funded by grants for use by the department in identifying stolen vehicles.

Engineering: Completed two high profile projects this year, Downtown Revitalization Project and the North Wenatchee Avenue Project (from 5th to North Miller).

Information Systems: Citizen Help Desk software replaced with new software (Government Outreach/GO Request); intrusion prevention system; oversaw phone upgrades for police, fire and museum; SmartGov permitting software implemented for planning department.

Code Enforcement: Issued 456 building permits and performed 2261 inspections; transitioned to a new permitting software in April and working toward implementation of the Code Enforcement Module; implemented Title 16, Code Enforcement which provides more effective compliance to the code enforcement program with emphasis being placed on earlier compliance, more voluntary agreements for code violations, and at the same time stiffer penalties for non-compliance, with the end result being quicker turn around on new cases, with fewer cases going to the Code Enforcement Board; 156 citizen complaints received from GovOutreach.

Environmental: Integrally involved in the operations and compliance of the City's Water, Wastewater and Stormwater efforts; updated the wellhead protection plan, increased contaminant monitoring and participated in multiple public outreach and education events; responsible for the Public Works Safety Program and working with the Human Resources Department on updated safety programs.

Streets: Completed a large scale maintenance/reconstruction project at the intersection of Alaska and King Streets, including the construction of new sidewalk and wheelchair ramps, replacement of concrete roadway panels and paving.

Traffic & Lighting: Safety improvements throughout the City including installation of the first flashing yellow arrow in the region at Ninth and Miller. This improvement provides a demonstration project for motorists to get used to some of the new trends in traffic engineering at a moderately busy intersection at a reasonable cost.

Cemetery: The Cemetery had the best year of revenue growth in recent memory, outpacing 2013 by nearly 28%. Much of this can be attributed to the improved appearance of the 34 acre facility due, in part, to the restoration of herbicide and fertilizing programs shelved during the economic downturn. The Cemetery crew, with the help of Parks Maintenance Staff, has done a great job with their limited budget.

Parks Maintenance: Restoration of Locomotive Park; completed the task of restoring the landscaped areas of Locomotive Park in coordination with the WSDOT contractor for the George Sellar West Improvement Project.

Water: Transition of Stormwater Maintenance responsibility to the water shop; began the upgrade process to the City's Automated Meter Reading (AMR) system and replaced many outdated fire hydrants.

Regional Water: With the retirement of the long-time regional operator, transition, hiring and getting new staff up to speed were the primary goals of 2014. However, there was no time to rest as design for major upgrades of the motor control systems at the regional production facility have been taking place in the latter half of 2015 for construction in 2015.

Wastewater: Completed the odor control portion of the large upgrades which have been taking place over the last two years; making application for the 2015 National Pollutant Discharge Elimination System (NPDES) permit was a major accomplishment for 2014.

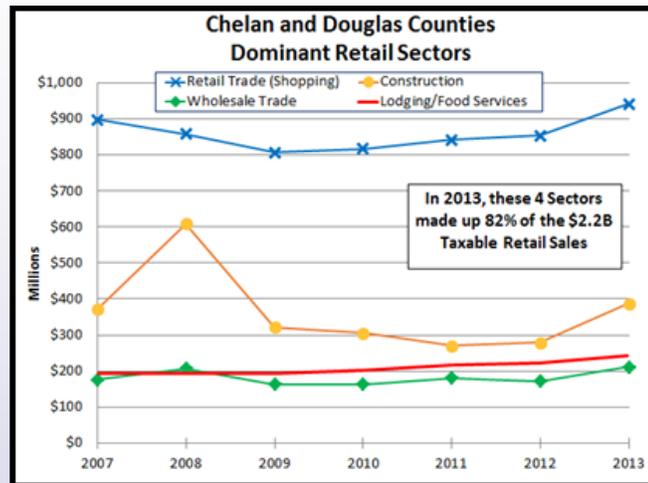
Fleets: Maintaining the aging fleet of the City, particularly the aging Fire apparatus. All of the City's Fire Engines received major attention this year including a complete overhaul of the engine, transmission and frame repairs to the City's ladder truck.

Facilities: Made several improvements to the downtown fire station (Station 41) including Heating Ventilation and Air Conditioning (HVAC) and safety improvements identified through a Washington State Department of Labor and Industries consultation; assisted with the planning for the 2015 Convention Center upgrade project slated for the spring of 2015.



Economic Development

Recovery in construction and retail sales was the story of 2014 with over \$500 Million in related sales. We also continue to see steady growth in lodging and restaurant related businesses. This growth is critical to sustaining city services as approximately 1/3 of the City's revenue comes from sales tax. Our city continues to be challenged with a shortage of land limiting construction growth potential in the future. Meanwhile growth in population requires increased housing densities in an already very dense city. As an example, the addition of 312 apartment units on the waterfront helps with the supply of housing. Another key economic goal of the city is to support business growth providing stable and well-paying jobs as it is essential to the overall well-being of all of us. Thus, we are very supportive of youth workforce development initiatives such as the Maker's movement and Wenatchee Learns.



South Wenatchee Subarea Planning

Did you know that over 25% of the people living in our City reside in South Wenatchee? South Wenatchee has a rich history and culture that was recognized during the "I Imagine South Wenatchee" meetings in 2012? The question of what we imagine was asked of residents and citizens. With this wonderful head start, it is time for the City to develop a subarea plan for South Wenatchee to memorialize what we heard. You may ask, what is a subarea plan? A subarea plan guides the City in how a city does its part to support neighborhoods and businesses in a particular area of the city to facilitate a more prosperous and healthy community. The plan also identifies the assets, deficiencies, and opportunities for the area. We are excited to get to know our neighborhoods better and support them in a manner that is desired and improves the overall health of our community. We are starting by building sidewalks on South Chelan Ave. while incorporating lighting and art based on what we heard from our community in 2012. We invite anyone to become involved. Please contact our new Neighborhood Planner, Brooklyn Holton for more information.



2014 Permit Stats (Value \$22 M)

- Boundary line adjustments: 14
- Conditional use permits: 6
- Shoreline Substantial Development Permits: 3
- Short Plat/Binding Site Plans: 2
- Planned Developments/Subdivisions: 2
- Historic Preservation Permits: 15
- Single Family Residential: 37 Homes
- Multifamily: 3 duplexes, 158 Apt. units
- Commercial Valuation of Permits: \$11.9M
- Residential Valuation of Permits: \$10.4M

What's Ahead . . .

2015 is an Election Year for Mayor and Five Council Positions: This year is an election year and we have five Council positions and the Mayor's position up for election. We have placed some useful information and publications on the City's ftp site for those who are interested in running for office. These publications can be found at the following link: <ftp://www.wenatcheewa.gov/City%20Administration/2015%20Elections/>

Councilmember's Handbook
Mayor's Handbook
Code City Handbook
53 Suggestions for Successful Public Service
Starting Off on the Right Foot

The following positions are up for election this year:

Mayor
Councilmember Position 2
Councilmember Position 3
Councilmember Position 5
Councilmember Position 6
Councilmember Position 7

Candidate filing week is May 11-15, 2015.

Mission Street/Chelan Avenue (SR285) Improvement Project: The Mission Street/Chelan Avenue (SR285) improvement project is in the development phase. The purpose of the project is to accommodate larger trucks within their lanes of travel in response to increasing truck traffic coming up from where we now ban them on Wenatchee Avenue. At the same time we are performing a level of service analysis for the signals to identify potential improvements for pedestrians specifically by looking at the Springwater leg at Miller and the third southbound lane near Applebee's and Springwater. Construction work will include relocating signal poles, vehicle detection loops, improving ADA ramps, installing traffic curb and plastic pavement markings. We have been working with the WSDOT to find funding to repave the entire section as well as to avoid two separate construction projects in that same area within a few years of each other. It is possible that we delay construction of the project by a year in order to combine the pavement work with the signal and channelization work under our TIB funded project.

Citizen Requests/Problem Reporting: The citizen reporting program GoRequest by Government Outreach was launched in early 2014. Citizens now have the capability of reporting problems through the city's website or from their cellular phone. This site was designed to provide residents, businesses, and visitors an opportunity to access City Hall 24/7. This product allows the city to provide stronger customer service to its citizens. In 2014 the city received a total of 156 requests through this program.



Fire Annexation and FAQs: The Wenatchee City Council and the Chelan County Fire District Commissioners have agreed to place the fire annexation before the voters. There have been a lot of questions from the public, and positive feedback. Should the Wenatchee Fire Department and Chelan County Fire District 1 become one department? Frequently asked questions can be found on the city's website at www.wenatcheewa.gov.

Diversity Council Recognizes Poverty as Training Need in 2014

The City of Wenatchee's Diversity Advisory Council provides annual training for the community on identified needs. In 2014, the issues facing the community and homelessness/poverty became prevalent. In a unique partnership with the Community Foundation of North Central Washington, and sponsored by Together for Youth! and Chelan-Douglas Developmental Disabilities, acclaimed poverty trainer Dr. Donna Beegle was brought to Wenatchee. Over 240 attended her day long training (which also featured a session by diversity trainer Alex Schmidt) and the caveat presented by the Community Foundation through a Gates Foundation grant was the ability for service clubs to develop projects that would use the training to provide a program that could "Be the Change to End Generational Poverty." United Way of Chelan/Douglas Counties in a partnership with the Downtown Kiwanis will use their grant to bring Dr. Beegle back to continue her important work beginning with a Prosperity Summit on March 4th.

Mayor and City Councilmembers



Jim Bailey
Council Position No. 1
jmbailey@wenatcheewa.gov
(509) 662-2751



Ruth Esparza
Council Position No. 2
resparza@wenatcheewa.gov
(509) 881-7253



Karen Rutherford
Council Position No. 3
krutherford@wenatcheewa.gov
(509) 662-2039



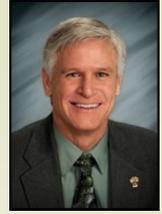
Keith Huffaker
Council Position No. 4
khuffaker@wenatcheewa.gov
(509) 885-3968



Mark Kulaas
Council Position 5
mkulaas@wenatcheewa.gov
(509) 668-2658



Linda Herald
Council Position No. 6
lherald@wenatcheewa.gov
(509) 670-0309



Bryan Campbell
Council Position No. 7
bcampbell@wenatcheewa.gov
(509) 630-0725



Frank Kuntz
Mayor
fkuntz@wenatcheewa.gov
(509) 888-6204



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City of Wenatchee
129 South Chelan
P.O. Box 519
Wenatchee, WA 98807

Phone: (509) 888-6204
Fax: (509) 888-3636
Website: www.wenatcheewa.gov

Council Meetings: 2nd and 4th Thursdays of each month @ 5:15 p.m.
Work Sessions: 3rd Thursday of each month @ 5:15 p.m.

Mayor's Maker Challenge

As a part of the White House effort to spur "making" throughout the US as a means of invigorating our manufacturing sectors and encouraging innovation (see <http://www.whitehouse.gov/nation-of-makers>), the City of Wenatchee signed on to the Mayor's Maker Challenge and held the first Mayor's Maker's Forum on November 20, 2014. The highly successful event highlighted long time local manufacturing businesses, Wenatchee Valley College and high school programs and community efforts to spur on this need in our community. At the event, the North Central Regional Library announced their receipt of a grant to equip a mobile Maker's van. Local youth Sam Monson and Ethan Toth spoke about their desire for a Maker's Space and hosting a Mini Maker's Faire that is now in the planning stages for October 3, 2015. On January 28 and 29th, Community and Economic Development Director Steve King, together with City Councilmember Karen Rutherford, led a two day tour of active Maker's Spaces in Seattle, Bellingham and Yakima and finally, a youth maker's event was staged downtown on First Friday, February 6 thanks to local organizer and volunteer Sara Rolfs. To stay tuned to happenings, follow <https://www.facebook.com/ProjectNCWMakerspace>

