



City of Cashmere

101 Woodring Street
Cashmere, WA 98815
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CASHMERE CITY COUNCIL MEETING
MONDAY, OCTOBER 27, 2014 6:00 P.M., CITY HALL

AGENDA

CALL TO ORDER

FLAG SALUTE

EXCUSED ABSENCE

ANNOUNCEMENTS & INFORMATION

PUBLIC COMMENT PERIOD (For Items Not on the Agenda)

APPROVAL OF AGENDA

CONSENT AGENDA

1. Minutes of October 13, 2014 Regular Council Meeting
2. Payroll and Claims Packet Dated October 27, 2014

BUSINESS ITEMS

1. RFP for Cashmere Riverside Center
2. Preliminary Budget for 2015 including capital projects

PROGRESS REPORTS

ADJOURNMENT

TO ADDRESS THE COUNCIL, PLEASE BE RECOGNIZED BY THE MAYOR AND STATE YOUR NAME WHEN YOU BEGIN YOUR COMMENTS
Americans with Disabilities Act (ADA) accommodations provided upon request (48-hour notice required)

**MINUTES OF THE CASHMERE CITY COUNCIL MEETING
MONDAY, OCTOBER 13, 2014 AT CASHMERE CITY HALL**

OPENING

Mayor Jeff Gomes opened the regular city council meeting at 6:00 p.m. at City Hall. Clerk-Treasurer Kay Jones took minutes.

ATTENDANCE

	<u>Present</u>	<u>Not Present</u>
Mayor:	Jeff Gomes	
Council:	Skip Moore Jim Fletcher Dave Erickson Bob Abramowski David Sherman	
Staff:	Bob Schmidt, Director of Operations Kay Jones, Clerk-Treasurer Mark Botello, Director of Planning/Building Chuck Zimmerman, City Attorney	

FLAG SALUTE

ANNOUNCEMENTS & INFORMATION

Mayor Gomes announced that October 21st at 11:00 a.m. is the ribbon cutting ceremony at the new Wastewater Treatment Facility. The ceremony is by invitation and includes USDA and DOE representative and City Officials.

The Mayor informed the Council that the Chelan County PUD declared last week as power week. Also, October 25th is the hazardous waste collection event for Chelan County.

Mayor Gomes will be attending the Mayors Summit and the AWC Regional meeting on October 22nd.

The Mayor passed around the new rendering of the proposed 9-11 Memorial Site.

PUBLIC COMMENT

Marie Vecchio, Executive Director of the Cashmere Community Concert Series, explained that they are a 501-3C nonprofit organization that started in 2001. They are also known as the Cashmere Community Coffeehouse. Their mission is to provide the area with bluegrass music at an affordable cost. They are concerned about the future of Riverside Center. Marie stated that Riverside Center was built with the Coffeehouse in mind. They provide monthly concerts for the community from October through April. The current manager has charged them far less than the nonprofit pricing that is established. Director Vecchio stated that they cannot afford to pay anything higher than they are currently paying. She then requested that the City consider writing into the new Riverside Lease Agreement that the Coffeehouse would be free of charge since they provide a community service.

APPROVAL OF AGENDA

Mayor Gomes requested the addition of an Executive Session to discuss possible litigation.

MOVED by Councilor Fletcher and seconded by Councilor Erickson to approve the agenda as amended. Motion carried.

CONSENT AGENDA

Minutes of September 22, 2014 Regular Council Meeting
Payroll and Claims Packet Dated October 13, 2014

Claim Check Nos. ACH 1438 and 34941 and 34943 - 35008 totaling \$1,197,836.91

Payroll Check Nos. 34934 – 34940 totaling \$104,700.73

Manual Check Nos. 34932, 34933 and 34942 not needing prior approval

Schedule Public Hearing on Monday, November 10th for the 2015 Preliminary Budget, including revenue sources and possible increase in property taxes

Schedule Public Hearing on Monday, November 24th for the 2015 Final Budget

MOVED by Councilor Moore and seconded by Councilor Sherman to approve the items on the consent agenda. Motion carried.

SURPLUS EQUIPMENT

MOVED by Councilor Fletcher and seconded by Councilor Erickson to declare the submitted list of items surplus to the city and dispose of them in a manner approved by the Clerk-Treasurer. Motion carried.

TASK AUTHORIZATION #11 FOR RH2 TO UPDATE STANDARD DETAILS

RH2 Engineering will provide updates and compile standard detail drawings for the City of Cashmere's water, sewer, and road development standards. The services provided are not to exceed \$5,000.

MOVED by Councilor Fletcher and seconded by Councilor Moore to approve Task Authorization No. 11 for RH2 Engineering to update the standard details. Motion carried.

SUPPLEMENTAL AMENDMENT NO. 3 TO THE GENERAL SERVICES AGREEMENT FOR THE APLETS WAY SEWER AND WATER IMPROVEMENTS

The proposed Supplemental Amendment No. 3 to the General Services Agreement is for RH2 Engineering to provide design, bidding, and construction services for the Aplets Way sewer and water improvements. The services provided are not to exceed \$42,347.

MOVED by Councilor Moore and seconded by Councilor Erickson to approve Supplemental Amendment No. 3 to the General Services Agreement for the Aplets Way sewer and water improvements. Motion carried.

2015 PROSECUTION SERVICE AGREEMENT

The annual cost for the Prosecution Service Agreement is calculated at \$210 per case, based on the number of cases handled by the Prosecutors Office for the City during a twelve month period. The per case amount has not increased for 2015. Calculating the 47 total cases at the \$210 per case is \$9,870 for 2015.

MOVED by Councilor Erickson and seconded by Councilor Fletcher to approve the 2015 Prosecution Service Agreement. Motion carried.

CASHMERE RIVERSIDE CENTER LEASE AGREEMENT

Mayor Gomes read a letter from John Bryant, which stated that his intent was to vacate Cashmere Riverside Center on or before October 31st, 2014, and that it has been a pleasure to serve the City of Cashmere and its citizens in operating Cashmere Riverside Center.

The City Council discussed the need to send out Requests for Proposals (RFPs) as quickly as possible. The Council was given copies of the new Lease Agreement, which now includes a transition plan, the outside restrooms are now a part of the leased area and can be used as storage if the lessee so chooses. The monthly lease amounts on page 2 were left blank and the user rental rates on Exhibit B were left blank for council discussion.

Discussions revolved around how much involvement the City wants to have with the Center and whether or not the City still wanted to control the user rates in Exhibit B. Some members thought the Center may be more successful if the City stayed out of it altogether and let the Lessee establish the user rates. The City would just set and collect the monthly lease payment.

When the Center was built, the main focus was for community events, festivals, performances and civic celebrations. The Council established three rate groups and set the rates in each group in an effort to keep the cost affordable for the residents that built the Center. Having rate groups and setting affordable rates has made it difficult to operate on a self-supporting basis.

The question to the Council was whether or not they still wanted to run it as a Community Center and continue to control the user rates or if they wanted to go in a different direction and lease it to an entrepreneur allowing them to do what they do best and also to set the user rates.

The consensus of the council was that after several years of trying to run it as a community center with controlling user rates they were ready to let go of the involvement and eliminate Exhibit B.

MOVED by Councilor Sherman and seconded by Councilor Moore that the Cashmere Riverside Center Lease Agreement with the footer date of 9-17-2014 be revised so that the effective date would be whenever it starts, that the rent on top of page 2 through December 31, 2015 be \$2,300.00 per month and then increased by \$100 each year through the end of the 5 year term on December 31, 2019. Paragraph 6(a) should be revised so that the bottom paragraph of the current Exhibit B, regarding city exemption, would move to there and the remainder of Exhibit B with maximum rates will be deleted. Exhibit C will now become Exhibit B, which will be the Riverside Center Equipment Inventory, which Kay Jones will update. Staff is authorized to send the revised Agreement out with a Request for Proposal (RFP) and develop a timeline associated with the RFP so that the Council has adequate time to consider the applications. Motion carried.

CRIMINAL JUSTICE FUNDING – SPECIAL PROGRAMS

This is the second year the School District has requested funding assistance for the School Resource Officer they are providing. The City contributed \$3,757 last year using the Criminal Justice Funding. The School District has requested a contribution of \$4,729 this year. The balance of the Criminal Justice Funds at year end will be around \$2,800, which is the estimated annual amount for Criminal Justice Special Program fund revenues.

The Clerk-Treasurer recommended an agreement be drafted providing for the balance of the Criminal Justice Funds to be contributed to the School District for the purpose of financial assistance for a Resource Officer on an annual basis, much the same as the City has done with other restricted funds.

Chuck Zimmerman will draft an agreement between the City and the School District. The agreement will end at the same time the City's Law Enforcement Agreement ends.

CURRENT REVENUES AND ESTIMATES

Clerk-Treasurer Kay Jones presented the current revenues and estimates. The main changes include the 1% increase in property tax, a 2.5% increase in water rates and a 6% increase in wastewater rates. Utility tax revenues will increase due to the increase in water and wastewater revenues. The majority of the revenues are pretty much status quo.

DISCUSSION ON NEW FIRE DEPARTMENT BUILDING AT THE CASHMERE CEMETERY

Councilman Sherman wants to make certain that Fire Chief Matt Brunner's requests at the last council meeting are addressed and answered.

The Chief asked for additional funds to pay the EMTs and Councilor Sherman wanted to give him an answer. The consensus of the council was that the request for additional wages would be addressed during the budget process. The council was not comfortable giving an answer before seeing a budget for 2015.

As for the new fire station at the Cemetery, Councilor Sherman suggested a committee be formed to address the pros and cons. Sherman wanted the council to know that he was volunteering to be on the committee.

Councilor Fletcher did not think a committee needed to be formed. This was a project request that normally staff would look into and give a staff report.

DISCUSS DEVELOPMENT STANDARDS FOR DOWNTOWN

Councilor Sherman had a few citizens approach him about why the City doesn't have development standards for downtown. Some citizens would like to see more regulations. Such as requiring awnings in the downtown corridor and regulating only certain colors for downtown. Not necessarily establishing a theme for Cashmere, but a certain look and feel.

Councilor Sherman requested \$5,000 - \$10,000 be budgeted in the planning department for professional services to assist Director Botello in creating development standards for downtown.

Councilors Moore and Fletcher were not interested in legislating aesthetics. The Planning Commission and City Council have worked together to make Cashmere a more business friendly

community. If you make regulations too strict the minorities lose a voice.

Councilor Fletcher stated that normally the Planning Commission would hear this first and make a recommendation to the Council. Director Botello suggested that they have a brief discussion about development standards at the Joint Council and Planning Commission meeting at the first of the year. That way the Planning Commission will not spend a lot of time discussing development standards that the City Council is not interested in developing.

PROGRESS REPORTS

Director Bob Schmidt informed the Council that they will be making sludge next week. The facility is in need of a sludge hauling truck. He has found what he is looking for at an Auction in Chehalis, Washington on October 22nd. A budget amendment is not required, there is enough money remaining in the capital equipment budget to purchase the truck this year.

MOVED by Councilor Moore and seconded by Councilor Sherman to approve the Director of Operations to participate in the bidding for a sludge truck. Motion carried.

EXECUTIVE SESSION – To Discuss Litigation

At 7:40 p.m. Mayor Gomes entered into an executive session to discuss potential litigation for approximately 15 minutes. No action will be taken when back in session.

Regular session was reconvened at 7:55 p.m.

ADJOURNMENT

Mayor Gomes adjourned the meeting at 7:55 p.m.

Jeff Gomes, Mayor

Attest:

Kay Jones, Clerk-Treasurer

Notice of RFP (for publication)

**CITY OF CASHMERE REQUEST FOR PROPOSALS:
CASHMERE RIVERSIDE CENTER**

The City of Cashmere (the "City") is requesting Proposals from qualified companies and individuals to operate the Cashmere Riverside Center, pursuant to the terms of a Lease Agreement through December 31, 2019. Companies and individuals interested in responding to the RFP should contact the office of the City Clerk/Treasurer at (509) 782-3513 to obtain a complete Request for Proposals packet.

Responses to this RFP must be received no later than 5:00 p.m. on November 14, 2014, in the City Clerk's office, Cashmere City Hall, 101 Woodring Street, Cashmere, WA 98815. Proposals must be clearly marked: "RFP: CASHMERE RIVERSIDE CENTER."

The City reserves the right to reject any or all Proposals or any part thereof, to waive any formality, informality, or information in the RFP and to negotiate the terms of a new agreement for the operation of the Cashmere Riverside Center as determined by the City Council to be in the best interest of the City.

**CITY OF CASHMERE REQUEST FOR PROPOSALS:
CASHMERE RIVERSIDE CENTER**

I. INTRODUCTION

The City of Cashmere ("City") is requesting responses to this Request for Proposals ("RFP") from companies and individuals interested in operating the Cashmere Riverside Center, pursuant to the terms of the Cashmere Riverside Center Lease Agreement attached as Exhibit "1" to this RFP.

Respondents should review the Lease Agreement in detail. The Lease Agreement authorizes the successful Applicant to occupy the Cashmere Riverside Center, pursuant to the terms of the Lease Agreement, from the negotiated initial occupancy date (anticipated to be January 1, 2015) through December 31, 2019.

II. RFP SCHEDULE

<u>Event</u>	<u>Time Frame</u>
Publish Notice of RFP	October 24 - November 7, 2014
Deadline for Proposal Submittals	November 14, 2014
Committee Evaluation/Interview of Applicants	December 2, 2014
City Council Decision on Lease Agreement	December 8, 2014
Commencement Date of Lease Agreement	January 1, 2015

III. PROPOSALS

Eight (8) copies of the written Proposals shall be mailed or delivered to the City of Cashmere:

Attention: City Clerk/Treasurer
101 Woodring Street
Cashmere, WA 98815

on or before 5:00 p.m. on the date in the RFP Schedule identified as the deadline for Proposal submittals.

Proposals will be sealed until after the deadline. All Proposals are public records, subject to disclosure pursuant to Chapter 42.56 RCW., the Washington State Public Records Act.

The Proposals shall include a statement that the Proponent accepts all of the terms and conditions of the Cashmere Riverside Center Lease Agreement, Exhibit "1" to this RFP and that

the Proponent will sign the Lease Agreement containing those terms and conditions and will execute the Personal Guarantee **OR** identify modifications the Applicant desires to make to the identified documents.

Proposals shall be marked with the words "RFP: CASHMERE RIVERSIDE CENTER" and marked so as to indicate, without being opened, the name, address, and phone number of the Applicant.

The City may interview some or all of the Applicants as determined by the City. The City reserves the right to reject any and all Proposals received as a result of this RFP. The City reserves the right to consider Proposals for modification at any time prior to determination being made on the selection of the successful Applicant, and to negotiate additional terms and conditions with Applicants.

IV. APPLICANT FINANCIAL STABILITY

Applicants shall provide adequate information in the written Response to the RFP to enable the City Committee and the Council to determine whether the Applicant is financially capable of complying with the terms of the Cashmere Riverside Center Lease Agreement. Items Applicants may consider providing to the City in response to the RFP could include all or any of the following:

- Redacted IRS Income Tax Returns, including Schedules
- Financial Statements prepared by a Certified Public Accountant
- A letter of credit provided by a banking institution
- Financial documents relating to other business operations in which the Proponent has a controlling interest

V. CITY EVALUATIONS OF PROPOSALS

Proposals will be reviewed by a City Committee which may be composed of City staff, City consultant(s), the Mayor, and one or two members of the City Council. The City Committee will review proposals based on the following:

- Experience
- Financial qualifications
- Written information submitted by Applicant
- Other qualifications identified by the Applicant
- Personal interview of the Applicant

VI. QUESTIONS

Questions concerning the RFP process should be presented in writing and provided to the City Clerk/Treasurer at the address identified above herein.

**Cashmere Riverside Center
Lease Agreement**

THIS LEASE AGREEMENT ("Agreement") is made effective the _____ day of _____, 20____ (the "Effective Date") by and between the City of Cashmere, a municipal corporation of the State of Washington ("City") having its principal place of business at 101 Woodring Street, Cashmere, Chelan County, Washington and _____ ("Lessee") whose address is _____; sometimes individually referred to herein as a "Party" or collectively referred to herein as "Parties."

WHEREAS; the City owns Riverside Center, located at 201 Riverside Drive, Cashmere, Washington, (hereinafter "Center") to provide a venue for a wide variety of community events, festivals and civic celebrations, private family events, business meetings, performances, and community education, or other events; and

WHEREAS; the City has determined the Center should be operated on a self-supporting basis, where revenues from event rentals will provide monies that are adequate to pay for operating expenses, repairs, and capital improvements; and

WHEREAS; the City has determined that it is in its best interest of the City to lease the Center to an independent operator who can provide for the scheduling and administration of reservations, custodial services, and daily functions of the Center in exchange for lease payments and performance of duties as specified in the terms and conditions of this Agreement;

NOW, THEREFORE, the City and Lessee agree as follows:

1. **Recitals.** The Recitals set forth above are made a part of this Agreement as if set forth in full.
2. **Leased Area.** The areas subject to this lease shall be the areas inclusive of all interior and exterior spaces shown within the boundary set forth and described in **Exhibit A**, which areas are located on a portion of the real property owned by the City and legally described in **Exhibit A-1**. The leased area is hereinafter sometimes referred to as the leased Premises or the Premises.
3. **Term.** This Agreement shall be effective from the Effective Date through midnight on December 31, 2019.
4. **Rent.** For the use of the Center the Lessee agrees to pay to the City the amounts listed below per month, in advance. If the Effective Date is a day other than the first day of any month, the first month's rent shall be prorated based upon the number of days remaining in the month. In addition to the lease payments, Lessee shall pay all utilities and applicable taxes, including leasehold excise tax, and perform all duties specified in

this Agreement. Each Lease payment shall be considered delinquent on the 5th day of the month if unpaid and a \$100 late fee will be assessed for each late payment.

The monthly rent payment shall be \$2,300 through December 31, 2015. The monthly rent payment shall increase as follows:

Beginning on January 1, 2016, the monthly rent payment shall be \$2,400;
Beginning on January 1, 2017, the monthly rent payment shall be \$2,500;
Beginning on January 1, 2018, the monthly rent payment shall be \$2,600; and
Beginning on January 1, 2019, the monthly rent payment shall be \$2,700.

5. **Lawful Use.** Lessee agrees that it's use and occupation of the Premises will comply with all present and future applicable laws, ordinances and regulations and that it will not use the Premises or allow it to be used for any illegal, unsafe or immoral purpose.
6. **Lessee's Operations, Rental Rates and Responsibilities.** The Lessee agrees to operate the Center and to take reservations, collect rental fees, and record schedules for the use of the Center as described in this Agreement.
 - a. The City shall be permitted to use the Center, for no charge, for up to eight (8) public meetings on any Monday through Thursday during each Lease Year when such meetings are pre-scheduled with Lessee and the Center is not otherwise already reserved for an event when the City makes its written request to the Lessee to use the Center.
 - b. The Lessee shall care for and keep in good operating condition all City-owned furniture, fixtures, equipment and appliances. Lessee shall not modify, alter or change any City real estate, fixtures or personal property without prior written authorization by the City.
 - c. The Lessee agrees to provide, at Lessee expense, supplies and custodial services (cleaning) after every event on the following items: Kitchen, restrooms, floors, all furniture, fixtures, equipment and appliances, windows and window sills, sidewalk and patio, ceiling lamps, exterior planters (located on the leased Premises), and clear interior rafters of balloons and decorations.
 - d. Additional Lessee custodial duties:
 - i. Clean and re-seal floor as needed and not less than once every quarter;
 - ii. Mow lawn and remove weeds weekly if applicable.
 - iii. Keep leased Premises cleared of snow and ice.
 - e. The Lessee shall take reservations and maintain schedules for the use of the Center for events including but not limited to community events, private functions or parties, business meetings, and public performances.

- f. All facility use applications shall be considered public records. Lessee shall provide City with a copy of any City requested facility use application, which shall at a minimum contain telephone, mail and e-mail contact information, concerning any facility use applicant within ten (10) calendar days of any City request for this information. Failure of Lessee to timely furnish the requested information shall be a material breach of this Agreement.
 - g. The Lessee may adopt rental operating policies and rules that provide for orderly and safe control of people attending public or private events, provided, that any such rules are in conformance with State and City laws. All rules shall be provided to the City and to parties making reservations within 24 hours of reservation. A copy of rules shall be available for review at the Center.
 - h. The Lessee shall not attach or allow users to attach any signs or fixtures to any walls or structural elements inside or outside of the Center without prior written approval from City. Exception: Banners and signs will be allowed inside and outside of the facility. Banners shall be tied in place or taped to glass and removed when the event ends.
 - i. Lessee shall keep the Premises and all personal property used by Lessee in its operations at the Premises clean and looking nice and presentable and maintained in the condition that the Premises and equipment are in as of the Effective Date of this Agreement. This includes both the interior and exterior of the Center building.
 - j. Lessee shall be available by cellular telephone and communicate with the City via e-mail and text messaging. All voice messages, e-mails and/or text messages sent by the City to Lessee shall be responded to by Lessee by 3:00 p.m. on the next business day following the City communication. Failure of Lessee to timely comply with this provision shall be a material breach of this Agreement.
 - k. No smoking of any kind will be permitted in the Center building.
 - l. Lessee shall provide internet access for Center users at Lessee's expense as an included portion of the user paid fees.
 - m. Lessee shall treat building users and applicants for use with respect and in a reasonable business-like manner with due regard for the fact that Lessee's conduct as an independent contractor occupying the leased Premises is viewed by the public as an extension of the City.
7. **Post-Agreement Term User Reservations.** In the year 2019, Lessee is authorized to book reservations for the use of the Center for events that occur between January 1, 2020 and December 31, 2020. The rates to be charged for those bookings shall be no greater than 2.5% greater than the rental rate for rentals of the Center that are charged by Lessee to similar users in the year 2019. All deposits and supporting documentation and agreements for these future post-Agreement user arrangements,

including but not limited to documentation supporting the amount proposed to be charged to the user based upon actual 2019 charges to similar users, shall be provided to the City on or before December 31, 2019, in order to reserve those bookings for the future user. In exchange for these future reservations being made by Lessee, Lessee shall be paid by the City 25% of the actual user fees paid by the future user to the City and/or a future lessee of the Center. If the reservation is cancelled or the user fails to pay, no funds will be paid by the City to the Lessee for the future reservation that was booked by Lessee. In the event the City determines the proposed rental rate for any future user is in excess of the limitation established above herein, the City reserves the right to adjust the rental rate or cancel the reservation.

8. **City's Maintenance Obligations.** The City will provide for the maintenance, repair or replacement of furnishings as described in **Exhibit B** and items on the following list, when required, as a result of normal wear and tear:
 - a. The irrigation system.
 - b. Heating air conditioning and electrical systems.
 - c. Plumbing and fixtures.
 - d. Pruning of trees and shrubs, fertilization and weed control of landscape.
 - e. Repairs to damaged or broken concrete areas.
 - f. Repairs to all structural elements of the building including windows, doors, latches and closers.
 - g. Repair or replacement of items damaged by vandals.
 - h. All exterior lighting fixtures.
 - i. The City will not provide maintenance, repair or replacement of damaged items or repairs caused by Lessee or Lessee's authorized users.
 - j. All Planters not located on the leased Premises.
 - k. Snow removal from all sidewalk areas not included as part of the leased Premises.
9. **Replacement of City-Owned Furniture, Equipment, Fixtures damaged by Lessee's Authorized Users.** Lessee agrees to replace, at Lessee's expense, damaged, lost or destroyed furniture, equipment and fixtures owned by the City including, but not limited to items listed on **Exhibit B**. Replacements or repairs shall be of comparable quality and shall match existing inventory as closely as possible. Replacement items shall be pre-approved by the City.

10. Return of Property Upon Termination. Upon the termination of this Agreement for any reason, including cause, Lessee shall surrender possession of the City's real and personal property, including, without limitation, all equipment and fixtures that are now existing, installed or replaced by Lessee or located within the leased Premises, to the City in as good a state and condition as received or installed, except only for reasonable wear and tear and damage by fire or the elements. If Lessee substitutes any personal property items for the City's personal property, Lessee shall store on the Premises the City personal property for return to the City upon termination of this Agreement.

11. Insurance. The Lessee shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises.

a. No Limitation. Lessee's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

b. Minimum Scope of Insurance. Lessee shall obtain Insurance of the types described below:

i. Commercial General Liability insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The City shall be named as an insured on Lessee's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessor's of premises Form CG 20 12 or a substitute endorsement providing equivalent coverage.

ii. Property insurance shall be written on an all risk basis.

c. Minimum Amounts of Insurance. Lessee shall maintain the following insurance limits:

i. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.

d. Property insurance shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions.

e. Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Commercial General Liability insurance:

i. The Lessee's insurance coverage shall be primary insurance with respect to the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Lessee's insurance and shall not contribute with it.

ii. The Lessee's insurance shall be endorsed to state that coverage shall not be cancelled by Lessee, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

- f. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.
- g. Verification of Coverage. Lessee shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Lessee.
- h. Waiver of Subrogation. Lessee and City hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.
- i. City's Property Insurance. City shall purchase and maintain during the term of this Agreement all-risk property insurance covering the Center building for full replacement value without any coinsurance provisions.
- j. Policies of Insurance. The original of all insurance policies required to be carried by Lessee shall be submitted to City upon reasonable requests for inspection, and certificates of insurance shall be delivered to City, and all the certificates shall contain a provision that the respective insurers will not cancel or modify coverage without first giving 30 days prior written notice to City. At all times Lessee is operating under this Agreement, Lessee shall maintain in full force valid insurance policies of the kind and in the amounts and with the type of companies required herein.

12. **Indemnification/Hold Harmless.** Lessee shall defend, indemnify, and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arises out of Lessee's use of the Premises, or from the conduct of Lessee's business, or from any activity, work or thing done, permitted, or suffered by Lessee in or about the Premises, except only such injury or damage as shall have been occasioned by the sole negligence of the City. This obligation of Lessee to indemnify and defend City shall include the obligation to reimburse the City for all attorneys' fees and costs incurred by the City to enforce this indemnification provision.

13. **Independent Contractor.** Nothing herein shall be construed to deem Lessee, its agents, employees, officials, or subcontractors as agents, employees, officials, or subcontractors of the City. The Lessee and its agents, employees, officials and subcontractors are independent contractors with respect to performance of this Agreement and in no way are they related to or beneficiaries of a relationship with the City nor are they entitled to any benefits, either pursuant to labor contract or otherwise, from the City.

14. **Not a Joint Venture.** It is mutually agreed and understood that nothing contained herein is intended, or shall be construed, as in any way creating or establishing the

relationship of co-partners or joint ventures between Lessee and City or as constituting the Lessee as the agent or representative of the City for any purpose or in any manner.

15. **Sales Items/Merchandise.** Vending machines or other permanent sales items or merchandise that are not related to event(s) shall be prohibited on City property inside or outside Center without the prior written permission of the City.
16. **Assignment.** Lessee shall not assign, delegate, transfer, convey, subcontract, or sublet this Agreement or its rights, obligations, or liabilities in whole or in part.
17. **City Access.** Lessee shall allow the City, its officers, agents, and/or employees access to the Premises for the purposes of examining them to ascertain if they are in a safe, sanitary and attractive condition and good repair, and to make repairs, renewals or restorations to the extent required to be made by the City pursuant to this Agreement. During the final lease year of this Agreement, City may show the Premises to prospective future lessees. Notwithstanding the right of access granted to the Lessee regarding City property and equipment, no authority is granted herein to restrict the City from said property. Said City access shall not unreasonably interfere with the ability of the Lessee to perform its obligations pursuant to this Agreement. City staff will retain master keys necessary to perform required maintenance and repairs, and one (1) crash bar key, chain gate key, cabinet key and towel dispenser key.
18. **Inspection of Lessees Operations.** Operations to be conducted by Lessee under this Agreement shall be subject to inspection upon reasonable notice by the City.
19. **Termination for Default.** City shall have the right, at City's election, to terminate this Agreement immediately if any of the following events occur:
 - a. **Failure to Pay.** In the event the Lessee shall fail to pay rental fees, state or federal taxes, leasehold excise tax, penalties, and/or other fees in the amounts, at the times, and in the manner provided herein, and this failure shall continue for ten (10) or more days after written notice shall have been given to Lessee.
 - b. **Default by Lessee.** In the event that Lessee shall fail to keep and perform, or shall violate, any of the terms, covenants, or conditions of this Agreement on its part to be kept and performed, and Lessee shall not have cured or corrected this failure or violation within 10 days after written notice shall have been given to Lessee. Notwithstanding the foregoing, in the event Lessee's default is based upon Lessee's failure to timely communicate with the City pursuant to Section 6(j) of this Agreement, if Lessee fails to timely communicate with the City on three or more occasions in any calendar year, the City may terminate this Agreement by providing notice to Lessee that the Agreement is terminated by the City effective thirty (30) days following the date of notice provided by the City.
 - c. **Abandonment by Lessee.** In the event that the Lessee shall vacate or abandon the Premises, or shall permit the Premises to remain vacant or unoccupied

without the prior written consent of the City. Lessee shall remain responsible for all fees identified within this Agreement and repair/replacement of damaged items.

- d. Insolvency of Lessee. If Lessee shall make an assignment for the benefit of creditors, or shall file a petition or shall be adjudged as bankrupt, or the interest of Lessee under this Agreement shall be levied upon and sold upon execution or shall by operation of law become vested in another person, firm or corporation because of the insolvency of Lessee, or in the event that a receiver or trustee shall be appointed for Lessee or in the interest of Lessee under this Agreement.
- e. In the event Lessee terminates this Agreement, Lessee shall pay City for all fees due and owing up to the date of termination and shall pay City the pro rata daily amount due if Lessee holds over after the date of termination and has not vacated the Premises. The holdover daily rate shall be calculated based upon 200% of the monthly rental rate in effect the day following the date of termination set forth in the notice of termination provided by the City. In the event Lessee is holding deposits to reserve the use of the Center, which deposits were paid by future users, those deposits shall be transferred immediately to the City by Lessee, or alternatively, shall be immediately returned by Lessee to the future user who paid the deposit and the reservation shall be removed from the Center use calendar. In the event this Agreement is terminated by the City for default of Lessee, Lessee shall not be entitled to any payments for reservations made by Lessee for events that are scheduled to occur in the future.

20. Notice and Contact Individuals. Any notices or demands required pursuant to the terms of this Agreement shall be sent by certified mail, postage prepaid, to City or Lessee to the addresses provided above herein. The contact individuals for this Agreement shall be the City Clerk/Treasurer for the City and _____ for the Lessee.

21. Possession by City as Remedy. Upon the occurrence of any one or more events of default, Lessee's right to occupy and operate within the leased Premises shall terminate, and Lessee shall surrender possession of the leased Premises immediately. In this event, the Lessee grants to City full and free license to enter into and upon the Premises, or any part of it, to take possession without process of law, and to expel and remove Lessee or any other person occupying the Premises, or any part of them. City may use any force in and about expelling and removing Lessee and other persons as may be reasonably necessary. City may repossess the Premises, but entry of the Premises shall not constitute a trespass or forcible entry or detainer, nor shall entry cause a forfeiture of lease amounts due, nor a waiver of any covenant, agreement or promise contained herein, to be performed by Lessee. Lessee shall make no claim of any kind against City, its agents, officers, and representatives by reason of termination or any act incident to termination of this Agreement.

22. Other Remedies. City may, if it so elects, pursue any other remedies provided by law for the breach of this Agreement or any of its terms, covenants, conditions or

stipulations. No right or remedy herein conferred upon or reserved by City is intended to be exclusive of any other right or remedy, and each right and remedy shall be cumulative and in addition to any other right or remedy given here, now or later existing at law or in equity.

23. **Waiver of Default.** The acceptance of fees or payments by City, whether in a single instance or repeatedly, after it falls due or after acknowledgement of any breach by Lessee, or the giving or making of any notice of demand, whether according to any statutory provisions or not, or any act or series of acts except an express waiver in writing shall not be construed as a waiver of City's right to act or any other right given the City, or as an election not to proceed under the provisions of this Agreement.
24. **Severability.** If any provision of this Agreement or any provision of any document incorporated herein by reference shall be held invalid, said invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of the applicable law and the fundamental purpose of this Agreement and to this extent the provisions of this Agreement are declared to be severable.
25. **Law and Venue.** This Agreement shall be construed according to the laws of the State of Washington. Venue for any lawsuit shall be in Chelan County Superior Court.
26. **Attorney's Fees.** Except as otherwise specifically provided herein with respect to indemnification, each Party to this Agreement shall pay for its own attorney's fees and costs in any litigation or other legal proceedings related to or arising out of this Agreement regardless of the outcome.
27. **Force Majeure.** The performance of all covenants herein (except for the payment of monthly lease and other charges which shall be paid as and when provided herein), shall be postponed and suspended during the period their performance is prevented by acts of God, accidents, weather, or any other delay or contingency beyond the reasonable control of the Parties.
28. **Duty of Impartiality.** The Lessee shall observe, and shall require all its employees and agents to observe, a strict impartiality as to services and under all circumstances Lessee shall exercise and require its employees and agents to exercise courtesy and consideration in their relations with the public.
29. **Risk.** Lessee shall assume all risks incident to its business to be conducted hereunder.
30. **Inurement.** This instrument shall be binding upon and inure to the benefits of the Parties and their respective successors, legal representatives and assigns. This paragraph shall not be deemed to authorize Lessee to make an assignment of its interest in this Agreement.
31. **Amendment.** This Agreement may be amended by mutual agreement of the Parties. Such amendments shall not be binding unless they are in writing and signed by the person(s) authorized to bind each of the Parties.

32. **Third Party Rights.** The City reserves all rights with respect to its property and equipment, including without limitation the right to grant easements, licenses and permits, subject to the rights granted in this Agreement.
33. **Entire Agreement.** This Agreement contains all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either Party.
34. **Waiver.** A failure by either Party to exercise its right under this Agreement shall not preclude that Party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in writing and signed by an authorized representative of the waiving Party.
35. **Non-Discrimination.** Lessee, its assignees, delegates, subcontractors, employees, agents, or consultants shall not discriminate against any person in the performance of any of its obligations hereunder on the basis of race, color, creed, religion, national origin, age, sex, marital status, veteran's status, sexual orientation, or the presence of any disability.
36. **General Policies.** Lessee may adopt policies as Lessee deems are appropriate for the use of the Center by users. Said policies shall not conflict with the terms of this Agreement or applicable laws, rules, and regulations of government entities with jurisdiction. A copy of any policy or revision to the policy shall be provided to the City.

[The remainder of this page left blank intentionally]

37. **Signatures.** This Agreement may be signed in counterparts, each of which shall be an original but all of which shall constitute one and the same document. Photocopied signatures and signatures transmitted by facsimile or PDF email shall be treated as original signatures to this Agreement, binding on the Parties.

APPROVED BY LESSEE the _____ day of _____, 20____.

By: _____
Print Name: _____
Title: _____

State of Washington)
) ss
County of Chelan)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of _____, to be the free and voluntary act of such Party for the uses and purposes mentioned in the instrument.

Dated: _____

NOTARY PUBLIC

(Print Name)
Commission Expires: _____

APPROVED BY THE CITY OF CASHMERE the _____ day of _____,
20____.

By: _____
Jeff Gomes, Mayor

State of Washington)
)ss
County of Chelan)

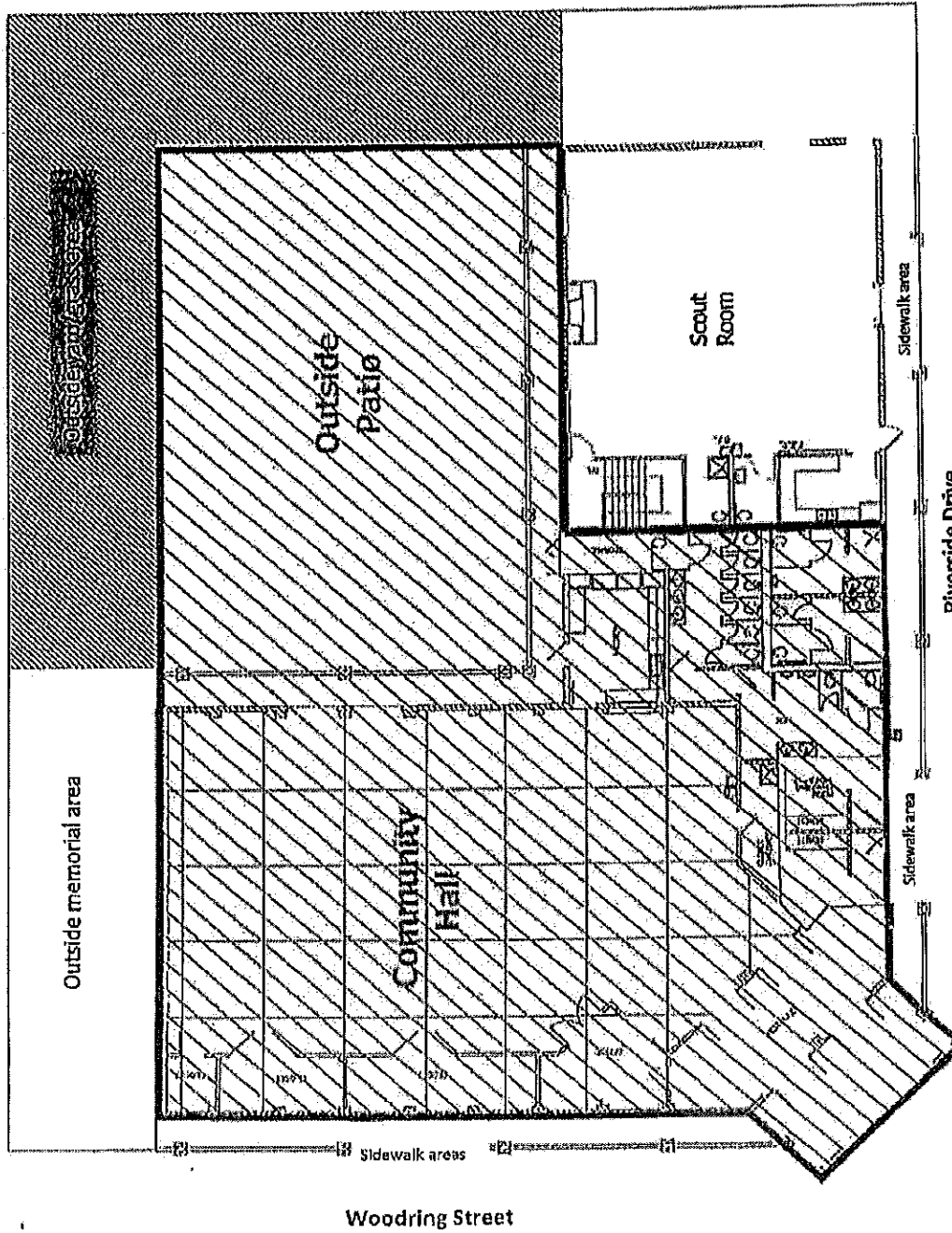
I certify that I know or have satisfactory evidence that JEFF GOMES is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Mayor of the City of Cashmere, Washington, to be the free and voluntary act of such Party for the uses and purposes mentioned in the instrument.

Dated: _____

NOTARY PUBLIC

(Print Name)
Commission Expires: _____

Exhibit "A"
Leased Premises



Scout room areas in and around the Riverside Center building are not part of the leased Premises.

Interior areas of Riverside Center are part of leased Premises.

Outside yard/grass area is part of leased Premises.



EXHIBIT A-1

**COMMUNITY CENTER BUILDING
LEGAL DESCRIPTION**

A parcel of land located in the northeast ¼ of the northwest ¼, Section 4, Township 23 North, Range 19 East, W.M. more particularly described as follows:

Commencing at a 5/8" rebar located in the intersection of Woodring Street and Pleasant Avenue;

thence N88°45'34"E a distance of 29.77 feet to a point on the easterly right-of-way of Woodring Street;

thence S01°14'46"E along said right-of-way a distance of 57.47 feet to a point on the northerly right-of-way of Riverside Drive and the true point of beginning;

thence N89°06'34"E along said right-of-way a distance of 244.74 feet to a point;

thence continuing along said right-of-way N74°35'42"E a distance of 5.50 feet to a point;

thence N01°14'26"W a distance of 251.55 feet to a point;

thence S89°06'40"W a distance of 250.03 feet to a point;

thence S01°14'46"E a distance of 205.01 feet more or less to the true point of beginning;

Containing 1.44 acres.

EXHIBIT B

**CITY OF CASHMERE
RIVERSIDE CENTER INVENTORY**

ITEM	#	CONDITION
Tables (72" X 30")	37	Average
Folding chairs	250	Average
Chair Caddies	7	Worn, casters need repaired
Table caddies	3	Worn, casters need repaired
Stage (16' X 12') 6 sections	1	Latches and casters need repaired
Piano with dolly	1	Good
Piano bench w/cushion	1	Good
Desk with hutch	1	Excellent
Podium - tabletop	1	Average
54 Inch Two Door Stainless Steel refrigerator	1	Excellent
Frigidaire Stainless Steel dishwasher	1	Good
Frigidaire Stainless Steel Range	1	Top scratched
GE Microwave	1	Good
Metal shelf unit in janitor closet	1	Good
Window blinds, black opaque	6	Average - 3 need repaired
Wooden blinds in office	3	Door blind has 2 broken slats
Wooden hangers	85	

***PERSONAL GUARANTEE OF CASHMERE
RIVERSIDE CENTER LEASE AGREEMENT***

IN ORDER TO INDUCE THE CITY OF CASHMERE, a Washington municipal corporation ("City"), to enter into the Riverside Center Lease Agreement (the "Agreement") with _____ (the "Lessee"), of even date herewith, including all documents attached as Exhibits thereto (collectively the "Agreement"), _____, individual(s) (collectively the "Guarantor"), absolutely and unconditionally guarantee to the City, and its successors and assigns, the full and timely performance of the Agreement (including all documents executed in connection therewith, and the full and timely performance of any and all of the Lessee's obligations to the City set out in the Agreement (including any document executed in connection therewith), including, but not limited to the obligations of Lessee to pay rent and other fees or charges.

The Guarantor expressly waives:

1. The right to notice of extension or modification of the Agreement terms, even if such extension or modification increases the duties and obligations of the Lessee, and thereby the Guarantor, under the terms of the Agreement and this Personal Guarantee; and
2. The right to rely on any waiver by the City of the performance of any of the terms and conditions of the Agreement; and
3. The right to personally receive notices of default or any other notice called for under the Agreement.

The Guarantor acknowledges that, should there be an assignment, sublease, or sale of Lessee's interest in the Agreement, or in the stock of Lessee (if applicable), or of Lessee's assets to a third person, even though such sale may be approved by the City, Guarantor is still obligated to guarantee and ensure performance of the Agreement during the remaining Term of the Agreement and for any extension of the Agreement.

Invalidity, irregularity, unenforceability of all or any part of the obligations under the Agreement shall not impair or be a defense to this Personal Guarantee.

This Personal Guarantee is voluntarily made by the Guarantor and the Guarantor acknowledges that the City shall have the right to pursue the Guarantor for performance of the Agreement or for recovery of damages for breach of the Agreement, without first having to proceed against Lessee. If the Guarantor consists of more than one individual person, the City may pursue recovery of all monies due and owing to the City from any or all such individuals at the election of the City. In the event the City retains the services of an attorney to collect monies

owed by Lessee to the City and/or to enforce this Personal Guarantee, the Guarantor agrees to reimburse the City, upon request, for its reasonable attorneys' fees and costs. In the event of arbitration or litigation, the substantially prevailing party shall be entitled to recover its reasonable and actual attorneys' fees and costs incurred in the arbitration or litigation.

DATED this _____ day of _____, 20____.

GUARANTOR:

GUARANTOR:

Print: _____

Print: _____

STATE OF WASHINGTON)
) ss.
County of _____)

I certify that I know or have satisfactory evidence that _____ is/are the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument, on oath stated that he/she/they was/were authorized to execute the instrument and acknowledged it to be his/her/their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this _____ day of _____, 20____.

(printed name)
NOTARY PUBLIC, state of Washington
My appointment expires _____

F.Y.I.



Wenatchee Valley Animal Control
1474 S. Wenatchee Avenue
Wenatchee, WA 98801
509-662-9577
509-665-7612 (fax)

City of Cashmere - Quarterly Report 3rd Quarter – 2014

Animal Control Hours

July	39.25
August	41.00
September	34.50
Total	114.75

Number of Investigated Incidents

July	13
August	18
September	30
Total	61

Investigations of Interest

Citations Issued	5
Dangerous Dogs	1
Potentially Dangerous Dogs	0
Animal Bites	2

Number of Animals Received

Stray Dogs	8	Stray Cats	38	Stray Others	0
Owned Dogs	5	Owned Cats	5	Owned Others	16
Total	13	Total	43	Total	16