

MINUTES OF THE CASHMERE CITY COUNCIL MEETING  
MONDAY APRIL 25, 2011 AT CASHMERE CITY HALL

OPENING

Mayor Gordon Irle opened the regular city council meeting at 7:00 p.m. at City Hall. Clerk-Treasurer Kay Jones took minutes.

ATTENDANCE

	<u>Present</u>	<u>Not Present</u>
Mayor:	Gordon Irle	
Council:	Skip Moore Jim Fletcher Donna Wynne Debbie Knutsen Jeff Gomes	
Staff:	Bob Schmidt, Dir. of Operations Kay Jones, City Clerk-Treasurer Mark Botello, Dir. of Planning/Building	

FLAG SALUTE

ANNOUNCEMENTS & INFORMATION

No announcements.

APPROVAL OF AGENDA

MOVED by Councilor Wynne and seconded by Councilor Fletcher to approve the amended agenda with the addition of item #10 DOT Street Paint Striping Contract. Motion carried.

CONSENT AGENDA

Minutes of April 11, 2011 Regular Study Session Meeting  
Minutes of April 11, 2011 Regular City Council Meeting  
Payroll and Claims Packet Dated April 25, 2011

Claims Check Nos. 30781 through 30804 and EFT 03/2011 totaling \$235,009.89

MOVED by Councilor Knutsen and seconded by Councilor Gomes to approve the consent agenda as presented. Motion carried.

REFINANCING OF THE JR. LIEN WASTEWATER PRETREATMENT REVENUE BOND

Tree Top pays the costs associated with the Wastewater Pretreatment Facility. Those costs include the debt service costs for the Jr. Lien Wastewater Pretreatment Revenue Bonds 2000, which includes principal and interest costs, plus an amount sufficient to meet the debt service coverage requirements of the Bond documents.

The reason for the extra amount is that the Bond documents require that rates received by the City are adequate to pay for operations and maintenance, plus debt service, plus an extra 10%. This extra amount is called "debt service coverage" and is almost universally required by utility revenue bond documents. The City has and continues to accumulate coverage amounts in an

account called Debt Margin funds in the Junior Lien Wastewater Pretreatment Bond Fund 2000. The Debt Margin funds can be used for capital improvements and repairs to the Pretreatment Facility and they may also be used to pay debt service on the Bonds.

Consistent with federal tax law, the structure of the Junior Lien Wastewater Pretreatment Revenue Refunding bonds, 2011 currently is to issue two series of bonds to carry out the refunding of the 2000 Bonds. The first series of bonds would be tax-exempt and issued in an amount not to exceed the principal amount of the outstanding 2000 Bonds approximately \$3,840,000. The second series of bonds would be taxable and issued in an amount of approximately \$125,000 to pay for the cost of issuance.

The proposition before the council is to use \$125,000 from the Debt Margin funds to pay the cost of issuance, including the call premium costs, bond council fee, escrow agent fee, document cost, private placement fee and any contingencies. This would eliminate the need to issue the second series of taxable bonds.

Jenifer Merkel from Foster Pepper joined the discussion by phone to give a brief explanation and answer questions.

MOVED by Councilor Knutsen and seconded by Councilor Gomes to approve the use of the Debt Margin funds of approximately \$125,000 to pay for the costs associated with the refunding of 2000 Bonds. Motion carried.

KEN GIMPEL – WASTE MANAGEMENT MUNICIPAL RELATIONS MANAGER

Waste Management Manager Ken Gimpel announced that Waste Management would like to mail out flyers offering single stream recycling to the businesses in Cashmere. They would be offering once a week pickup on Mondays in the Cashmere area. Recycling is not regulated so there are no franchise areas, but Waste Management would like the City's blessing before offering their services to the businesses in Cashmere.

No formal action was taken. The consensus of the entire council was that single stream recycling for the businesses was a great opportunity.

RH2 SCOPE OF WORK FOR ENVIRONMENTAL PERMITTING ASSISTANCE FOR A WATERLINE REPLACEMENT PROJECT

The proposed scope of work in Task Authorization No. 2 in the amount of \$7,307 is for RH2 Engineering to assist the City with the environmental permitting process for the Riverfront Drive waterline replacement project. A portion of the waterline project is in Chelan County so the City will have to partner with the County in the permitting process. There will be additional costs associated with the County. Staff estimates that the total costs for the permitting will not exceed \$12,703. A budget amendment is required for this project.

MOVED by Councilor Fletcher and seconded by Councilor Moore to approve Task Authorization No. 2 in the amount of \$7,307 for environmental permitting for Riverfront Drive waterline replacement. Motion carried.

SPECIAL USE PERMIT APPLICATION FOR A BEER GARDEN AT BRIAN'S PIZZA

MOVED by Councilor Knutsen and seconded by Councilor Gomes to approve the Special Use Permit for a beer garden at Brian's Pizza on the 29<sup>th</sup> and 30<sup>th</sup> of July for a 20 year class reunion. Motion carried.

SPECIAL USE PERMIT APPLICATION FOR A STREET CLOSURE FOR FOUNDERS' DAY PARADE

MOVED by Councilor Gomes and seconded by Councilor Wynne to approve the Special Use Permit for a street closure for the 100 block of Cottage Avenue all day on Saturday, June 24<sup>th</sup> for Founders' Day and also a street closure from 6:00 p.m. to 8:30 p.m. for the parade route. Motion carried.

VISION CONTRACT FOR PROFESSIONAL SERVICES – REVIEW OF 2010 ANNUAL FINANCIAL REPORT

Clerk-Treasurer Kay Jones asked council to approve a contract with Vision for professional services to review the annual report for accuracy and compliance with the revised state reporting schedules and requirements and compliance regarding federal funding and ARRA funding requirements before submitting the report to the State.

MOVED by Councilor Gomes and seconded by Councilor Wynne to approve the Vision Contract for professional services to review the 2010 Annual Financial Report. Motion carried.

DOT STREET PAINT STRIPING CONTRACT

MOVED by Councilor Knutsen and seconded by Councilor Wynne to approve the DOT Street Paint Striping Contract for \$2,105. Motion carried.

ADJOURNMENT

MOVED by Councilor Moore and seconded by Councilor Wynne to adjourn. Motion carried.

The meeting was adjourned at 8:00 p.m.

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Gordon Irle, Mayor

Attest:

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Kay Jones, Clerk-Treasurer