

MINUTES OF THE CASHMERE CITY COUNCIL MEETING
MONDAY JULY 22, 2019 AT CASHMERE CITY HALL

OPENING

Mayor Jim Fletcher opened the regular City Council meeting at 6:00 p.m. at City Hall. City Clerk-Treasurer Kay Jones took minutes.

ATTENDANCE

Present

Not Present

Mayor: Jim Fletcher

Council:

Chris Carlson
Dave Erickson
Kameon Smith
Derrick Pratt

Daniel Scott

Staff:

Kay Jones, Clerk-Treasurer
Steve Croci, Director of Operations

Chuck Zimmerman, City Attorney

FLAG SALUTE

EXCUSED ABSENCE

MOVED by Councilor Pratt and seconded by Councilor Smith to excuse the absence of Councilor Scott. Motion carried 4-0.

ANNOUNCEMENTS & INFORMATION

June Financial reports are on the website.

PUBLIC COMMENT PERIOD - For Items Not on the Agenda

Cashmere Dryden Airport Board Members Jerry Loeffelbein and Scott Cummings requested that the City Council consider an ordinance regarding an airport overlay district. The Airport Board would like the City's ordinance to be the same as the County's Chapter 11.74 Airport Overlay District.

The County's Airport Overlay District identifies a series of imaginary air surfaces and aircraft accident safety zones above and around airports that require protection from potential obstructions that might interfere with airport traffic.

The Airport Board is requesting that development standards, review procedures and application requirements be the same regarding an Airport Overlay District inside the City and in the County.

APPROVAL OF AGENDA

MOVED by Councilor Erickson and seconded by Councilor Smith to approve the agenda as presented. Motion carried 4-0.

CONSENT AGENDA

Minutes of July 8, 2019 Regular Council Meeting
Payroll and Claims Packet Dated July 22, 2019

Claims Direct Pay and Checks #39817 through #39837 totaling \$212,497.32
Manual Check #39811 through #39816

MOVED by Councilor Carlson and seconded by Councilor Pratt to approve the items on the consent agenda as presented. Motion carried 4-0.

CRUNCH PAK ROAD MAINTENANCE AGREEMENT

The purpose of the Agreement is to authorize Crunch Pak to provide street maintenance and improvement activities on Foster Street and that portion of Chapel Street located north of Mission Creek, utilized significantly by Crunch Pak.

MOVED by Councilor Smith and seconded by Councilor Pratt to approve the Crunch Pak Road Maintenance Agreement. Motion carried 4-0.

PRE-EMPLOYMENT TRANSITION SERVICES WORK EXPERIENCE AGREEMENT WITH SKILL SOURCE

Skill Source has a summer program for high school students to teach them skills and provide them with work experience before graduating. Entering into the Pre-Employment Work Experience Agreement will provide the City with a local student for 120 hours as a summer trainee. This is at no cost to the city; Skill Source pays the trainees wages.

MOVED by Councilor Carlson and seconded by Councilor Smith to approve the Agreement with Skill Source and authorize the Mayor to sign. Motion carried 4-0.

PROGRESS REPORTS

Director Croci reported on the progress of the Chapel Street project, the Sherman Roof repair project and the Streetlight Repair project. He also reported that the trees along the Riverside trail from the pump track to Douglas Street are going to be sprayed for bugs. The residents along the trail will be notified.

Mayor Fletcher announced that he will be attending a meeting regarding the Household Hazardous Waste site to discuss tipping fee options.

The Mayor would like to establish a citizen committee to discuss a long-term plan for city property and buildings. Looking at possible other uses, combining uses and/or relocating. Also, he mentioned that he would like to hold another Community Workshop sometime in the fall to discuss the lagoons.

ADJOURNMENT

Mayor Fletcher adjourned the meeting at 6:45 p.m.

James Fletcher, Mayor

Attest:

Kay Jones, Clerk-Treasurer



5604 Nature Shores Drive, Rock Island, WA 98850 Phone (509) 886-7881 Fax (509) 886-7882

AGREEMENT

An agreement made between the City of Cashmere, Washington, herein "ENTITY" and Standard Pallet Co., herein "CONTRACTOR".

THE PARTIES AGREE AS FOLLOWS:

1. CONTRACT: ENTITY hereby employs CONTRACTOR as an independent contractor to complete and perform the following project and work:

CONTRACTOR will grind material from a loose pile of woody wastes (limbs, tree and brush trimmings, grass clippings, etc.) on location at ENTITY's Hagman Road City Mulch Center Site.

CONTRACTOR will charge a grinding fee not to exceed \$500.00 HR. Any exceptions would fall under the Iron Clause, and a mobilization fee of \$600.00 .

CONTRACTOR agrees to provide all materials and services for the project in accordance with the specifications listed above.

ENTITY is responsible for waste disposal.

2. IRON CLAUSE: ENTITY has used a "best efforts and reasonable care" approach to eliminate heavy iron from the material to be chipped. CONTRACTOR will use a backup "best efforts and reasonable care" approach to identify and remove heavy iron prior to feeding it to the RotoChopper. Should heavy iron be fed into the RotoChopper, CONTRACTOR will immediately stop the operation to determine if a continuing problem exists and, if so will contact ENTITY's representative to explain the conditions before resuming operations.

CONTRACTOR will inspect grinder teeth and screens prior to grinding and post grinding. As an example, nails, pallet straps, banding do not qualify as heavy iron. Heavy iron would include but not limited to; rebar, engine blocks, post digging bars, iron plate, concrete and large rocks. In the event of any damage from heavy iron, CONTRACTOR will immediately stop the operations and assess the damages to the teeth and screen. ENTITY may, at its option, review any damage assessments and then choose to either discontinue or continue the CONTRACTOR's operations.

Charges assessed for damages described in this section will be:

RotoChopper factory pricing plus freight charges – Invoices will be supplied to the Entity – plus labor.

Contractor shop rate is \$125.00/hr.

3. COMPENSATION: ENTITY agrees to pay CONTRACTOR as compensation the amount not to exceed \$10,000 plus applicable sales tax. This amount may be increased by written approval in advance by the ENTITY.
4. INDEPENDENT CONTRACTOR: The parties agree that CONTRACTOR is the independent contractor of the ENTITY and in no way an employee or agent of the ENTITY and is not entitled to workers compensation or any benefit of employment with the ENTITY. ENTITY shall have no control over the performance of this agreement by the CONTRACTOR or its employees, except to specify the time and place of performance and as provided for in section 2. IRON CLAUSE. ENTITY shall have no responsibility for security or protection of CONTRACTOR's supplies.
5. WARRANTY: CONTRACTOR warrants that all material and goods supplied under this agreement shall be of good merchantable quality and that all services will be performed in a good workmanlike manner. CONTRACTOR acknowledges that it will be liable for any breach of this warranty.
6. INDEMNIFICATION: CONTRACTOR agrees to indemnify and hold ENTITY harmless from any liability, claims or damages arising out of, or in any way connected with the CONTRACTOR's performance of the work described in section 1 of this agreement.

Representative

Date

Jim Brock, Standard Pallet Co.

Date

ORDINANCE NO. 1278

**AN ORDINANCE OF THE CITY OF CASHMERE, WASHINGTON,
AMENDING ORDINANCE NO. 1273 ADOPTING THE 2019 BUDGET, AND
SETTING AN EFFECTIVE DATE.**

WHEREAS, the City Council of the City of Cashmere finds that it is necessary and in the best interest of the City to amend certain fund appropriations authorized by the 2019 budget, to provide for additional revenues and expenditures not identified at the time of adoption of the original budget;

NOW, THEREFORE, the City Council of the City of Cashmere, Washington, do ordain as follows:

Section 1. Amendment of Total Fund Appropriations. The 2019 total fund appropriations, Exhibit "A" to Ordinance No. 1273, is hereby amended as set forth in Exhibit "A" attached to this Ordinance.

Section 2. Amendment of Salary Schedule. The 2019 Salary Schedule, Exhibit "B" to Ordinance No. 1273, is hereby amended as set forth in Exhibit "B" attached to this Ordinance, effective as of March 11, 2019 the effective date of the City Council approval of the Collective Bargaining Agreement.

Section 3. Budget Amendment. The 2019 City of Cashmere Budget is amended as set forth in Exhibit "C" to this Ordinance.

Section 4. Except as amended by this Ordinance, Ordinance No. 1273 of the City of Cashmere and the 2019 budget of the City shall remain in full force and effect.

Section 5. This Ordinance shall take effect and be in full force five (5) days after this Ordinance or a summary thereof consisting of the title is published.

APPROVED:

JAMES FLETCHER, MAYOR

ATTEST/AUTHENTICATED:

KAY JONES, CITY CLERK

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

BY: _____
CHARLES D. ZIMMERMAN

PASSED BY THE CITY COUNCIL	:	August 12, 2019
PUBLISHED	:	August 21, 2019
EFFECTIVE DATE	:	August 26, 2019
ORDINANCE NO.	:	1278

EXHIBIT A
Ordinance No. 1278

**Total Estimated Revenues and Appropriations by Fund
2019 Budget**

Fund Name	Beginning Balance	Estimated Revenues	Budgeted Appropriations	Ending Balance
001 General Government Fund	605,569	1,155,153	1,219,307	541,415
003 Public Works Fund	612,951	1,277,783	1,292,212	598,522
108 Lodging Tax Fund	0	5,000	5,000	0
302 Capital Improvement Fund	3,377,246	1,024,916	905,306	3,496,856
401 Water/Wastewater Fund	1,076,099	3,597,800	3,795,023	878,876
411 Water Capital Fund	1,348,539	442,660	1,543,050	248,149
412 Wastewater Capital Fund	2,147,627	510,909	357,550	2,300,986
426 Jr. Lien Pretrt Bond, 2011	1,179,496	551,538	535,983	1,195,051
427 Revenue Bond 2013 #R1	190,772	434,170	394,700	230,242
428 Revenue Bond 2013 #R2	109,765	249,810	227,100	132,475
501 Equipment Rental Fund	1,103,768	268,392	484,655	887,505
702 Cemetery Endowment Fund	244,631	10,000	0	254,631
TOTAL ALL FUNDS	11,996,463	9,528,131	10,759,886	10,764,708
		21,524,594	21,524,594	

EXHIBIT B
Ordinance No. 1278

CITY OF CASHMERE
2019 SALARY SCHEDULE

POSITION	Hourly Wage Step Levels	Monthly Salary	Annual Salary
Executive & Legislative			
Mayor		1,500.00	
Councilmembers		100.00	
Exempt			
City Clerk-Treasurer		6,523.06	
Director of Planning/Building		6,523.06	
Office/Admin			
Office Staff	15.97 - 22.04		
Office Lead	23.14		
Public Works Department			
Public Works Maint. 1	13.92 - 19.96		
Public Works Maint. 2 (inc. pesticide)	16.22 - 22.36		
Public Works Maint. 3 (inc. arborist)	17.83 - 24.59		
Public Works Foreman	26.26		
Water/Wastewater Department			
Water/Wastewater in Training (no cert.)	14.51 - 20.19		
Water DM 1 / Wastewater 1	15.79 - 22.48		
Water DM 2 / Wastewater 2	18.43 - 25.74		
Wastewater Treatment Plant OP 3	20.19 - 28.22		
Water/Wastewater Foreman	30.00		
City Pool			
30 (+/-) Pool Employees	10.20 - 13.00		
Pool Manager	15.25 - 16.50		
Seasonal/Temporary Employees	14.00		
Fire Department			
Fire Chief		515.00	
Assistant Chief			2,400.00
2 Deputy Chiefs			1,081.50
3 Captains			500.00
2 Lieutenants			400.00
Fire Department Stipend - \$10.00 per call - city calls only (CMC 2.56.070)			
EMT Nightshift Stipend - \$5.00 per night - max 2 people per night (CMC 2.56.070)			

- Above wages do not include longevity
- Above hourly/base wages may be increased during the year due to step and/or longevity increases according to the Collective Bargaining Agreement.
- Pool Employee wages are determined by the number of years of service for the City.

EXHIBIT C
Ordinance No. 1278

FUND NAME	CURRENT BUDGET	AMENDED BUDGET	DIFFERENCE +/-
001 GENERAL GOVERNMENT FUND			
Revenues			
Beginning Fund Balance	472,973	605,569	132,596
Expenditures			
Ending Fund Balance	408,819	541,415	132,596
003 PUBLIC WORKS FUND			
Revenues			
Beginning Fund Balance	334,863	612,951	278,088
Expenditures			
Ending Fund Balance	320,434	598,522	278,088
Roadway Maint Chip Seal	75,000	65,000	-10,000
Sidewalk Services - Preservation	50,000	10,000	-40,000
Transfer to Capital Improv Fund	200,000	250,000	50,000
			<u>278,088</u>
302 CAPITAL IMPROVEMENT FUND			
Revenues			
Beginning Fund Balance	3,293,178	3,377,246	84,068
FEMA Grant - Homeland Security	0	17,724	17,724
DNR Grant - Radios	0	11,986	11,986
911 Communication Funding	0	11,986	11,986
TIB Funding for Street Light Repairs	328,053	358,053	30,000
Transfer from Public Works Fund	200,000	250,000	50,000
			<u>205,764</u>
Expenditures			
Ending Fund Balance	3,443,770	3,496,856	53,086
Street Light - Wages	0	5,000	5,000
Street Light - Benefits	0	3,000	3,000
Street Light - GFI & Wiring Repairs	0	100,000	100,000
EMS Services Machinery & Equipment	191,800	236,478	44,678
			<u>205,764</u>
401 WATER/WASTEWATER FUND			
Revenues			
Beginning Fund Balance	901,364	1,076,099	174,735
Expenditures			
Ending Fund Balance	759,141	878,876	119,735
WA Prod Misc Services - Testing	7,000	15,000	8,000
WA Dist Meters	10,000	22,000	12,000
WW Solids Transportation Services	5,000	40,000	35,000
			<u>174,735</u>

411 WATER CAPITAL FUND**Revenues**

Beginning Fund Balance	1,292,173	1,348,539	56,366
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Expenditures

Ending Fund Balance	1,204,283	248,149	-956,134
WA Consultant Rate Study	0	5,000	5,000
WA Capital - Wages	0	5,000	5,000
WA Capital - Benefits	0	2,500	2,500
WA Building & Structure Improvements	0	1,000,000	<u>1,000,000</u>
			56,366

412 WASTEWATER CAPITAL FUND**Revenues**

Beginning Fund Balance	2,125,652	2,147,627	21,975
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Expenditures

Ending Fund Balance	2,284,011	2,300,986	16,975
WW Consultant Rate Study	0	5,000	<u>5,000</u>
			21,975

501 EQUIPMENT RENTAL FUND**Revenues**

Beginning Fund Balance	1,049,989	1,103,768	53,779
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Expenditures

Ending Fund Balance	833,726	887,505	53,779
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2019 SURPLUS EQUIPMENT

All equipment defined as a fixed asset that has been replaced but may have value shall be added to the surplus list and presented to the City Council for approval of sale.

2000 Jacobsen Lawn Mower 5111 #530
2001 Elgin Street Sweeper #419
Leaf Vacuum - (Employee Constructed)
1964 SewerRoder
2000 Trailer VIN# 4W8UF141XY10002035
10' Boss Snowplow

Presented to Council for surplus on August 12, 2019

Staff Summary

Date: Aug 7, 2019
To: City Council
From: Jim Fletcher, Mayor
RE: Water Service Rates

On July 8th we reviewed a water rate study drafted by consultants FCS Group which provided two options for funding Cashmere’s water services. The rates cover expected operations and maintenance costs and reflect a pay-as-you-go capital funding policy setting aside \$400,000 per year for capital repairs and improvements.

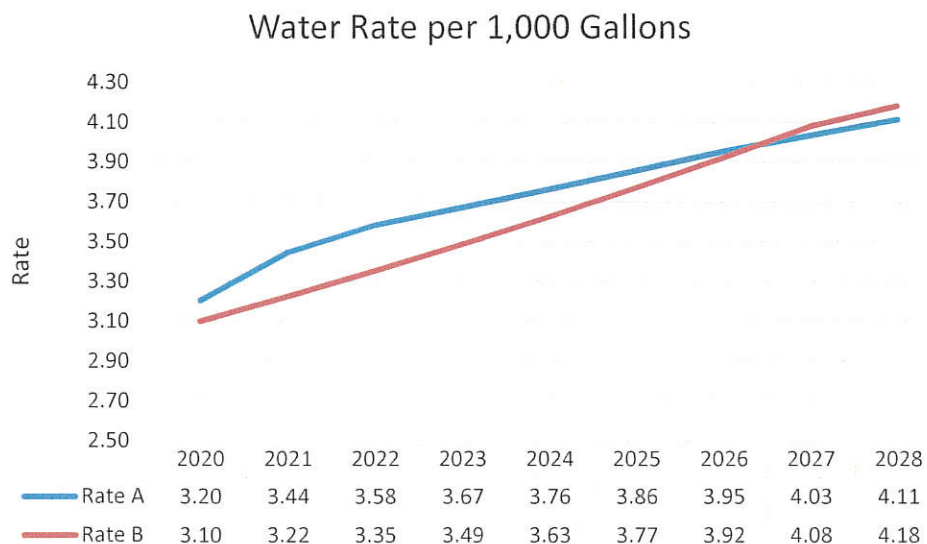
TABLE 1 Rates proposed in the 2019 Water System rate study by FCS Group:

	2020	2021	2022	2023	2024	2025	2026	2027	2028
Rate A	7.5%	7.5%	4%	2.5%	2.5%	2.5%	2.5%	2%	2%
Rate B	4%	4%	4%	4%	4%	4%	4%	4%	2.5%

Proposed Rate A supports the policy of \$400,000 per year set aside for capital investments. Proposed Rate B sets aside \$225,000 less cash for capital until year 2022 then funds \$400,000 per year.

Both rates are designed to:
 Maintain a minimum reserve cash balance for 60 days working capital (16% of budgeted operating expenses), and a contingency reserve of 1% of the cost of capital assets.

CHART 1 Rates changes during planning period



Water service rates include a combined charge to include the base rate and a volume of water consumed rate. Total monthly billing is the sum of the customers meter size base rate plus the volume of water consumed.

Table 2 Effect of rates on monthly base rate

RATE A						
Meter Size	2019	2020	2021	2022	2023	2024
		7.5%	7.5%	4.0%	2.5%	2.5%
5/8"	\$16.11	\$17.32	\$18.62	\$19.36	\$19.85	\$20.34
1"	\$21.12	\$22.70	\$24.41	\$25.38	\$26.02	\$26.67
1 1/2"	\$22.87	\$24.59	\$26.43	\$27.49	\$28.17	\$28.88
2"	\$39.72	\$42.70	\$45.90	\$47.74	\$48.93	\$50.15

RATE B						
Meter Size	2019	2020	2021	2022	2023	2024
		4.0%	4.0%	4.0%	4.0%	4.0%
5/8"	\$16.11	\$16.75	\$17.42	\$18.12	\$18.85	\$19.60
1"	\$21.12	\$21.96	\$22.84	\$23.76	\$24.71	\$25.70
1 1/2"	\$22.87	\$23.78	\$24.74	\$25.73	\$26.75	\$27.82
2"	\$39.72	\$41.31	\$42.96	\$44.68	\$46.47	\$48.33

Table 3 Effect of rates base on monthly water consumption

		Gallons per month metered use				
	RATE A	1,000	3,000	5,000	7,000	9,000
2020	7.5%	3.20	9.61	16.02	22.42	28.83
2021	7.5%	3.44	10.33	17.22	24.11	30.99
2022	4.0%	3.58	10.74	17.91	25.07	32.23
2023	2.5%	3.67	11.01	18.36	25.70	33.04
2024	2.5%	3.76	11.29	18.81	26.34	33.87

		Gallons per month metered use				
	RATE B	1,000	3,000	5,000	7,000	9,000
2020	4.0%	3.10	9.30	15.50	21.69	27.89
2021	4.0%	3.22	9.67	16.12	22.56	29.01
2022	4.0%	3.35	10.06	16.76	23.46	30.17
2023	4.0%	3.49	10.46	17.43	24.40	31.38
2024	4.0%	3.63	10.88	18.13	25.38	32.63

System development Charges

The water rate study also recommended changing system development charges for new water service connections. System development charges (SDCs) are fees that are collected when new development occurs in the city and are used to fund a portion of new water services.

Table 3 System Development Charges

Meter Size	1"	1.5"	2"	3"	4"	6"
Proposed Rate	\$3,378	\$6,756	\$10,810	\$21,620	\$33,781	\$67,562

Staff Recommendation:

Motion to approve Rate Schedule 'B', a 4% annual water rate increase and Table 3 System Development Charges, as recommended in the water rate study. Authorizing staff to draft a 5-year rate resolution for 2020-2024.