



City of Cashmere

101 Woodring Street
Cashmere, WA 98815
Ph (509) 782-3513 Fax (509) 782-2840
Website www.cityofcashmere.org

CASHMERE CITY COUNCIL MEETING
MONDAY, NOVEMBER 9, 2020 6:00 P.M., CITY HALL

DUE TO THE COVID-19 PANDEMIC AND THE GOVERNOR'S STAY AT HOME ORDER; CITY COUNCIL MEMBERS AND THE PUBLIC ARE REQUIRED TO CALL IN TO PARTICIPATE IN A PHONE CONFERENCE CITY COUNCIL MEETING. PLEASE CALL IN 5 MINUTES PRIOR TO MEETING.

To Join the Meeting Go To <https://zoom.us>
Meeting ID: 882 719 9871 Passcode: 788276
Audio Only: PH# 1-(253)-215-8782

AGENDA

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

APPROVAL OF AGENDA

CONSENT AGENDA

1. Minutes of October 26, 2020 Regular Council Meeting by Digital/Telephone Conference
2. Payroll and Claims Packet Dated November 9, 2020

BUSINESS ITEMS

1. Public Hearing on Preliminary Budget for 2021
2. Ordinance No. 1294 Property Tax Levy
3. Ordinance No. 1295 Amending the Budget for 2020
4. Interlocal Agreement for Housing Inmates in the Chelan County Regional Justice Center
5. 2021 Amended and Restated Modification of Museum
6. Pacifica Law Group Legal Services for Bond Counsel

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 26, 2020 AT CASHMERE CITY HALL – DIGITAL CONFERENCE

OPENING

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

Now for the roll call of the council members to document attendance. Please respond with an acknowledgment of your presence when your name is called.

ATTENDANCE

	<u>Present</u>	<u>Not Present</u>
Mayor:	Jim Fletcher	
Council:	Daniel Scott - digital Chris Carlson - digital Dave Erickson - digital Jayne Stephenson - digital Derrick Pratt - digital	
Staff:	Kay Jones, Clerk-Treasurer	Steve Croci, Director of Operations Chuck Zimmerman, City Attorney
Public:	Kirk Beckendorf, Cashmere Valley Record – digital	

ANNOUNCEMENTS AND INFORMATION

APPROVAL OF AGENDA

MOVED by Councilor Pratt and seconded by Councilor Scott to approve the agenda as submitted. Motion carried 5-0.

CONSENT AGENDA

Minutes of October 12, 2020 Regular Council Meeting by Digital Conference
Payroll and Claims Packet Dated October 26, 2020
Claims Direct Pay and Check #40734 through #40766 totaling \$153,179.77

MOVED by Councilor Carlson and seconded by Councilor Scott to approve the items on the Consent Agenda. Motion carried 5-0.

PUBLIC HEARING ON REVENUE SOURCES AND POSSIBLE INCREASE IN PROPERTY TAX

Mayor Fletcher gave a brief explanation regarding the property tax levy and the 1% increase the City is allowed. The 1% increase over last year's levy amounts to \$6,490. The additional amount the City will receive is due to the assessed value of new construction, which is \$51,418.

Mayor Fletcher opened the Public Hearing at 6:08 p.m. to take public comment on revenues and the possible increase in property tax. Bill Donald residing at 104 Meadowsweet Pl., asked how the City would use the increase if the 1% increase was taken.

The Mayor explained that the property tax is receipted into the Public Works fund to operate and maintain City streets, parks, pool and cemetery. Any excess reserves are transferred into the capital fund for capital improvements to the same.

With no further questions the Mayor closed the hearing at 6:14 p.m.

Since the City's tax levy will increase due to the new construction, the consensus of the City Council was to not increase taxes and bank the 1% for future.

DISCUSSION ON 2021 BUDGET

Mayor Fletcher shared the budget charts for the General, Public Works, and Water/Wastewater funds. He also discussed the proposed capital purchases and projects for the General Capital fund and the Water and Wastewater Capital funds.

The proposed revenues do not include the \$51,418 in property tax for the new construction and the proposed water and wastewater revenues do not include the planned 4% water rate increase and 2% wastewater rate increase.

The City Council discussed the rate resolution and the rate increases scheduled for January 2021. Most of the City Council agrees to change the rate resolutions; with no increase in 2021 and pushing all the increases out one year.

Councilor Scott would like to maintain the scheduled increases to stay on track. The City has talked about refinancing the USDA Bonds and he suggested taking a closer look at that before changing rates.

PROSECUTION SERVICES AGREEMENT FOR 2021

The proposed agreement has a \$25 increase in the per case fee, which is an increase from \$250 to \$275. With the 43 cases in the 12-month period the annual amount for prosecution services for 2021 is \$11,825, which is a decrease from the 2020 contract.

MOVED by Councilor Scott and seconded by Councilor Erickson to approve the Prosecution Services Agreement for 2021. Motion carried 5-0.

RESOLUTION 07-2020 DECLARING A STATE OF EMERGENCY - SEWER LINE REPAIR

MOVED by Councilor Pratt and seconded by Councilor Scott to approve Resolution 07-2020 Declaring a State of Emergency regarding a sewer line break on Division Street hill. Motion carried 5-0.

PROGRESS REPORTS

Mayor Fletcher reported that he has been in contact with the County and all the cities that contract with the Regional Justice Center. There needs to be a joint meeting to discuss the Regional Justice Center contract. The City of Wenatchee is in arbitration with the County regarding the new rate calculation for the contract. All the cities are waiting to see the outcome of the arbitration before signing the contract.

ADJOURNMENT

Mayor Fletcher adjourned the meeting at 7:37 p.m.

James Fletcher, Mayor

Attest:

Kay Jones, City Clerk-Treasurer

**Example -- Calculation of Property Tax Rate Changes and Tax
Paid to City of Cashmere**

Year Property Assessed		2017	2018	2019	2020	2021	
City's Net Assed Value		\$ 259,037,168	\$ 296,478,545	\$ 328,265,454	\$ 375,203,414	\$ 375,203,414	\$ 375,203,414
% change year to year			14.5%	10.7%	14.3%	14.3%	14.3%
Year Tax Collected Tax Year		2018	2019	2020	2021		
Prior year City revenue		\$ 603,273	\$ 619,400	\$ 631,688	\$ 648,992	\$ 648,992	\$ 648,992
1% increase		\$ 6,033	\$ 6,194	\$ 6,317	0	0	6,490
Reveue: new const.		\$ 10,094	\$ 6,094	\$ 16,005	\$ 51,418	\$ 51,418	\$ 51,418
Total City Revenue		\$ 619,400	\$ 631,688	\$ 648,992	\$ 700,410	\$ 700,410	\$ 706,900
% change year to year			1.98%	3.53%	7.92%	7.92%	8.92%
City levy rate		0.002241727	0.002130638	0.001992320	0.001866746	0.001866746	0.001884043
% change year to year			-5.0%	-6.5%	-6.3%	-6.3%	-5.4%
Home Assed Value		\$ 206,821	\$ 225,467	\$ 240,927	\$ 257,406	\$ 257,406	\$ 257,406
% change year to year			9.02%	6.86%	6.84%	6.84%	6.84%
City tax on Home		\$ 463.77	\$ 480.39	\$ 480.00	\$ 480.51	\$ 480.51	\$ 484.96
increase (decrease) in tax		\$	\$ 16.62	\$ (0.38)	\$ 0.51	\$ 0.51	\$ 4.45
% change year to year			3.6%	-0.08%	0.11%	0.11%	0.93%

Comparing 1% rate increase to no rate increase for 2021

No rate inc. | 1% rate inc.

ORDINANCE NO. 1294

AN ORDINANCE OF THE CITY OF CASHMERE, WASHINGTON, AUTHORIZING THE GENERAL PROPERTY TAX LEVY ALLOWED BY RCW 84.55.010; LEVYING THE GENERAL TAXES FOR THE CITY OF CASHMERE, ESTIMATED TO BE \$701,038.44, FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2021 ON ALL PROPERTY, INCLUDING REAL, PERSONAL, AND UTILITY PROPERTY IN SAID CITY WHICH IS SUBJECT TO TAXATION FOR THE PURPOSE OF CARRYING ON THE GENERAL GOVERNMENT OF SAID CITY FOR THE ENSUING YEAR AS REQUIRED BY LAW; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Cashmere, Washington, having considered the City's anticipated financial requirements for 2021, and the amounts necessary and available to be raised by ad valorem taxes on real, personal and utility property; and

WHEREAS, after proper notice pursuant to RCW 84.55.120, the City Council held a public hearing on the 26th of October, 2020, wherein it considered revenue sources for the City's General Fund budget for 2021; and

WHEREAS, the City Council, after hearing, and after duly considering all relevant evidence and testimony presented, finds that the City of Cashmere will levy the general taxes for the City of Cashmere as allowed by RCW 84.55.010, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property, in order to discharge the expected expenses and obligations of the City of Cashmere and in its best interest; and

WHEREAS, the City of Cashmere, Washington, has a population of less than 10,000;

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

Section 1. General Levy. The regular property tax levy, plus a 0% increase over the levy from the previous year in the amount of \$0.00, plus the maximum dollar amount allowed under the provisions of state law for new construction and improvements to property and any increase in the value of state-assessed property and any annexations that have occurred and refunds made, is hereby authorized for the 2021 property tax levy on all real, personal and utility property authorized for collection in 2021.

Section 2. Estimated Amount. For the purpose of compliance with RCW 84.52.020 the City Council estimates for budget purposes that the amount of property tax to be collected in the year 2021 pursuant to Section 1. of this ordinance is \$701,038.44.

Section 3. Certification and Collection. A certified copy of this ordinance shall be transmitted by the City of Cashmere Clerk/Treasurer to Chelan County and to such other governmental agencies as provided by law. Taxes levied hereunder shall be collected and paid to the Clerk/Treasurer of the City of Cashmere at the time and in the manner provided by the laws of the State of Washington.

Section 4. Department of Revenue Form. Attached hereto and marked as Exhibit A is a true and correct copy of the Department of Revenue form requested to be approved by Chelan County. This form is hereby approved and made a part of this ordinance as if set forth in full herein.

Section 5. Severability. If any section, sentence, clause or phrase of this Ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 6. Effective Date. 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.

Passed by the City Council of the City of Cashmere and approved by the Mayor this 9th day of November, 2020.

CITY OF CASHMERE

By: _____
James Fletcher, Mayor

Attest:

Kay Jones, City Clerk/Treasurer

Approved as to form:

Charles D. Zimmerman, City Attorney

Ordinance No: 1294
Passed by the City Council: 11/9/2020
Published in the Cashmere Valley Record: 11/18/2020
Effective date: 11/23/2020



Ordinance / Resolution No. 1294
RCW 84.55.120

WHEREAS, the City Council of the City of Cashmere has met and considered its budget for the calendar year 2021; and,

WHEREAS, the districts actual levy amount from the previous year was \$ 654,010.44; and,

WHEREAS, the population of this district is less than 10,000; and now, therefore,

BE IT RESOLVED by the governing body of the taxing district that an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2021 tax year.

The dollar amount of the increase over the actual levy amount from the previous year shall be \$ 0.00 which is a percentage increase of 0% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this 9th day of November, 2020.

Three sets of horizontal lines for signatures.

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc.

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users, please call (360) 705-6718. For tax assistance, call (360) 534-1400.

ORDINANCE NO. 1295

**AN ORDINANCE OF THE CITY OF CASHMERE, WASHINGTON, AMENDING
ORDINANCE NO. 1290, WHICH AMENDED ORDINANCE NO. 1283
ADOPTING THE 2020 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 2020 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 2020 total fund appropriations, Exhibit "A" to Ordinance No. 1290, which was first amendment to the original 2020 Budget Ordinance No. 1283, is hereby amended as set forth in Exhibit "A" attached to this Ordinance.

Section 2. Amendment of Salary Schedule. The 2020 Salary Schedule, Exhibit "B" to Ordinance No. 1283, and reaffirmed by Ordinance No. 1290, is hereby reaffirmed and shall remain unchanged as set forth in Exhibit "B" attached to this Ordinance.

Section 3. Budget Amendment. The 2020 City of Cashmere Budget is amended as set forth in Exhibit "C" to this Ordinance.

Section 4. Except as amended by Ordinance No 1290, and by this Ordinance, Ordinance No. 1283 of the City of Cashmere and the 2020 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	:	November 9, 2020
PUBLISHED	:	November 18, 2020
EFFECTIVE DATE	:	November 23, 2020
ORDINANCE NO.	:	1295

EXHIBIT A
Ordinance No. 1295

**Total Estimated Revenues and Appropriations by Fund
2020 Budget**

Fund Name	Beginning Balance	Estimated Revenues	Budgeted Appropriations	Ending Balance
001 General Government Fund	658,417	1,238,937	1,294,052	603,302
003 Public Works Fund	845,230	1,350,151	1,306,623	888,758
108 Lodging Tax Fund	0	5,000	5,000	0
302 Capital Improvement Fund	3,580,802	632,902	708,147	3,505,557
401 Water/Wastewater Fund	1,006,158	3,726,071	3,670,009	1,062,220
411 Water Capital Fund	1,619,855	873,737	771,423	1,722,169
412 Wastewater Capital Fund	2,293,701	994,018	376,200	2,911,519
426 Jr. Lien Pretrt Bond, 2011	1,194,333	402,497	1,596,830	0
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	972,092	330,930	374,800	928,222
702 Cemetery Endowment Fund	253,288	10,000	0	263,288
TOTAL ALL FUNDS	12,724,413	10,248,223	10,724,884	12,247,752
		22,972,636	22,972,636	

EXHIBIT B
Ordinance No. 1295

CITY OF CASHMERE
2020 SALARY SCHEDULE

POSITION	Hourly Wage Step Levels	Monthly Salary	Annual Salary
Executive & Legislative			
Mayor		1,500.00	
Councilmembers		100.00	
Exempt			
City Clerk-Treasurer		6,686.14	
Director of Planning/Building		6,686.14	
Office/Admin			
Office Staff	16.36 - 22.59		
Office Lead	23.72		
Public Works Department			
Public Works Maint. 1	14.27 - 20.46		
Public Works Maint. 2 (inc. pesticide)	16.62 - 22.92		
Public Works Maint. 3 (inc. arborist)	18.27 - 25.21		
Public Works Foreman	26.91		
Water/Wastewater Department			
Water/Wastewater in Training (no cert.)	14.87 - 20.69		
Water DM 1 / Wastewater 1	16.19 - 23.05		
Water DM 2 / Wastewater 2	18.89 - 26.38		
Wastewater Treatment Plant OP 3	20.69 - 28.92		
Water/Wastewater Foreman	30.75		
City Pool			
30 (+/-) Pool Employees	11.48 - 14.25		
Pool Manager	15.75 - 17.00		
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.

FUND NAME	CURRENT BUDGET	AMENDED BUDGET	DIFFERENCE +/-
412 WASTEWATER CAPITAL FUND			
Revenues			
Beginning Fund Balance	2,293,701	2,293,701	0
Transfer from Water Fund	0	400,000	400,000
Transfer from Bond Fund 426	0	483,109	483,109
			<u>883,109</u>
Expenditures			
Ending Fund Balance	2,231,510	2,911,519	680,009
Engineering Services	6,900	38,000	31,100
Machinery & Equipment - Pumps	20,000	92,000	72,000
Other Improvements - Sewer Line Repair	0	100,000	100,000
			<u>883,109</u>
426 Jr LIEN PRETRT REFUND BOND 2011			
Revenues			
Beginning Fund Balance	1,194,628	1,194,333	-295
Investmetn Interest	15,600	4,059	-11,541
			<u>-11,836</u>
Expenditures			
Ending Fund Balance	1,077,416	0	-1,077,416
Tree Top Reimbursement	0	582,471	582,471
Transfer to Wastewater Capital Fund	0	483,109	483,109
			<u>-11,836</u>
501 EQUIPMENT RENTAL FUND			
Revenues			
Beginning Fund Balance	972,092	972,092	0
Insurance Recoveries	0	60,147	60,147
			<u>60,147</u>
Expenditures			
Ending Fund Balance	922,441	928,222	5,781
Service Truck	97,000	151,366	54,366
			<u>60,147</u>

EXHIBIT C
Ordinance No. 1295

FUND NAME	CURRENT BUDGET	AMENDED BUDGET	DIFFERENCE +/-
001 GENERAL GOVERNMENT FUND			
Revenues			
Beginning Fund Balance	658,417	658,417	0
Expenditures			
Ending Fund Balance	598,402	603,302	4,900
Moderate Risk Facility	4,900	0	-4,900
		<u>0</u>	<u>0</u>
302 CAPITAL IMPROVEMENT FUND			
Revenues			
Beginning Fund Balance	3,580,802	3,580,802	0
CARES Act CRF Funds	0	139,500	139,500
		<u>139,500</u>	<u>139,500</u>
Expenditures			
Ending Fund Balance	3,355,557	3,505,557	150,000
CARES Act CRF Funds	0	139,500	139,500
Sunset Highway Engineering -Road Design	150,000	0	-150,000
		<u>139,500</u>	<u>139,500</u>
401 WATER/WASTEWATER FUND			
Revenues			
Beginning Fund Balance	1,006,158	1,006,158	0
Expenditures			
Ending Fund Balance	1,062,220	1,062,220	0
Transfer to Water Capital Fund	800,000	400,000	-400,000
Transfer to Wastewater Capital Fund	0	400,000	400,000
		<u>400,000</u>	<u>0</u>
411 WATER CAPITAL FUND			
Revenues			
Beginning Fund Balance	1,619,855	1,619,855	0
Insurance Claim Recovery	0	381,077	381,077
Transfer from Water Fund	800,000	400,000	-400,000
		<u>-400,000</u>	<u>-18,923</u>
Expenditures			
Ending Fund Balance	1,758,992	1,722,169	-36,823
Engineering Services	52,600	70,500	17,900
		<u>17,900</u>	<u>-18,923</u>

Staff Summary

Date: 11/ 02/2020
To: City Council
From: Jim Fletcher, Mayor
RE: Chelan County Regional Jail Agreement

On Friday 10/30 Commissioner Kevin Overbay, and Jail Business Manager Nicole Thompson met with Councilmember Chris Carson and Mayor Fletcher to discuss the regional jail agreement.

The County is offering a three-year agreement based on 2019-2020 use with a rate locked in at 5% for 2022 and 2023. Alternatively, we can ask for a one-year contract with adjustments of occupancy based on 2020-2021. The contract is the same offered to all partners adjusting only the base fee relative to past use.

Base fee calculation set at 30% of budget is calculated on the operating costs of the jail. Excluded are all debt, capital costs, equipment and expensed not related to basic operating.

Bookings are based on misdemeanors at the time of incarceration. If/when the Prosecuting Attorney increases charges to felony the fee changes to the County. Typically, charges are adjusted within 24 hours, may be up to 3 business days.

The jail cannot charge inmates for incarceration costs. Inmates do have accounts for personal needs or certain court order charges to be paid to the courts.

Future regional jail issues were also discussed providing insight on efforts to plan for and control costs. Ideas include, a regional governing committee/board, separating people with mental health issues from the correctional facilities, federal and state legislative issues that impact jail budget.

Staff Recommendation:

Alternatives consist of locking in a contract rate at 5% for years 2022 and 2023 or a one-year agreement renewed adjusting the rate based on prior year use. Recommendation is to approve the three-year contract.

INTERLOCAL AGREEMENT BETWEEN CHELAN COUNTY, WASHINGTON AND THE CITY OF CASHMERE, WASHINGTON, FOR THE HOUSING OF INMATES IN THE CHELAN COUNTY REGIONAL JUSTICE CENTER

THIS INTERLOCAL AGREEMENT is made and entered into on this _____ day of _____, 20__ by and between the City of CASHMERE, Washington, a Washington municipal corporation, hereinafter referred to as "City", and Chelan County, Washington, hereinafter referred to as "Chelan County", each party having been duly organized and now existing under the laws of the State of Washington.

WITNESSETH:

WHEREAS, The Chelan County Regional Justice Center and the City Mayor or designee are authorized by law to have charge and custody of the County Jail and the City prisoners or inmates, respectively; and

WHEREAS, the City wishes to designate the CCRJC as a place of confinement for the incarceration of one or more inmates lawfully committed to its custody; and

WHEREAS, Chelan County Regional Justice Center is desirous of accepting and keeping in its custody such inmate(s) in the CCRJC for a rate of compensation mutually agreed upon by the parties hereto; and

WHEREAS, RCW 39.34.080 and other Washington law, as amended, authorizes any county to contract with any other county or city to perform any governmental service, activity or undertaking which each contracting county is authorized by law to perform; and

WHEREAS, the governing bodies of each of the parties hereto have determined to enter into this Agreement as authorized and provided for by RCW 39.34.080 and other Washington law, as amended,

NOW, THEREFORE, in consideration of the above and foregoing recitals, the payments to be made, the mutual promises and covenants herein contained, and for other good and valuable consideration, the parties hereto agree as follows:

1. GOVERNING LAW

The parties hereto agree that, except where expressly otherwise provided, the laws and administrative rules and regulations of the State of Washington shall govern in any matter relating to an inmate or inmates confined pursuant to this Agreement.

2. DURATION

This Agreement shall enter into full force and effect from **January 1, 2021 and end December 31, 2023**, subject to earlier termination as provided by Section 3 herein. Each successive year by August 31 an amendment of Section 6 Compensation will be presented as payment amount for the next year which will be based upon the average number of inmates generated from the City during the

immediately preceding three years. Nothing in this Agreement shall be construed to require the City to house inmates in Chelan County continuously.

3. TERMINATION

(a) By either party. This Agreement may be terminated without cause by written notice from either party to the other party delivered by regular mail to the contact person identified herein, provided that termination shall become effective sixty (60) working days after receipt of such notice. Within said sixty (60) days, the City agrees to remove its inmate(s) from the CCRJC.

(b) By the City due to lack of funding. The obligation of the City to pay Chelan County under the provision of this Agreement beyond the current fiscal year is expressly made contingent upon the appropriation, budgeting availability of sufficient funds by the City. In the event that such funds are not budgeted, appropriated or otherwise made available for the purpose of payment under this Agreement at any time after the current fiscal year, then the City shall have the option of terminating the Agreement upon written notice to Chelan County, except that all services provided to that point shall be compensated at the agreed rate. The termination of this Agreement for this reason will not cause any penalty to be charged to the City.

(c) Termination for Breach. In the event the City breaches or fails to perform or observe any of the terms or conditions herein, and fails to cure such breach or default within seven (7) days of County's giving the City written notice thereof, or, if not reasonably capable of being cured within such seven (7) days, within such other period of time as may be reasonable in the circumstances, County may terminate the City's rights under this Agreement effective 30 days from date of receipt of notice to terminate in addition to and not in limitation of any other remedy of County at law or in equity, and the failure of County to exercise such right at any time shall not waive County's right to terminate for any future breach or default.

(d) In the event of termination of this agreement for any reason, the City shall compensate Chelan County for prisoners housed by Chelan County after notice of such termination until the City retakes its inmates in the same manner and at the same rates as if this Agreement had not been terminated.

4. MAILING ADDRESSES

All notices, reports, and correspondence to the respective parties of this Agreement shall be sent to the following:

Chelan County: Chelan County Regional Justice Center
401 Washington St., Level 2
Wenatchee, WA 98801

Primary Contact Person: Chris Sharp, Director
Secondary Contact: Nicole Thompson, Business Manager

City of Cashmere: City of Cashmere
101 Woodring Street
Cashmere, WA 98815

Primary Contact Person: Mayor
Secondary Contact: Clerk-Treasurer

Notices mailed shall be deemed given on the date mailed. The parties shall notify each other in writing of any change of address.

5. DEFINITIONS

The parties hereby agree that the following terms shall have the specified meanings unless indicated otherwise herein:

(a) Day. One prisoner day shall be each day or portion thereof which a prisoner appears in custody on the jail management system. The count shall be conducted by the jail management system and each participating jurisdiction shall be charged for each prisoner who is detained in the Regional Justice Center on a charge and/or conviction from the participating jurisdiction. If the prisoner has a pending charge and/or conviction from more than one jurisdiction, excluding the Department of Corrections, the cost for that prisoner shall be divided proportionately.

(b) Inmate Classifications shall be pursuant to the Chelan County Objective Jail Inmate Classification System which is modeled after the National Institute of Corrections Jail Classification System:

- (i) "Minimum" classification shall apply to those inmates who present a low risk to staff and the community.
- (ii) "Medium" classification shall apply to those inmates who present a moderate risk to staff and the community.
- (iii) "Maximum" classification shall apply to those inmates who present a substantial risk to staff and the community.

6. COMPENSATION

(a) Annual Rate for Incarceration. Chelan County agrees to accept and house all of the City's inmates for annual compensation. This rate includes minimum, medium, and maximum classification inmates. The annual rate for incarceration shall be paid by the City in twelve (12) equal monthly installments due on the fifth (5) day of each month.

(b) Rate for 2021. The annual sum is based on the actual percentage of booking and the average daily population for the twelve (12) month period of July 2019 through June

2020 with a base fee and the daily cost per inmate of \$98.00 per day. The parties agree that Chelan County will not charge The City a separate booking fee in addition to such annual compensation. The date of booking into the CCRJC of the City's inmates, no matter how little time of a twenty-four (24) hour day it constitutes, shall count as one day and shall be attributed to the City as a day of custody in Chelan County for purposes of calculating current and future average inmate population. The base fee is calculated on a booking percentage of 0.8% for a base fee of \$23,120. The usage fee is based on an ADP of .37 for a usage fee of \$13,205. The annual cost for 2020 will be \$36,325 with monthly payments calculated at the annual rate divided by twelve (12) months for a monthly rate of \$3,027.08.

- (c) Rate for 2022. Rate is a 5% increase over the 2021 rate as a whole. The annual cost for 2022 will be \$38,141.25 with monthly payments calculated at the annual rate divided by twelve (12) months for a monthly rate of \$3,178.44
- (d) Rate for 2023. Rate is a 5% increase over 2022 rate as a whole. The annual cost will be \$40,048.31 with monthly payments calculated at the annual rate divided by twelve (12) months for a monthly rate of \$3,337.36.
- (e) Reporting. Chelan County agrees to provide the City with a list of names of inmates at post release, the number of days housed, including the date and time of booking and date and time of release, for purposes of calculating current and future average inmate population.

7. RIGHT OF INSPECTION

The City shall have the right to inspect, at all reasonable times, all Chelan County facilities in which inmates of the City are confined in order to determine if such jail maintains standards of confinement acceptable to the City and that such inmates therein are treated equally regardless of race, religion, color, creed or national origin; provided, however, that Chelan County shall be obligated to manage, maintain and operate its facilities consistent with all applicable federal, state and local laws and regulations.

8. FURLOUGHS, PASSES, AND WORK RELEASE

Chelan County agrees that no early releases or alternatives to incarceration, including furloughs, passes, electronic home detention or work release shall be granted to any inmate housed pursuant to this Agreement without written authorization by the committing court.

9. INMATE ACCOUNTS

Chelan County shall establish and maintain an account for each inmate received from the City and shall credit to such account all money which is received and shall make disbursements, debiting such accounts in accurate amounts for the inmate's personal needs. Disbursements shall be made in limited amounts as are reasonably necessary for personal maintenance. The Director of the CCRJC shall be accountable to the City for such inmate funds. At either the termination of this Agreement, the

inmate's death, release from incarceration, or return to either the City or indefinite release to the court, the inmate's money shall be transferred to either the inmate's account in care of the City, at such time the City shall be accountable to the inmate for said fund, or to the inmate.

10. INMATE PROPERTY

The City may transfer to Chelan County only limited amounts of personal property of the City's inmates' recovered from or surrendered by inmates to the City upon booking. Personal property in excess of one simple "grocery bag" shall at no time be transferred to Chelan County.

11. RESPONSIBILITY FOR OFFENDER'S CUSTODY

It shall be the responsibility of Chelan County to confine the inmate or inmates; to provide treatment, including the furnishing of subsistence and all necessary medical and hospital services and supplies; to provide for the inmates' physical needs; to make available to them programs and/or treatment consistent with the individual needs; to retain them in said custody; to supervise them; to maintain proper discipline and control; to make certain that they receive no special privileges and that the sentence and orders of the committing court in the State are faithfully executed; provided that nothing herein contained shall be construed to require Chelan County, or any of its agents, to provide service, treatment, facilities or programs for any inmates confined pursuant to this Agreement, which it does not provide for similar inmates not confined pursuant to this Agreement. Nothing herein shall be construed as to require Chelan County to provide services, treatment, facilities or programs to the City's inmates above, beyond or in addition to that required by applicable law.

12. MEDICAL SERVICES

(a) Inmates shall receive such medical, psychiatric and dental treatment when emergent and necessary to safeguard their health while housed in the CCRJC. Chelan County shall provide or arrange for the providing of such medical, psychiatric and dental services. Except for routine minor medical services provided in the CCRJC, the City shall pay directly or reimburse Chelan County for any and all costs associated with the delivery of any emergency and/or major medical service provided to the City's inmates. The City shall be responsible for any and all medical, psychiatric and dental treatment provided outside of the CCRJC and shall be billed therefore. Examples of medical services which may be provided in the CCRJC but which are not routine, and for which the City shall be billed include, but are not necessarily limited to, HIV/AIDS treatment, chemotherapy, dialysis treatment, and hemophiliac treatment and all prescriptions. No psychiatric or dental treatment can be provided in the CCRJC; all psychiatric and dental treatment of the City's inmates shall be billed to the City.

(b) An adequate record of all such services shall be kept by Chelan County for the City's review at its request, to the extent consistent with confidentiality regulations. Any medical or dental services of major consequence shall be reported to the City as soon as time permits.

(c) Should medical, psychiatric or dental services require hospitalization, the City agrees to compensate Chelan County dollar for dollar any amount expended or cost incurred in providing the same; provided that, except in emergencies, the City will be notified by contacting City Clerk-Treasurer at 509-782-3513 prior to the inmate's transfer to a hospital, if and when circumstances allow, or as soon afterward as practicable.

13. DISCIPLINE

Chelan County shall have physical control over and power to execute disciplinary authority over all inmates of the City's. However, nothing contained herein shall be construed to authorize or permit the imposition of a type of discipline prohibited by applicable law.

14. RECORDS AND REPORTS

(a) The City shall forward to Chelan County before or at the time of delivery of each inmate a copy of all inmate records pertaining to the inmate's present incarceration. If additional information is requested regarding a particular inmate, the parties shall mutually cooperate to provide any additional information in a timely manner.

(b) Chelan County shall keep all necessary and pertinent records concerning such inmates in the manner mutually agreed upon by the parties hereto. During an inmate's confinement in Chelan County, the City shall upon request be entitled to receive and be furnished with copies of any report or records associated with said inmate(s) incarceration.

15. REMOVAL FROM THE JAIL

An inmate of the City's legally confined in Chelan County shall not be removed there from by any person without written authorization from the City or by order of any court having jurisdiction. The City hereby designates City Clerk-Treasurer the official authorized to direct Chelan County to remove the City's inmates from the CCRJC. Chelan County agrees that no early releases or alternatives to incarceration including furloughs, passes, work release, work crews or electronic home detention shall be granted to any inmate without written authorization from the committing court. This paragraph shall not apply to an emergency necessitating the immediate removal of the inmate for medical, psychiatric, dental treatment or other catastrophic condition presenting an eminent danger to the safety of the inmate or to the inmates or personnel of Chelan County. In the event of any such emergency removal, Chelan County shall inform the City of the whereabouts of the inmate or inmates so removed, at the earliest practicable time, and shall exercise all reasonable care for the safe keeping and custody of such inmate or inmates.

16. ESCAPES

In the event any City inmate escapes from Chelan County's custody, Chelan County will use all reasonable means to recapture the inmate. The escape shall be reported immediately to the City. Chelan County shall have the primary responsibility for and authority to direct the pursuit and retaking of the inmate or inmates within its own territory. Any cost in connection therewith shall be chargeable to and borne by Chelan County; however, Chelan County shall not be required to expend unreasonable amounts to pursue and return inmates from other counties, states or countries.

17. DEATH OF AN INMATE

(a) In the event of the death of a City inmate, the Chelan County Coroner shall be notified. The City shall receive copies of any records made at or in connection with such notification.

(b) Chelan County shall immediately notify the City of the death of a City inmate, furnish information as requested, and follow the instructions of the City with regard to the disposition of the body. In the case of an unattended death, suspicious death, or criminal case, the Chelan County Coroner would have authority over the deceased and would coordinate with local law enforcement to finish the investigation prior to the release of the deceased inmate. The City hereby designates City Clerk-Treasurer the official authorized to request information from and provide instructions to Chelan County regarding deceased inmates. The body shall not be released except on written order of said appropriate official of the City. Written notice shall be provided within three (3) weekdays of receipt by the City of notice of such death. All expenses relative to any necessary preparation of the body and shipment charges shall be paid by the City. With the City's consent, Chelan County may arrange for burial and all matters related or incidental thereto, and all such expenses shall be paid by the City. The provisions of this paragraph shall govern only the relations between or among the parties hereto and shall not affect the liability of any relative or other persons for the disposition of the deceased or for any expenses connected therewith.

(c) The City shall receive a certified copy of the death certificate for any of its inmates who have died while in Chelan County's custody.

18. RETAKING OF INMATES

Upon request from Chelan County, the City shall, at its expense, retake any City inmate within thirty-six (36) hours after receipt of such request. In the event the confinement of any City inmate is terminated for any reason, the City shall, at its expense, retake such inmate at the CCRJC Facility.

19. HOLD HARMLESS AND INDEMNIFICATION

Chelan County agrees to hold harmless, indemnify and defend the City, its officers, agents and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of Chelan County, its officers, agents, or employees, in connection with the services required by the Agreement, provided, however, that:

(a) Chelan County's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or negligence of the City, its officers, agents or employees or sub-consultants; and

(b) Chelan County's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the Chelan County and the City or of Chelan County and a third party other than an officer, agent or employee of Chelan County, shall apply only to the extent of the negligence or willful misconduct of Chelan County.

20. RIGHT OF REFUSAL AND TRANSPORTATION

(a) Chelan County shall have the right to refuse to accept any inmate from the City when, in the opinion of Chelan County, its inmate census is at capacity that there is a substantial risk that, through

usual operation of the jail, the reasonable operational capacity limits of the jail might be reached or exceeded.

(b) Chelan County shall further have the right to refuse to accept any inmate from the City who, in the judgment of Chelan County, has a current illness or injury which may adversely affect the operations of the CCRJC, has a history of serious medical problems, presents a substantial risk of escape, or presents a substantial risk of injury to other persons or property, or is classified as a maximum security inmate pursuant to Chelan County's Objective Jail Classification System. The inmate should be an inmate who has already been sentenced by the jurisdiction, and should not be on pre-trial status.

(c) City prisoners incarcerated in Chelan County pursuant to this Agreement shall be transported to Chelan County and at the expense of Chelan County and shall be returned, if necessary, to the City by Chelan County personnel and at the County's expense provided that notice of the necessity of transport is received by Chelan County three (3) days prior to the time of expected transport. The City hereby designates City Clerk-Treasurer the official authorized to notify Chelan County of the dates for transport and the specific inmates to be transported.

21. INDEPENDENT CONTRACTOR

In providing services under this contract, Chelan County is an independent contractor and neither it or its officers, agents or employees are employees of the City for any purpose, including responsibility for any federal or state tax, industrial insurance or Social Security liability. Neither shall the provision of services under this Agreement give rise to any claim of career service or civil service rights, which may accrue to an employee of the City under any applicable law, rule or regulation.

22. GENERAL PROVISIONS

(a) Severability. In the event any provisions of this Agreement shall be determined to be unenforceable or otherwise invalid for any reason, such provisions shall be enforced and valid to the extent permitted by law. All provisions of this Agreement are severable and unenforceability or invalidity of a single provision herein shall not affect the remaining provisions.

(b) Governing Law and Venue. This Agreement shall be governed by the laws of the State of Washington, and venue for any lawsuit shall be the Chelan County Superior Court.

(c) Attorney's Fees. In the event it is necessary for either party to utilize the services of an attorney to enforce any of the terms of this Agreement, such enforcing party shall be entitled to compensation for its reasonable attorney's fees and costs. In the event of litigation regarding any terms of this Agreement, the substantially prevailing party shall be entitled, in addition other relief, to such reasonable attorney's fees and costs as determined by the Court.

(d) Waiver of Breach. The waiver by either party of the breach of any provision of this Agreement by the other party must be in writing and shall not operate nor be construed as a waiver of any subsequent breach by such other party.

(e) Savings Clause. Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions of this Agreement and any statute, law, public regulation or ordinance, the latter shall prevail but in such event, the provisions of this Agreement affected shall be curtailed and limited only to the extent necessary to bring it within legal requirements.

(f) Filing. This Agreement shall be filed with the Chelan County Auditor's Office pursuant to RCW 39.34.040.

23. INTERPRETATION

This Agreement has been submitted to the scrutiny of all parties and their counsel, if desired, and it shall be given a fair and reasonable interpretation in accordance with its words, without consideration or weight given to its being drafted by any party or its counsel. All words used in the singular shall include the plural; the present tense shall include the future tense; and the masculine gender shall include the feminine and neuter gender.

24. ACCESS TO RECORDS CLAUSE

The parties hereby agree that authorized representatives of the parties shall have access to any books, documents, paper and record of the other party that are pertinent to this Agreement for the purposes of making audits, examinations, excerpts and transcriptions. All such records and all other records pertinent to this Agreement, and work undertaken pursuant to this Agreement shall be retained by the parties for a period of three (3) years after the final expiration date of this Agreement or any amendments hereto, unless a longer period is required to resolve audit, findings or litigation. In such cases, the parties may expressly agree by an amendment or separate agreement for such longer period for record retention.

25. ENTIRE AGREEMENT

This Agreement represents the entire integrated Agreement between the City and Chelan County and supersedes all prior negotiations, representations or agreements, either written or oral.

IN WITNESS WHEREOF, the above and foregoing Agreement has been executed in duplicate by the parties hereto and made affective on the day and year first above written.

CITY OF CASHMERE, WA

BOARD OF CHELAN COUNTY
COMMISSIONERS

By: _____

Interlocal Agreement Between Chelan County
And the City of Cashmere

Page 9 of 10

Doug England, Chair

ATTEST:

Kevin Overbay, Commissioner

City Clerk

Bob Bugert, Commissioner

DATED: _____

ATTEST:

Carlye Baity
Clerk of the Board

DATED: _____

Approved as to Form:

City of _____ Attorney

Chris Sharp, Director
Chelan County Regional Justice Center

Approved as to Form:

Douglas Shae, Chelan County Prosecutor

Chelan County Regional Jail Billing Method Questions from Cashmere

***Base Fee Calculation:**

Budget	\$ 9,633,272.56
less loan, scanner leases and jail facility improvements	
Percent of Budget for Base Fee	30%
 Base Fee Portion of Budget	 \$ 2,889,981.77

***Base per User**

<u>City</u>	<u>Booking %</u>	<u>Base Fee</u>
Cashmere	0.80%	\$ 23,120
Chelan	2.50%	\$ 72,250
Entiat	0.50%	\$ 14,450
Leavenworth	1.40%	\$ 40,460
Douglas County	6.30%	\$ 182,069
East Wenatchee	10.60%	\$ 306,338
Wenatchee	33.50%	\$ 968,144

***Requested Statistics**

Total Felonies	5,090
Total Misdemeanors	1,110

Chelan County Regional Justice Center

2021 New Billing Method - Chelan County Paying Loan Too

Operation Budget	2020	Estimated	Total Daily Population	Cost Per Bed Day
	Budget	2021 Budget		
Salaries	5,112,283.91	5,376,043.24		83.64
Benefits	2,331,649.00	2,236,961.32	64,276.50	34.80
Supplies	399,198.00	422,535.00	ADP @ 176.10	6.57
Services	348,860.30	386,228.00		6.01
Interfund <i>Wtr Dept / Trns.</i>	1,039,535.00	1,211,905.00		18.85
Loan (1/3)	464,333.33	464,333.00		7.22
Scanner Leases	100,000.00	100,000.00		1.56
Building Depreciation	180,000.00			0.00
Jail Facility Improvements	325,000.00	325,000.00		5.06
	10,300,859.54	10,522,605.56		164.00
				164.00

Daily Bed Rate for 2021

2021 Budget	7,168,290.79	64,276.50	\$ 98.00 *****
Users	10,522,605.56		
Non Housing	(9,782,505.44)		
Difference	(239,375.00)		
	500,725.12		

6,690,372.30

* Base Fee Calculated on booking statistics. Original statistics included a couple of duplicates/erroneous bookings. After correcting error, City of Wenatchee and City of East Wenatchee's rates were adjusted. It would have increase the base rate for smaller cities and contracts were already sent out. Base Fee minimum is \$12,000.

** Chelan County's rate is different - using a higher bed day rate, and they will not be paying the Jail to pay off the loan, they will write off their portion (or pay from General Fund).

*** ADP used for City of Wenatchee and City of East Wenatchee is a lower, agreed upon ADP due to the down turn in ADP before COVID.

*** Base fee is calculated on 30% of total budget above, minus Jail Facility Improvements, Scanner Leases and Loan repayment.

**** DOC is calculated on their ADP and the current DOC rate of \$93.71

***** Daily Bed Rate for Users has lowered due to base fee.

2021 Rate Calculation

Budget* 9,633,272.56 30% 2,889,981.77

	2021 Base	Usage	2021 Estimated	2021 Annual
Cashmere	0.80%	23,120	0.37	13,205
Chelan	2.50%	72,250	1.53	54,579
Entiat*	0.50%	12,000	0.17	5,962
Leavenworth	1.40%	40,460	0.56	19,852
Chelan County*	16.00%	462,397	115.32	4,125,086
Douglas County	6.30%	182,069	1.28	45,666
DOC****	13.10%	-	27.80	994,317
East Wenatchee***	9.60%	277,438	5.00	178,850
Wenatchee***	28.16%	813,819	20.00	715,400
Other	15.20%	-	2.10	-
	0.94	1,883,552.19	174.11	6,152,916.93
				9,782,505.44

Total Daily Population: July 2019 - June 2020

July	218.62
August	213.59
September	190.82
October	196.28
November	187.01
December	193.91
January	185.06
February	186.63
March	169.44
April	125.20
May	122.90
June	123.74
12 Month Avg.	176.10

	Base Fee Adjusted for duplicates (for all)	Usage	Would Be Total
Cashmere	1.05%	30,344.81	0.37
Chelan	2.84%	82,075.48	1.53
Entiat	0.48%	13,871.91	0.17
Leavenworth	1.65%	47,684.70	0.56
Douglas County	6.58%	190,160.80	1.28
East Wentahcc	9.60%	277,438.25	5.00
Wenatchee	28.16%	813,818.87	20.00
Chelan County	16.00%	462,397.08	115.32
DOC	0.00%	-	27.80
Other	15.20%	439,277.23	2.10

2020 Rates	Monthly	Annual
Cashmere	2,847.66	34,171.92
Chelan	12,002.54	144,030.48
Douglas County	6,114.79	73,377.48
East Wenatchee	31,489.23	377,870.76
Entiat	1,571.97	18,863.64
Leavenworth	2,758.07	33,096.84
Wenatchee	128,282.29	1,539,387.48
Chelan County	493,470.41	5,921,644.92

8,142,443.52

User ADP For Calculation Period: July 2019 - June 2020

	Cash	Chel	Ent	Leav	DC	E/Wen	Wen	CC	DOC	Other	Total
July	0.53	2.5	0.25	0.82	0.58	7.96	37.16	133.69	32.12	3.01	218.62
Aug	0.24	2.32	0.83	0.58	0.58	8.33	35.21	133.02	30.87	1.61	213.59
Sept	0.36	0.75	0.01	0.46	0.7	5.37	24.51	127.9	28.87	1.89	190.82
Oct	0.06	1.04	0	1.09	0.61	7.29	21.84	127.72	33.9	2.73	196.28
Nov	0.1	1.7	0	0.2	0.88	9.27	22.48	123.98	24.8	3.6	187.01
Dec	0.6	1.27	0	1.05	2.17	8.18	28.69	120.61	27.37	3.97	193.91
Jan	1.34	3.74	0.06	0.52	1.91	6.48	21.29	111.51	36.37	1.84	185.06
Feb	0.62	1.83	0.17	0.29	2.62	5.32	21.34	112.61	38.21	3.62	186.63
Mar	0.06	1.98	0.19	0.84	2.27	5.3	20.25	102.53	33.07	2.95	169.44
Apr	0.23	0.15	0.07	0.5	1.18	2.59	7.81	85.08	27.59	0	125.20
May	0.16	0.26	0.35	0.19	0.97	1.18	8.01	98.66	13.08	0.04	122.90
Jun	0.13	0.77	0.07	0.12	0.85	1.25	6.61	106.56	7.32	0.06	123.74
	0.37	1.53	0.17	0.56	1.28	5.71	21.27	115.32	27.80	2.10	176.09
	0.21%	0.87%	0.09%	0.32%	0.73%	3.24%	12.08%	65.49%	15.79%	1.19%	

Cashmere

3 year Rolling Average:

July 2017 - June 2018	0.47
July 2018 - June 2019	1.19
July 2019 - June 2020	0.37
Total	0.67

At new Daily Bed Rate: \$ 40,388.87

With out COVID Numbers:

2017	0.99
2018	0.37
2019	0.75
Total	0.70

At new Daily Bed Rate \$ 41,918.63

Cashmere ADP Analysis

2014 Jul	0.31	
Aug	1.15	
Sept	2	
Oct	2.15	
Nov	1.3	
Dec	5.44	
2015 Jan	1.02	
Feb	0.96	
Mar	1.67	
Apr	0.3	
May	0.98	
Jun	0.69	1.50
Jul	0.42	
Aug	0.47	
Sept	1.67	
Oct	0.48	
Nov	1.13	
Dec	1.25	
2016 Jan	1.89	
Feb	1.37	
Mar	0.4	
Apr	0.48	
May	0.79	
Jun	0.75	0.93
Jul	0.83	
Aug	1.74	
Sept	0.33	
Oct	0	
Nov	0.9	
Dec	0.68	
2017 Jan	0.19	
Feb	1.43	
Mar	1.53	
Apr	1.83	
May	2.42	
Jun	0.27	1.01
Jul	0.29	
Aug	0.37	
Sept	0.72	
Oct	1.13	
Nov	1.3	
Dec	0.34	
2018 Jan	0.19	

	Feb	0.09	
	Mar	0.03	
	Apr	0.3	
	May	0.39	
	Jun	0.45	0.47
	Jul	0.27	
	Aug	0.32	
	Sept	0.31	
	Oct	0.26	
	Nov	0.33	
	Dec	1.45	
2019	Jan	1.13	
	Feb	1.02	
	Mar	1.24	
	Apr	0.7	
	May	2.06	
	Jun	0.96	1.19
	Jul	0.53	
	Aug	0.24	
	Sep	0.36	
	Oct	0.06	
	Nov	0.1	
	Dec	0.6	
2020	Jan	1.34	
	Feb	0.62	
	Mar	0.06	
	Apr	0.23	
	May	0.16	
	Jun	0.13	0.37

Total 5 year rolling average

With COVID 0.79

Without COVID 1.02

Staff Summary

Date: 11/5/2020
To: City Council
From: Jim Fletcher, Mayor
RE: Cashmere Museum Agreement

Museum Director Lexie Palmer-Gapper will call in to discuss museum programs

Modification of Museum Lease.

The City of Cashmere and Chelan County Historical Society entered into a lease agreement in 1990, with a term of ten (10) years, plus with four (4) options to renew in ten (10) year periods, a total of 50 years, ending in 2040.

A modification to the lease in 2005 stipulated the City would pay the Museum \$8,500 per year for certain services to benefit the City including improving and maintaining the museum and village; free admission to Cashmere residents one Sunday each month March 1st to October 31 each year; and advertising to attract tourists.

The 2005 modification did not include any clause for the City Council and Museum to adjust the \$8,500. The proposed lease modification for 2021 maintains all the original provisions with an increase in the annual sum paid by the City for services to \$12,000 and starting 2025 provides the City with the ability to review and adjust the annual payment for services.

Staff Recommendation:

Offer to the Chelan County Historical Society the 2021 Amended and Restated Modification of Museum Lease. Authorizing the Mayor to sign upon receipt of an approved agreement from the Chelan County Historical society

Attachments:

2021 modified lease

1990 Lease (for background)

**2021
AMENDED AND RESTATED
MODIFICATION OF MUSEUM LEASE**

This 2021 Amended and Restated Modification of Museum Lease is made and entered into between the City of Cashmere, a municipal corporation (the "City") and the Chelan County Historical Society, a non-profit Washington corporation (the "Historical Society")

RECITALS

A. City is Lessor and Historical Society is Lessee under the terms of a certain lease dated June 6, 1990 recorded under Chelan County Auditor File No. 9006260006 (the "Lease"). The Lease was amended by the Amendment to Lease dated December 9, 1991 recorded under Chelan County Auditor File No. 9201170063.

B. The City and Historical Society modified the Lease on or about December 22, 2005 effective as of January 1, 2006 pursuant to the document titled "MODIFICATION OF MUSEUM LEASE", (the "2006 MODIFICATION").

C. RCW 35A.27.010 expressly authorizes the City to acquire, develop, improve, and operate a Museum and to preserve historical materials.

D. City and Historical Society desire to replace the 2006 MODIFICATION with this "2021 AMENDED AND RESTATED MODIFICATION OF MUSEUM LEASE" (the "2021 MODIFICATION").

E. The real property that is subject to the terms of the Lease and this 2021 MODIFICATION is legally described in Exhibit "A" attached hereto and made a part herein as if set forth in full (the "Property").

F. The City has been and desires to continue contracting with the Historical Society for the operation of the Chelan County Historical Museum and Pioneer Village on the Property in the City of Cashmere, Washington pursuant to the terms of the Lease and this 2021 MODIFICATION.

Now, therefore, City and Historical Society agree as follows:

1. The Recitals set forth above are made a part of this 2021 MODIFICATION.

2. City agrees to budget annually and invest in the Historical Society, during the term of the Lease and any renewal thereof, the annual sum of \$12,000, starting January 1, 2021. This annual payment shall be paid by the City to the Museum in quarterly installments on the last day of each calendar quarter. The annual payment by the City to the Historical Society may be reviewed and adjusted by the City for any year beginning with the annual payment to be made in the year 2025. In the event the City determines the annual payment amount should be adjusted, the City shall provide 180 prior days written notice to the Historical Society prior to January 1 of the year in which the City desires to implement the adjustment.

3. Historical Society agrees to use the payments made by the City as provided for herein to continue to develop, improve, and operate the Chelan County Historical Museum and Pioneer Village located on the Property, for the benefit of the City residents and the broader community during the term of the Lease.

4. Historical Society agrees to provide free admission to City residents to the Museum and the Pioneer Village on at least one Sunday per month beginning March 1st through October 31st of each year.

5. Historical Society agrees to promote the City of Cashmere in its advertising materials to attract tourists and retail business to the City.

6. Historical Society agrees to prominently display and distribute materials relating to attractions, facilities and its events in communities and Visitor and Convention Bureaus in the State of Washington.

7. The Lease is modified to provide that the City will bill the Historical Society for all City utilities furnished to serve the Museum and Pioneer Village Property. The Historical Society agrees to pay said utility charges in a timely manner. The Amendment to Lease dated December 9, 1991 recorded under Chelan County Auditor File No. 9201170063 is hereby repealed.

8. Addresses for providing Notices are as follows:

City of Cashmere
Attn: Mayor
101 Woodring Street
Cashmere, WA 98815

Chelan County Historical Society
Attn: President
P.O. Box 22
Cashmere, WA 98815

9. This 2021 MODIFICATION shall be effective January 1, 2021 (the "Effective Date").

EXHIBIT "A"
2021 MODIFICATION

Beginning at the South East corner of the North East quarter of Section 4, Township 23 North, Range 19 E.W.M. thence proceed North 00° 34'22" East for a distance of 1538.81 feet; thence North 86°08'22" West for a distance of 883.24 feet; thence South 00° 17'30" East for a distance of 32.84 feet to the true point of beginning of this description; thence continuing South 00° 17'30" East for a distance of 338.41 feet; thence South 11°06'04" West for a distance of 141.91 feet; thence South 22°49'20" West for a distance of 51.99 feet; thence North 88°35'20" West for a distance of 207.6 plus or minus feet to the East Bank of the Wenatchee River; thence proceed North along the Wenatchee River Bank to the South Cottage Avenue right of way line; thence South 86°08'22" East for a distance of 220.74 feet plus or minus to the true point of beginning.

FEE 13.00
FILED FOR RECORDED

Steve Crossland

JUN 26 10 29 AM '90

Lease

BOOK 931 PAGE 1167-73
CHELAN COUNTY AUDITOR
WENATCHEE, WASH. ✓

LEASE

THIS INDENTURE, Made and entered into this 6th day of JUNE, 1990, by and between CITY OF CASHMERE, a municipal corporation, party of the first part, hereinafter termed the lessor, and CHELAN COUNTY HISTORICAL SOCIETY, INC., a nonprofit Washington corporation, party of the second part, hereinafter termed the lessee,

WITNESSETH:

WHEREAS, lessor owns the real property on which lessee constructed the Chelan County Historical Museum and Pioneer Village in the City of Cashmere, Washington and on which real property the Museum and Pioneer Village have been operated by lessee for many years and,

WHEREAS, the Stoffel Water Wheel located on the museum grounds is listed on the National Register of Structures and Objects Significant in American History and,

WHEREAS, the Chelan County Historical Museum and Pioneer Village are identified in the Parks and Recreation Plan for the City of Cashmere as an important and popular resource for the entire region and,

WHEREAS, lessor and lessee desire to enter into a written lease setting forth the respective rights and obligations of the parties with respect to use of the real property, now, therefore,

In consideration of the mutual covenants herein, lessor hereby leases, lets and demises unto lessee and lessee hereby rents and takes from lessor the following described real estate situated in the County of Chelan, State of Washington on the terms and conditions set forth herein, to-wit:

DESCRIPTION

The real property described on the attached Exhibit "A" which is incorporated herein.

TERM OF LEASE AND RENTAL

The term of this lease shall commence on the 1st day of January, 1990 and shall run for a period of ten (10) years. The lessee shall pay to lessor as rent during the term of this lease the sum of \$10.00 per year.

OPTION TO RENEW LEASE

Lessor hereby grants to lessee four ten-year options to renew this lease. Each ten-year option shall be deemed automatically exercised by the lessee unless lessee gives to lessor notice of lessee's intention to terminate as provided in the "Termination" paragraph below, or unless lessor rightfully terminates lessee's

Lease -1-
mus24-1/22/90

TERRENCE M. MCCAULEY
LAW OFFICES
100 NORTH DIVISION STREET
POST OFFICE BOX 836
CASHMERE, WASHINGTON 98815
509/782-1023

attorney messenger service

BOOK 931 PAGE 1167

9006260006

1 right to renew in the manner set forth in the following paragraph
2 entitled "Rent Review and Provision for Nonrenewal". During any
3 renewal term of this lease all of the terms of this lease shall
4 apply, subject to the rent review provisions in the following
5 paragraph and subject further to the limitation that the original
6 term of this lease and all renewal terms shall not exceed a total
7 term of fifty (50) years without a formal written amendment of
8 this lease.

6 RENT REVIEW AND PROVISION FOR NONRENEWAL

7 Within 180 days of the end of the original ten-year term of
8 this lease or any ten-year renewal term thereafter, lessor and
9 lessee shall evaluate the rent provision of this lease. Lessor
10 will not increase the rent for any renewal term unless the lessee
11 is generating a profit on unrelated business income to the extent
12 that after paying ordinary maintenance and operation expenditures
13 and after making reasonable capital expenditures, lessee has
14 substantial disposable income. In such event, lessor and lessee
15 shall renegotiate the rent in good faith and lessee shall pay to
16 lessor a reasonable amount of rent for each such renewal term. If
17 the parties fail to agree on reasonable rent the matter shall be
18 determined by arbitration as provided in the following paragraph.

19 The lessor reserves the right, upon notice to lessee given at
20 least twelve months prior to the expiration of the original term
21 of this lease or any renewal term, to elect to terminate this
22 lease as of the end of such original or renewal term, in the event
23 the lessee is no longer operating on the leased premises the
24 Chelan County Historical Museum and related facilities in a manner
25 making it an important and popular resource for the region and an
26 asset to the City of Cashmere. In the event of a dispute between
27 the lessor and lessee as to the right of the lessor to terminate
28 the lease in accordance with this paragraph, or dispute regarding
29 reasonable rent in accordance with the preceding paragraph, the
30 matter shall be determined by arbitration. The lessor and the
31 lessee shall each appoint one arbitrator and the two arbitrators
shall appoint a third arbitrator and a decision of two of the
three arbitrators shall be binding upon the parties. All
arbitrators shall be familiar with the Chelan County Historical
Museum and its operations and with the City of Cashmere and its
needs and operations.

23 USE OF PREMISES

24 It is expressly agreed that lessee shall at all times during
25 this lease and any renewal term, operate on the above premises the
26 Chelan County Historical Museum and related facilities in a manner
27 that will make it an important and popular resource for the entire
28 region and an asset to the City of Cashmere.

27 CARE OF PREMISES

28 Lessee does hereby covenant and agree during the said term or
29 any renewal term to care for and maintain said premises and
30 property in a neat, orderly, and sanitary condition, to allow no

31 Lease -2-
mus24-1/22/90

TERRENCE M. McCAULEY
LAW OFFICES
100 NORTH DIVISION STREET
POST OFFICE BOX 836
CASHMERE, WASHINGTON 98815
509-782-1023

1 unlawful occupation or condition thereon and to suffer or commit
2 no waste of said premises or any part thereof. At the end of the
3 said term the lessee shall peaceably and quietly quit and
4 surrender possession of said premises and property to the lessor
in as good a state and condition as received except only for
reasonable wear and tear and damage by fire or the elements.

5 ASSIGNMENT AND SUBLEASING

6 Lessee shall not let or sublet said premises or any part
7 thereof and shall not assign the within lease or any part thereof
without the written consent of lessor.

8 UTILITIES AND LIENS

9 Lessee agrees to pay all charges for water and electric
10 energy delivered to said premises, together with all other charges
for utilities serving the same, when the same are due and before
11 the same shall become delinquent. Lessee agrees to permit no
liens to attach to the premises during the term of this lease.

12 TRADE FIXTURES

13 The lessee may install trade fixtures in the above described
14 premises during the term of this lease and shall have the right to
remove the same at the end of said term provided that said removal
15 shall not damage the premises. Any actual improvements to the
real estate shall immediately become a part of the same not
subject to removal by the lessee.

16 Notwithstanding the preceding paragraph, lessor and lessee
17 agree that lessee has installed and constructed on the above
premises certain Pioneer Village historic buildings and dwellings
18 and has constructed a museum building which contains certain
exhibit and display cases, lighting and related fixtures and
19 facilities. Upon termination of this lease, lessee may remove all
of said improvements from the above premises with the exception of
20 the structural components (walls, roof, plumbing, heating and
electrical facilities) of the museum building.

21 INDEMNITY AND INSURANCE

22 The lessee shall indemnify and hold the lessor harmless
23 against and from any and all claims, costs, expenses, damages or
losses, including attorney fees, arising from the possession or
24 occupation of said premises by lessee or from any activity, work,
or thing done, permitted or suffered by the lessee in and about
25 the leased premises, and shall further indemnify and hold harmless
lessor against and from any and all claims arising from any breach
26 or default in the performance of any obligation on lessee's part
to be performed under the terms of this lease and from and against
27 all costs, attorney fees, expenses and liabilities incurred in or
about such claim or any action or proceeding brought with respect
28 to any claim or claims. Lessor shall not be liable for any injury
to lessee, its guests, employees, customers, or any other persons
29 entering the premises during the term of this lease. The lessee

30 Lease -3-
31 mus24-1/22/90

TERRENCE M. MCCAULEY
LAW OFFICES
100 NORTH DIVISION STREET
POST OFFICE BOX 838
CASHMERE, WASHINGTON 98815
909-782-1023

1 agrees to maintain general liability insurance covering liability
2 for bodily injury or death and property damage liability to third
3 parties with a responsible insurance company licensed to do
4 business in the State of Washington with combined single limits of
5 \$500,000.00 or more for property damage, bodily injury or death
6 liability in any one accident or occurrence, delivering to lessor
7 a certificate of effective insurance coverage upon request. Each
8 such insurance policy shall provide that it will not be altered,
9 amended, or cancelled by the insurance company without first
10 giving at least ten (10) days written notice to lessor.

11 TERMINATION

12 Lessee may terminate this lease by giving to lessor a three
13 year prior written notice of termination. The lease shall
14 terminate three (3) years from the date such notice is actually
15 received by lessor.

16 Except as provided in the paragraph entitled "Rent Review and
17 Provision for Nonrenewal" above, lessor may terminate this lease
18 only in the event of a default by lessee as defined in the
19 following paragraph and in the further event that such default is
20 not cured by lessee as provided below.

21 DEFAULT

22 In the event lessee fails to pay the rent required herein or
23 fails to perform any covenant contained herein on the part of
24 lessee to be performed, lessor may give to lessee notice of
25 default, specifying the default or defaults, and giving lessee
26 ninety (90) days in which to remedy the default or defaults, if
27 such default or defaults can be reasonably remedied within said
28 period. If such default or defaults cannot be reasonably remedied
29 within ninety (90) days then lessor shall give to lessee an
30 additional reasonable time to cure any such default or defaults.

31 Lessor's sole remedy in the event of lessee's default shall
be to give lessee notice of intent to terminate the lease as
provided herein giving to lessee an opportunity to cure the
default or defaults prior to terminating the lease.

32 ATTORNEY FEES

33 In the event lessor or lessee is required to bring any action
34 to enforce any covenant contained in this lease, the prevailing
35 party in any such action shall be entitled to a reasonable
36 attorney fee approved by the court.

37 Lease -4-
38 mus24-1/22/90

TERRENCE M. MCCAULEY
LAW OFFICES
100 NORTH DIVISION STREET
POST OFFICE BOX 836
CASHMERE, WASHINGTON 98815
509 782 1023

BOOK 931 PAGE 1170

1 IN WITNESS WHEREOF, The parties have hereunto executed this
2 agreement on the date first hereinabove written.

3 CITY OF CASHMERE

4 By:

5 Keith Henning D.C.
6 KEITH HENNING - Mayor

7 Diane Underwood
8 DIANE UNDERWOOD - City Clerk/Treasurer

9 CHELAN COUNTY HISTORICAL SOCIETY

10 By:

11 Jim Wilson
12 JIM WILSON - President

13 Attest:

14 Robert J. Godfrey
15 ROBERT GODFREY - Secretary

16 State of Washington)
17 County of Chelan) ss.

18 I certify that I know or have satisfactory evidence that
19 KEITH HENNING and DIANE UNDERWOOD are the persons who appeared
20 before me, and said persons acknowledged that they signed this
21 instrument, on oath stated that they were authorized to execute
22 the instrument and acknowledged it as the Mayor and City
23 Clerk/Treasurer of the CITY OF CASHMERE to be the free and
24 voluntary act of such party for the uses and purposes mentioned in
25 the instrument.

26 Dated this 7 day of June, 1990.

27 Stephen R. Crossland
28 NOTARY PUBLIC for the State of Washington

29 My Appointment Expires 10/28/93



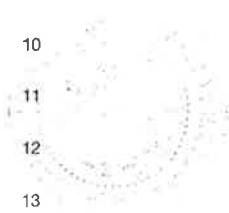
30 Lease -5-
31 mus24-1/22/90

TERRENCE M. MCCAULEY
LAW OFFICES
100 NORTH DIVISION STREET
POST OFFICE BOX 836
CASHMERE, WASHINGTON 98815
509-782-1023

1 State of Washington)
2) ss.
3 County of Chelan)

4 I certify that I know or have satisfactory evidence that JIM
5 WILSON and ROBERT GODFREY are the persons who appeared before me,
6 and said persons acknowledged that they signed this instrument, on
7 oath stated that they were authorized to execute the instrument
8 and acknowledged it as the President and Secretary of CHELAN
9 COUNTY HISTORICAL SOCIETY to be the free and voluntary act of such
10 party for the uses and purposes mentioned in the instrument.

11 Dated this 12th day of April, 1990.

12 
13 Terrence M. McCauley
14 NOTARY PUBLIC for the State of Washington

15 My Appointment Expires May 1, 1991

16
17
18
19
20
21
22
23
24
25
26
27
28
29
30 Lease -6-
31 mus24-1/22/90

TERRENCE M. MCCAULEY
LAW OFFICES
100 NORTH DIVISION STREET
POST OFFICE BOX 836
CASHMERE, WASHINGTON 98815
509-782-1023



T 206.245.1700
1191 2nd Avenue, Suite 2000
Seattle, WA 98101-3404
pacificallawgroup.com

November 3, 2020

Mayor Jim Fletcher
City of Cashmere
101 Woodring Street
Cashmere, WA 98815

Re: City of Cashmere – Legal Services

Dear Mayor Fletcher:

Thank you for selecting Pacifica Law Group LLP to provide bond counsel legal services to the City of Cashmere (the “City”). This letter will also apply to any additional matters that we undertake at your request, unless otherwise specified in a separate engagement letter addressing that matter.

Our fees for bond counsel services, as described in the attached Scope of Services, are based on the principal amount of the bonds actually issued. Stacey Lewis (bond partner), Alison Benge (bond partner, specializing in Federal tax law), and I will be the main contacts for the City bond matters. I will have primary oversight for Pacifica Law Group’s representation of the City, but we assign other firm lawyers and paralegals when necessary, beneficial or cost-effective and when desirable to meet the time constraints of the matter. You can reach me at the office at 206.245.1716 or any of the attorneys or other staff at Pacifica Law Group at 206.245.1700.

We have attached a proposed fee schedule for bond issues, including the proposed Water and Sewer Revenue Refunding Bonds, 2021. We will not separately charge the City for responding to questions related to the City bond issues – including questions regarding post issuance compliance, federal tax law requirements, and other matters – without your prior approval. Payment of such legal fees shall be contingent upon closing of the bond issue and shall be payable based upon an invoice to be delivered to the City after closing. Please let us know if you would like to discuss the proposed fees - we are committed to finding an arrangement that works for the City.

For special projects and with your prior approval, we propose to provide services on an hourly basis. Our proposed hourly rates are attached to this letter. These rates reflect the discount off standard rates we customarily offer public and not-for-profit clients. Billing rates may be adjusted not more frequently than annually, usually on January 1. Services performed after the effective date of the new rates will be charged at the new applicable rates. We do not charge for costs incurred internally (photocopying, long distance telephone charges, electronic legal research services and the like). However, to the extent we incur costs from outside vendors directly related to the City work, these costs will be passed through to you without mark-up. We issue invoices for hourly fees and disbursements on a monthly basis.

November 3, 2020

Page 2

As lawyers, we are of course regulated by ethical rules, including rules governing conflicts of interest, in the jurisdictions in which we practice. Based on our review of our records, the representation of the City as of the date of this letter does not create a conflict of interest for Pacifica, however, we may serve as outside counsel and bond counsel to other municipalities that interact and/or contract with the City, and we serve as underwriter's counsel from time to time to underwriting firms (such as DA Davidson & Co., KeyBanc Capital Market, RBC Capital Markets LLC, and Piper Sandler & Co.) on matters unrelated to the City's bonds. We would not serve as underwriter's counsel on transactions involving the City when we were serving as bond counsel to the City. Your signature below constitutes the City's consent to such representation. We agree not to use any proprietary or other confidential nonpublic information concerning the City acquired by us as a result of our representation of the City to the City's material disadvantage in connection with any litigation or other matter in which we are adverse to the City.

Please let me know immediately if there are other adverse or potentially adverse party names to check, or other names that you believe we should check. If you learn about significant name changes of any of the entities or about additional adverse or potentially adverse parties, please advise us so our records can be updated. Our representation of the City does not include acting as counsel for any entity in which the City holds equity or any subsidiary, affiliate, equityholder, employee, family member or other person unless such additional representation is separately and clearly undertaken by us.

During our representation of the City, there may from time to time be issues that raise questions as to our duties under the rules of professional conduct that apply to lawyers. These might include, e.g., conflict of interest issues, and could even include issues raised because of a dispute between us and a client over the handling of a matter. Under normal circumstances when such issues arise we would seek the advice of our Professional Standards Counsel, Loss Prevention partners or Professional Standards Conflicts Attorneys who are experts in such matters. Historically, we have considered such consultations to be attorney-client privileged conversations between firm personnel and the counsel for the firm. In recent years, however, there have been judicial decisions indicating that under some circumstances such conversations involve a conflict of interest between client and attorney and that an attorney's consultation with its counsel may not be privileged, unless the attorney either withdraws from the representation of the client or obtains the client's consent to consult with its counsel.

We believe that it is in our client's interests, as well as Pacifica Law Group's interest, that in the event legal ethics or related issues arise during a representation, we receive expert analysis of our obligations. Accordingly, as part of our agreement concerning our representation of the City, you agree that if we determine in our own discretion during the course of the representation that it is either necessary or appropriate to consult with our firm counsel (either Pacifica Law Group's internal counsel or, if we choose, outside counsel) we have your consent to do so and that our representation of you shall not, thereby, waive any attorney-client privilege that Pacifica Law Group may have to protect the confidentiality of our communications with counsel.

November 3, 2020

Page 3

This letter confirms the terms and conditions on which Pacifica Law Group LLP will provide legal services to the City. Unless otherwise agreed in writing, the terms of this letter will also apply to any additional matters that we undertake at the City's request. If this letter correctly sets forth our understanding, please sign and date a copy of this letter and promptly return it to me. If you have any questions about this letter or generally about our services or bills, please call me at any time.

We look forward to working with you and thank you for placing your confidence in Pacifica Law Group.

Sincerely yours,

PACIFICA LAW GROUP LLP



Deanna Gregory
Partner

ACCEPTED AND AGREED:

CITY OF CASHMERE

Mayor Jim Fletcher

Date: _____

Enclosures

SCOPE OF SERVICES

As bond counsel, Pacifica Law Group (the "Law Firm") shall provide all necessary legal services necessary to issue bond, notes and other evidences of indebtedness, including but not limited to:

- Draft and distribute election documents, if a voted bond issue
- Assist in the development or review of a distribution list and proposed schedule, flagging key notice, action and document deadlines
- Draft required notices under State law, as applicable
- Gather appropriate facts regarding the financing and the proposed project, generally through an in-person kick off or "scoping" meeting
- Conduct federal and state law analysis; review election documents
- Assess financing options and work with underwriters, placement agents, lenders and financial advisors to consider legal issues
- Review existing covenants and assess benefit of springing covenants
- Draft and distribute bond (and, if requested, disclosure and/or RFP) documents
- Revise, discuss, and explain documents
- Arrange and participate in conference calls and meetings with City staff and other members of the finance team, as necessary, to follow up on issues identified at the scoping meeting or to review document drafts
- Present documents to, and answer questions from, City Council and other groups
- Complete appropriate tax due diligence analysis
- Review the results of pricing, answer legal questions from potential investors/lenders, and draft or comment on the bond purchase agreement, loan agreement or continuing covenant agreement
- Prepare closing certificates, prepare and print the notes or bonds, and deliver bond opinions (legality and enforceability of bonds or notes, tax opinion if tax-exempt obligation, supplemental opinion if required, defeasance opinion if required, and disclosure letter if required)
- Deliver hard (upon request) and electronic copies of the final transcript to the finance team
- Coordinate with City staff on post-issuance compliance obligations (state, federal tax, and securities law) as necessary
- Work cooperatively with the City Attorney and other special legal counsel retained by the City for special projects involving the issuance of bonds, closing of bond transactions, tracking of bond proceeds and related issues

FEE SCHEDULE

Bond Counsel Fee	Issue Size	General Obligations	Revenue Obligations																					
	Less than \$1,000,000	\$14,000	\$16,000																					
	\$1,000,001-\$5,000,000	\$18,000	\$20,000																					
	\$5,000,001-\$10,000,000	\$22,000	\$24,000																					
	\$10,000,001-\$15,000,000	\$26,000	\$28,000																					
	\$15,000,001-\$20,000,000	\$30,000	\$32,000																					
	\$20,000,001 and above	\$34,000	\$36,000																					
	<p>All bond counsel fees, costs and expenses are included in the fee matrix above. Bond counsel fees include all of our work related to the bond issue (including but not limited to document preparation, state and federal tax law analysis, attending finance team and Council meetings, expenses, costs, delivering the final opinion, answering questions during and between bond issues, and providing other services as outlined in the Scope of Services), unless another fee arrangement is agreed to by the City. The fee matrix may be adjusted, not more frequently than annually, with prior City approval.</p> <p>We do not charge in the event the bonds are not issued. For bank loans, depending on the complexity of the loan documents involved, we may discount our fixed fee by a percentage. For refunding issues, we typically charge 115% of the regular fee schedule.</p>																							
Disclosure Counsel Fee	<p>For publicly sold transactions, such as with an underwriter, we propose an additional fee of \$15,000 per bond issue to serve as Disclosure Counsel (prepare the preliminary and final official statements and deliver a separate 10b-5 letter addressing securities laws) upon request. <i>Note, we will only serve as disclosure counsel and charge a corresponding fee if requested to do so by the City.</i> Providing comments on the preliminary and final official statements when such documents are prepared by another party (e.g. underwriter or financial advisor) is included in our bond counsel fee.</p>																							
Other fees	<p>We propose to charge a discounted hourly public entity rate for all Pacifica attorneys performing work for the City that cannot be allocated to our role as bond counsel (and therefore be absorbed in the fee matrix above). Such work will only be performed at the request and with the consent of the City. Hourly work may include assisting with an IRS audit, providing real estate advice, drafting non-bond ballot measures, assisting with special research projects and/or litigation, and negotiating development agreements.</p> <p>Our 2020 and 2021 (effective January 1, 2021) public sector rates are below. Hourly rates are subject to annual adjustment.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Name</u></th> <th style="text-align: center;"><u>2020</u></th> <th style="text-align: center;"><u>2021</u></th> </tr> </thead> <tbody> <tr> <td>Alison Benge</td> <td style="text-align: center;">\$440</td> <td style="text-align: center;">\$460</td> </tr> <tr> <td>Deanna Gregory</td> <td style="text-align: center;">\$360</td> <td style="text-align: center;">\$380</td> </tr> <tr> <td>Stacey Lewis</td> <td style="text-align: center;">\$410</td> <td style="text-align: center;">\$430</td> </tr> <tr> <td>Mei He</td> <td style="text-align: center;">\$160</td> <td style="text-align: center;">\$170</td> </tr> <tr> <td>Toby Tobler</td> <td style="text-align: center;">\$240</td> <td style="text-align: center;">\$240</td> </tr> <tr> <td>Will Singer</td> <td style="text-align: center;">\$245</td> <td style="text-align: center;">\$265</td> </tr> </tbody> </table>			<u>Name</u>	<u>2020</u>	<u>2021</u>	Alison Benge	\$440	\$460	Deanna Gregory	\$360	\$380	Stacey Lewis	\$410	\$430	Mei He	\$160	\$170	Toby Tobler	\$240	\$240	Will Singer	\$245	\$265
<u>Name</u>	<u>2020</u>	<u>2021</u>																						
Alison Benge	\$440	\$460																						
Deanna Gregory	\$360	\$380																						
Stacey Lewis	\$410	\$430																						
Mei He	\$160	\$170																						
Toby Tobler	\$240	\$240																						
Will Singer	\$245	\$265																						