



CASHMERE CITY COUNCIL MEETING
MONDAY, FEBRUARY 12, 2024, 6:00 P.M., CITY HALL

THE PUBLIC CAN ATTEND IN PERSON, CALL-IN OR LOG-IN TO ZOOM TO PARTICIPATE IN THE CITY COUNCIL MEETING. PLEASE CALL-IN OR LOGIN 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 – FLAG SALUTE

ANNOUNCEMENTS

PUBLIC COMMENT PERIOD (For Items Not on the Agenda)

APPROVAL OF AGENDA

CONSENT AGENDA

1. Minutes of January 22, 2024, Regular Council Meeting
2. Minutes of February 5, 2024, Special Council Meeting
3. Payroll and Claims Packet Dated February 12, 2024

BUSINESS ITEMS

1. Sargent Stutzman – Animal Control update
2. RH2 Engineering's Scope of Work for water main design, bid-ready plans and specifications, services during bidding and project management for South Douglas Street
3. Utility Rate Recommendation
4. Planning Commission topics for future planning

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 JANUARY 22, 2024, AT CASHMERE CITY HALL – In-Person and Digital

OPENING

Mayor Jim Fletcher opened the regular City Council meeting at 6:00 p.m. at City Hall. The Utility Clerk, Michelle Voie, took minutes.

The public can attend the council meeting in person, by phone, or by digital conference.

ATTENDANCE

	<u>Present</u>	<u>Not Present</u>
Mayor:	Jim Fletcher	
Council:	John Perry Chris Carlson Shela Pistoresi Jayne Stephenson Jeff Johnson	
Staff:	Michelle Voie, Utility Clerk Steve Croci, Director of Operations	Kay Jones, Clerk-Treasurer

ANNOUNCEMENTS

PUBLIC COMMENTS

No comments from the public.

APPROVAL OF AGENDA

MOVED by Councilor Perry and seconded by Stephenson to approve the agenda as updated with Riverside Center HVAC Renovations. Motion carried unanimously.

CONSENT AGENDA

Minutes of January 8, 2024, Regular Council Meeting
Payroll and Claims Packet Dated December 31, 2023, Year End
 Claims Direct Pay and Check #43212 through #43227 totaling \$419,385.77.
Payroll and Claims Packet Dated January 22, 2024
 Claims Direct Pay and Check #43189 through #43211 totaling \$369,449.22.

MOVED by Councilor Perry and seconded by Councilor Carlson to approve the items on the Consent Agenda. Motion carried unanimously.

BARBARA WALTERS - NCW LIBRARY UPDATE AND PLANS FOR MOVING TO RIVERSIDE CENTER

The mayor recapped issues with the library's current building. Walters gave a brief history of Cashmere's Library, saying the first contract with the city was in 1984. NCW is an intercounty rural library district that covers Chelan, Douglas, Grant, Okanogan, and Ferry Counties. With thirty locations to serve patrons. Ninety-five percent of their revenue comes from property taxes. The levy rate can only increase above 1% yearly by a vote of the people in all five counties. Walters stated the library would be responsible for "walls in." Cashmere is in the top five of their most-used libraries. The Cashmere Library is well-used and well-loved. NCW library is planning two community events to get input on the design

and layout for Riverside Center. There are plans for different programs and flexible spaces for multi-use. However, programs are dependent on space. After a lengthy discussion, the council agrees that the library is an asset to the community. Councilor Perry noted the maintenance agreement proposed for the Riverside Center building would bring in less monetarily than in previous years and may cost the city more in indirect costs. The mayor noted that contract negotiations are ongoing. Attorney Julie Norton, Ogden Murphy Wallace, who represents NCW Library was at the meeting as well.

UTILITY RATE STUDY

The mayor started the utility rate discussion by showing a Capital Projects Planning Worksheet. Capitol Project's needs for planning all depend on cash flow. Currently, the city has a 4% increase in base fees yearly for water and 2% for wastewater. The mayor suggested keeping the wastewater rate increase to the current 2% and increasing the water rate.

SELECTION OF CONTRACTOR FOR THE RIVERSIDE CENTER HVAC RENOVATIONS

The city received two bids for renovating the heating, ventilation, and air conditioning (HVAC) system at Riverside Center. The lowest bid was from North Cascades Heating and Air Conditioning for \$74,614.29. Because the bid is over \$50,000, a performance bond is required. Additionally, the tax rate increased to 8.4%. Staff recommends awarding the contract to North Cascades Heating and Air Conditioning for \$76,527.18 which includes a bid bond and an updated tax rate.

MOVED by Councilor Perry and seconded by Councilor Stephenson to approve North Cascades Heating and Air Conditioning to renovate the HVAC system at the Riverside Center and authorize the mayor to sign documents. Motion carried 4-0.

PROGRESS REPORTS

Dorien McElroy, Woodard & Curran

- WWTP had a water pipe burst and fixed.
- The Water Department received twenty calls for frozen pipes.
- W&C Applied for the PUD lighting incentive for the Water treatment plant.
- There has been visible progress on SCADA.

Steve Croci, Director of Operations

- Continued Snow Plowing
- Crews are maintaining storm drains as the snow melts.
- Crews repaired streetlights on North St.

A Chelan Douglas Regional Port Authority Sports Complex Feasibility Study was handed out as an FYI.

ADJOURNMENT

Mayor Fletcher adjourned the meeting at 7:35 PM.

James Fletcher, Mayor

Attest:

Michelle Voie, Utility Clerk

MINUTES OF THE SPECIAL CASHMERE CITY COUNCIL MEETING
MONDAY FEBRUARY 5, 2024, AT CASHMERE CITY HALL – In-Person and Digital

OPENING

Mayor Jim Fletcher opened the Special City Council meeting at 12:00 p.m. at City Hall. The Clerk-Treasurer, Kay Jones, took minutes.

The public can attend the council meeting in person, by phone, or by digital conference.

ATTENDANCE

	<u>Present</u>	<u>Not Present</u>
Mayor:	Jim Fletcher	
Council:	John Perry Shela Pistorosi - Digital Jayne Stephenson Jeff Johnson - Digital	Chris Carlson
Staff:	Kay Jones, Clerk-Treasurer Steve Croci, Director of Operations - Digital	

RESOLUTION NO. 02-2024 DECLARING A STATE OF EMERGENCY WITH RESPECT TO THE CONDITION OF MISSION CREEK AND AUTHORIZING TO SPEND CITY FUNDS TO REMOVE THE DANGEROUS LOG JAM CONDITION

Mayor Fletcher explained that due to the recent rainfall the high flows in the creek have caused a large quantity of fallen trees and debris to accumulate near Mission Creek Road and Julie Ann Court.

The log jam is so large it has rerouted the creek and may cause substantial property damage, including city property. The residence adjacent to Mission Creek have requested help to remove the log jam to protect their property.

Neighbors have been working on the jam and have removed two trailer loads of brush and limbs. The remaining logs are too large to remove without equipment. The mayor believes that city staff with city equipment can remove the remaining logs. If there is unforeseen circumstances and the city needs to hire someone with larger equipment the resolution declaring an emergency allows the city to forego the required bidding process.

Schuyler Smart from 106 Julie Ann Court stated that everyone living on Julie Ann Court says thank you to the city.

MOVED by Councilor Stephenson and seconded by Councilor Johnson to approve Resolution No. 02-2024 declaring a State of Emergency and authorizing City funds to remove the dangerous log jam condition on Mission Creek. Motion carried with three voting in favor and Councilor Perry voting no.

Councilor Perry stated that he didn't think the city should be performing the work. It is not a city issue, but he is more than willing to help the neighborhood as a friend and citizen.

Special City Council Minutes
February 5, 2024

ADJOURNMENT

Mayor Fletcher adjourned the meeting at 12:10 PM.

James Fletcher, Mayor

Attest:

Kay Jones, Clerk-Treasurer

Staff Summary

Date: 2/8/24
To: City Council
From: Director of Operations Steve Croci
RE: RH2 – Scope of Work - South Douglas Street Improvements

The City of Cashmere is planning to complete water main improvements on South Douglas Street between Cottage Avenue and East Parkhill Street. Upon completion of the utility improvements, the roadway will be resurfaced. This Scope of Work includes services for design through the bidding phase and may be amended to support the construction phase. The estimated cost is \$64,714.

Staff Recommendation:

MOVE to approve RH2's Scope of Work to provide general engineering services for South Douglas Street improvements and authorize Mayor to sign documents.

EXHIBIT A
Scope of Work
City of Cashmere
S Douglas Street from Cottage Avenue to E Parkhill Street Improvements
January 2024

Background

The City of Cashmere (City) is planning to complete water main improvements on S Douglas Street between Cottage Avenue and E Parkhill Street. Upon completion of the utility improvements, the roadway will be resurfaced.

The City has requested that RH2 Engineering, Inc., (RH2) provide water main and roadway design services. This Scope of Work includes bidding phase services and may be amended to support the construction phase.

General Assumptions

- *No permitting efforts are included in this Scope of Work.*
- *RH2 will rely upon the accuracy and completeness of information, data, and materials generated or produced by the City or others in relation to this Scope of Work. RH2 assumes that the entity providing such information to RH2 is either the owner of such information or has obtained written authorization from the owner to distribute said information.*
- *RH2 deliverables will be provided in electronic format (PDF) unless otherwise specified.*
- *RH2 is not responsible for the site safety or direction of others.*
- *This Scope of Work is limited to the services expressed herein and will be performed to the level of effort identified in the attached Fee Estimate. Additional effort will be mutually determined by the City and RH2, and authorized by the City, prior to RH2 performing the additional work.*

Scope of Work

Task 1 – Preliminary Water Main Design

Objective: Prepare the design for the replacement of approximately 1,000 linear feet of 2-inch water main with 8-inch water main.

Approach:

- 1.1 Prepare a base map of the project area in AutoCAD from the survey provided by the City.
- 1.2 Prepare a 30-percent water main plan and profile. Perform one (1) site visit with the City to review the location of the proposed utilities.
- 1.3 Revise the 30-percent plan and profile based on City input and the site visit. Prepare a 60-percent review set and submit the plans to the City, Public Utility District No. 1 of Chelan County (PUD), Ziplly, and Spectrum Communications for review.

- 1.4 Prepare a 60-percent design level Engineer's opinion of probable construction cost (OPCC) for City review.
- 1.5 Prepare up to three (3) detail sheets. Detail sheets will include water main connection details and water service details.

Assumptions:

- *The existing water main can be used until the new water main is in place and no temporary system will be needed.*
- *The City will provide coordination with adjacent property owners.*
- *Utilities will review the project within two (2) weeks.*

Provided by City:

- Attendance at site visit.
- Topographic survey of project site in AutoCAD format.
- Coordination with adjacent property owners.
- Potholing (if desired by the City).

RH2 Deliverables:

- Attendance at site visit.
- 30-percent design drawings.
- 60-percent design drawings.
- 60-percent OPCC.

Task 2 – Bid-Ready Plans, Specifications, and OPCC

Objective: Prepare bid-ready plans, specifications, and OPCC for the project.

Approach:

- 2.1 Incorporate 60-percent review comments from the City and utilities.
- 2.2 Prepare one (1) plan sheet with roadway repair and overlay details.
- 2.3 Prepare Special Provisions in Washington State Department of Transportation format.
- 2.4 Prepare front-end construction contract documents, including the City's standard agreement.
- 2.5 Provide QA/QC review and prepare a 90-percent review set of plans, specifications, and updated OPCC. Submit to the City for review.
- 2.6 Incorporate 90-percent City review comments and prepare the bid-ready plans and specifications for bidding. Print one (1) set of specifications and one (1) half-size plan set for the City to use for reproduction. *Reproduction will be provided by an outside source and costs will be paid for by the City.*

Assumptions:

- *City standard details will be used.*
- *No stormwater modifications will be needed and there will be no impervious surface added to the project.*

Provided by City:

- City's standard agreement in Microsoft Word.

RH2 Deliverables:

- 90-percent plans, specifications, and OPCC.
- Bid-ready plans and specifications.
- One (1) hardcopy half-size plan set and one (1) set of specifications for City reproduction.

Task 3 – Services During Bidding

Objective: Assist the City with bidding the project.

Approach:

- 3.1 Prepare the advertisement for bids and submit to publications. *The City will pay the advertisement costs directly.*
- 3.2 Respond to bidders' technical questions during bidding.
- 3.3 Prepare up to one (1) addendum, if requested.
- 3.4 Attend the bid opening at City Hall.
- 3.5 Review bids and prepare a bid tabulation. Prepare a letter of recommendation of award for the lowest qualified bidder based on bids received.

Assumptions:

- *Bid documents will be posted electronically.*

Provided by City:

- Payment of costs for bid advertisement and hardcopy reproduction.

RH2 Deliverables:

- Advertisement for bid to publications.
- One (1) addendum, if requested.
- Attendance at bid opening.
- Bid tabulation.
- Recommendation of award letter.

Task 4 – Project Management

Objective: Perform project management services for the project.

Approach:

- 4.1 Coordinate with the City on the project's schedule and budget.
- 4.2 Prepare monthly invoices to the City.
- 4.3 Maintain project files.

RH2 Deliverables:

- Monthly invoices.

Project Schedule

Design will begin upon notice to proceed and receipt of the survey (*assumed to be February 2024*). Design will take approximately four (4) months, with bidding anticipated in late spring 2024 and construction anticipated in the summer or fall of 2024.

EXHIBIT B

Fee Estimate

City of Cashmere

S Douglas Street from Cottage Avenue to E Parkhill Street Improvements

Jan-24

Description	Total Hours	Total Labor	Total Expense	Total Cost
Task 1 Preliminary Water Main Design	94	\$ 19,808	\$ 2,734	\$ 22,542
Task 2 Bid-Ready Plans, Specifications, and OPCC	134	\$ 27,996	\$ 2,803	\$ 30,799
Task 3 Services During Bidding	24	\$ 5,598	\$ 291	\$ 5,889
Task 4 Project Management	23	\$ 5,342	\$ 143	\$ 5,485
PROJECT TOTAL	275	\$ 58,744	\$ 5,970	\$ 64,714

EXHIBIT C
RH2 ENGINEERING, INC.
2024 SCHEDULE OF RATES AND CHARGES

RATE LIST	RATE	UNIT
Professional I	\$166	\$/hr
Professional II	\$182	\$/hr
Professional III	\$202	\$/hr
Professional IV	\$223	\$/hr
Professional V	\$237	\$/hr
Professional VI	\$256	\$/hr
Professional VII	\$274	\$/hr
Professional VIII	\$285	\$/hr
Professional IX	\$303	\$/hr
Technician I	\$129	\$/hr
Technician II	\$142	\$/hr
Technician III	\$160	\$/hr
Technician IV	\$174	\$/hr
Technician V	\$191	\$/hr
Technician VI	\$209	\$/hr
Technician VII	\$227	\$/hr
Technician VIII	\$237	\$/hr
Administrative I	\$86	\$/hr
Administrative II	\$101	\$/hr
Administrative III	\$118	\$/hr
Administrative IV	\$141	\$/hr
Administrative V	\$166	\$/hr
CAD/GIS System	\$27.50	\$/hr
CAD Plots - Half Size	\$2.50	price per plot
CAD Plots - Full Size	\$10.00	price per plot
CAD Plots - Large	\$25.00	price per plot
Copies (bw) 8.5" X 11"	\$0.09	price per copy
Copies (bw) 8.5" X 14"	\$0.14	price per copy
Copies (bw) 11" X 17"	\$0.20	price per copy
Copies (color) 8.5" X 11"	\$0.90	price per copy
Copies (color) 8.5" X 14"	\$1.20	price per copy
Copies (color) 11" X 17"	\$2.00	price per copy
Technology Charge	2.50%	% of Direct Labor
Night Work	10.00%	% of Direct Labor
Mileage	\$0.6700	price per mile (or Current IRS Rate)
Subconsultants	15%	Cost +
Outside Services	at cost	

Rates listed are adjusted annually.

Staff Summary

Date: February 9, 2024
To: City Council
From: Jim Fletcher, Mayor
RE: Recommendation regarding utility rate changes

Assumptions for drafting utility rate schedule:

- Maintain existing policy for minimum cash balances of at least 25% of operating expenses for daily operations, maintenance, repairs.
- Maintain 411 Water and 412 Wastewater capital fund beginning balances of \$1,000,000 each.
- Uncertainty regarding inflation. Construction costs continue to remain greater higher than previous years' experiences.
- Schedule City construction projects to alternate years with large and small projects.
- Save for construction projects to avoid unnecessary debt.
- Seek grant funding for eligible projects.

Suggested amendments to 401-Water Fund 2024 budget:

1. Increase 2024 rates 7% for a total of 11% for the remainder of 2024. Increase of \$3.56 per Avg. household.
2. For the years 2025, 2026, 2027 annual rate increase of 7% each year.
3. Cancel \$400,000 transfer of funds into 411 Water Capital Fund.
4. Reduce 2024 capital budget project funding from \$ 1.6 million to \$1,000,000.
5. In 2025 transfer up to \$500,000 from 302 Capital Equipment Projects Fund to 411 Water Capital Fund for necessary and emergency repair projects.
6. In 2026 allocate up to \$500,000 of funds from 302 Capital Equipment and Projects into 411 Water Capital Fund to maintain fund balances for necessary capital projects and emergency repairs.

Suggested amendments to 401 Wastewater Fund 2024 Budget

7. Increase 2024 rates by 1% for a total of 3% for the remainder of 2024. Total 2024 monthly rate of \$115. 94 (increase of \$3.38 / mth).
8. Proposed subsequent rates increases for 2025, 2026, 2027 at 3% each year.

Staff Recommendation

Discussion on utility rate changes, directing staff to prepare resolutions for council to adopt a rate schedule starting _____ 2024, 2025, 2026 and 2027.

RECOMENDATION

401 WASTEWATER FUND				
	2024	2025	2026	2027
	REVISED	Projected	Projected	Projected
Proposed % Increase	3.00%	3.00%	3.00%	3.00%
Avg. Home \$ per Mth	\$115.94	\$119.41	\$123.00	\$126.69
Increase	\$6.93	\$3.48	\$3.58	\$3.69
Beginning Operating Fund Balance	405,297	389,331	390,108	407,859
Estimated Revenue	2,355,512	2,426,178	2,498,963	2,573,932
Op Expense (3.5% CPI)	1,540,657	1,594,580	1,650,390	1,708,154
Funds Transferred Out	300,000	300,000	300,000	350,000
Debt Payment	530,821	530,821	530,821	530,821
Net Cash Flow Operations (Min \$400,000)	389,331	390,108	407,859	392,816

412 Wastewater Capital Fund				
Beginning Capital Fund Bal	3,305,717	2,605,717	2,505,717	2,105,717
Grants	-	-	-	-
Funds Transferred In	300,000	300,000	300,000	350,000
Capital Expenses	1,000,000	400,000	700,000	300,000
Ending Wastewater CAPITAL FUND	\$2,605,717	\$2,505,717	\$2,105,717	\$2,155,717

Monthly rates Single Family Home	\$115.94	\$119.41	\$123.00	\$126.69
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RECOMENDATION

401 WATER FUND

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
	Revised BUDGET	Projected	Projected	Projected
Proposed % Increase	7.0%	7.0%	7.0%	7.0%
Avg. Home \$ per Mth	\$54.37	\$58.17	\$62.24	\$66.60
Increase	\$3.56	\$3.81	\$4.07	\$4.36
Beginning Operating Fund Balance	46,207	174,274	346,231	466,372
Estimated Revenue	1,125,918	1,204,732	1,289,064	1,379,298
Op. Expense (3.5% CPI)	997,851	1,032,776	1,068,923	1,106,335
Funds Transferred Out		-	100,000	300,000
Net Cash Flow Operations (Min \$300,000)	174,274	346,231	466,372	439,336

411 Water Capital Fund

Beginning Capital Fund Bal	2,709,687	840,337	840,337	940,337
Grant	97,688			
Funds Transferred In	-	500,000	500,000	300,000
Capital Expenses	1,000,000	500,000	400,000	500,000
Ending Water CAPITAL FUND	\$840,337	\$840,337	\$940,337	\$740,337

BASE RATE	\$	26.44	\$	28.29	\$	30.27	\$	32.39
Use rate 7,500 gal	\$	27.93	\$	29.88	\$	31.97	\$	34.21
Total	\$	54.37	\$	58.17	\$	62.24	\$	66.60