

White Salmon City Council Workshop and Meeting

A G E N D A

February 01, 2023 – Workshop 5:00 PM Council Meeting 6:00pm

119 NE Church and Via Zoom Teleconference

Meeting ID: 815 1253 8201 Passcode: 642955



Call in Numbers:

669-900-6833

929-205-6099

301-715-8592

346-248-7799

253-215-8782

312-626-6799

City Council Workshop – Electric Vehicle Charging Stations (5:00pm)

I. Call to Order, Presentation of the Flag and Roll Call (6:00pm)

II. Changes to the Agenda

III. Consent Agenda

- [A.](#) Authorization for Mayor to Sign TIB Grant Agreement for project 2022 Chip Seal - Retroactive
- [B.](#) Contract Amendment No 1 Agreement Between Owner and Engineer for Professional Services, Anderson Perry Transmission Main Line Improvements Phase 1
- C. Approval of Meeting Minutes - January 4, 2023 (will be provided before meeting)
- D. Approval of Meeting Minutes - January 18, 2023 (will be provided before meeting)
- E. Approval of Vouchers

IV. Public Comment

Any public in attendance at the meeting (either in person or via Zoom) will be provided an opportunity to make public comment of a general nature in the time allotted. No registration is required. Each person will be allowed three minutes for comment.

V. Presentations

- A. Black History Month

VI. Business Items

- [A.](#) Ordinance 2023-02-1123 Amending Ordinance 2022-01-1101, Water Revenue Bond Anticipation Note, 2023.
 - 1. Presentation and Discussion
 - 2. Action
- [B.](#) Approval of Note Purchase Offer, Cashmere Valley Bank
 - 1. Presentation and Discussion
 - 2. Action

VII. Reports and Communications

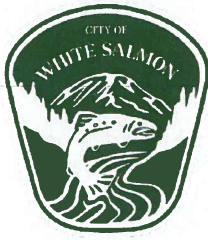
- A. Fire Task Force Update - Bill Hunsaker
- [B.](#) Department Heads
- C. Council Members
- D. Mayor

VIII. Executive Session (if needed)

IX. Adjournment

File Attachments for Item:

A. Authorization to sign TIB Grant Agreement for project 2022 Chip Seal - Retroactive



Department Head: [Signature]
Clerk/Treasurer: [Signature]
City Administrator: [Signature]
Mayor: [Signature]

CITY COUNCIL REPORT

Business Item

Consent Agenda

Needs Legal Review:

No, unnecessary

Meeting Date:

February 1, 2023

Agenda Item:

Authorization for Mayor to sign TIB 2022 Chip Sealing Grant Agreement – Retroactive Approval

Presented By:

Stephanie Porter, Clerk Treasurer

Action Required:

Authorization for Mayor to sign TIB 2022 Chip Sealing Grant Agreement.

Motion for Business Item / Proposed Motion for Consent Agenda:

Motion to Authorize the Mayor to sign TIB 2022 Chip Sealing Grant Agreement.

Explanation of Issue:

The City has been awarded \$284,500 by the Transportation Improvement Board for the Chip Sealing Project. Attached you will find the list of streets included in the project. The mayor has signed this agreement. Staff is asking the council to retroactively authorize this transaction.

Council Options:

City Council has the following options available at this time:

1. Accept the Staff Recommendation.
2. Revise the Staff Recommendation.
3. Refer this issue back to staff for additional work.
4. Take No Action
5. Other action as desired by council.

Fiscal Analysis:

A budget Amendment will be necessary to allocate the \$15,463 in match dollars required. Transportation Benefit District Funds cannot be used for this project, but the fund generated by the TBD may help offset other projects to increase the available funding in the Street Budget. The current unrestricted balance in the street budget is \$15,689. These match dollars will take the street fund allocations to its minimum required ending balance required by financial policy.

Recommendation of Staff/Committee:

Staff recommends Authorization for Mayor to sign TIB 2022 Chip Sealing Grant Agreement.

Follow Up Action:

Staff will look at approved 2023 projects where the match fund could be funded by TBD dollars.



City of White Salmon
2-E-936(006)-1
2022 Seal Coat Award
Multiple Locations

STATE OF WASHINGTON
TRANSPORTATION IMPROVEMENT BOARD
AND
City of White Salmon
AGREEMENT

THIS GRANT AGREEMENT (hereinafter "Agreement") for the 2022 Seal Coat Award, Multiple Locations (hereinafter "Project") is entered into by the WASHINGTON STATE TRANSPORTATION IMPROVEMENT BOARD (hereinafter "TIB") and City of White Salmon, a political subdivision of the State of Washington (hereinafter "RECIPIENT").

1.0 PURPOSE

For the project specified above, TIB shall pay 94.8450 percent of approved eligible project costs up to the amount of \$284,500, pursuant to terms contained in the RECIPIENT'S Grant Application, supporting documentation, chapter 47.26 RCW, title 479 WAC, and the terms and conditions listed below.

2.0 SCOPE AND BUDGET

The Project Scope and Budget are initially described in RECIPIENT'S Grant Application and incorporated by reference into this Agreement. Scope and Budget will be further developed and refined, but not substantially altered during the Design, Bid Authorization and Construction Phases. Any material alterations to the original Project Scope or Budget as initially described in the Grant Application must be authorized by TIB in advance by written amendment.

3.0 PROJECT DOCUMENTATION

TIB requires RECIPIENT to make reasonable progress and submit timely Project documentation as applicable throughout the Project. Upon RECIPIENT'S submission of each Project document to TIB, the terms contained in the document will be incorporated by reference into the Agreement. Required documents include, but are not limited to the following:

- a) Project Funding Status Form
- b) Bid Authorization Form with plans and engineers estimate
- c) Award Updated Cost Estimate
- d) Bid Tabulations
- e) Contract Completion Updated Cost Estimate with final summary of quantities
- f) Project Accounting History

4.0 BILLING AND PAYMENT

The local agency shall submit progress billings as project costs are incurred to enable TIB to maintain accurate budgeting and fund management. Payment requests may be submitted as



often as the RECIPIENT deems necessary, but shall be submitted at least quarterly if billable amounts are greater than \$50,000. If progress billings are not submitted, large payments may be delayed or scheduled in a payment plan.

5.0 TERM OF AGREEMENT

This Agreement shall be effective upon execution by TIB and shall continue through closeout of the grant or until terminated as provided herein, but shall not exceed 10 years unless amended by the Parties.

6.0 AMENDMENTS

This Agreement may be amended by mutual agreement of the Parties. Such amendments shall not be binding unless they are in writing and signed by persons authorized to bind each of the Parties.

7.0 ASSIGNMENT

The RECIPIENT shall not assign or transfer its rights, benefits, or obligations under this Agreement without the prior written consent of TIB. The RECIPIENT is deemed to consent to assignment of this Agreement by TIB to a successor entity. Such consent shall not constitute a waiver of the RECIPIENT's other rights under this Agreement.

8.0 GOVERNANCE & VENUE

This Agreement shall be construed and interpreted in accordance with the laws of the state of Washington and venue of any action brought hereunder shall be in the Superior Court for Thurston County.

9.0 DEFAULT AND TERMINATION

9.1 NON-COMPLIANCE

- a) In the event TIB determines, in its sole discretion, the RECIPIENT has failed to comply with the terms and conditions of this Agreement, TIB shall notify the RECIPIENT, in writing, of the non-compliance.
- b) In response to the notice, RECIPIENT shall provide a written response within 10 business days of receipt of TIB's notice of non-compliance, which should include either a detailed plan to correct the non-compliance, a request to amend the Project, or a denial accompanied by supporting details.
- c) TIB will provide 30 days for RECIPIENT to make reasonable progress toward compliance pursuant to its plan to correct or implement its amendment to the Project.
- d) Should RECIPIENT dispute non-compliance, TIB will investigate the dispute and may withhold further payments or prohibit the RECIPIENT from incurring additional reimbursable costs during the investigation.

9.2 DEFAULT

RECIPIENT may be considered in default if TIB determines, in its sole discretion, that:



- a) RECIPIENT is not making reasonable progress toward correction and compliance.
- b) TIB denies the RECIPIENT's request to amend the Project.
- c) After investigation TIB confirms RECIPIENT'S non-compliance.

TIB reserves the right to order RECIPIENT to immediately stop work on the Project and TIB may stop Project payments until the requested corrections have been made or the Agreement has been terminated.

9.3 TERMINATION

a) In the event of default by the RECIPIENT as determined pursuant to Section 9.2, TIB shall serve RECIPIENT with a written notice of termination of this Agreement, which shall be served in person, by email or by certified letter. Upon service of notice of termination, the RECIPIENT shall immediately stop work and/or take such action as may be directed by TIB.

b) In the event of default and/or termination by either PARTY, the RECIPIENT may be liable for damages as authorized by law including, but not limited to, repayment of grant funds.

c) The rights and remedies of TIB provided in the AGREEMENT are not exclusive and are in addition to any other rights and remedies provided by law.

9.4 TERMINATION FOR NECESSITY

TIB may, with ten (10) days written notice, terminate this Agreement, in whole or in part, because funds are no longer available for the purpose of meeting TIB's obligations. If this Agreement is so terminated, TIB shall be liable only for payment required under this Agreement for performance rendered or costs incurred prior to the effective date of termination.

10.0 USE OF TIB GRANT FUNDS

TIB grant funds come from Motor Vehicle Fuel Tax revenue. Any use of these funds for anything other than highway or roadway system improvements is prohibited and shall subject the RECIPIENT to the terms, conditions and remedies set forth in Section 9. If Right of Way is purchased using TIB funds, and some or all of the Right of Way is subsequently sold, proceeds from the sale must be deposited into the RECIPIENT's motor vehicle fund and used for a motor vehicle purpose.

11.0 INCREASE OR DECREASE IN TIB GRANT FUNDS

At Bid Award and Contract Completion, RECIPIENT may request an increase in the maximum payable TIB funds for the specific project. Requests must be made in writing and will be considered by TIB and awarded at the sole discretion of TIB. All increase requests must be made pursuant to WAC 479-05-202 and/or WAC 479-01-060. If an increase is denied, the recipient shall be liable for all costs incurred in excess of the maximum amount payable by TIB. In the event that final costs related to the specific project are less than the initial grant award, TIB funds will be decreased and/or refunded to TIB in a manner that maintains the intended ratio between TIB funds and total project costs, as described in Section 1.0 of this Agreement.



12.0 INDEPENDENT CAPACITY

The RECIPIENT shall be deemed an independent contractor for all purposes and the employees of the RECIPIENT or any of its contractors, subcontractors, and employees thereof shall not in any manner be deemed employees of TIB.

13.0 INDEMNIFICATION AND HOLD HARMLESS

The PARTIES agree to the following:

Each of the PARTIES, shall protect, defend, indemnify, and save harmless the other PARTY, its officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgment, and/or awards of damages, arising out of, or in any way resulting from, that PARTY's own negligent acts or omissions which may arise in connection with its performance under this Agreement. No PARTY will be required to indemnify, defend, or save harmless the other PARTY if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence of the other PARTY. Where such claims, suits, or actions result from the concurrent negligence of the PARTIES, the indemnity provisions provided herein shall be valid and enforceable only to the extent of a PARTY's own negligence. Each of the PARTIES agrees that its obligations under this subparagraph extend to any claim, demand and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, each of the PARTIES, by mutual negotiation, hereby waives, with respect to the other PARTY only, any immunity that would otherwise be available to it against such claims under the Industrial Insurance provision of Title 51 RCW. In any action to enforce the provisions of the Section, the prevailing PARTY shall be entitled to recover its reasonable attorney's fees and costs incurred from the other PARTY. The obligations of this Section shall survive termination of this Agreement.

14.0 DISPUTE RESOLUTION

- a) The PARTIES shall make good faith efforts to quickly and collaboratively resolve any dispute arising under or in connection with this AGREEMENT. The dispute resolution process outlined in this Section applies to disputes arising under or in connection with the terms of this AGREEMENT.
- b) Informal Resolution. The PARTIES shall use their best efforts to resolve disputes promptly and at the lowest organizational level.
- c) In the event that the PARTIES are unable to resolve the dispute, the PARTIES shall submit the matter to non-binding mediation facilitated by a mutually agreed upon mediator. The PARTIES shall share equally in the cost of the mediator.
- d) Each PARTY agrees to compromise to the fullest extent possible in resolving the dispute in order to avoid delays or additional incurred cost to the Project.
- e) The PARTIES agree that they shall have no right to seek relief in a court of law until and unless the Dispute Resolution process has been exhausted.



15.0 ENTIRE AGREEMENT

This Agreement, together with the RECIPIENT'S Grant Application, the provisions of chapter 47.26 Revised Code of Washington, the provisions of title 479 Washington Administrative Code, and TIB Policies, constitutes the entire agreement between the PARTIES and supersedes all previous written or oral agreements between the PARTIES.

16.0 RECORDS MAINTENANCE

The RECIPIENT shall maintain books, records, documents, data and other evidence relating to this Agreement and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Agreement. RECIPIENT shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the Agreement shall be subject at all reasonable times to inspection, review or audit by TIB personnel duly authorized by TIB, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

Approved as to Form
Attorney General

By:

Signature on file

Guy Bowman
Assistant Attorney General

Lead Agency

Transportation Improvement Board

M. Keel 1/23/23
Chief Executive Officer Date

Executive Director Date

McNa Keetner
Print Name

Print Name



Project Funding Status Form

Agency Name: **WHITE SALMON**
Project Name: **2022 Seal Coat Award**
Multiple Locations

TIB Project Number: **2-E-936(006)-1**

Verify the information below and revise if necessary.
Email to: Your TIB Engineer

PROJECT SCHEDULE

Target Dates		
Construction Approval	Contract Bid Award	Contract Completion

PROJECT FUNDING PARTNERS

List additional funding partners and amount.

Funding Partners	Amount	Revised Funding
WHITE SALMON	15,463	
WSDOT	0	
Federal Funds	0	
TOTAL LOCAL FUNDS	15,463	

Signatures are required from two different agency officials. Email a signed copy of this form to your TIB Engineer.

Mayor or Public Works Director

[Signature]
Signature

1/23/23
Date

Marla Kattner
Printed or Typed Name

Mayor
Title

Financial Officer

[Signature]
Signature

01/23/23
Date

Stephanie Porter
Printed or Typed Name

Clerk Treasurer
Title

Small City Preservation Program (SCPP)
Approved Segment Listing

WHITE SALMON

FY 2024 Seal Coat Program

Street	Termini	Pavement Length	Pavement Width
CITY WIDE As Noted on Map	CITY LIMITS	8,289 feet	24 feet

TIB Grant Applications

Crack Seal (Maintenance)

Riverwatch Drive	Jewett to Corner of Overlander?
Dock Grade Road	Oak to Jewett
Tohomosh St NE	Snohomish to Okeefe
NE Pioneer Place	Tohomish to Pioneer Center
Wauna	Hood to Green
Green	Main to Estes
Grandview	Okeef to Park



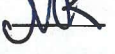
Chip Seal

Park	Grandview to Tohomish
Center	Orchard to Park
Tohomish	Orchard to Park
Oak	5th east to end of road
5th	Wyers to Oak
Grandview	Pioneer to Okeefe
Lincoln	Garfield to ?
Michigan	Washington to ? (short of Academy)
Academy	Main to Michigan
Spring	Estes to Fields
Green	Estes to Fields
Hood	Main to Wauna
Scenic	Main to Estes
Church	Hood to Lincoln
Lincoln	Church to Estes

File Attachments for Item:

B. Contract Amendment No 1 Agreement Between Owner and Engineer for Professional Services, Anderson Perry Transmission Main Line Improvements Phase 1



Clerk/Treasurer: 
City Administrator: 
Mayor: 

CITY COUNCIL REPORT

Business Item

Consent Agenda

Needs Legal Review:
Meeting Date:
Agenda Item:

No, unnecessary
February 1, 2023
Contract Amendment No 1 – Anderson Perry Engineering
Transmission Main Line Phase 1
Presented By: Stephanie Porter, Clerk Treasurer

Action Required:

Approval of the Contract Amendment No 1 – Professional services, Anderson Perry Transmission Main Line Improvements Phase I providing for construction engineering services in the amount not to exceed \$370,000.

Motion for Business Item / Proposed Motion for Consent Agenda:

Motion to approve the Contract Amendment No 1 – Professional services, Anderson Perry Transmission Main Line Improvements Phase I providing for construction engineering services in the amount not to exceed \$370,000.

Explanation of Issue:

USDA Rural Development requires the city to enter into an agreement with an engineering firm for construction engineering related to the construction of the Transmission Main Line Improvements Phase I. The funding package (\$2,777,000 loan, \$999,000 grant, PWB \$1,850,000 and \$150,500 city funds) provides for construction engineering costs. Construction engineering includes assisting in the bidding phase, general administration of the construction contract (including inspection of the project) and providing a "Resident Project Representative." The proposed agreement has been reviewed by USDA Rural Development. There was an increase in engineering cost due the additional funding from PWB which required additional parameters not originally identified and the additional bid process necessary after the increase in funding for the overall project.

Council Options:

City Council has the following options available at this time:

1. Accept the Staff Recommendation.
2. Revise the Staff Recommendation.
3. Refer this issue back to staff for additional work.
4. Take No Action
5. Other action as desired by council.

Fiscal Analysis:

The adopted budget contains fund for this purpose. USDA Rural Development has approved the contract amendment.

Recommendation of Staff/Committee:

Staff recommends the council approve the Contract Amendment No 1 – Professional services, Anderson Perry Transmission Main Line Improvements Phase I providing for construction engineering services in the amount not to exceed \$370,000.

Follow Up Action:

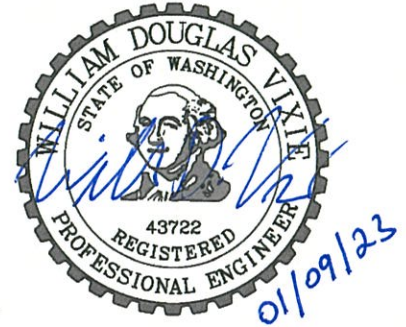
None at this stage.

ADDENDUM NO. 1
To the Contract Documents

City of White Salmon, Washington
Transmission Main Replacement Phase I

January 9, 2023

Revised Bid Date: February 2, 2023, 3:00 p.m.



The following additions, deletions, and modifications shall be made to the Contract Documents.

I. PRE-BID CONFERENCE

A pre-Bid conference for the Project was held on January 5, 2023, at 1:15 p.m. The Pre-Bid Conference Sign-In Sheet is attached to this addendum.

II. BIDDING DOCUMENTS

A. BIDDING REQUIREMENTS, ADVERTISEMENT FOR BIDS

Remove the second paragraph in its entirety and *replace* with the following:

Bids for the construction of the Project will be received by the Owner at City Hall, 100 N. Main Street, White Salmon, Washington, until Thursday, February 2, 2023, at 3:00 p.m. local time. At that time the Bids received will be publicly opened and read.

B. BIDDING REQUIREMENTS, INSTRUCTIONS TO BIDDERS, ARTICLE 18, EVALUATION OF BIDS AND AWARD OF CONTRACT, 18.05. Evaluation of Bids, Page 11

Clarification: If awarded, the Owner may award the responsible bidder with the lowest cost of either Bid Option A or Bid Option B only or may award the responsible bidder with the lowest cost for either Bid Option A with selected Additive Alternates or Bid Option B with selected Additive Alternates in the same order as listed in the Bid Form.

III. CONTRACT DOCUMENTS

A. CONDITIONS OF THE CONTRACT, SUPPLEMENTARY CONDITIONS, ARTICLE 20 – STATE REQUIREMENTS, 20.01 Prevailing Wage Rates and Hours of Labor, Page 36

Remove Paragraph A in its entirety and *replace* with the following:

- A. During the performance of Work under this Contract, the Contractor must abide by RCW 39.12 in regard to prevailing wages on public works projects and by RCW 49.28 with respect to hours of labor. The State of Washington prevailing wage rates applicable to this public works project, which is located in Klickitat County, may be found at the following website address of the Department of Labor and Industries:

<https://fortress.wa.gov/Ini/wagelookup/prvWagelookup.aspx>. Based on the Bid submittal deadline for this Project, the applicable effective date for prevailing wages for this Project is February 2, 2023. A copy of the applicable prevailing wage rates is also available for viewing at the Office of the Engineer, located at Anderson Perry & Associates, Inc., 214 E. Birch Street, Walla Walla, Washington 99362. Upon request, the Engineer will mail a hard copy of the applicable prevailing wages for this Project.

B. SPECIFICATIONS

1. GENERAL REQUIREMENTS, PARAGRAPH B, SPECIAL PROJECT REQUIREMENTS, Pages GR-6 and GR-7

Remove Paragraph 9, Water Main Installation Sequence in this entirety and **replace** with the following:

9. Water Main Installation Sequence

- a. To access potable water from the Owner's water system, the water main may be constructed from either the beginning of the project (BOP, STA 1+00), or at the end of the project (EOP, STA 126+90).
 - 1) There is currently insufficient water storage at the Owner's Water Treatment Plant facilities to properly flush the installed water main from the BOP. The Contractor will need to provide potable water storage facilities for filling, testing, disinfection, and flushing the new water main construction from the BOP. Flushing of the completed water main will likely need to be performed in discrete intervals to obtain the desired flow for flushing and given the limited on-site water storage.
 - 2) Potable water can be provided using gravity by back feeding from the Owner's existing transmission main to fill, test, disinfect, and flush a portion of the completed water main from the EOP connection and the Owner's Childs Reservoir. This reservoir has a base elevation of 925 feet mean sea level (MSL) and an overflow of 945 feet MSL. Water levels in this reservoir are insufficient to provide water for the constructed water main all the way back to the BOP. The remaining sections that cannot be provided water by gravity would need to be flushed from the BOP side or with a temporary self-contained and powered booster pump system, provided by the Contractor, from the EOP side.
- b. All temporary connections to the Owner's existing water main will require backflow prevention and isolation valves. The temporary water connection shall be in accordance with the Construction Water paragraph of this section.
- c. With the volume of water needed for flushing, the possible presence of high concentrations of chlorine in the disinfection water, limited site area

for water discharge from flushing and proximity to Buck Creek, the use of a temporary surge or storage tank at the discharge end of the flushing process should be anticipated. The temporary surge/storage tank would allow better control of the discharge and dechlorination of the flushed water. Potential flushing points include at the proposed combination air and vacuum valve locations, main line valve locations, the Buck Creek bridge crossing, and the BOP and EOP connection points. Flushing and disposal of wastewater (i.e., disinfection water) shall be in accordance with Technical Specifications – Water Lines.

- d. The Contractor shall submit a plan to the Engineer for approval on the proposed filling, testing, disinfecting, and flushing of the constructed water main prior to making any connections to the Owner's water system.

2. GENERAL REQUIREMENTS, PARAGRAPH Q, CONSTRUCTION WATER, Pages GR-21 and GR-22

Remove Paragraph 1, Water for Filling, Disinfection, and Flushing Installed Water Mains in this entirety and **replace** with the following:

1. Water for Filling, Testing, Disinfection, and Flushing Installed Water Mains
 - a. The Owner will provide water from its existing system to fill, disinfect, and hydrostatically test, and flush the installed water lines at no cost up to 400,000 gallons. The Contractor will assist the Owner in determining the amount of water used for flushing the installed water pipe by installing a temporary water meter at or near the potable water connection point with the Owner's existing water main. This temporary water meter will be utilized to track water usage by the Contractor. For planned water consumption over 400,000 gallons, the Contractor shall submit a written request to and receive written pre-approval from the Owner and Engineer.
 - b. The new water main being constructed shall be kept isolated from the Owner's water system until satisfactory bacteriological testing has been completed. Water required to fill the new main for filling, disinfection, and testing shall be supplied through a temporary connection between the Owner's water system and water main under construction. The temporary connection shall include an appropriate cross-connection control device such as double check valve assembly, reduced pressure assembly or approved air gap.
 - 1) During hydrostatic pressure testing of the new water main, additional measures, such as physical separation, may be required to protect the Owner's water system depending on the temporary connection in place and other factors.
 - 2) If the Contractor chooses to provide a temporary connection at the EOP connection and to backflow from the Owner's water system into the constructed water main, then any flushing activities would

need to be coordinated and pre-approved with the Owner to ensure there is adequate supply for the Owner's customers and limit system pressures below the operating pressure of any utilized backflow preventer equipment.

- c. Given the Owner's WTP typical flow rate of 600 to 700 gpm, lack of available reservoir storage at the Owner's WTP and within the existing water main, and the proximity of the project to the Owner's WTP, the Contractor will need to provide temporary water storage facilities (e.g., water towers or water storage tanks) to facilitate the filling and flushing of the completed water mains from the BOP.
- d. The Contractor shall submit a plan and list of equipment proposed for flushing the completed water main utilizing potable water from either the BOP or EOP site that would not result in a backflow into the Owner's water system. This plan shall be submitted to the Engineer for approval before initiating any filling, testing, disinfecting, and flushing of the completed water main.
- e. Flushing of the disinfection water in the completed water main shall be in accordance with the requirements of Technical Specifications – Water Lines.

- END OF ADDENDUM NO. 1 -

Attachment:

- Pre-Bid Conference Sign-In Sheet

**CITY OF WHITE SALMON, WASHINGTON
TRANSMISSION MAIN REPLACEMENT PHASE I (REBID)
PRE-BID CONFERENCE: THURSDAY, JANUARY 5, 2023, 1:15 P.M.
LOCATION: CITY COUNCIL CHAMBERS**

Name of Persons in Attendance:

	Name	Organization	Title	Email	Phone #
1.	YANI VAIVODA	CRESTLINE CONSTRUCTION	ESTIMATOR	yaniv@crestlineconstruction.com	541.506.4000
2.	Scott Sarkinen	Rotschy Inc.	Estimator	estimator@rotschyinc.com	360-334-3100
3.	Paul Van Laar	Beam Exc.	Estimator	Paul.Beamexcavating@gmail.com	541-490-3585
4.	Chris Boehm		PM/Estimator	Chris@advexc.us	360 931 3976
5.	KARL HOMOLA	NCG	PM/Estimator	Karl@NCG.US	360-953-3352
6.	Mike Weis	general super		MWeis@hconinc.com	360 623 9883
7.	JOHN KELLEY	NUTTER CORP.	P.M	JohnK@nuttercorp.com	360-907-9400
8.	JOE DEAN	JAMES DEAN CORP		Joe.Dean@JamesDeanConstruction.com	
9.	DAVID JENSEN JAY PENNINGER KEVIN ENGLISH	ANDERSON PERRY + ASSOCIATES	Project Manager Construction Manager Resident Observer	d.jensen@andersonperry.com jpeninger@andersonperry.com	(509) 529-9260
10.	ERIKA CASTRO-GUEMAN ANDREW DIRKS	CITY OF WHITE SALMON CITY OF WHITE SALMON	Public works	erikac@ci.white-salmon.wa.us andrewd@ci.white-salmon.wa.us	(509) 493-1133 us

This is **EXHIBIT K**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated April 6, 2022.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 1**

The Effective Date of this Amendment is: August 1, 2022.

Background Data

Effective Date of Owner-Engineer Agreement:

Owner: City of White Salmon

Engineer: Anderson Perry & Associates, Inc.

Project: Transmission Main Replacement Phase I

Nature of Amendment: [Check those that are applicable and delete those that are inapplicable.]

Additional Services to be performed by the Engineer

Modifications to other terms and conditions of the Agreement

Description of Modifications:

1. Additional services were provided by the Engineer to close out the previous bid opening, reissue revised Bidding/Contract Documents, and administer a new bid process. The revised Bidding/Contract Documents included inserting requirements of the Washington State Public Works Board (additional funding source for the project), updating the bidding documents for a new bid process, inserting addendum items from the original bid process into the Contract Documents, and providing additional clarification on the General Requirements section.
2. Revised Standard Hourly Rates and Reimbursable Expenses Schedule dated January 1, 2023, attached.

Agreement Summary:

Original agreement amount:	\$ <u>353,000.00</u>
Net change for prior amendments:	\$ <u>00.00</u>
This amendment amount:	\$ <u>17,000.00</u>
Adjusted Agreement amount:	\$ <u>370,000.00</u>

Change in time for services (days or date, as applicable): N/A

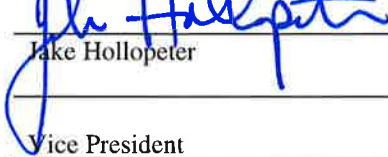
The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect.

OWNER:
City of White Salmon

ENGINEER:
Anderson Perry & Associates, Inc.

By: _____
Print name: _____
Title: _____
Date Signed: _____

By: 
Print name: Jake Hollopeter
Title: Vice President
Date Signed: 1-19-23

Elisabeth Dillin  Digitally signed by Elisabeth Dillin
Date: 2023.01.25 10:24:05 -08'00'

2023 HOURLY FEE SCHEDULE

Effective January 1, 2023

PROFESSIONAL TECHNICAL STAFF

TECHNICIANS	ENGINEERING	ARCHAEOLOGY
Technician I \$ 70.00	Engineering Technician I \$110.00	Archaeological Technician I..... \$ 70.00
Technician II \$ 80.00	Engineering Technician II \$115.00	Archaeological Technician II..... \$ 75.00
Technician III \$ 85.00	Engineering Technician III \$120.00	Staff Archaeologist I..... \$ 85.00
Technician IV \$ 90.00	Engineering Technician IV \$125.00	Staff Archaeologist II..... \$ 90.00
Technician V \$100.00	Engineering Technician V \$130.00	Project Archaeologist I..... \$ 95.00
Technician VI \$105.00	Project Engineer I \$135.00	Project Archaeologist II..... \$100.00
Technician VII \$110.00	Project Engineer II \$145.00	Senior Archaeologist I..... \$105.00
Senior Technician I..... \$115.00	Project Engineer III \$150.00	Senior Archaeologist II..... \$140.00
Senior Technician II..... \$120.00	Project Engineer IV..... \$165.00	
Senior Technician III..... \$125.00	Project Engineer V..... \$170.00	PROJECT REPRESENTATIVES
Senior Technician IV \$130.00	Project Engineer VI..... \$175.00	Project Representative I \$100.00
Senior Technician V \$140.00	Project Engineer VII..... \$180.00	Project Representative II \$105.00
Senior Technician VI \$145.00	Senior Engineer I \$190.00	Project Representative III..... \$110.00
Senior Technician VII \$150.00	Senior Engineer II \$195.00	Project Representative IV \$115.00
Senior Technician VIII \$160.00	Senior Engineer III \$200.00	
Senior Technician IX..... \$180.00	Senior Engineer IV \$205.00	OVERTIME
Senior Technician X..... \$195.00	Senior Engineer V \$210.00	Overtime Surcharge \$ 35.00
	Senior Engineer VI \$215.00	
	Senior Engineer VII..... \$225.00	
	Senior Engineer VIII..... \$235.00	

SURVEYORS AND CREWS

Survey Technician I \$ 75.00	Professional Land Surveyor I \$145.00	Total Station \$ 30.00
Survey Technician II \$ 80.00	Professional Land Surveyor II ... \$155.00	ATV (4-hour minimum) \$ 35.00
Survey Technician III \$ 95.00	Professional Land Surveyor III .. \$165.00	Resource Grade GPS \$ 25.00
Survey Crew Chief I \$105.00	Professional Land Surveyor IV .. \$175.00	Electrofisher \$ 30.00
Survey Crew Chief II \$110.00	Professional Land Surveyor V ... \$185.00	Unmanned Aircraft System
Survey Crew Chief III \$120.00	GPS Total Station \$ 45.00	(UAS/Drone) \$ 50.00
Survey Crew Chief IV \$155.00	Robotic Survey Station \$ 35.00	GIS RTK GPS/GNSS Unit..... \$ 35.00

OUT OF TOWN WORK

Mileage will be charged at the applicable IRS rate for vehicles, which is \$0.655 per mile for standard highway vehicles as of January 1, 2023. Mileage will be charged at \$0.75 per mile for vans and pickup trucks. Subsistence will be charged either per diem or actual cost, per contract. Lodging will be billed at actual cost.

OTHER

Other miscellaneous, direct, and outside expenses, including special Consultants, will be charged at actual cost plus 10%.

Expert Witness will be charged at two times the standard hourly rate.

All accounts unpaid 30 days after date of invoice may be charged a service fee of 1.0% per month.

This Hourly Fee Schedule is revised annually on or around January 1.

G:\APDocs\Fee Schedules\2023\Hourly Fee Schedule.docx

File Attachments for Item:

A. Ordinance 2023-02-1123 Amending Ordinance 2022-01-1101 Water Revenue Bond Anticipation Note, 2023.

1. Presentation and Discussion
2. Action



Department Head: [Signature]
 Clerk/Treasurer: [Signature]
 City Administrator: [Signature]
 Mayor: _____

CITY COUNCIL REPORT

Business Item

Consent Agenda

Needs Legal Review: Yes, completed
 Meeting Date: February 1, 2023
 Agenda Item: Ordinance 2023-02-1123 Amending Ordinance 2022-04-1101, Water Revenue Bond Anticipation Note
 Presented By: Stephanie Porter, Clerk Treasurer

Action Required:
 Adoption of Ordinance 2023-02-1123 Amending Ordinance 2022-04-1101, Water Revenue Bond Anticipation Note, 2022

Motion for Business Item / Proposed Motion for Consent Agenda:
 Adoption of Ordinance 2023-02-1123, Amended Water Revenue Bond Anticipation Note, 2023, Providing for the Issuance and Sale of a Revenue Bond Anticipation Note to Evidence a Non-Revolving Line of credit for the Purpose of Providing Interim Financing for Improvements to the Water Utility of the City in the Principal Amount of Not to Exceed \$2,333,000; Providing the Form, Terms and Maturity of the Note; Authorizing the Designated City Representative to Manage the Non-Revolving Line of Credit; and Approving the Sale of the Note.

Explanation of Issue:
 The city is required to adopt an ordinance related to the issuance and sale of a revenue bond anticipation note for our non-revolving line of credit for interim financing. The attached ordinance has been prepared by the city's bond counsel K&L Gates LLP. Ordinance 2022-04-1101 was adopted on April 6, 2022. The amendments proposed in Ordinance 2023-02-1123 have updated the interest rate from 1.85% to 3.80% and extend the maturity date from December 1, 2023 to December 1, 2024.

- Council Options:**
 City Council has the following options available at this time:
1. Accept the Staff Recommendation.
 2. Revise the Staff Recommendation.
 3. Refer this issue back to staff for additional work.
 4. Take No Action
 5. Other action as desired by council.

Fiscal Analysis:
 Increase in interest rate may increase interest paid depending on use of the bond money.

Recommendation of Staff/Committee:
 Staff recommends adoption of Ordinance 2023-02-1123, Amended Water Revenue Bond Anticipation Note, 2023, Providing for the Issuance and Sale of a Revenue Bond Anticipation Note in the Principal Amount not to Exceed \$2,333,000.

CITY OF WHITE SALMON, WASHINGTON
WATER REVENUE BOND ANTICIPATION NOTE, 2023
(NON-REVOLVING LINE OF CREDIT)

Not to exceed \$2,333,000

ORDINANCE NO. 2023-02-1123

AN ORDINANCE OF THE CITY OF WHITE SALMON, WASHINGTON, AMENDING ORDINANCE NO. 2022-04-1101, PASSED BY THE CITY COUNCIL ON APRIL 6, 2022, FOR THE PURPOSE OF ACCEPTING THE OFFER OF CASHMERE VALLEY BANK AND PROVIDING FOR THE TERMS OF THE NOTE.

PASSED: FEBRUARY 1, 2023

Prepared By:

K&L GATES LLP
Seattle, Washington

CITY OF WHITE SALMON

Ordinance No. 2023-02-1123

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* This Table of Contents and the cover page are provided for convenience only and is not a part of this ordinance.

CITY OF WHITE SALMON, WASHINGTON
WATER REVENUE BOND ANTICIPATION NOTE, 2023
(NON-REVOLVING LINE OF CREDIT)

Not to exceed \$2,333,000

ORDINANCE NO. 2023-02-1123

AN ORDINANCE OF THE CITY OF WHITE SALMON, WASHINGTON, AMENDING ORDINANCE NO. 2022-04-1101, PASSED BY THE CITY COUNCIL ON APRIL 6, 2022, FOR THE PURPOSE OF ACCEPTING THE OFFER OF CASHMERE VALLEY BANK AND PROVIDING FOR THE TERMS OF THE NOTE.

WHEREAS, the City of White Salmon, Washington (the “City”) operates a water supply and distribution system as part of its water utility (the “Water System”) which is in need of improvements (as hereinafter described more fully, the “Project”); and

WHEREAS, long-term financing for the Project will be provided by a loan from the United States Department of Agriculture, Rural Development (the “Government”), evidenced by a revenue bond secured by a pledge of Water System revenue (the “Bond”); and

WHEREAS, the City Council passed Ordinance No. 2022-04-1101 on April 6, 2022, providing for the issuance and sale of a Water Revenue Bond Anticipation Note in the principal amount of not to exceed \$2,333,000 (the “Note”) to evidence a non-revolving line of credit for the purpose of providing interim financing for the Project; and

WHEREAS, construction bids for the Project have been received and the City now wishes to undertake the Project and requires interim financing pending issuance and sale of the Bond to the Government; and

WHEREAS, the City has received the offer of Cashmere Valley Bank (the “Bank”), dated February 1, 2023 (the “Commitment Letter”), to provide a non-revolving line of credit to be evidenced by the Note authorized by Ordinance No. 2022-04-1101, as amended by this ordinance, under the terms set forth in the Commitment Letter; and

WHEREAS, it is now in the best interests of the City to accept the Bank’s Commitment Letter and amend Ordinance No. 2022-04-1101;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WHITE SALMON, WASHINGTON, DO HEREBY ORDAIN, as follows:

Section 1. Amendment to Ordinance No. 2022-04-1101. The following definitions in Section 1 of Ordinance No. 2022-04-1101 (“Definitions”), are hereby amended to read as follows (additions are double underscored and deletions are shown as stricken text):

Commitment Letter means the letter from the Bank dated February 1, 2023 ~~April 6, 2022~~, offering to purchase the Note.

Designated City Representative means the Mayor, the City Administrator or the City Clerk Treasurer or such other official or employee of the City designated in writing by the foregoing.

Draw Period Interest Rate means a fixed rate of 3.80% ~~4.85%~~ per annum commencing on the Initial Draw Date through the Maturity Date calculated on a basis of 30/360 with 12 months consisting of 30 days each.

Maturity Date means December 1, 2024 ~~2023~~, or such prior date chosen by the City within the maximum allowed maturity provided by the Government, and may be extended for up to twelve (12) additional months pursuant to the terms hereof and of the Commitment Letter.

Note means the City of White Salmon, Washington, Water Revenue Bond Anticipation Note, 2023 ~~2022~~, issued pursuant to Ordinance No. 2022-04-1101 and this ordinance.

Section 2. Amendment to Section 4 of Ordinance No. 2022-04-1101. Section 4 of Ordinance No. 2022-04-1101 is hereby further amended to read as follows (additions are double underscored and deletions are shown as stricken):

Section 4. Authorization of Note. For the purpose of providing interim financing for the Project pending its completion and issuance and sale of the Bond, the City shall issue its revenue bond anticipation note as a non-revolving line of credit in an aggregate principal amount of not to exceed \$2,333,000. The Note shall be designated “City of White Salmon, Washington, Water Revenue Bond Anticipation Note, 2023 ~~2022~~,” shall be dated as of the date of its original issuance, shall be fully registered as to both principal and interest, shall be in the denomination of \$2,333,000; provided that the principal amount due and owing thereunder shall be measured by the total Draws made, as evidenced by the Loan Draw Record, shall be numbered N-1, and shall bear interest on unpaid principal from the date of each Draw (hereinafter described) at the Draw Period Interest Rate, calculated on a basis of 30/360 with 12 months consisting of 30 days each. Interest on a particular principal amount Drawn on the line of credit established hereunder shall be payable semiannually on June 1 and December 1, commencing June 1, 2023 ~~2022~~, or the first June 1 or December 1 after the Initial Draw Date on the Note, with a final payment on the Note’s Maturity Date, or earlier prepayment in full of the Note. Principal of and all accrued interest on the Note shall be due and payable on the Maturity Date to the extent not prepaid at an earlier date.

The Maturity Date of the Note may be extended for up to an additional twelve (12) months with the agreement of the City and the Bank. If the Maturity Date of the Note is

extended pursuant to the terms herein and in the Commitment Letter, all outstanding interest on the bond as of the original Maturity Date shall be paid as of such date, and the City shall pay the Bank the fee as described in the Commitment Letter or in the agreement of the City and Bank. The Draw Period Interest Rate may be redetermined on the original Maturity Date for the extended period beginning the day after the original Maturity Date to the extended Maturity Date, as agreed by the City and the Bank.

The Treasurer shall be the “Note Registrar.” The Note is not intended to be a revolving obligation; the principal amount outstanding under the Note may never exceed \$2,333,000, and principal amounts repaid may not be reborrowed. The available principal of the Note shall be disbursed as borrowings from time to time by the Bank upon request from an Authorized Officer in substantially the form of Exhibit A to this Amending Ordinance ~~to the Commitment Letter~~, subject to approval by the Bank and the Government (each such disbursement herein referred to as a “Draw”), as provided in Section 9 of Ordinance No. 2022-04-1101 and this ordinance. The City shall use best efforts to deliver Draw requests to the Bank two days prior to the requested disbursement date, and in no case later than 11 a.m. Pacific Time on the requested disbursement date. A Draw request must be accompanied by an approval of the Draw amount from an authorized representative of the Government. Draws shall be recorded in such form as the City and the Bank may agree. Interest on each Draw shall accrue from the date of the Draw and shall be computed on the basis as described above on the principal amount of the Draw outstanding for the actual number of days the principal amount of the Draw is outstanding.

The proceeds of any Draw shall be deposited into the Construction Fund and shall be expended solely to pay the costs of the Project and financing costs.

Both principal of and interest on the Note shall be payable in lawful money of the United States of America. Upon the final payment of all principal and interest on the Note, the Note shall be surrendered to the Note Registrar for cancellation. The Note shall not be transferable, except in whole (i) to a successor to the business or assets of the Bank or (ii) to a “qualified institutional buyer” as such is defined in Rule 144A of the Securities Act of 1933. The Note shall be an obligation only of the Debt Service Fund and shall be payable and secured as provided herein. The Note is not a general obligation of the City.

Section 3. **Amendment to Section 10 of Ordinance No. 2022-04-1101.** The third paragraph of Section 10 of Ordinance No. 2022-04-1101 is hereby further amended to read as follows (additions are double underscored and deletions are shown as stricken):

The City hereby designates the Note as a “qualified tax exempt obligation” under Section 265(b) of the Code for investment by financial institutions. The City does not anticipate issuing more than \$10,000,000 in qualified tax-exempt obligations during 2023 ~~2022~~.

Section 4. Amendment to Section 13 of Ordinance No. 2022-04-1101. Section 14 of Ordinance No. 2022-04-1101 is hereby further amended to read as follows (additions are double underscored and deletions are shown as stricken):

Section 13. Form of Note and Registration Certificate. The Note shall be in substantially the following form:

NO. N-1 UNITED STATES OF AMERICA not to exceed \$2,333,000
(or as much thereof as is shown on the attached Loan Draw Record)

STATE OF WASHINGTON
CITY OF WHITE SALMON
WATER REVENUE BOND ANTICIPATION NOTE, 2023 ~~2022~~

INTEREST RATE: Draw Period Interest Rate, as provided in the Ordinance.
MATURITY DATE: December 1, 2024 ~~2023~~, or such prior date chosen by the City within the maximum allowed maturity provided by the Government, or as extended as provided in the Ordinance.
REGISTERED OWNER: CASHMERE VALLEY BANK
117 APLETS WAY
CASHMERE, WA 98815
TAX IDENTIFICATION #: 91-0168460
PRINCIPAL AMOUNT: TWO MILLION, THREE HUNDRED THIRTY-THREE THOUSAND AND NO/100 DOLLARS (or so much as been Drawn hereunder)

The CITY OF WHITE SALMON, WASHINGTON (the “City”), hereby acknowledges itself to owe and for value received promises to pay, but solely from the sources identified herein, to the Registered Owner identified above, or registered assigns on the Maturity Date, the Principal Amount, together with interest thereon at the Draw Period Interest Rate, as defined in Ordinance No. 2022-04-1101, as amended by Ordinance No. 2023-02-1123 of the City (the “Ordinance”), calculated on a basis of 30/360 with 12 months consisting of 30 days each. Interest shall be payable semiannually on June 1 and December 1, commencing June 1, 2023 ~~2022~~, or the first June 1 or December 1 after the Initial Draw Date on the Note, and on the Maturity Date, to the extent not prepaid. Installments of the principal of and interest on this note shall be paid by check or draft of the City mailed on the date such principal and interest is due or by electronic funds transfer made on the date such interest is due to the Registered Owner at the address shown above. Upon final payment of all installments of principal and interest thereon, this note shall be

submitted to the Note Registrar (the Treasurer of the City) for cancellation and surrender.

This note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon shall have been manually signed by the Note Registrar. The definitions contained in the Ordinance shall apply to capitalized terms contained herein.

The City hereby irrevocably covenants and agrees with the Registered Owner of this note that it will keep and perform all the covenants of this note and of the Ordinance to be by it kept and performed. Reference is hereby made to the Ordinance for a complete statement of such covenants and for the definition of capitalized terms used herein.

This note is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and resolutions and ordinances of the City, including the Ordinance, for the purpose of providing interim financing for certain improvements to the Water System. This note is issued in anticipation of the issuance of a revenue bond (the "Bond") authorized by the City.

Both principal of and interest on this note are payable solely out of the special fund of the City known as the "Water Debt Service Fund" (the "Debt Service Fund"). The City does hereby pledge and bind itself to set aside and pay into the Debt Service Fund the amount required by the Ordinance to be paid therein from the proceeds of the Bond (as authorized in the Ordinance) or from the sources and in the priority specified in the Ordinance. The City further pledges that it will issue the Bond on or prior to the maturity of this note, and use the proceeds thereof to redeem this note. This note is not a general obligation of the City.

This note may be prepaid at any time, in whole or in part.

This note is not transferable, except as provided in the Ordinance.

This note is not a "private activity bond" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). This note is a qualified tax-exempt obligation under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done and performed precedent to and in the issuance of this note have happened, been done and performed and that the issuance of this note does not violate any constitutional, statutory or other limitation upon the amount of indebtedness that the City may incur.

IN WITNESS WHEREOF, the City of White Salmon, Washington, has caused this note to be signed, executed by the manual or facsimile signature of the Mayor, and authenticated by the City Clerk/Treasurer, as of this ____ day of _____, 2023-2022.

CITY OF WHITE SALMON,
WASHINGTON

/s/ manual or facsimile signature
Mayor

ATTEST:

/s/ manual or facsimile signature
Clerk/Treasurer of the City

The Note Registrar’s Certificate of Authentication on the Note shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This note is the note described in the within-mentioned Ordinance and is the Water Revenue Bond Anticipation Note, 2023 ~~2022~~, of the City, dated _____, 2023 ~~2022~~.

CITY OF WHITE SALMON
TREASURER, as Registrar

By _____

Section 5. Amendment to Section 15 of Ordinance No. 2022-04-1101. Section 15 of Ordinance No. 2022-04-1101 is hereby further amended to read as follows (additions are double underscored and deletions are shown as stricken):

Section 15. Sale of Note. The Note shall be sold to the Bank in accordance with its Commitment Letter, which by this reference is hereby incorporated herein, and the acceptance of such proposal is hereby ratified and confirmed. A loan fee of \$500 ~~\$550~~ is authorized to be paid to the Bank.

Section 6. Confirmation of Ordinance No. 2022-04-1101. Ordinance No. 2022-04-1101 as amended by this amendatory Ordinance is hereby ratified and confirmed.

Section 7. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Note.

Section 8. Prior Acts. All acts taken pursuant to the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 9. **Effective Date.** This ordinance shall become effective from and after its passage, and approval and publication as required by law.

PASSED by the City Council at a regular open public meeting thereof, held on the 1st day of February, 2023.

CITY OF WHITE SALMON,
WASHINGTON

Marla Keethler, Mayor

ATTEST:

Stephanie Porter, City Clerk/Treasurer

APPROVED AS TO FORM:

Kenneth B. Woodrich, City Attorney

**EXHIBIT A
FORM OF REQUEST FOR DRAW**

**WATER REVENUE BOND ANTICIPATION NOTE, 2023
(NON-REVOLVING LINE OF CREDIT)
Not to exceed \$2,333,000**

REQUEST FOR DRAW NO. _____

TO: Tom Brown, Vice President
Cashmere Valley Bank
117 Aplets Way
Cashmere, Washington 98815
TBrown@CVB.bank

On behalf of the City of White Salmon, Washington (the "City"), I hereby certify that:

1. I am the Designated City Representative of the City, and that I am authorized to request this Draw under the City's Water Revenue Bond Anticipation Note, 2023 (the "Note"), and to make the representations on behalf of the City set forth herein. Capitalized terms used in this Draw Certificate have the meanings defined for such terms in Ordinance No. 2022-04-1101 of the City, passed on April 6, 2022, as amended by Ordinance No. 2023-02-1123, passed on February 1, 2023 (together, the "Note Ordinance").
2. The City requests a Draw under the Note in the amount of: \$_____ to be disbursed on _____ [Month/Day/Year]. The proceeds of the Draw should be sent by electronic transfer to _____ [insert wiring instructions] for the further attention and direction of _____ in accordance with the Note Ordinance.
3. The amount of this Draw, together with the principal amount of all remaining outstanding Draws of the City under the Note, do not exceed \$2,333,000.
4. The proceeds of the Draw will be expended for purposes of the City in accordance with the Note Ordinance.
5. All representations of the City in the Note Ordinance were true and correct when made, and remain true and correct on this date.

Dated as of this ___ day of _____, _____.

CITY OF WHITE SALMON, WASHINGTON

By: _____
Name: _____
Title: _____

CERTIFICATE

I, the undersigned, Clerk of the City of White Salmon, Washington (the “City”), DO
HEREBY CERTIFY:

1. That the attached Ordinance No. 2023-02-1123 (herein called the “Ordinance”) is a true and correct copy of an ordinance of the City as finally passed at a regular meeting of the City Council held on the 1st day of February, 2023, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the City Council was present throughout the meeting and a legally sufficient number of members of the City Council voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of February, 2023.

Stephanie Porter, City Clerk/Treasurer



CITY OF WHITE SALMON, WA
Term Sheet
USDA RD BOND ANTICIPATION NOTE
January 12, 2023

Thank you for the opportunity to provide a Term Sheet in support of the City of White Salmon, WA wastewater treatment facility project with the United States Department of Agriculture Rural Development (“RD”). Cashmere Valley Bank (the “Bank”) is pleased to propose the following terms of a note, subject to Bank credit approval:

- 1) **Borrower:** City of White Salmon, WA (the “City”)
- 2) **Summary:** A Water Revenue Bond Anticipation Note, 2023 (the “Note”) to finance a portion of the City’s 14-inch water main project (the “Project”) as would be more fully described in the RD Letter of Conditions (the “Letter of Conditions”). The credit facility would be available until December 1, 2024 or another date chosen by the City within the maximum allowed maturity provided by RD. It is anticipated that the Note would be repaid from the proceeds of a revenue bond sold to RD.
- 3) **Amount:** Approximately \$2,333,000
- 4) **Form:** Fully registered, non-rated, bank qualified tax-exempt note issued by the City and purchased by the Bank at private sale.
- 5) **Purpose:** To provide funding for preconstruction and construction activities related to the City’s Project.
- 6) **Note Terms:**
 - a) **Interest Rate:** The outstanding principal balance of the Note would bear interest at a bank qualified tax exempt fixed rate of 3.80% *per annum*. Interest would be calculated on the basis of 30/360 with 12 months consisting of 30 days each.
 - b) **Term:** The maturity of the Note is expected to be December 1, 2024. Alternatively, the City may choose another maturity date so long as it does not exceed RD’s maximum maturity for this interim financing bond anticipation note. All principal would be due at maturity. Interest would be due semiannually on June 1 and December 1, commencing June 1, 2023, or the first June 1 or December 1 after the first Loan Draw on the Note. Interest due may be paid from proceeds of a Draw as approved by RD.
 - c) **Draws:** Draws could be made on any business day in an amount greater than or equal to \$25,000. A draw request must be accompanied by an approval of the draw amount from an authorized representative of RD. Draw proceeds would be wire transferred to the City. For same day funding, draw requests would need to be received and confirmed by 11 AM.
 - d) **Transferability:** The Bank would hold the Note with no intent to sell or transfer. The Note may be transferred only in whole to a qualified investor.

- e) Security: The Note will be secured by a pledge to issue the Bond to RD and any other available funds of the City. The City would adopt an ordinance authorizing the Bond and fully describing the security for the Note.
- 7) Prepayment: The Note could be prepaid at any time without penalty.
- 8) Fees: The Bank would charge a fee of \$500.00 for this credit facility payable as a discount to the first draw. The Bank does not anticipate legal costs. The City would be responsible for all other costs of issuance including bond counsel charges.
- 9) Additional Terms: The Note documents would be prepared by bond counsel to the City, would be in the standard forms customarily required by the Bank for municipal funding, and would include additional terms and conditions not discussed above. At the date of closing of the Note, the financial condition and credit of the City and all other features of this transaction would be as represented to the Bank without material adverse change including the terms and status of the RD loans and grants, if any, as supported by the documentation supplied by the City to the Bank as of the closing date. In the event of adverse material changes in the credit worthiness of the City, including litigation involving or claims filed against the City, any future offers or commitments would terminate upon notice by the Bank. RD must concur with this agreement for interim financing. The Bank will receive an "I" Letter (approval of the Bank's offer to provide interim financing, which generally also indicates that RD has reviewed construction bids, and finds that the bids are within Project budget and from an acceptable contractor(s)) from RD. The Bank must receive a copy of the Operating Budget Form RD 442-7 or similar form as accepted by RD. Any future commitment would be non-assignable by the City. The City would designate the Note as a "qualified tax-exempt obligation" under section 265(b) (3) of the IRS Code for investment by financial institutions. The City would also be required to send the Bank an annual financial report for as long as the Note is outstanding.
- 10) Credit Approval: Upon notification to the Bank that the City wishes to accept the terms set forth herein, a commitment letter would be promptly prepared detailing accepted terms for acceptance by the City after due diligence and credit approval by the Bank. The Bank will need three years financial statements for the City. The Bank will need to satisfactorily review the final Letter of Conditions and Form RD 442-7 or similar form that supports the project. The Bank does not foresee requiring any additional documentation from the City except the noted financial statements and RD forms.

We have successfully provided numerous USDA RD interim construction transactions in Washington State. We are very familiar with the USDA RD/RUS process, procedures, documents, and requirements.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

File Attachments for Item:

B. Approval of Note Purchase Agreement, Cashmere Valley Bank

1. Presentation and Discussion

2. Action



Department Head: [Signature]
Clerk/Treasurer: [Signature]
City Administrator: [Signature]
Mayor: [Signature]

CITY COUNCIL REPORT

Business Item

Consent Agenda

Needs Legal Review:

Yes, completed

Meeting Date:

February 1, 2023

Agenda Item:

Note Purchase Agreement with Cashmere Valley Bank for principal amount not to exceed \$ 2,333,000.

Presented By:

Stephanie Porter, Clerk Treasurer

Action Required:

Authorization to sign Note Purchase Agreement with Cashmere Valley Bank for principal amount not to exceed \$ 2,333,000.

Motion for Business Item / Proposed Motion for Consent Agenda:

Motion to authorize the mayor to sign Note Purchase Agreement with Cashmere Valley Bank for interim financing for the principal amount not to exceed \$2,333,000.

Explanation of Issue:

The city council previously authorized using Cashmere Valley Bank for interim financing for the Transmission Main Line Replacement Phase I. An update Note Purchase Offer is required as the interest rate and maturity date have been changed.

Council Options:

City Council has the following options available at this time:

1. Accept the Staff Recommendation.
2. Revise the Staff Recommendation.
3. Refer this issue back to staff for additional work.
4. Take No Action
5. Other action as desired by council.

Fiscal Analysis:

None at this time.

Recommendation of Staff/Committee:

Staff recommends authorizing signing the Note Purchase Offer with Cashmere Valley Bank not to exceed 2,333,000.



Cashmere Valley Bank

February 1, 2023

City of White Salmon, Washington
100 N. Main St.
White Salmon, WA 98672

To the Honorable City Council of the City of White Salmon, Washington,

Thank you for the opportunity to propose an offer to provide a line of credit in support of the White Salmon Transmission Main Project for the City of White Salmon, Washington (the “City”) with the United States Department of Agriculture Rural Development (“RD”). Cashmere Valley Bank (the “Bank”) has approved the borrowing facility outlined in this commitment letter under the following terms:

1. Borrower: City of White Salmon, Washington
2. Amount: \$2,333,000
3. Form: Fully registered tax-exempt Water Revenue Bond Anticipation Note Non-Revolver Line of Credit (the “Note”) issued by the City and purchased by the Bank at private sale.
4. Purpose: To proceeds of Draws on the Note will be used to provide interim funding for improvements to the City’s Water Utility.
5. Note Description and Terms:
 - a) Interest Rate: The outstanding principal balance of the Note would bear interest at a bank qualified, tax-exempt, fixed rate of 3.80% *per annum*. Interest would be calculated on a basis of 30/360 with 12 months consisting of 30 days each.
 - b) Term: The Note will mature on December 1, 2024 (the “Maturity Date”). Interest on the Note shall be payable semiannually on each December 1, and June 1, commencing June 1, 2023 or the first June 1 or December 1 after the Initial Draw Date on the Note. Principal of the Note is payable on the Maturity Date or date of prior redemption.
 - c) Draws: Draws on the Note can be made on any business day in an amount greater than or equal to \$25,000. A draw request must be accompanied by an approval of the draw amount from an authorized representative of RD. Draw proceeds will be wire

transferred into an account at the bank designated by the City. For same day funding, draw requests will need to be received and confirmed by the Bank by 11 am.

- d) Security: The Note will be repaid from proceeds of a revenue bond sold by the City to RD (the “Bond”). The Note may also be repaid from other short-term obligations or from Gross Revenue of the Water System or moneys in the Water Fund. The City will covenant to issue the Bond or another refunding water revenue obligation in an amount sufficient, with other moneys of the City, legally available and specifically set aside for such purpose, to pay the principal of and interest on the Note when due and on or prior to the Maturity Date.
- e) Transferability: The Bank will hold the Note with no intent to sell or transfer. The Note may be assigned or transferred as provided in the Ordinance.
- f) Prepayment: The City may prepay the Note, in whole or in part, at any time. The Bank will not charge a prepayment fee on any amounts prepaid by the City.

6. Fees: The Bank will charge an administration fee of \$500 for this credit facility, taken as a discount from the proceeds to the First Draw. The City will be responsible for all other costs of issuing the Note.

7. Additional
Terms:

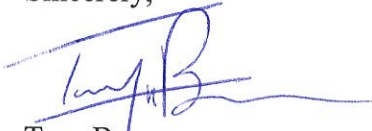
The Note documents would be prepared by bond counsel to the City, would be in the standard forms customarily required by the Bank for municipal funding, and would include additional terms and conditions not discussed above. At closing, the financial condition and credit of the City and all other features of this transaction would be as represented to the Bank without material adverse change including the terms and status of the RD loans and grants, as supported by the documentation supplied by the City to the Bank as of the closing date. In the event of adverse material changes in the credit worthiness of the City, including litigation involving or claims filed against the City, any future offers or commitments would terminate upon notice by the Bank. RD must concur with this agreement for interim financing as stipulated in their Letter of Conditions dated June 15, 2021 and as may be subsequently modified (“Letter of Conditions”). Any future commitment would be non-assignable by the City. The City would designate the Note as a “qualified tax-exempt obligation” under section 265(b) (3) of the IRS Code for investment by financial institutions. The City would also be required to send the Bank an annual financial report for as long as the Note is outstanding.

8. Acceptance: This commitment is not binding unless the Bank receives a signed copy of this letter by March 15, 2023 at which time the commitment will expire without notice. If, after acceptance, the Note has not closed by May 5, 2023, this commitment will expire without notice.

Oral agreements or oral commitments to loan money, extend credit, or to forbear from enforcing repayment of a debt are not enforceable under Washington law.

Thank you for the opportunity to work with the City on this project.

Sincerely,



Tom Brown
Vice President, Municipal Finance Manager

Acknowledged and accepted this ___ day of _____, 2023

CITY OF WHITE SALMON, WASHINGTON

Designated Officer

cc: Scott McJannet, K&L Gates LLP
Marti Canatsey, USDA Rural Development

File Attachments for Item:

B. Department Heads



City of White Salmon Office of Public Works

Weekly report

Week of: 12/19--- 12/30/2022

Division: Public Works

Administration Operations

Recent Activities

Update on the Waubish Gen-Set repair. Peterson power generation was here for ½ day looking into why we are getting alarms and not starting. Was determined the no start was a multitude of issues one was he reset how long the crank time is and how the motor was primed with fuel. This made a huge easy of starting ultimately, he set it for really cold conditions. The other issue is communicating with the Scada system at Waubish. The Scada system there is a stand alone and doesn't reflect on the failing system we currently have. After a couple hours we are still unsure why it is not communicating and need to call the company who set it up to see where the issue is so currently looking into that.

Fire extinguishers were rounded up and tested city wide and up to date.

Jason was able to locate out the communication line and find the pull box for our new communication fiber line to be installed at the well field. This will replace the old, failed line that we replaced with radio communication. The radio communication will remain in place for backup if something should happen with the fiber line. This connects Childs monitoring station with well 2 and the booster station.

Bingen called and needed our Vac truck to clean some storm lines. We do bill for this for time and truck time.

Took couple loads of leaves in the dump truck to Dirt huggers this should be the final cleanup of leaves form the parks. We talked with them about the sweeper tailings, and they won't accept them as it's to much garbage and misc. for them to separate. So, we continue to find local sources that want fill.

Reviewed apps for the new PW maintenance position with Stephanie on Monday 23rd. First interviews are on Thursday 26th. PW team came up with questions to be asked along with input from the Police dept. We currently have 7 candidates. We hope to narrow down to 2 and do second round of interviews. This would be meeting the crew and a drive around to

visit the sites and explain what is expected to be maintained per site.

Carshare met at the proposed site behind the Firehall with the PUD and Coburn electric to do a layout of what needs to happen. PW suggested that we remove asphalt pile area as this will create 2 more parking areas and room for the pole and meter base for project. The crew has already removed the barriers and cleaned up site and removing the asphalt as we speak. Along with that WS is no longer doing the digging for Bingen as they have their own backhoe. I did let them know if they needed help, we are here for assistance.

Sweeper is now functional again for the most part still have some small maintenance needed but want to get the streets cleaned up. Repair costs for parts alone \$3500 roughly.

It appears maybe Saturday 28th possibility of snow and some colder weather so we plan to put deicer down Friday.

The paint striper we use for crosswalks and line striping machine is owned by The Port Of Klickitat and City Of Bingen and White Salmon. After last year it wasn't working properly so took it in for evaluation for repairs. This machine is over 15 years old the quote I was given just for parts is \$1327.43 plus labor. New machine is roughly \$7000ish. Neither the Port nor Bingen want any more involvement in CO-owning this machine. My recommendation is if we have it in the budget to repair I would do so. With only one entity using this we know how it is cared for and maintained and could easy make another 15 years. I do have emails from both Bingen and the Port stating dissolution of the co-ownership.

New Services

Water Leaks

Issues/Needs

- Mapping GIS. **Coming 2023
- Valve maintenance program.** GIS coming 2023
- Fire hydrant maintenance program.** GIS coming 2023
- Water main flushing program.
- Manhole and sewer main maintenance program. **We Flush sewer manholes 2x year
- PRV & Air relief maintenance program. **GIS coming 2023
- Storm drain mapping and maintenance program. **Clean catch basins 2x year
- Asphalt and sidewalk maintenance program. **On going pothole maintenance
- Jewett Blvd Manhole repair or replacement. **Coming 2023
- Los Altos tank cleaning and painting. **Coming 2023
- Reservoirs cleaned and inspected. ** Looking for quotes
- Bucket Truck** waiting for funds to purchase



DEPARTMENT HEAD REPORT

Department: Police

Meeting Date: February 1, 2023

Presented By: Chief Mike Hepner

For dates of 01/11/2023—01/26/2023

Administration:

- WS Council Meeting
- Bingen Council Meeting
- Klickitat County Behavior Health meeting
- Klickitat Community Link Project (K-LINK) Meeting
A collaboration of community partners working together to better connect their services and better serve the community

Patrol Division:

The Bingen-White Salmon Police Department pride ourselves in reducing the incidence and fear of crime, insuring justice, and safeguarding the rights of all, to provide for a safe and vibrant community.

The Bingen-White Salmon Police Department will accomplish this by working in partnership with the community we serve to enhance our law enforcement effectiveness.

I ask the Officers to prioritize their time by making calls for service as the top priority. Second to be visible in the community which means driving through neighborhoods and being seen by the public and lastly speed enforcement, parking issues, or whatever the community deems important to them.

- 28 of the 48 calls for service in this time frame were in White Salmon
- 0 Arrest were made in White Salmon
- 1 Motor Vehicle Crash occurred in WS for this time frame



**City of White Salmon
Fire Department/ Building Department**

**Report
January 27, 2023**

Responses:

We were called to 5 calls from January 12 to January 27, 2 in the city of White Salmon and 3 mutual/automatic aid to other agencies. 2 calls were medical assist, 3 calls were fire related.

Drills:

We drill every Tuesday 6:30 pm to 8:30 pm. We are accepting applications for volunteers no experience necessary.

The community task force has met 3 times in January.

I have completed 19 legacy short term rental fire safety inspections since Jan. 1.

I attended a kickoff meeting with Erika and Jeff for Brightly software. Erika is providing information to them and we are looking forward to putting it in service.

Respectfully submitted
Bill Hunsaker
Fire Chief/ Building Official



DEPARTMENT REPORT FINANCE / HR / CLERK

Meeting Date: February 1, 2023
Presented By: Stephanie Porter, Clerk Treasurer

Daily Operations / What's Happening:

- Quarterly Tax Reporting – completed, Finance Clerk trained with me.
- Public Records Request – 4 requests this period – Huge thank you to Lisa from Police for her help with my questions!
- Utility Billing – updating fees in operating systems and related proration documents. January 30 utility bill will have the updated base fee rates, but will continue to bill the 2022 tier rates as the water usage is from December 2022. Tier Rates will be updated to the 2023 rates for the February 27 utility bill.
- Troy Rosenberg is continuing to support the Public Works Department with required reporting needs until an additional maintenance worker and PWD are hired.

Current Projects:

- Preparing and mailing W2 and 1099 – due by 01/31/2023
- Small Work Roster application renewals (Training Deputy Clerk)
- Request for Qualifications (RFQ) out for Personal Service Contract – Engineering 2023
- Record Retention – pulling and scheduling destruction of expired records (Training Deputy Clerk)
- Working with consultants and city staff to organize and manage grant reimbursement requests and required filing deadlines.
- SCADA project funding- contract sent to Anderson Perry to move forward with Engineering.
- Public Works Director Job has been posted. The first review of applicants will be February 13. We have received 6 applications as of today.
- Public Works Maintenance Worker interviews have started. The position closes on January 31, 2023.
- Mailbox installation discussion and approval of proposed mail route has not moved forward at this time. This project will likely be moved to a different staff member for quicker completion.

Upcoming Projects:

- Begin Annual Report documentation collection.
- Arbor Day Recognition and Celebration – Tree Board will review at their February 13 meeting.
- Bid Opening for the Phase 1 Transmission Main Replacement Project – scheduled for February 2, 2023.
- Sweet Gum Tree Pruning Bid – extended for review on February 21, 2023.
- Garfield Project bid process is under staff review.

Updates for the Community / Upcoming Events:

Tree Board Meeting – Monday, February 13, 2023 at 5:30pm
City Operations Committee Meeting – Tuesday, February 21, 2023 at 5:30pm
Community Development Committee Meeting – TBD
City Lab Board Meeting – Tuesday, February 28, 2023 at 6:00pm



DEPARTMENT UPDATE

Department: Planning Department
Meeting Date: February 1, 2023
Presented By: Jeff Broderick, Planner

Short-term Rentals

Renewal notifications for STRs were sent out the week of December 27 and renewals are due no later than January 31, 2023. As of January 27, 16 applications are complete with inspections done by Bill H. Nine are pending inspections and there are six incomplete applications. There are approximately 10 outstanding applications pending Staff researching changing water/sewer billing methodology and if the owner's proposal meets City code regarding billing. In addition, the owner of these properties has advised the City they may convert STRs to a hotel. Based on WSMC 17.48.030, this is an allowed use in the Commercial zone. Stephanie and Jeff have met with that owner about their issues.

In total, the City has received 41 applications or potential applications for 2023 STR permits. Unless the City receives additional permits over the weekend, this is fewer than 2022. Updated numbers providing a better sense of active 2023 STR permits will be provided later in February.

Planning Updates

Land use actions that will be complete or have decisions issued in next two weeks are:

- Variance appeal hearing with hearings examiner on Feb. 3
- Variance hearing to be heard before the Planning Commission Feb. 8
- Boundary line adjustment on SE Oak
- Short plat east of Wyer's End

Per WSMC 3.36.010 and 3.36.030, the City can start charging for these land use inquiries.

It is not the City's intent to charge additional fees for land use actions that are unusually challenging by their nature or if inquiries are brief. In most cases, the City would not look at charging excess fees until a couple of extra hours of service have been rendered for advice, research, etc. above and beyond what would be considered normal.

TSP Update

After discussions with the Mayor, it was decided to create a Spanish version of the survey. Nelson/Nygaard (consulting firm) can do the translation, but we will hold off making the survey public until the translation is complete which is anticipated to be about two weeks.

CAO/SMP Update



The consultant working on this project will present proposed changes at the February 22 Planning Commission meeting. These will be only proposed changes. The Planning Commission and City Council will review final drafts of these prior to adoption later in the spring and public outreach is part of this process prior to adoption.

Staff is working with Mayor Keethler on what additional committees may be part of the review process for these plans and potential code changes. It should be noted that there are time constraints on grant funding for the CAO/SMP processes of June 30, so we will have an efficient timeline.

Grant Training

Jeff B signed up for a series of seminars about safe streets and roads grants offered through the National League of Cities. The first session was on Jan. 27. This will continue into the spring.