

**CITY OF KALAMA
CITY COUNCIL MEETING
DECEMBER 2, 2009**

1. OPENING

Mayor Pete Poulsen opened the City Council meeting at 7:00 p.m. Mayor Poulsen led those present in the Pledge of Allegiance.

Councilmembers present were Adam Smee, Chuck Hutchinson, and Don Purvis. Councilmembers Dominic Ciancibelli and Bud Gish were absent. City staff present were Director of Public Works Carl McCrary and Clerk/Treasurer Coni McMaster. City Attorney Paul Brachvogel was also present. Members of the public present are listed on the sign-in sheet.

2. EXECUTIVE SESSION - None

3. CHANGES TO THE AGENDA - None

4. PRESENTATIONS & AWARDS

A. Certificate of Appreciation to Chad Moon

Mayor Poulsen asked Director of Public Works Carl McCrary to make the presentation and added that Public Works crewmember Chad Moon often goes above and beyond what is asked of him. He is an excellent employee. Mr. McCrary explained that during the recent power outage, Chad was called out and worked on his own to handle several problems that kept the City's systems running smoothly. Mr. Moon thanked Carl and the Council for making sure that they have the tools they need to do the job and for the great crew to work with. Mayor Poulsen noted that the City's Public Works Crew is a special group of people that work hard for the City.

5. PUBLIC HEARINGS

A. 2010 Budget and 2010 to 2015 Capital Facilities Plan

Mayor Poulsen opened the public hearing on the budget and the capital facilities projects for next year. Clerk/Treasurer Coni McMaster provided some up-dated information and spreadsheets on the budget. She also provided answers to prior requests regarding sales and utility taxes. The City is at the maximum it can set for sales taxes. Any increases have to go through the County and voter approval. The City is also at the maximum for utility taxes which are allowed by law. Councilmember Chuck Hutchinson noted the letter from citizen Jim Spencer in which he questioned the summer sewer rates, suggesting that the additional 10% be done away with. Ms. McMaster explained that the summer sewer rates are calculated on the winter average plus 10%. This has been in the code for a long time. She guessed the reason for the 10% would be to address the fact that during the summer water usage increases and not only for outdoor activities that don't involve sewer. She would get additional information for the Council. Director of Public Works Carl McCrary noted that he

has updated the Public Works sections of the Capital Facilities Plan and completed all the backup documentations. The Council will see the full package prior to passing the budget. Since there were no questions or comments from the audience, Mayor Poulsen closed the hearing.

6. PUBLIC COMMENTS/CONCERNS - None

7. UNFINISHED BUSINESS

A. Extend Construction Management Agreement for the First St. Improvement Project Phase 2

Engineers Gray & Osborne are requesting to extend the construction management agreement on the Downtown project for an additional 6 months. The length of the extension was questioned. This is a project with federal funding attached, and sometimes the paperwork takes quite awhile. The contractor is also slow with paperwork, so the release of the retainage could also be held up. This extension would help the City to avoid having to request an added extension. This would not change the scope of the services nor add any costs for the City. City Attorney noted that if this was to extend the contractor's work the City would need to be sure to not waive it's rights to liquidated damages. This led to a discussion of the contract time on the project. The contract was for 60 days and that 60 days is up, so they are now working on negative days. It was explained that the engineers have received a request for a time extension, but it was incomplete. It will be brought before the Council at the next Council meeting. Any extension granted could be back dated against the negative time. If liquidated damages are necessary they would be \$1400 per day. There was a question as to if the engineers would share in the responsibility for the delay. Director of Public Works explained that the engineers cannot manage the work on the project, so they cannot force the work to get done faster. This is entirely the contractor's responsibility. Councilmember Adam Smee noted his disappointment in how the project has progressed. He feels that there may be some justification for a few days extension, but he doesn't feel they deserve more. The damages clause is in place to ensure the work is done as promised, and the City needs to hold the contractor to the contract. The other Councilmembers present concurred with this belief. It was noted that the project time will be extended due to the lights not arriving until late January caused by delays at the factory. It was clarified that the request the Council is considering is only for the engineer's construction management. Councilmember Chuck Hutchinson made a motion the City Council approve the extension for the construction management with Gray and Osborne for the First Street Improvement Project Phase 2 and authorize the Mayor to sign. Councilmember Smee seconded, and the motion carried.

B. Update on the Low Income Discount for Columbia Terrace Estates

Director of Public Works Carl McCrary explained that he and Councilmember Dominic Ciancibelli have been looking into this along with some residents of Columbia Terrace. They found some information for local parks, but it didn't address the issue well. He did find a city in California that has a discount policy for sub-metered customers in manufactured home parks. This looks like what the residents have in mind, but further research will be needed to

determine if it will be legal here.

8. NEW BUSINESS

A. Library Strategic Plan – City Adopt

Mayor Poulsen recognized Library Boardmember Mary Putka and commended her and the Board for the serious work and time they put into this plan. Ms. Putka noted that they will be updating the survey in the next year. Councilmember Chuck Hutchinson made a motion the City Council adopt the Library Strategic Plan as presented by the Library Board. Councilmember Don Purvis seconded, and the motion carried.

B. Planning Commission Opening – Joy Harris – Term Expires 1/1/2010

Ms. Joy Harris' term on the Commission will expire in January and she has declined to be reappointed. The opening will be posted.

9. ORDINANCES & RESOLUTIONS

A. Ordinance No. 1245 - An ordinance of the City Council of the City of Kalama increasing charges for water services to customers ~~outside the city limits~~ to meet the needs of providing services and the cost of improvements to the water system by amending Kalama Municipal Code Section 12.12.010.

Ordinance No. 1245 was read by title. The reference to customers "outside the city limits" was removed as the ordinance is applicable to all water service customers. Councilmember Adam Smee made a motion the Council adopt Ordinance No. 1245. Councilmember Chuck Hutchinson seconded, and the motion carried.

B. Ordinance No. 1246- An ordinance of the City Council of the City of Kalama increasing charges for the base meter fees for sewer collections to meet the needs of providing services and the cost of improvements to the sewer system by amending Kalama Municipal Code Section 12.08.011.

Ordinance No. 1246 was read by title. Councilmember Chuck Hutchinson made a motion the Council adopt Ordinance No. 1246. Councilmember Adam Smee seconded, and the motion carried.

C. Ordinance No. 1247 - An Ordinance of the City of Kalama, Washington amending the 2009 Budget to include and authorize an interfund loan between Sewer Loan Reserve Fund 412 and Street Improvement Reserve Fund 102 to provide interim financing for the First Street Improvement Project Phase 2 in an amount not to exceed \$200,000.00.

Ordinance No. 1247 was read by title. This is to provide interim financing for the downtown project while waiting for the federal funds to come in. Councilmember Don Purvis made a motion the Council adopt Ordinance No. 1247. Councilmember Chuck Hutchinson seconded. Citizen Jim Dickey asked if interest was paid on this loan. Interest will be paid at 1%. The motion carried.

D. Ordinance No. 1248 - An Ordinance of the City of Kalama, Washington amending Kalama Municipal Code Chapter 12.18.030 increasing the low income utility rate discount

Ordinance No. 1248 was read by title. This will provide for some relief to low income residents due to the rate increases. Councilmember Don Purvis made a motion the Council adopt Ordinance No. 1248. Councilmember Chuck Hutchinson seconded, and the motion carried. It was noted that the rate increases would not be effective until the bill that will be issued at the end of February. At that time the City's website will be updated to reflect the new rates.

10. CORRESPONDENCE

- A. Kalama Police Department – Traffic Safety Commission Notice**
- B. Thank You from the Untouchables Car Club**

11. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

A. Mayor Pete Poulsen reported the joint work with Envision Kalama and the Chamber on how to market Kalama has been progressing. One thing that has been suggested is the City look at using the Kalama connection to the Twilight movies more. Mayor Poulsen would like to use some of the tourism funds to get a couple of banners to try to advertise this connection more. The groups will be meeting again on December 15th to discuss this further. There are budgeted funds in the Tourism fund that can be used. Mayor Poulsen also noted that 911 service was lost for the whole City over night. It has been restored.

B. Councilmember Adam Smee had no report.

C. Councilmember Dominic Ciancibelli was absent.

D. Councilmember Chuck Hutchinson reported that Chief Hall is sick with the flu. He added that he attended the Chamber last week and also the group meetings. He agrees the City may have missed the mark regarding Twilight and has made some purchases for his store as well.

E. Councilmember Donald Purvis had no report.

F. Councilmember Bud Gish was absent.

12. DEPARTMENT REPORTS

A. Director of Public Works Carl McCrary provided his written report. He noted that the City web page has a link to Twilight which has been very popular. He reported that a pre-construction meeting on the Sauer Road waterline will be held tomorrow. It was asked how the reservoir painting project is going. He answered it is very slow and the contractor has some issues with mill scale. They have requested to work on Sunday since the job is going so slowly. Mr. McCrary informed the Council that there was a fire in an electrical panel at the water plant over night. They are operating on backups at this time. They will be investigating the cause as well.

B. Police Chief Bruce Hall was absent.

C. Clerk/Treasurer Coni McMaster had no report.

D. City Attorney Paul Brachvogel had no report.

13. CONSENT AGENDA

Councilmember Chuck Hutchinson made a motion the City Council approve the Consent Agenda including Claims Vouchers Totaling \$43,554.70 for November , Payroll Vouchers totaling \$121,948.17 for November and the City Council minutes of November 18, 2009. Councilmember Adam Smee seconded, and the motion carried.

14. EXECUTIVE SESSION - None

15. ADJOURNMENT

Mayor Poulsen adjourned the meeting at 8:00 p.m. These minutes are not verbatim. A copy of the tape can be made available for listening.

Pete Poulsen - Mayor

Coni McMaster - Clerk/Treasurer