

**CITY OF KALAMA  
CITY COUNCIL MEETING  
JANUARY 5, 2011**

**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, Dominic Ciancibelli, Chuck Hutchinson, Don Purvis, and Bud Gish. City staff present were Director of Public Works Carl McCrary, Clerk/Treasurer Coni McMaster, and Police Chief Bruce Hall. 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 - None**

**5. PUBLIC HEARINGS - None**

**6. PUBLIC COMMENTS/CONCERNS - None**

**7. UNFINISHED BUSINESS**

**A. TIB Grant - Military Rd/Cloverdale Rd, Military/Woodale to Greystone Rd.**

Director of Public Works Carl McCrary explained the City has been offered a \$234,000 grant for installing sidewalks along Military Road. It will require the City to provide matching funds of \$26,000 which is available in the Street Reserve account. If the City wishes to accept the grant, the Mayor will need authorization to sign the paperwork. Councilmember Bud Gish made a motion the City Council allocate \$26,000 of matching funds for the Military Road Sidewalk project and authorize the Mayor to sign the TIB agreement. Councilmember Dominic Ciancibelli seconded. Councilmember Don Purvis asked if there were any other projects that this money might be used for that are higher in priority than sidewalks. It was noted that the funding is only available for this project. Mr. McCrary stated he didn't feel there were any at this time. This project is included in the six-year street plan. Ms. Janet Preheim asked about the location and why it was being proposed there. She feels a crosswalk would have to be placed in a dangerous area. It was explained that the project has not been designed yet, so the recommendations for the exact location will come from engineers. All safety issues will be addressed during the design phase prior to the project being put out to bid. The motion carried.

## **8. NEW BUSINESS**

### **A. Utility Tax Refund Request - AT&T Mobility**

Clerk/Treasurer Coni McMaster explained that telephone services are charged a utility tax which they collect from their customers. Many telephone providers offer internet services as well, but internet services are exempt from utility taxes. AT&T Mobility charged the utility tax on internet services and remitted funds to the City. Stemming from a class action lawsuit, for which they are having to refund the taxes to their customers, they are requesting a refund from the City in the amount of \$3,442.80. After reviewing the information provided, the City did receive the taxes from AT&T Mobility. The request includes an allowance to issue the refund in the form of a credit against future taxes, which is what Ms. McMaster would recommend. While the City could object to or try to deny the refund, this would lead to further litigation that would probably cost more than the refund. The City can also directly pay the refund. City Attorney Paul Brachvogel supported paying the refund. Councilmember Don Purvis made a motion the City Council approve the issuance of a credit in lieu of a cash refund on the AT&T Mobility Claim for refund in the amount of \$3,442.80. Councilmember Bud Gish seconded. It was asked, what the affect on the City budget would be. This will reduce the revenues under utility taxes. The exact amount will not be know until later in the year, as this particular revenue stream is very changeable and often exceeds the projection. The motion carried.

### **B. Kalama Housing Authority Request for Funds - Recording Fees/Low Income Housing Funds**

Mayor Poulsen explained that the Kalama Housing Authority has been going through some transitions in the last couple of years and this includes some management issues. The City has some affordable housing funds, and the Housing Authority (HA) has requested some of the funds to be used for operating and maintenance costs. Clerk/Treasurer Coni McMaster explained that the funds come from the County through an interlocal agreement and can only be used for low-income housing purposes. After researching the RCW's and checking with the County on the requirements in the interlocal agreement, the request fits the requirements for the use of these funds. The request is to use the funds for operations and maintenance cost as the HA has had some unanticipated expenses for personnel, namely unemployment costs. They need help to cover the shortfall in their budget. The HA's problems could become more serious if not addressed and could lead to them closing altogether, or having to merge with another authority. Providing these funds is one way to help them to remain viable and available to the citizens. Several Councilmembers voiced concerns about providing the funds and requested that budget information be provided to them prior to approving the grant of these funds. They would also want an accounting of how the funds are spent if approved. Ms. Janet Preheim of 713 Military Road provided the

Council with some figures on the expenses the HA has experienced in the last 6 months, questioning how the entity is operated. Mayor Poulsen interjected that the State has recently audited the HA, and those results will be available in the near future. This information should address any concerns regarding how the entity is spending their funds. Ms. Preheim voiced her belief that it would be a shame if the HA had to be taken over by Longview, or that the funds should be spent on "incompetance." Mayor Poulsen noted that it will take time for things to get better, and steps are being taken to address all the issues raised in the last year. Clerk/Treasurer Coni McMaster will get information on the breakdown of the HA expenditures and budget for the Council.

### **C. Whitney Addition Stormwater Retention Pond**

Director of Public Works Carl McCrary explained that the Whitney addition, a 57 home development built in the late 90's, includes a stormwater retention pond. Per the plat requirements, the pond belongs and is to be maintained by a homeowners association. At this time there is no homeowners association. The pond is overgrown, including large trees, and has not been maintained. If it were to fail there would be considerable damage to the area. Mr. McCrary informed the Council that he has applied for some grant funding through the County to study the pond to determine if it is working properly and if the City should take it over. At this time, property ownership of the site has not been determined and is being researched. Mr. McCrary proposed holding a meeting with the residents of the area to discuss the pond and its need for maintenance. The discussion led to some legal questions as to what the City can do and who would be held liable for the pond if it were to fail. City Attorney Paul Brachvogel stated he will research the issue and get back to Carl and the Council.

## **9. ORDINANCES & RESOLUTIONS**

### **A. Resolution No. 557 - Building Fees for 2011 - Correct Resolution Number**

Clerk/Treasurer Coni McMaster read Resolution No. 557 by Title. She explained that this is simply correcting the number on the prior passed Resolution adopting fees for the Building permits as the number was duplicated. There are not changes to the text.

Councilmember Bud Gish made a motion the Council adopt Resolution No. 557 as read by the City Clerk. Councilmember Don Purvis seconded, and the motion carried.

### **B Resolution No. 558 - A Resolution of the City of Kalama, Washington declaring a 2001 Ford Crown Victoria Patrol Car, a 1993 Chevrolet 4x4 Blazer, and a 1996 Ford F250 Pickup Truck surplus and authorizing disposal in the City of Kalama's best interest.**

Councilmember Don Purvis made a motion the City Council adopt Resolution No. 558 as read. Councilmember Chuck Hutchinson seconded, and the motion carried. It was noted that the items would be sold "as is."

**10. CORRESPONDENCE**

**11. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS**

**A.** Mayor Pete Poulsen reported he will be the Chairman of the COG board this year. It was noted that Councilmember Bud Gish would remain the alternate.

**B.** Councilmember Adam Smee had no report.

**C.** Councilmember Dominic Ciancibelli had no report.

**D.** Councilmember Chuck Hutchinson reported the City has some applications for the open positions at the Police Department. It was noted that the Oral Board examinations would take place on January 13, 2010.

**E.** Councilmember Donald Purvis had no report.

**F.** Councilmember Bud Gish had no report.

**12. DEPARTMENT REPORTS**

**A.** Director of Public Works Carl McCrary presented a written report. He noted that he has found new County Commission Karnofski to be very eager to work with Kalama. At this time his department will be working on repairing some guardrails throughout town. If the weather clears some, the paving work on the Meeker Drive pathway will get moving again.

**B.** Police Chief Bruce Hall reported on the tragic shooting of the Rainier Oregon Police Chief. The suspect is a Kalama resident that his department has had dealings with. Chief Hall noted the first DUI of the year was on New Years. He will present the end of year statistical report at the next meeting.

**C.** Clerk/Treasurer Coni McMaster provided the 4<sup>th</sup> quarter Treasurer's report. She noted that while they ended the year about where she expected. The decline in sales over the last two years has been considerable.

**D.** City Attorney Paul Brachvogel had no report.

**13. CONSENT AGENDA**

*Councilmember Bud Gish made a motion the City Council approve the Consent Agenda including Claims Vouchers Totaling \$64,060.43, Payroll Vouchers totaling \$93,864.43 and the City Council minutes of December 15, 2010. Councilmember Don Purvis seconded, and the motion carried.*

**14. EXECUTIVE SESSION** - At 8:19 pm Mayor Poulsen called an executive session on potential litigation and personnel issues that would last 45 minutes. He requested Public Works Director Carl

McCrary attend. At 9:04 pm Mr. McCrary came out and announced the Council would be an additional 20 minutes. At 9:22pm the Council requested an additional 10 minutes. An additional 3 minutes was requested at 9:32pm. The meeting resumed at 9:35 pm.

**15. ADJOURNMENT**

Mayor Poulsen adjourned the meeting at 9:35 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**