

**CITY OF KALAMA
CITY COUNCIL MEETING
JULY 6, 2016**

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 Dominic Ciancibelli, Mike Dennis Langham, Rosemary Brinson Siipola, and Mary Putka. Councilmember Mike Truesdell was absent. City staff present were City Administrator Adam Smee, Superintendent of Public Works Kelly Rasmussen, Clerk/Treasurer Coni McMaster, and Police Chief Randy Gibson. City Attorney Erin Hillier was also present. Members of the public present are listed on the sign-in sheet.

2. EXECUTIVE SESSION - Potential Litigation

Mayor Poulsen announced the Council would go into executive session for 20 minutes to discuss a potential litigation issue. At 7:23 the Council requested an additional 5 minutes. At 7:28 they requested another 5 minutes. The Council returned at 7:33pm.

3. CHANGES TO THE AGENDA - None

4. PRESENTATIONS & AWARDS - None

5. PUBLIC HEARINGS

A. Assumption of the Kalama Transportation Benefit District by City

Mayor Poulsen opened the hearing at 7:35 pm. Clerk/Treasurer Coni McMaster explained that the City established the TBD in 2012 and it currently operates as its own entity under the law which means that it has its own Board (the City Council acts in this capacity) and all funds are kept separate from the City's other funds. The City finance department acts as the fiduciary in managing the TBD funds. The TBD is also required to file its own annual report each year. In 2015 the State Legislature passed legislation that allows cities to assume a transportation benefit district that is entirely within the boundaries of the city and has been operating for at least 3 years. The Kalama TBD meets these conditions. Assuming the TBD will take out the redundant actions required by having the two entities. There won't be two budgets, two annual reports, and no special meetings. The funds can still be kept separate and applied to only transportation/street projects as required by law. City Administrator Adam Smee added that this efficiency will save administrative costs being charged to the TBD allowing more funds to be available for street improvements. The hearing was closed at 7:39 pm.

6. PUBLIC COMMENTS/CONCERNS – None

7. UNFINISHED BUSINESS

A. Project Change Order – Authorize Superintendent of Public Works for up to \$15,000 – China Garden Road project

Mayor Poulsen noted that this is not unusual, having been done in the past. It is essential to keep projects on track, which means that Superintendent of Public Works Kelly Rasmussen needs the ability to make decisions on reasonable changes as they come up. Councilmember Rosemary Siipola made a motion the City Council authorize the Superintendent of Public Works to approve change orders in the amount of \$15,000 or less on the China Garden Road project. Councilmember Mike Langham seconded, and the motion carried.

B. China Garden Road Change Order - \$40,000 – TIB approved

City Administrator Adam Smee explained that the China Garden Road project has required additional dig out of the roadway in order to properly make the improvements and it has resulted in a request for \$40,000 in change orders. This was presented to the Transportation Improvement Board to be included in the funded portion of the project and they have agreed to include it. With grant funding at 95% for this project, it means the cost to the City is small. Councilmember Mary Putka made a motion the Council approve the change order of \$40,000 for the China Garden Road project. Councilmember Mike Langham seconded, and the motion carried.

C. Award Robb Road Phase I Bid – Integrity Excavating & Construction Inc.

Superintendent of Public Works Kelly Rasmussen informed the Council the City receive two bids on the project of \$375,006.02 and \$535,861.22. It was noted the large difference between the two and that the engineer's estimate was \$305,000. The Council can do two things: award to Integrity upon BNSF acceptance of the change in location so the City will be in position to move forward once they hear from BNSF or they could choose to hold the decision until the next meeting, or have the project rebid. The costs will only increase and there are permits with BNSF already in place, so staff is recommending awarding the bid. BNSF has received the request for the change and that is already in processing. Councilmember Mary Putka made a motion the City award the bid to Integrity Excavating contingent upon BNSF acceptance to go forth in their right of way. Councilmember Mike Langham seconded. Councilmember Rosemary Siipola asked why staff thought there was such a difference from the engineer's estimate. Superintendent Rasmussen and City Administrator Adam Smee explained that this is very specialized project as they will be drilling through solid rock. The motion carried.

D. Kalama Housing Authority – Signature on Assignment of Cooperation Agreement with Kelso

Councilmember Mary Putka made a motion the City Council accept and authorize the Mayor to sign the assignment of the cooperation agreement to transfer the Kalama Housing Authority to the Kelso Housing Authority. Councilmember Rosemary Siipola seconded. Kalama Housing Authority Board Chairman Carrie Potts informed the Council that the HA has

been struggling for a long time. HUD has told them that transferring to another entity would be the best and possibly the only option to keep the facility running. Ms. Potts indicated that she feels time will run out if the City choose to not complete the assignment today. This leaves the facility with an uncertain future and she doesn't know what will happen. The motion carried.

8. NEW BUSINESS

A. Public Safety .1% Sales Tax – New Police Facility – Place on Nov. Ballot

Clerk/Treasurer Coni McMaster explained that at the request of the Mayor and City Administrator she had researched sales tax revenues in an effort to look at ways to fund the building of a new Police Facility. The City doesn't have exact information on cost or location at this time but is moving in that direction. The City has few ways to increase revenues and few sources to draw from. Sales taxes and property taxes are the major revenues of the City. In looking at the options, the City has the ability under state law (RCW 82.14.450) to implement a one-tenth of one percent sales tax for public safety purposes. The County will get 15% of the taxes under the law. This is required to be placed on the ballot to get voter approval. In order to place this sales tax option on the November ballot, the City needs to file the necessary paperwork with Department of Elections by August 2nd. The sales tax increase would be applied to all sales made in the City limits which means it will be drawing from a larger base than just the citizens of Kalama. Any construction projects will also contribute. The tax can be made to end at a date in the future or when all costs for the new facility are paid off or it can be permanent. This would be a decision of the Council. This is the tax that Woodland implemented to fund their new facility. It was noted that this will be on the next agenda for finalization unless the Council is totally opposed to the idea. The Council authorized staff to move forward with drafting the ballot measure for consideration at the next meeting.

9. ORDINANCES & RESOLUTIONS

A. Ordinance No. 1380 – City's Assumption of the Transportation Benefit District

Ordinance No. 1380 was read by Title: An Ordinance of the City of Kalama, Washington, assuming the rights, powers, functions, immunities, and obligations of the Kalama Transportation Benefit District. Councilmember Mary Putka made a motion the City Council adopt Ordinance No. 1380 as read. Councilmember Dominic Ciancibelli seconded, and the motion carried.

B. Ordinance No. 1381 – 2016 Budget Amendment

Ordinance No. 1381 was read by Title: An Ordinance of the City of Kalama, Washington amending the 2016 Budget to account for increasing the Budget in the amount of \$877,310.00. Clerk/Treasurer Coni McMaster explained that while the amount is large, it includes amounts to be transferred between funds to cover the increase in Robb Road project costs of \$300,000 and also amounts (\$270,000) transferred to reserve funds due to the City having received more than the anticipated water and sewer hookup fees. The true expense is

closer to \$305,000. Councilmember Dominic Ciancibelli made a motion the Council adopt Ordinance 1381 as read. Councilmember Rosemary Siipola seconded, and the motion carried.

C. Resolution No. 640 Surplus Property

Resolution No. 640 was read by Title: A Resolution of the City of Kalama, Washington declaring office chairs and miscellaneous items surplus and authorizing disposal in the City of Kalama's best interest. Councilmember Rosemary Siipola made a motion the Council adopt Resolution No. 640 declaring miscellaneous items surplus. Councilmember Mike Langham seconded and the motion carried.

10. CORRESPONDENCE - None

11. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

A. Mayor Pete Poulsen reported that Blues Festival will not be held in spite of report in the Daily News. It has just been too busy with recovery from the flood and various projects. He stated that he will try to organize a street dance on the weekend of the car show. Mayor Poulsen also noted that the BNSF event will be on August 5th at 7pm and will be by invitation only. The event will be limited to about 75 people. BNSF will be giving Kalama the 2016 Community Heritage Award.

B. Councilmember Mike Truesdell was absent.

C. Councilmember Dominic Ciancibelli reported he had talked with Kelly about the China Garden Road project and the mushy road requiring the contractor to dig deeper due to winter weather we had which resulted in the change order discussed earlier.

D. Councilmember Mike Langham reported he attend the E-board meeting which included many members of the 911 council. The attorneys have determined that the current 911 interlocal agreement is not valid as it contains items that either the County or City can't do under statutes. The attorneys will look at revising to make it valid. These issues may have some entities moving away from the local 911 operations.

E. Councilmember Rosemary Siipola reported she attended the AWC conference in Everett which was very interesting. She noted that the Mayor of Long Beach was appointed to represent small cities on the AWC Board. She was also informed that her name will be sent to the Governor to appoint her to the Washington State Traffic Commission. This board sets policy for traffic safety in the state. Mayor Poulsen congratulated her on the appointment.

F. Councilmember Mary Putka reported on a meeting with Makenzie regarding the Library expansion which she felt when well. She noted that Adam will expand on the information and he has done a great job with the project.

12. DEPARTMENT REPORTS

A. City Administrator Adam Smee explained this was the kick-off meeting which include a member of FOLK, the Library Board, City Council, and the Librarian. It was chance for all of them to give input on what they would like to see. The discussion addressed issues on the infrastructure and the current building's condition as well as what is wanted for the future. The architect staff felt it was a good meeting. They hope to have preliminary designs back in around 2 to 3 weeks. Additional staff members will have a complete look at building tomorrow to make sure the as built information is accurate. All the information will be used to set priorities and to make recommendations. The team feels they are on track to finish by the end of the year.

Adam continued that there are lots of things going on which includes completing the punch list items on the City Hall building. He noted he has requested the architect team for the Police facility compartmentalize the work which is multi-faceted. He has asked them to look at three possible sites and complete a needs assessment for the department. We need to know how big, what kind of parking, what the horizon is for building it 20 years or less. We will want the facility to be able to flex and grow as the City does. This will help us get an estimate of cost. The sales tax discussed earlier will provide about \$40,000 a year which could cover payments on up to around \$750,000 which may not be sufficient to build what is needed. Staff and the consultants will continue to work on getting more concrete information before the town hall meeting. Mayor Poulsen asked about the Frontage Road project. It has been held up due to requested changes by the state and will be put to bid once get final funding obligated. The City has received the approval from WASDOT for the work in their right-of-way.

B. Superintendent of Public Works Kelly Rasmussen presented a written report. He noted that his crew has been working with the Port as they replaced an old water line, helping with the tie in. It's a very busy time and the summer is flying by. The China Garden Road project is not going as smoothly as possible, but is progressing. The Old 99 Sewer pump station has suffered not just one but two pump failure. It takes a month to get a pump rebuilt so the second pump went out while the first was in the shop. They had to use the portable trash pump to keep it operating. They now have the first pump back and have ordered a new pump. When the second pump is rebuilt they have a spare for the future. The crew helped Camp Kalama locate several large leaks and replaced the meter with a new octave so it can be better served in the future. Mayor Poulsen asked Kelly about the "TBD" paving projects. Kelly explained that there will be two areas paved with TBD money. One will be Fifth Street behind the school, and the other is two pieces one at North Fourth at Ivy south to Geranium and then wrap around Third street to Holly and then to Juniper. He requested three bids with the lowest at \$65,000 to do them all. Mayor Poulsen noted that this is the TBD money doing what it was intended to do. It will have a return to the community and the City is doing the job it said would do with the funding.

C. Police Chief Randy Gibson presented his statistical report. He noted this is a three-week period, so there were 147 calls and 26 reports/investigations. The fraud situation was a senior citizen that lost \$750 responding to an "award of a federal grant." The robbery incident that was reported in the paper is still an on-going investigation. The 4th of July

celebration was rather mild and half of what it had been in the past on the actual 4th. There were more people out on July 3rd. They made some contacts regarding alcohol in the park but the persons were cooperative when approached.

Chief Gibson Police gave the Council some perspective on the space the Police are currently occupying. The old station at 535 N. First was 2500 square feet and didn't much room for expansion. The Community Building space they are using is 1200 square feet. He would estimate that with a need for growth, 3500 to 3800 square feet will be necessary dependent on type of building. The things they are doing without in the current space is no interview room, no temporary dog kennel as they are having to use the old space at the Wastewater Plant, no holding cell, and the fingerprint area is in the lobby, rather than a private space. So the department has functions that are limited in current space.

D. Clerk/Treasurer Coni McMaster provided the June Treasurer's report and the midyear spreadsheet on the budget. She noted that except for Streets and the Community Building funds, all departments are doing well financially. She is continuing to work on getting the funds from FEMA and the Insurance to help with the flood expenses incurred.

E. City Attorney Erin Hillier had no report.

13. CONSENT AGENDA

Councilmember Mary Putka made a motion the City Council approve the Consent Agenda including:

1. Claim warrants 36331, 36360-36398 and ACH transactions of \$2,337.08 totaling: \$59,863.52 and Payroll warrants 36323-36330 & 36332-36359 for June 1-30, 2016 and ACH transactions of 46151.45 totaling: \$152,092.36 - For a grand total of \$211,955.88;
2. Minutes of the June 15, 2016 City Council Meeting

Councilmember Mike Langham seconded, and the motion carried.

14. EXECUTIVE SESSION - None

15. ADJOURNMENT

Mayor Poulsen adjourned the meeting at 8:42 p.m. These minutes are not verbatim. No recording was made due to equipment failure.

Pete Poulsen - Mayor

Coni McMaster - Clerk/Treasurer