

**CITY OF KALAMA
CITY COUNCIL MEETING
AUGUST 3, 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 Mike Truesdell, Dominic Ciancibelli, Mike Dennis Langham, Rosemary Brinson Siipola, and Mary Putka. 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 – Litigation Issue

Mayor Poulsen announced the Council would go into executive session for 20 minutes on a pending litigation issue. The meeting resumed at 7:13 pm.

3. CHANGES TO THE AGENDA - None

4. PRESENTATIONS & AWARDS - None

5. PUBLIC HEARINGS - None

6. PUBLIC COMMENTS/CONCERNS - None

7. UNFINISHED BUSINESS

A. Robb Road Water Main Loop-G&O Addendum – Construction Management

City Administrator Adam Smee explained that this is the Construction management piece of the project. The project has been bid and awarded to the qualified bidder. Gray & Osborne engineers designed the project and it only makes sense to use them for the construction management to keep the project running smoothly. This adds \$38,700 to the engineering portion of the project and has already been included in the 2016 budget. The pre-construction meeting is at 11am tomorrow. Councilmember Mary Putka made a motion the City Council authorize the Mayor to sign the addendum to the Robb Road Water Line Main Loop Project – Phase 1 for Construction Management with Gray & Osborne Inc. Councilmember Mike Langham seconded, and the motion carried.

B. Proposal for Kalama Police Department – Needs Assessment Mackenzie

City Administrator Adam Smee explained that this proposal is for the needs assessment only and does not include full design. It would just be a plan for a 20-year growth rate and is expensive. He continued that he thinks it can be renegotiated to reduce some of

the scope and costs. Several of the Councilmembers agreed that the cost seemed like too much for what the City would receive in return. Administrator Smee noted that in fairness to the architect he asked for everything to be included and that is what he got. The proposal is for a 6000 square foot facility which both he and Chief Gibson feel is too large even for 20-year growth. Chief Gibson noted that a more realistic size would be 3500 square feet or maybe 4000 and still have room to grow. In looking at what is included in the proposal and what could be cut, the pieces which include research of creative funding options, site evaluations and public outreach may not be necessary. For the town hall the design team could provide some design samples and a list of basic needs but would not have to attend. The City can look at sites and deal with the selection which may make the design process easier. There are some interior design exemptions which means the designers will do the space planning pieces for layout but not the type of furniture or interior pieces. Administrator Smee stated he wants to be sure that the facility will meet the needs for all functions including those not available to the public such as training or staff locker room. It is a bit over the top, but they did provide what was requested, but it is beyond the budget. Chief Gibson noted that he did inquire about Woodland's new facility which cost \$1.8 million. They did this as a pre-fab construction. Administrator Smee stated he wanted to bring this to Council so they would know the costs, but he would like to renegotiate the scope and bring it back before the Council considers it. He would hope to cut the cost in half. He explained the piece regarding the alternate funding options. Traditional funding is usually a bond and the fixed costs become large for anything less than 2 million dollars. These can also be loans through USDA or PWTF. He is hoping for 1.5 million cost, so full bonding would be costly as it will require bond rating, bond counsel, and a lot of time for staff to do the necessary work. Alternative funding would be a ground lease where the city owns the site, but it works with a developer to build a facility and the police become the anchor tenant. This would be a long term lease, with a limited buy out at the end, so we then own the facility. This also provides some help with economic development if built downtown. The problem here is that the project is small where it would be easier with a larger project to draw developer interest. He asked the Council to let him bring the proposal with a new scope and new costs to the next meeting. They agreed.

C. Citizen Request – Proposal for Town Hall Meeting on Proposed Methanol Plant

Mayor Pete Poulsen noted that several members of the public have indicated they that want to speak on this issue and he requested they limit their to comments to under 5 minutes.

Ms. Linda Horst who lives in Carrolls and works in Kalama stated that she understands that City has no jurisdiction, and feels they have no say on the issue. She noted that this will be the world's largest refinery built by a company that has never built or ran this kind of plant. The plant will have new technology that has never been tried. It will be built on dredge spoils that no one knows exactly how they would be affected by an earthquake. She feels feel like a guinea pig. The City says it has no jurisdiction but this is coming to this jurisdiction via the environmental effects it will have. She quoted scientists as saying that should an explosion at the plant happen it would go out for six miles which is out past to the Todd Road exit, breaking windows. Heat damage would be in the two-mile radius. The Council and citizens need to analyze the evidence and go into this with eyes wide open. The City should take responsibility to oversee the safety of community. It was noted that Riverkeepers has a

meeting scheduled next Tuesday at 6:30 in the Community Building. Citizens can come hear what scientists say and the Council should attend. The Port has done a good job of selling the project with the promise of jobs and money which sounds good. Citizens need to hear the other side and take the concerns seriously.

Mr. Gary Wallace, Kalama resident living in the County, stated he brought this to the attention of the City Council as he believes it is to their advantage to have an open forum and the City leadership should address the quality of life issues. He understands the need for jobs and money. The City has stated as one of their goals to maintain the current amenities and quality of life. He believes a public forum would let the City hear from the citizens and let the public know that the City doesn't have jurisdiction. Mr. Wallace noted that his organization was out doing a public demonstration this morning and felt they got about 25 thumbs ups or honks in support and only 1 against. Others didn't seem to be interested or did not want to get involved. He thinks the sentiment in the community might surprise the Council. He stated he hoped they had looked at the white paper previously presented. It is a quality of life issue and citizens want to have a community to be proud of. The Council should take the action to make this meeting happen. He believes that he and others have a vision that would put on a different track that utilizes the natural attributes of the community. He hopes they will adopt the proposal for a town hall meeting. He and other are willing to help to organize and hope it works out for all.

Mr. Mike Reuter, Kalama citizen, noted that he was looking at the river this morning and noticed the haze above it. This plant will add to that haze due to the chemical it uses. He thought the purpose of government would be protect the citizens. Using Flint Michigan as an example, that doesn't seem to be the case. Once the plant is built it will be too late. He continued that if the Council can't or won't do anything, then they should step aside and let him step up and do so. He hasn't seen anyone from the Council addressing the issues. He does not want to see the effects the facility will have on the City.

Diane Koenig lives 7 miles up Kalama River Road and experienced the landslides issues during the December flooding. She has been told that there is nothing that can be done to prevent future events as some the Kalama area is on a fault. These issues with ground movement are a great concern with the Plant location and the extension of the pipeline. Not only is NW Innovations new to this enterprise, the pipeline company doesn't have a good track record in regards to accidents, nor are they safety conscience. She has put her house up for sale now as she can't afford the decrease in the property value that will happen with the plant. The issue needs transparency and she supports the town hall meeting.

Connie Dean, Kalama resident in the County, stated she does not agree with the Plant. She has spent some time looking on the internet and found that Cowlitz County has the highest rate of cancer in state. This may be tied the benzene used in this area. Washington State has highest rate of cancer in all the states. She noted that she has become sick since living here, and her animals as well. She knows many that have had cancers. She noted that if fluoride was a concern two years ago, then this plant should be more of a concern. She continued that having heard from developers that there will be considerable growth due to the plant, just how will the city handle that. There are already dangerous traffic concerns along China Garden Road during school hours. China Garden is not large enough to handle more. She believes that the Council should be thinking about the effects on family and yourselves.

Mayor Poulsen stated that he received a letter for a proposal for a town hall meeting from Mr. Wallace which was not what he was anticipating. He was expecting more of a resolution. He stated he would take it under advisement and only address it at Council request. He explained that the City Attorney works by contract and can't represent outside organizations. Mr. Wallace responded that he would bring back a revised version using city forms. Mayor Poulsen noted that he keeps hearing that people are not informed. He believes that the residents are more informed than this group think. This Community has interacted with industry all his life and recognizes there are hazards in all industrial uses. The local chemical plant, as well as Weyerhaeuser and others have been here for years. The Council cares and has educated themselves. Mayor Poulsen added that while he works for the Port, he doesn't always agree with everything they do. He does believe that the Port is looking at all the issues as they live here too. City Attorney Erin Hiller explained that due to the location, all authority is outside of City jurisdiction so better results would be had if they take the issues to the Port or County who can address them. She added that the State controls the air and water quality regulations. A symbolic statement would be all that the City can do. Unless it is City business, usually don't hold or host this type of forum as it would not be a good use of the local tax dollars when the City can take no effective action. Mayor Poulsen that after several meetings where this has been addressed he doesn't want to belabor it continually. He asked if the meeting to be held on the 9th, hosted by Columbia Riverkeepers, will be open to the public and if there has been public outreach. Mr. Wallace noted that 2500 mailers were sent out. Mr. Wallace stated he believed there is a misconception that the request would be that the Council would be sponsoring the forum which is not the intent. They want an informal setting for the public to be invited to. Mayor Poulsen noted that the public and any Councilmember that wants to can attend the meeting week. Councilmembers acknowledged that they did receive the flyers. Several Councilmembers stated that if the City were to hold a meeting it would look they were promoting it and it would have to have all concerned invited so both sides were represented. Mr. Wallace stated he would bring back a resolution.

Ms. Horst who spoke earlier asked What would the position or liability be if the city was to be damaged by the explosion of the plant? City Attorney Hillier answered that it would depend upon what is the cause. Then the applicable regulatory agencies step in to address the problems and damages. The City would have no control and even insurance would not cover the site as it would be regulated by other agencies and the property owners. It was then asked what would the Council do if fifteen chemical factories wanted to come to Kalama? At what point would the Council feel they need to take action? It was explained that the City only has jurisdiction of a certain portion of the Port's property and most is outside of our jurisdiction. The opponent's best option is to go to the agencies that have control. The Council does share the concerns and each person can state what they believe as individuals, but they cannot do it as a Council. None of the Council were in favor of hosting a forum on the issue. Mr. Wallace stated that his group feels the public has only heard one side and they are trying to get the word out about the bad stuff. Mayor Poulsen noted that only a small number of people are here so how do they know that the others aren't being informed and he finds it offensive that the group thinks citizens are not informing themselves. The project has been being discussed for over 2 years, so it is not new. Citizens should be aware, and should be educating themselves. Mayor Poulsen voiced his hope that they get a good response at their meeting next week. It was also noted that all the local organizations are usually looking for speakers and presentations to their members, so they can be approached also.

Councilmember Dominic Ciancibelli (having laryngitis) provided a written statement which was read by the Mayor. He feels the meeting would be biased as the City would not be able to answer questions regarding the project. The requestors seem to want to present a single point of view and it would be redundant to continue with more meetings since there have been many held. He also feels he cannot support any resolution as it would conflict with more than half of his constituents who support the project. There are also appearance of fairness issues that the Council has to adhere to that he feels would be violated if the Council were to host a meeting as requested.

8. NEW BUSINESS - None

9. ORDINANCES & RESOLUTIONS-None

10. CORRESPONDENCE - None

11. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

A. Mayor Pete Poulsen reported the BNSF award event is Friday night and he hopes the Council will attend. On August 20th the City will hold a street dance and beer garden. This is the car show weekend.

B. Councilmember Mike Truesdell had no report.

C. Councilmember Dominic Ciancibelli indicated the he had met with Kelly.

D. Councilmember Mike Langham had no report.

E. Councilmember Rosemary Siipola reported she attended her first WA Traffic Safety Committee meeting where they renewed the Target Zero plan for the next 3 years. She also will attend a meeting in Seattle to which representatives from all States have been invited.

F. Councilmember Mary Putka had no report.

12. DEPARTMENT REPORTS

A. City Administrator Adam Smee informed the Council that just tonight he received a preliminary layout from the architect for the Library. He is impressed and happy with the material. How to fit in two restrooms which are required by law is presented with several options, but the design hits most of the requests from the stakeholders. It is an open concept, and he hopes the stakeholders will be excited. He wants to review it more and then send to stakeholders for review. The Economic Development project is moving with the first portion of work (site visits) having been completed. It is on track with the assessment which will include how to market the downtown. The consultants will make some recommendations on the priorities. He is encouraged and hopes to have more information in a couple of weeks. Adam continued that he and Kelly met with developers of property in the far eastern portion of the city. One is in the preplanning stage and the other has submitted an application for a long subdivision. It will be at least 90 days before it would be approved. Stone Forest Phase 2 is

moving forward and they should be finalizing the plat soon. They have reported a considerable demand with 25% of the lots reserved. This is good for the city and an attractive piece of the community. Adam reported he is part of the school capital facility plan team along with Councilmember Rosemary Siipola and attended a recent meeting. This plan will help the school to meet the needs of students now and in the future. They will be going to visit Woodland's new facility. The consultants include a school planner and a school facility planner. The school faces challenges with existing facility and how to improve. He reported that the East Frontage pavement project would to begin soon.

B. Superintendent of Public Works Kelly Rasmussen presented a written report. He added that Stone Forest is getting the required bonding together and has reported the contractors will bring 20 lots in September once the final plat is approved. The 40 acre property between China Garden and Simmons Roads is presented for a 24 lot subdivision. These will be estate lots of 1 to 2.5 acre lots with great long distance views. The bore project for the Robb Road water line loop will start in two weeks, with the pre-construction meeting tomorrow. The paving on 5th Street, N. 4th to Ivy, Juniper on Third will be done on the 24th and 25th of August. These are the TBD funds being utilized. As more funds come in the City will do more of the side streets. Kelly added that he is hoping for some federal funds for 10th Street to include sidewalks and make the area better. The City Crew has been busy. The chemical tanks at the water plant are needing to be replaced. The City will be completing a tracer study with Department of Health which will follow the water through the water plant to ensure the proper disinfection process is being completed. This will be paid for by Department of Health.

C. Police Chief Randy Gibson presented his statistical report with 75 calls for service with 18 reports or investigations listed. The incident at the parks starting at the Marine Park and ending out at Haydu Park was aided in part by alert citizens that recognized that a man was engaging in inappropriate activity while watching children swimming. These parents followed the suspect and provided information that led to the arrested for indecent exposure and a felony drug charge.

D. Clerk/Treasurer Coni McMaster provided the July Cash and Investment Activity report. She noted that there is \$112,000 pending from FEMA that should be received in the next ten days. There is also another \$57,000 being reviewed related the flood damages. Ms. McMaster informed the Council that she has started to look at the budget process for 2017.

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:

July Claim & Payroll warrants 36451, 36453, 36455-36518 and ACH transactions of \$208,962.81 for a grand total of: \$374,272.89 and the minutes of the July 20, 2016 City Council Meeting

Councilmember Mike Truesdell seconded, and the motion carried.

14. EXECUTIVE SESSION - None

15. ADJOURNMENT

Mayor Poulsen adjourned the meeting at 8:38 p.m. These minutes are not verbatim. A copy of the recording for this meeting is available for review upon request.

Pete Poulsen - Mayor

Coni McMaster - Clerk/Treasurer

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