

**CITY OF KALAMA  
CITY COUNCIL SPECIAL MEETING  
JULY 26, 2017**

**1. OPENING**

Mayor Pete Poulsen opened the City Council meeting at 7:00 p.m. Councilmembers present were Mike Truesdell, Sandra Macias, 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 Ralph Herrera. City Attorney Sam Satterfield was also present. Members of the public present are listed on the sign-in sheet.

**2. BONDING FOR POLICE FACILITY BALLOT MEASURE**

Mayor Poulsen noted that as a special meeting the only item to be discussed is the ballot measure for a bond to fund the construction of a new Police Facility. City Administrator Adam Smee explained that this is the first such measure the City has put before the voters in over 20 years. The funding is for a new Police facility and Public Safety center. Adam shared an updated set of draft plans of the building shell and lay out of a single story building planned. It is based on the project for a 20-year life which accounts for the Department to grow from the current Chief, Sargent, four officers and one civilian employee to house at least two civilian staff and 12 sworn officers including the Chief. This is the projection that would be needed to serve a population twice the current size. The City is being cautious, but wants a facility to meet the needs for the future. It was noted that the proposed materials have a life of 30-50 years and are low maintenance products. The cost summary from the architects is based on 50% design completion and the City wants the public to understand the costs as this is a big ask of the taxpayers. As a small community, we don't have high assessed valuation for property taxes nor a large tax base to spread it over. So, he wanted to have a more accurate idea of cost to present to the public. This drove the site selection to be made as it was needed in order to do the design. Adam provided the Architect's elevation and layout drawings explaining that the total cost projection is \$2,519,718.06. The projections have some contingency built in, with the building construction at over \$1.5 million, site improvements at just under \$600,000 and additional costs for permitting, furnishings and fixtures, moving, consultants for contract management and legal costs plus the sales tax on the project make up the balance. It is expensive, but at this price it is the most affordable police facility he has ever heard of. There is an impact on all the citizens which is why it is going on the ballot.

The City is asking for a 2.2 million limit with the balance of the costs to be covered by a bond to repaid with the sales tax increase .1% approved last November. The City just started collecting the tax in April and it is estimated to receive \$40,000 a year. That amount will be able cover annual payments on \$500-600,000. This financing will be treated differently under bond regulations with a general obligation bond that is council manic, meaning the Council can dedicate this revenue stream for the project. The bonds are financial instruments and the City will be looking for private placement with a lending institution like banks or investment firms. The underwriter is thinking 3.5% interest rate but that is not locked in. This needs to

be secondary to the voted bond debt, as it will not be enough to do entire project, and we can't have non-functional facility. The unlimited tax obligation bond which becomes an excess property tax levy has to have voter approval. The current City tax levy is about \$1.92 of the legal limit of \$2.10. The bond becomes security to guarantee the debt is paid by obligating this portion of property tax revenue to the debt. All the figures will still will need to finalize as the term will be based on when the bond is made to determine interest rate. The exposure for the City in using the sales tax funds is that should a recession happen that decreased the sales taxes being collected, the City will still be obligated to use the sales tax for the debt payment. The \$2.2 million is the ask and includes some contingency due to the unknowns in the project.

The proposed project timeline is to complete the design by the end of the year, put the construction out to bid in January, break ground in early spring and have occupancy by December 2018. Which will mean the Police will have three years in the temporary/emergency space since the flood. The funding is key, so the while the architects are completing the design, the bond is on the ballot in November. If it passes, the City will then prepare that bond and documents to secure the funding to meet the project timeline which is the best-case scenario. There really is not a plan B or worst-case scenario to present. Adam explained that the staff and Mayor Poulsen want this to stay positive and don't want to provide options that might be taken as scare tactics. Kalama is growing and has low crime rates which make Kalama attractive for relocating to. Most of us can remember in the past it was not that way. The police have improved our community which is a credit to the KPD staff over the years. They need room to grow with the community in order to provide this continued level of services. He invited the public to tour the current working conditions and talk with Chief Herrera. The City has put together a list and provided information on alternatives that were considered but were dismissed as not in the best interest of the community, or wouldn't meet the needs and just as costly. It is hard for the Mayor, Council and staff to ask for money from citizens and none of us take it lightly. All are willing to discuss the options, the process and the funding. Mayor Poulsen noted the City will have a future town hall meeting to educate the public. This is the starting gun and now there will be a period before the election where we will educate the public. The design will continue and should the measure fail it will delay the project. This will be hard on the staff and we don't want to lose our staff because of poor working conditions. Adam reviewed the drafted Explanatory statement that will appear on the ballot. The city is asking for \$2.2 million in bonding authority which equates to .59 per 100 of assessed valuation or on a \$250,000 home \$12.26 per month or \$147.07 per years. He explained that he is hoping the project will come in under at \$1.9 million. Since the bond sets the maximum we have to ask for more to ensure we have enough, but we don't have to levy it all. We started at \$3 million, but felt the impacts were too much for the taxpayers, so we looked hard at all the funding and brought it down. If the project comes in at less the citizens will only be taxed for final cost. If that is \$1.9 million it be around \$10 a month. There is a low-income property exemption for those over 61 or disabled. The Bond will require that 40% of the voters turn out and then 60% of those voting will have to vote yes. So, the education piece over the next few months is important. Clerk/Treasurer Coni McMaster noted that the City is required to set two committees to write the for and against statements to be in the voters pamphlet and we do have volunteer for both.

Adam introduced Project Manager Kim Doyle of Mackenzie to review the design and

renderings they have so far for the single-story facility. The drawings provided are not complete, only including the floor plan and roof plan and exterior drawing. The exterior is designed to apply the downtown development standards and will include masonry, concrete, and metal siding and roofing. There will be no mechanical units on the roof, but these will be placed back in the secured area. The entry will include a wall that will memorialize late Chief Randy Gibson at the gate in the south public parking area. There will be lights that illuminate this from behind. Ms. Doyle provided samples of the different materials and colors being considered. The siding and roofing metal product are from the local company Steelscape which will be nice to incorporate those that work in the community in the construction. The entire facility will be well lit so it shows from the freeway and provides a presence in the community. Councilmember Sandra Macias asked if there would be a covering in the back entrance for bringing in suspects. There is a roof extension or large 4-foot overhang, but not a cover. This was taken out to address cost concerns. It could be added later. The secured area will be fenced at the top of the hill for both security and maintenance concerns. Councilmember Rosemary Siipola who lives across the street from the Community Building stated that police have been a good neighbor while at that location. There is not a lot of traffic in and out. She also thanked the architect for the memorial which she thinks will be a real classy entrance. She added that she thinks Randy would get a kick that the wall also hides the trash cans. Citizen Dan Ohall asked if the fence will protect if car were to go over the embankment off Meeker Drive. Adam replied that it won't be rated for that but there is a curbed sidewalk and the speed limit is 25 miles per hour, so hopefully it is not a concern. There will also be some space between building and retaining wall plus the parking area. There hasn't been an incident in the past, but a guardrail could also be put in place. Mr. Dan Roberts asked if there is a concern with 20-year building and a 30-year amortization period. The standard for growth is 20 years but it is expected the building should be good for 50 years. This is why they are choosing the materials that have a long life. It is difficult to predict the future so there is some flexibility in the design that can be used to expand if the need arises.

### **3. Ordinance No. 1387 - Placing General Obligation Bond on November Ballot**

Ordinance No. 1387 was read by title: An Ordinance of the City Council of the City of Kalama, , providing for the submission to the qualified electors of the City at a special election to be held on November 7, 2017, of a proposition authorizing the City to issue general obligation bonds for the purpose of paying costs of designing, constructing, developing, improving and equipping police and public safety facilities in the aggregate principal amount of not to exceed \$2,200,000, or so much thereof as may be issued under the laws governing the indebtedness of cities, and to levy those excess property taxes, all as more particularly set forth herein.

Councilmember Rosemary Siipola made a motion the City adopt Ordinance 1387 as read placing the general obligation bond for the police facility on the ballot. Councilmember Sandra Macias seconded, and the motion carried.

Mayor Poulsen named the following to the ballot committees:

The "For" Committee will be Dan Roberts, Dan Ohall and Lynn Hughes

The "Against" Committee will be Marrene Jenkins, Kathi Pilcher, and Janet Swihart.

The Council will ratify the committee selection at the August 2<sup>nd</sup> meeting. He also thanked the staff and consultant for all the work done.

#### 4. ADJOURNMENT

Mayor Poulsen adjourned the meeting at 7:59 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

# CITY OF KALAMA

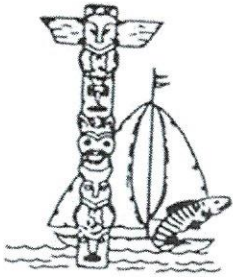
# SIGN - IN SHEET

MEETING City Council Special Meeting

DATE July 26, 2017

Name	Address	Phone/Email	Do you wish to Speak?	Subject
Lynn Diggins	109 ST ST ST	673 5454		
Ray Orr				
Marlene Jenkins	650 Taylor Rd	673-3440		
Janet Swihart	16 Parkland Dr Robison		no	
Emily Carver	319 N. 3rd		no	

Please sign in for the record. Signing in does not mean you must speak but to address the Council you must sign in for the record. When recognized please state your name and address. Your comment could be subject to a time limit at the discretion of the Mayor. Please speak clearly enough for the tape to pick up your voice or step closer to the Council Desk. Thank you.



# City of Kalama

320 N. First St.  
Kalama, WA 98625



## City Council Agenda Special Meeting July 26 , 2017 @ 7 pm

1. OPENING - Mayor Pete Poulsen
  - A. Roll Call
  
2. BONDING FOR POLICE FACILITY BALLOT MEASURE
  
3. Ordinance No. 1387 - An Ordinance of the City Council of the City of Kalama, Washington, providing for the submission to the qualified electors of the City at a special election to be held on November 7, 2017, of a proposition authorizing the City to issue general obligation bonds for the purpose of paying costs of designing, constructing, developing, improving and equipping police and public safety facilities in the aggregate principal amount of not to exceed \$2,200,000, or so much thereof as may be issued under the laws governing the indebtedness of cities, and to levy those excess property taxes, all as more particularly set forth herein.
  
4. ADJOURNMENT