

**CITY OF KALAMA
CITY COUNCIL MEETING
FEBRUARY 7, 2018**

1. OPENING

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

Councilmembers present were Mike Truesdell, Sandra Macias, Mike Dennis Langham, Rosemary Brinson Siipola, and Mary Putka. City staff present were City Administrator Adam Smee, Director 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. CHANGES TO THE AGENDA – None

3. PRESENTATIONS & AWARDS - None

4. PUBLIC HEARINGS

A. Kalama Updated Water System Plan & Water Use Efficiency

Mayor Mike Reuter opened the public hearing on the update to the City's Water System Plan and Water Use Efficiency Report (WUE). Director of Public Works Kelly Rasmussen conducted an overview presentation on the Water System Plan (Plan) and the WUE explaining the process which includes the public hearing as required by Washington Department of Health (DOH). The Plan has to be updated every 6 years. It contains information on the configuration and size of the City's water system which covers approximately 20 square miles and the facilities which provide the water to the customers. The Plan establishes polices for operations, expansion and upgrades to the system as well as addresses the condition, capacity and deficiencies in any of the facilities. This will help the City to prioritize the capital improvements it will need to make to the keep the system operating efficiently while providing an average of 158,000,000 gallons of water a year. Most of these improvements will be needed on the older reservoirs and booster stations, many within the old Cloverdale Water system area. The WUE. is required by the legislation from 2007 and measures the efficiency of the system as it addresses conservation and working to avoid any leakage or waste. The City's overall loss has decreased since 2007. Information on conservation is provided in the City's annual consumer confidence report put out each June. While the watershed that produces the City's water is a large area, it is important that it not be wasted or over used. The City has 2.3million in projects planned in 6 years and Director Rasmussen provided a map of the proposed improvements. The Water utility's financial condition is good and meets the current needs but does not provide for all improvements. Since 2015 the City has increased the water rates by 2% each year to provide for inflation and the needs of the aging system. Mr. John Flynn asked if the Spencer Creek Business Park would use City water. It will as the water is already available along Kalama River Road. He also asked what new reservoirs would be built from. They would be concrete

construction. Someone else asked if the City was charging impact fees to developers. City Administrator Adam Smee stated that Cowlitz County and Kalama are not required to plan under the Growth Management Act, so no impact fees can be charged. The City does charge hookup or connection fees for water based on meter sizes and volume. Director Rasmussen noted that the Council will need to take actions to adopt the plans before they can be sent to DOH. Mayor Reuter asked if there were any further questions from the Council or audience. As there were none, he closed the hearing.

Councilmember Rosemary Siipola made a motion the City Council adopt the 2017 updated Water System Plan as prepared by Gray & Osborne Engineers. Councilmember Mike Truesdell seconded, and the motion carried.

Councilmember Rosemary Siipola made a motion the Kalama City Council adopt the 2017 Water Use Efficiency Report setting out the goals for water usage as presented. Councilmember Mike Truesdell seconded, and the motion carried.

5. EXECUTIVE SESSION

At 7:28 pm Mayor Reuter announced the City Council would hold an executive session on Potential Litigation/Complaint that would last about 30 minutes. The meeting resumed at 7:55 pm.

6. UNFINISHED BUSINESS

A. Live Broadcast of Council Meetings – Change of Meeting Day

City Administrator Adam Smee explained this is to determine if the Council is willing to change the meeting day to Thursday in order to allow for a live broadcast of the City Council meetings. As discussed at the last meeting, KLTU is working on getting the necessary fiber link to make the connection but Wednesdays are already being filled with the live broadcast of the County Planning Commission. The first and third Thursdays at 7pm would be available. It was asked if staff felt it was that important to make this kind of change. Administrator Smee noted that the public is requesting for live broadcast of meetings, as the current broadcast can be many days later. Also, during the remodel the required equipment was installed. Clerk/Treasurer Coni McMaster noted that since the day and time are set by code any change will need to be done by ordinance and she requests the change start in April. The consensus was to move forward with changing to Thursday nights.

7. NEW BUSINESS

A. General Fund Capital Facilities Fund Motion Request

Councilmember Rosemary Siipola read her proposal for establishing a General Fund Capital Facilities Plan to include all City general fund facilities, with the first project to be the construction of the new Police Facility. (The full proposal is attached to these minutes.) The

City would develop a plan, develop funding to meet the needs to for maintain, improving or building city facilities. Funding and any debt would have to be such that it not strain the City financially or its debt limitations. Goals for all facilities would be for long term future use. As the first project a committee would work on the moving the new Police station project forward, continuing with the plan previously approved, set a timeline, and develop a funding package for the City to adopt. The project would be put to bid. The proposal included a review of the history of each facility and its needs for improvements in order to continue to serve the community now and into the future, and an overview of the process from the flood to today on providing for a new Police facility. The ballot measure for funding of the project failed but the decisions on the location and design stand. Moving forward with the project will support the current department as the professional organization and officers deserve. The funding stream implemented would also be used to address the needs of the Community Building, City Hall, and the Library in the future. Ms. Siipola asked Clerk/Treasurer Coni McMaster to explain the outline of funding options available to the Council.

Clerk/Treasurer McMaster gave a brief overview of the options which include the already implemented .1 percent sales tax which only covers a portion of the costs, a property tax levy like the one that failed, increases to the current Utility taxes on water, sewer, and garbage, a business and occupation tax on gross sales, increase to the vehicle tab fees for street improvements, reductions to the street operation transfer from general fund tax revenues, forming a Public Facilities District funded by a .2 percent sales tax voted on by the citizens, and maintenance and operations levy. She explained that all of these are the options available to the Council to implement. Implementation of any of the tax increases or new taxes will require public hearings and adoption by ordinance. None could be implemented tonight.

Councilmember Siipola made a motion *the City Council implement the General Fund Capital Facilities Plan (GFCFC) as presented previously under new business, and the immediate actions shall include:*

1.City Council set a workshop for Tuesday, February 20th at 6 pm in the City Council chambers to discuss all the funding options in detail to determine the best options to pursue.

2.The City Council establish a General Fund Capital Facilities Fund with the purpose of maintaining and providing for improvements to the City's facilities including the Police Department, City Hall, Community Building and Library and directs staff to work on the best funding options to be implemented.

3.The City Council authorizes staff to move forward with putting the Police/Pubic Safety Facility out to bid as previously located and designed while also developing a timeline, funding and bonding plan to ensure the construction will be completed by January 10, 2019.

Councilmember Sandra Macias seconded. Mayor Reuter opened the discussion stating the Police need a new facility as the Community Building will not continue to work. He has some

reservations with moving ahead after the public voted down the Proposition #1 by 65% without understanding how the public voted. He believes the City needs to look at those reasons before we move forward. He has a 3-step plan in mind where he would look at the locations, at least five sites which he and staff have done. Each one was assessed as to whether it would work and none were found to be adequate. The second step would be a survey and do a town hall, so the public can see that there is so much behind the scenes, but it would allow for more public input. He noted that Kalama is one street, so there are not a lot of options. The survey he put out was that he really wanted to see what the concerns were. It is his job to make recommendations to go forward. The last step would be where they would decide how to proceed. He would like to move the project as fast as possible but to move forward only two months after the no vote, he feels is not good. We need to refocus. Councilmember Macias noted his timeline will be met under the outline presented. She noted that the only thing that failed was the financing as the location and design are decided. Councilmember Macias noted it sounds like the Mayor and Councilmember Siipola are saying the same thing for the time line. The audience voiced their disagreement with the analysis that the failure of the vote was only on the financing. It was explained that the Council made a decision on the site and design and have not changed their mind. The project needs to move forward. It was noted the City has looked at many sites and tried to make them work. They tried but couldn't. The police department deserves this facility. Knowingly or not, the citizens defeated the request for property tax funding, not the location. Mayor Reuter noted that if the citizens were to see what all has been done, they would agree. He doesn't feel the City did a good job of providing the information if you go by the vote. He wants the project to move forward as much as anyone, but can't support it so close after the election. He would like to see a focus group of why it went wrong, to look at the funding, if it could be redesigned or cut out pieces to lessen the cost. He still wants to look at City Hall. Councilmember Mike Langham asked if Mayor Reuter had reviewed the file of the 18 months of work by staff. He stated the department needs to have a professional building, and they have never one. Any further delay will cost more money as construction costs are increasing. The Council has done due diligence. It is more costly to replace police officers, and dragging it out could lead to officers leaving and even the loss of the police department. Then the citizens would only have County coverage. The plan in place is to build on property already owned and it won't take additional property off the tax roles. The more property that becomes public the more the City loses the ability to grow. The plan works and can be built in an expedited manner. It allows the City to move forward. The City has made do and remodeled insufficient facilities for too long. As we grow Kalama needs to be able to support the future. Police services don't have fees attached like utilities, so tax revenues are its support. The current plan is in the best interest of the city for the future. Mayor Reuter noted that if the public could see what the Council sees and what they are dealing with he believes they would understand. He would have officers involved in the focus group. It was noted that the citizens did have the ability to speak as all meetings were open to the public and there were public hearings before the Planning Commission and the Council. It is now about funding and the alternatives for funding. The motion carried.

The action taken was clarified for all by City Attorney Sam Satterfield. It Requires a workshop to discuss the funding mechanisms available that will be open to the public. Each funding option will require a public hearing. The City will establish the fund for improvements on all

facilities. The City will put the Police project out to bid while developing the funding options and timeline. The public will have more opportunities to comment. It was asked why the public wasn't allowed to comment at this time. Attorney Satterfield noted that the purpose of the Council meeting is to conduct City business and public comment is at the discretion of the Mayor.

B. City Council Retreat

City Administrator Adam Smee explained that members of the Council have shown an interest in doing a retreat. The change in leadership creates changes in the culture and brings different personalities to the table. He has looked into this and contacted a facilitator about how to approach doing a retreat. There are some draft questions from that discussion that he needs feedback on as the plan moves forward. The retreat would need to be one entire day and possibly overnight. Usually retreats are held away from the local area. There would be staff involvement as well. The facilitator keeps the meeting focused on its goals and allows for staff to be involved. With all the issues the Council is dealing with, it may be difficult to do a retreat before summer. He provided a resume for the proposed facilitator, noting that he can look for other facilitators if the Council wants. He would like to keep the plan moving forward as he believes it would be beneficial. The retreat would be a public meeting and the public can attend.

8. ORDINANCES & RESOLUTIONS

A. Resolution No. 662

Resolution No. 662 was read by Title: A Resolution of the Kalama City Council Supporting the Submission of An Application for the Creation of the Cowlitz-Wahkiakum Economic Development District. Councilmember Rosemary Siipola made a motion the City Council adopt Resolution No. 66s supporting the creation of the Cowlitz-Wahkiakum Economic Development District. Councilmember Mary Putka seconded, and the motion carried.

B. Resolution No. 663 – Surplus of Police 2007 Expedition

Resolution No. 663 was read by Title: A Resolution of the City of Kalama, Washington declaring the Police Department's 2007 Ford Expedition surplus and authorizing disposal in the City of Kalama's best interest. Councilmember Rosemary Siipola made a motion the City Council adopt Resolution No. 663 declaring the Police 2007 Expedition surplus. Councilmember Mary Putka seconded, and the motion carried. It was noted the vehicle will be sold in as is condition.

9. PUBLIC COMMENTS/CONCERNS

Mr. Harlyn Jenkins of 455 Kalama River Road stated that he understands that all, staff and Council, have worked hard, but perception is that the citizens did not have any input in the process. He suggested having a public forum to allow questions and answers.

Mr. John Flynn of 610 Taylor Road read a statement into the record expressing his concerns after reading the Daily News article that the Council is ignoring the will of the people. He reminded the Council of two recent events including the rejected the bond levy which shows that the site is not acceptable. They should go back to the drawing board and not show disregard for the citizens of Kalama. Mayor Reuter was elected because he has the ability to seek out alternatives solutions and the Council needs to be open minded to alternatives.

Ms. Margaret Hendrickson of 6429 Old Pacific Highway stated the Council needs to hold a big community meeting to get things centered. It can't be held at the Community building either as there is no parking or handicapped access. She suggested they go to the Expo center in Longview which will also have better acoustics. The Council has to let people know what are saying.

Ms. Sara Hutchinson of 549 North Fifth Street and local business owner stated that there is an alternate location, which the City already owns which is the bank building. It has adequate space that could include the holding cells, the vault, a shower plus private office for the Chief and the lobby could be converted include safety needs. The Community Building area could then house the Finance and the upstairs can be converted to offices for administrative staff. It would probably need a new electrical panel. The building also has a dry basement.

Ms. Brandi Kays, member of the Lower Columbia Realtors Association voiced concerns with the proposal as the Council needs to be ensuring economic vitality within the community. The numerous tax increases being proposed have effects on the residents and businesses. She understands the need to maintain revenues, she adamantly opposes any increases. This is a small town and will do best with common goals. The proposed B&O tax unfairly burdens small business owners, makes Kalama less competitive and will create negative impact on the community. The costs to businesses are a factor in why they might come to Kalama and adding a B&O tax will not be encouraging.

Ms. Timi Harris 1004 North First Street stated she lives just above the park which the Council has said doesn't flood. She has seen it flood and the water off the hillside continues to drain and goes over the sidewalk. It is not a flood free zone. As a business owner she opposes the B&O tax. The Council needs to be open as to why the different sites won't work as it has not been explained.

Mr. Don Mathison resident on Taylor Road stated the Council has its marching orders as the people have spoken. They have presented their concerns. He believes everyone wants the police to be housed appropriately. There are two parts – money and location. Deal with getting the money and then talk about location but do not do it at the same time. Everyone can come to agreement. He feels there were some fine ideas presented tonight.

Mr. Matthew Merz on of five generations that have lived in Kalama noted he had spoken with Chief Herrera outside who said he likes it here. He asked Chief Herrera if he would be moving if the City doesn't build a new station? Chief Herrera declined to answer. He asked the Council if they would you give up their salaries? The Council did also not answer and it was pointed out that the asking of such questions is not appropriate and would not be answered. Mr. Merz stated that he liked Miss Hutchinson's idea and the City should get rid of the Library.

Ms. Tina Day, a Kalama resident stated she did attend many of the meetings, but did not feel public had enough input about the location. Kalama is not a large city, so the department doesn't have to be downtown. Kalama now goes from the Rebel to Kalama River Road. Since didn't feel they had input, the citizens thought they would be heard by the vote. She appreciates what Mike is trying to do. Ms. Day noted that she had great respect for the late Chief Gibson and cares about the Police. The citizens want to be heard and it is not fair for the Council to do what they want anyway. If they don't listen then this Council is not the citizen's council.

Ms. Susan Langham of 5400 Meeker, space 133 stated she has lived here for 12 years and she has heard the concerns and understands there are strong feeling. She believes the City has to move forward or will be in sincere danger of losing the department. They may already be losing one officer and the new Chief came here with the understanding of a new facility. Others could also move away. The City would then depend on the Sheriff and we don't see them in the area very much. She worries that if action isn't taken, the officers won't believe they are supported here. It needs to happen and needs to happen now. The City looked at all the places but they didn't work for many reasons.

Ms. Diane Downing stated she has lived here for 20 years and loves it here. If the citizens were asked on the survey if they need a police department she is sure the answer would be yes. It is the way that it was brought about that came out as a surprise. The only way the citizens felt they could let the Council know was to vote no. So they need to go back to the drawing board. They have survived for a long time in the box. The City moved forward with the temporary location many years ago without the support which has also led to lack of support now. Ms. Downing noted that downtown is not a flood zone. The City has made improvements, and there have been no issues during the hard rains this winter. She thanked the City for the work at the north of town and fixing maintenance issues. The City is dealing with the flood issues.

Ms. Dena Ott of 955 China Garden Road addressed Mayor Reuter that as Mayor he can offer to allow public comment after each item on the agenda, just so he would know for the future.

10. CORRESPONDENCE - None

11. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

- A. Mayor Mike Reuter had no report.
- B. Councilmember Mike Truesdell had no report.
- C. Councilmember Sandra Macias had no report.
- D. Councilmember Mike Langham had no report.
- E. Councilmember Rosemary Siipola noted she would be attending the workforce development committee on Thursday.
- F. Councilmember Mary Putka reported the Chamber banquet is March 25, 2018.

12. DEPARTMENT REPORTS

A. City Administrator Adam Smee noted that Coni has closed January and the City is looking good in financial condition. He along with several staff and Council members are looking at grant funding street and sidewalks through the Department of Transportation Safe Sidewalks to Schools program for areas near the school.

B. Director of Public Works Kelly Rasmussen presented a written report. He noted that a sludge pump failed at the Wastewater Plant which the operators repaired. The crew performed some jetting to unplug culverts, fixed a sink hole, completed smoke testing on Nectarine and along North Third Place. The crew is attending lots of training to keep their licenses renewed. He, members of the crew and office staff have been pulling information of Gray and Osborne as they work on sewer plan update. He also sent out the request for qualifications for engineering to design the Lower Cloverdale Design and the water line along Vincent Road.

C. Police Chief Ralph Herrera presented his statistical report for the last three weeks. The residential burglary was noted at the suspect came to their attention due to postings on the Police facebook page where a suspicious person was seen in the neighborhood. He encouraged people to call the police with this kind of information and not wait until after something happens. Chief Herrera informed the Council of the annual forfeiture report which is for \$8.95 in abandoned property. The department hosted a class, is still working on reunification drill with the school and will be present at the career fair at the school later this month. Chief Herrera will be demonstrating a walking school bus program to gauge interest in providing such a program here based on the need. Mayor Reuter let Chief Herrera know that they will resolve the issues to get the station built.

D. Clerk/Treasurer Coni McMaster reported that January has been closed, and after paying several annual assessments, the accounts look good. The final 2018 Budget document is complete, posted on the website and uploaded to the Google site. Hard copies are available for those that want them. Ms. McMaster stated she will submit the Port annexation to the Boundary Review Board tomorrow as she needed to include the approved minutes from the hearing. The City submitted an application for Capital Budget funding for the Police Facility, but it may be too late for this year's cycle. She and Chief Herrera are looking at a grant from the State Archives to deal with public records. There will be three funding opportunities in the next year. The Finance Department issued 255 business licenses, 135 dog licenses, and 7 building permits including two new homes and the Port of Kalama Marina project since the first of the year. She added that she hoped everyone had

noticed the new City Hall sign. Ms. McMaster informed the Council that Mr. Bills Ammons, of Kelso had invited them to meet the new manager of the Daily News at 2pm on Thursday at his barber shop in Kelso.

E. City Attorney Sam Satterfield had no report.

13. CONSENT AGENDA

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

Claims and Payroll Warrants #38621 to #38694 plus ACH/EFT payments for the Month of January in the amount of \$ 213,350.15 and

Approval of Minutes of the January 17, 2018 City Council Meeting

Appointments:

To Library Board Harlyn Jenkins for the term of 1/2018 - 1/2/2023

To Planning Commission Kimberley Damian for term – 2/7/2018 - 1/2/2020

Councilmember Mike Truesdell seconded, and the motion carried.

14. EXECUTIVE SESSION - None

15. ADJOURNMENT

Mayor Reuter adjourned the meeting at 9:40 p.m. These minutes are not verbatim. A copy of the recording for this meeting is available for review upon request.

Mike Reuter - Mayor

Coni McMaster - Clerk/Treasurer