

**CITY OF KALAMA
CITY COUNCIL MEETING
JULY 19, 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, and Mary Putka. Councilmember Rosemary Brinson Siipola was absent. City staff present were City Administrator Adam Smee, Clerk/Treasurer Coni McMaster, and Police Chief Ralph Herrera. Members of the public present are listed on the sign-in sheet.

2. CHANGES TO THE AGENDA – None

3. PRESENTATIONS & AWARDS - None

4. EXECUTIVE SESSION - None

5. PUBLIC HEARINGS - None

6. UNFINISHED BUSINESS

A. Bond Update

City Administrator Adam Smee presented a hand out on the final work to issue the bonds for the police facility funding. We had to go out for a bond rating through the agency of S&P Global, which required a large amount of information be provided and a phone conference with himself, Clerk/Treasurer Coni McMaster, Planning consultant Todd Johnson from Mackenzie, our underwriter Jim Nelson and the S& P representative, Ben Geare. The City received a AA- which is very good for a first rating for a small city. The handout included the letter from S&P and explanation of how the rating is determined. The economic concerns of Cowlitz County were the only concern with a negative note, but Kalama doesn't control that. Earlier in the week staff talked with the bond issuer and then Wednesday the bonds went out for sale. By 8:30 they had sold 65% and then a hour later called to report nearly all were sold, but they needed to make an adjustment to the interest rate for the long term bond sales, but were able to sell all the bonds before 10 am. Another call will be held to include all parties on August 2nd after which the funds will be issued to the City in the amount of about \$3,045,000 which includes the fees for the bond attorney and Rating company. The underwriting fee is deducted prior to payment to the City. The numbers were presented in the handout, which shows the amount of the fees the City incurred to issue the bond and the final interest rate of just below 3.6% and the balance of what the City now owes. Adam explained how the bonds were sold in series and term bonds. Over all he and Coni were very pleased with how it came out and the final interest rate. Councilmember Sandra Macias stated she knows how much work has been done during this process. The result is a testament to the City, the finance staff, for work over many years. The ratings groups don't just look at the last few years but over a long period time for how the City is managed. Adam noted the project is moving forward with contractor JH Kelly now on site beginning the ground work and the final permit is ready to be issued. Councilmember Macias noted that the foundation piece for getting the rating is the

budget and its management which is many years in the making. She and Mayor Reuter thanked staff for the work.

7. NEW BUSINESS - None

8. ORDINANCES & RESOLUTIONS - None

9. PUBLIC COMMENTS/CONCERNS - None

10. CORRESPONDENCE - None

11. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

A. Mayor Mike Reuter reported he has been watching the issues surrounding the landfill—attending meetings and pulling together information, and will attend the upcoming hearing before the Commissioners which he believes will be before the next Council meeting. He has many concerns including that Republic will be increasing the usage of the landfill and how the process has been conducted. He noted that all the cities in the county (with the exception of Woodland) have weighed in as well as the SWAC board. Castle Rock has many since the activity will be within their area creating more traffic, more road issues, more odors, and other issues. Longview is concerned to lose local control and Kelso also has raised issue with the process. The County has the ability to recognize or ignore any of the recommendations. Mayor Reuter noted that the County has budget concerns going into the future and hoping this will provide them an inflow of funding which is a reason for pushing it through. Since the County will still own the property they could still be liable in the end for any environmental or clean up issues. Mayor Reuter voice his opinion that they need to slow the process in order to make sure all the details are clear and the County has all legal issues addressed for their protection. He encouraged anyone with concerns to attend the upcoming hearing.

B. Councilmember Mike Truesdell had no report.

C. Councilmember Sandra Macias reported she did talk with Kelly who was preparing a written report. At the time he was babysitting a very unhappy stray goat that was being held in the shop office, so she assumed the interruption is what kept the report from being delivered. Public Works has a lot of things going on as he had preliminary meetings on the police project and with Gibbs and Olsen on the water projects. Later Councilmember Macias reported that Branding committee work has been on hold as the vision and mission along with a logo are drafted, but they are working to honor the heritage of Kalama. The fish that has been included in all logos throughout history is to continue to be a part of the logo, but it is desired it be a native American fish, so we are trying to get the approval of the local tribes in order to be sure we honor their heritage. Hopefully this will be in the next couple of weeks, and then the project will move forward for public input.

D. Councilmember Mike Langham had no report.

E. Councilmember Rosemary Siipola was absent.

F. Councilmember Mary Putka had no report.

12. DEPARTMENT REPORTS

A. City Administrator Adam Smee reported on the projects that Kelly has been working on. The Water System plan has finally been accepted by DOH and several of the recommended improvement projects are being implemented including the upsize of the water line on Old Pacific Highway and the new pump station on Cloverdale. The plan is to go to bid in the winter with a delayed start for the work to be in the spring. The Tidewater Drive project is still moving forward, along with the update of the Sewer system plan which is still being reviewed. The sewer plan will include recommendations for capital facilities improvements for the future. The review and work on the plan will continue until it is ready to bring to Council. Another round of negotiations with Teamsters is tomorrow on the contract that expired at the end of June. We are making progress and hoping the process continues to run smoothly. One new concern is the recent Janus court ruling which now makes the mandatory requirement for joining a union and requiring the payment of the dues to be illegal so it may require some changes in contract wording. There are two subdivision applications in with one (Cedar Springs) accepted as complete and Sunset Terrace being reviewed. Both are out Old Pacific Highway, across the street from each other. Sunset Terrace has 64 lots including some townhouses, while Cedar Springs has 34 lots which may include a few duplexes. The Chilton development up on China Garden Road, annexed into the City a few years ago, has added additional property both in and outside of the city. They are looking at developing a large lot development with about 2-acre minimums as an average size. This will be view property so he thinks these will be higher end homes similar to the Dave's View development. The property has been logged and they are ready to move forward. The development will require water system improvements and county septic approvals. The area is steep and includes some access challenges so it will be an interesting project.

The School District is moving with the design of the new and updated school facilities. A pre-construction meeting was held and there are some code issues that will have to be addressed. It is a very large project with a new elementary school plus major improvement to existing facilities. While the design is being finalized the school is also working on permitting issues to get construction started next summer. It has been discovered that the institutional zoning code is not suitable for the building of a school so the Planning Commission will be looking at some code amendments to address the issues and keep the project on track. A Special workshop is being held next week to review the recommendations for code changes. Adam explained that during the community workshops held by the school the desire to keep the schools all together in the general location and keep the athletic fields all within the same campus was very important to the participants. In order to meet those parameters, designers have a 3-story school building. It was asked why the design was now being completed and if the funding was going to be sufficient. The school used the more conventional method for developing the plan and the scope for costs, rather than how the City did the Police facility by paying up front for a complete design. The School used consultants to do a plan with a limited scope, a needs assessment, and a complete study of current facilities to come up with a number for the cost which was put out for the bond vote. The actual design usually doesn't get paid for until the bond is in place. The City chose to pay for their design out of savings so they could produce a better cost estimate to present to the public and are now financing the construction costs. Councilmember Macias noted a concern that the school will be able to deliver the project within the funding available as costs escalate. It was noted the School site is challenging. Mayor

Reuter asked if it would include an earthquake safe room. The facility will be designed to seismic code. Adam noted the School will be having an update meeting in the near future on the design. It was also noted that the school has a management team working on the transition for the students and staff during the work on the facilities.

B. Director of Public Works Kelly Rasmussen was absent.

Police Chief Ralph Herrera presented his statistical report of 109 calls for service with 10 reports. He noted the death investigation was for an elderly gentleman that passed away. New officer David Kearney's field training is going well and will transfer to Woodland for additional training in a few weeks. He is targeting the end of August to fill the last vacancy in the department. The Cookies and Milk with a Cop event was successful with more kids than the time before. It and other similar events will continue in the future. Police staff made appearances at the fair, and the parade. The local safe group will meet again in August. Members of the department will participate in an active shooter training in Longview. The National Night Out event for August 7, 2018 will be fun with a live band and food. It will be from 6 to 8:30 pm. He welcomed the Council to participate if they are able. Councilmember Sandra Macias thanked the department for the help with the accident on I5 last weekend. She was in the backup, so was able to see what they had to deal with and how many agencies came out to help. Also thanked them for the traffic work on the fire along I5 and Old Highway 99.

D. Clerk/Treasurer Coni McMaster reported that she is wrapping up the census mapping project in the next week. Building and planning are extremely busy. Budgeting begins in September and if the Council has any preferences in how to present it they can let her know.

E. City Attorney Sam Satterfield was absent.

13. CONSENT AGENDA

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

Claims and Payroll Warrants 39253-39308 plus ACH/EFT payments for the Month of July in the amount of \$ 211,859.54 and the Approval of Minutes of the July 5, 2018 City Council Meeting

Councilmember Mike Langham seconded, and the motion carried.

14. EXECUTIVE SESSION - None

15. ADJOURNMENT

Mayor Reuter adjourned the meeting at 8:03 p.m. These minutes are not verbatim. A copy of the recording for this meeting is available for review upon request.

Mike Reuter - Mayor

2018-7-19 minutes

Coni McMaster - Clerk/Treasurer

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