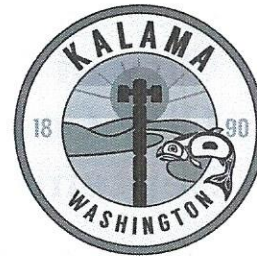


City of Kalama

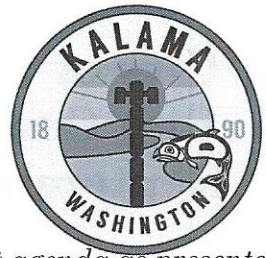
City Council Agenda

September 5, 2019 @ 7 pm



1. OPENING - Mayor Mike Reuter
 - A. Flag Salute
 - B. Roll Call
 - C. Changes to the Agenda
2. EXECUTIVE SESSION
3. PRESENTATIONS & AWARDS
4. PUBLIC HEARINGS
5. UNFINISHED BUSINESS
 - A. Police Guild Bargaining Agreement
6. NEW BUSINESS
 - A. Kalama Utility Department Bad Debts
 - B. Engineering General Services – Addendum 2017-2019
 - C. Councilmanic Bond for Street Improvements
7. ORDINANCES & RESOLUTIONS
 - A. Resolution No. 681- Dismiss Utility Bad Debts
8. PUBLIC COMMENTS & CONCERNS (3 minute limit)
9. CORRESPONDENCE
10. MAYOR & COUNCILMEMBER REPORTS
 - A. Mayor Mike Reuter
 - B. Councilmember Jon Stanfill
 - C. Councilmember Sandra Macias – Finance & Public Works
 - D. Councilmember Mike Langham – Police & 911 Board
 - E. Councilmember Rosemary Siipola – Planning & Economic Development
 - F. Councilmember Mary Putka – Chamber & Tourism & Library
11. DEPARTMENT REPORTS
 - A. City Administrator Adam Smee
 - B. Director of Public Works Kelly Rasmussen
 - C. Police Chief Ralph Herrera
 - D. Clerk/Treasurer Coni McMaster
 - E. City Attorney Sam Satterfield

**City of Kalama
City Council Agenda
September 5, 2019 @ 7 pm**



12. **CONSENT AGENDA** - *I move the City Council approve the consent agenda as presented.*
 - A. **Approved for payment are: Claims and Payroll Warrants #40699-40755 plus ACH/EFT payments for the Month of August in the amount of \$ 313,143.09**
 - B. **Approval of Minutes of the August 12, 2019 Special City Council meeting and the August 15, 2019 City Council Meeting**
 - C.
13. **EXECUTIVE SESSION**
14. **ADJOURNMENT**

**CITY OF KALAMA
CITY COUNCIL MEETING
SEPTEMBER 5, 2019**

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 Jon Stanfill, 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. EXECUTIVE SESSION

5. PUBLIC HEARINGS - None

6. UNFINISHED BUSINESS

A. Police Guild Bargaining Agreement

City Administrator Adam Smee explained that the current agreement expired over 14 months ago during which they have negotiated the new agreement. The Police Guild has accepted the agreement. He explained that due to concerns with public record requests, one of the changes is the City providing the officer's phones and stop paying the stipend for use of personal phones. The wage increase is flat percentage in the first year and then the consumer price index rate of inflation plus percentage in the next two years. Chief Ralph Herrera noted that the delay in settling the contract was not due to any kind of impasse, but rather scheduling conflicts and the change in the Guild's representative. It was noted that the contract does have an effective date of July 1, 2018. Councilmember Rosemary Siipola made a motion the City Council accept and authorize the Mayor to sign the July 1, 2018 to June 30, 2021 Collective Bargaining Agreement with the Kalama Police Guild as presented. Councilmember Mike Langham seconded, and the motion carried.

7. NEW BUSINESS

A. Kalama Utility Department Bad Debts

Clerk/Treasurer Coni McMaster explained the City bills for utility's at over \$3 million a year and while staff works very hard to collect, there are some accounts that become uncollectable. The last time the City wrote off any debts was in 2015. The amount of

\$2,309.04 has accumulated over the last four years and is less than 1% of the billed charges during that time. These accounts become uncollectable for many reasons, mostly due to lack of notice of changes in tenancy or ownership being given to the City. The Staff continues to look at to improve the process and make sure all accounts are collected.

B. Engineering General Services – Addendum 2017-2019

City Administrator Adam Smee explained this is an increase in the general services contract with Gray & Osborne, due to the amount of work the City has needed them to preform for engineering reviews structures and infrastructure for the many projects such as the School new construction, the Port of Kalama's work on Kalama River Road and several different private developer projects. Building and Planning have been very active, so there is more work. The City does recover the costs from the applicants for these projects. Councilmember Rosemary Siipola made a motion the City Council approve Amendment #3 with Gray & Osborne for an additional \$20,000 for a total contract amount of \$95,000. Councilmember Mike Langham seconded, and the motion carried.

C. Councilmanic Bond for Street Improvements

City Staff provided a power point presentation with an overview of the Transportation Benefit District (TBD) and the street improvements the City has been able to do with the funding in the last four years. City Administrator Adam Smee and Director of Public Works Kelly Rasmussen explained that for federal and state funding streets have designations such as arterials or collectors for major travel paths. These will qualify for federal or state funds where the neighborhood or side streets don't. Funding received from federal or state sources takes a lot more administration and oversight which increase those costs providing less for actual paving. The TBD funds are able to be spent without as much oversight and the City has used these for the neighborhood streets that have been neglected. Federal and state funding is also a competitive process with other cities and agencies seeking the same funding and the City still has to provide a certain amount of match funds for the projects. There are also things like ADA requirements that kick into a project when federal or state funding is utilized increasing costs.

Administrator Smee explained that Initiative 976 is on the ballot for November which would take the City's ability to charge the current \$40 tab fee per vehicle away which would mean no future funding for street improvements. In the initiative is a section that sets out that if the funding is dedicated to debt service, the tab fees could continue until that debt has been paid in full. The tab fees would not go away until the debt is retired. This information led to a discussion of what the life of asphalt is and if we borrowed funds for 10 years how much street work could we get done. At the City Manager's conference, this was a subject discussed a lot at the initiative is poorly written, difficult to understand and it is unsure exactly when it becomes effective. Administrator Smee noted he talked with the bond underwriter if it would be possible and it appears it could be. The City may be able to borrow funds for 15 years versus 10 as the 15 year is at a lower rate. The City is currently receiving about \$100,000 per year which would be \$1 million over 10 years. If the City were able to issue the debt before the election, securing it with the TBD funding the City could continue with street improvements. This would not be a public sale as was done for the police facility, but a private placement with

a bank. Preliminary calculations base on the City's current valuation show the City has the debt capacity. Council has the authority to take the action if they chose to. So, the City has this as an option and something to think about to keep making improvements to streets. Administrator Smee noted he is asking for permission to move forward with the investigation into if this could be put it together. The Council has the ability to pull out at any time up until a Bond Ordinance is passed. If the City doesn't take this step, there are some other options that can be considered. If I-976 doesn't pass then we continue on as we have been. He doesn't think I-076 will as the marketing for it is so simple and desirable. Everyone wants \$30 tab fees. If it passes, he believes another entity will challenge it by filing an appeal, which then we wait and see the outcome of that. If it passed the City loses the funding source currently in place. The City can request an election for a sales tax of up to .02%. There is a risk and costs associated with the election and the City will lose a year or two of making improvements. He believes it is his responsibility to bring all options to the Council to ensure the City has revenues to maintain its assets. Councilmember Siipola noted that if we do this, issue up to 1.5 million in bonds to be repaid with the tabs, the City could do more up front and avoid the escalation of construction costs as they are continually going up. There is a short time line to get it done. Councilmember Jon Stanfill requested a timeline. Administrator Smee noted that two months is the time frame. Councilmember Siipola stated she would be in in having a workshop on the issue. She would like to see amap of the city color coded showing the streets done and those not done. Staff should be prepared to discuss I-976 and what it really does, how we have used the TBD money, and what are the alternatives. She wants to ensure this all discussed in front of the public and open for questions. Councilmember Stanfill asked for information on the different classifications of streets and funding sources. It was asked if the sales tax option would be comparable to the current funding source. It is a little less, but sales taxes also fluctuate based on the economy, so are more volatile. Councilmember Mike Langham stated that he didn't think the Council should do it if not on ballot. Councilmember Sandra Macias noted the Council is voted to represent the people and if there is no other funding stream for streets, then the Council needs to consider all the options to make a decision in the best interest of the City, so they need to address it to take care of the city. It is important to present all the information and options so the public can be informed. She believes they should move forward to gather information, hold the workshop and then make a final decision, understanding that they can stop the process at any point. Mayor Reuter asked if it would be possible to do less. Administrator Smee noted that much less than \$1 million is usually too small of amount to draw a bank's interest plus there are costs for the underwriter and bond attorney which have to be considered as we need their expertise. It was noted that the current tab fee is never ending but if I-976 passes it would end or would end once the debt is paid. Ms. Tanaja Gravina, asked if we could write the bond so it would sunset in the event that I-976 doesn't pass to incentivize it. Councilmember Siipola noted that streets will always have a need, so the funding is needed into the future. Everyone was in agreement it would be good to hold a workshop, as communication is key if we want the public to get behind. The council and public need answers up front. Council candidate John Flynn noted that deferred maintenance is always more expensive. He asked about the maximum debt capacity and if the City would be using it all. Administrator Smee assured the Council they would not be using all the capacity and there are reserves available.

Dates for the workshop were discussed. Councilmember Rosemary Siipola made a motion

the City Council set a workshop for September 17 at 6pm to discuss the TBD and I-976, and instruct staff to explore and move forward with possibility of a councilmanic bond for street improvements. Councilmember Jon Stanfill seconded. Kalama citizen Jim Bain noted that he hears from others that they like seeing streets finally getting paved and fixed, so the Council needs to do what it can to make it not go away in the future. The motion carried.

8. ORDINANCES & RESOLUTIONS

A. Resolution No. 681- Dismiss Utility Bad Debts

Resolution No. 681 was read by Title: A Resolution of the City Council of the City of Kalama discharging and removing uncollectible charges for the period of October 2015 to August 2019 totaling \$2309.04 on delinquent utility accounts in order to clear the City records. Councilmember Rosemary Siipola made a motion adopt Resolution No. 681 as presented. Councilmember Mike Langham seconded, and the motion carried.

9. PUBLIC COMMENTS/CONCERNS

Kalama citizen Tanaja Gravina thanked the Council and staff for all the information they provided tonight on the TBD, I-976 and street funding. She believes it is very helpful and understands they are looking at all the possibilities. She appreciates the information.

10. CORRESPONDENCE - None

11. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

A. Mayor Mike Reuter had no report.

B. Councilmember Jon Stanfill noted that with Councilmember Mary Putka's agreement he will take over being the Chamber representative. He attended the last Chamber meeting which included a good presentation from Kalama Telephone. He commend the City crew for the good job trimming the trees on Elm Street.

C. Councilmember Sandra Macias reported that Kelly is working on the budget and the discussion tonight are issues they have been talking about in addressing street potholes all the time. There is so much to do. She hopes citizens will come to the budget meetings and ask the questions. She noted that Finance staff member Emily Moore added a new citizen to the community with the birth of her son. She added that the office staff works very hard and is doing a good job.

D. Councilmember Mike Langham had no report.

E. Councilmember Rosemary Siipola had no report.

F. Councilmember Mary Putka handed out a survey and collected them for the Library board. She noted the Library continues to be doing well and offering many programs.

The new computers are great.

12. DEPARTMENT REPORTS

A. City Administrator Adam Smee had no report.

B. Director of Public Works Kelly Rasmussen provided his written report.

C. Police Chief Ralph Herrera presented his statistical report for 254 calls for service with 23 reportable incidents. Officers are present at the music event at the Port tonight. With the start of School they are monitoring school zones more frequently. There has been a recent increase in calls regarding dogs at large, and the department is citing more violations. There was a sad incident today downtown with a dog being hit by a dump truck.

D. Clerk/Treasurer Coni McMaster provided the August Cash and Investment Report noting the financials look fine. The Council will be receiving recommendations from the Tourism Committee for adopting an ordinance, policy and establishing a regular advisory committee. She noted that she would suggest appointing some of this committees' members to the advisory committee in the interest of expediting applications for the 2020 budget. She is working on getting the information out to the Department Heads for the 2020 budget as well.

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 #40699-40755 plus ACH/EFT payments for the Month of August in the amount of \$ 313,143.09 and approval of minutes of the August 12, 2019 Special City Council Meeting and the minutes of the August 15, 2019 City Council Meeting

Councilmember Mike Langham seconded, and the motion carried.

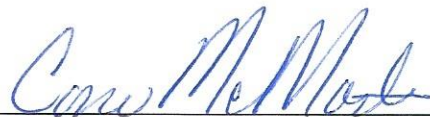
14. EXECUTIVE SESSION - None

15. ADJOURNMENT

Mayor Reuter adjourned the meeting at 8:27p.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

