

**City of Kalama
City Council Agenda
October 17, 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**
 - A. Department of Ecology – WWTP Award
4. **PUBLIC HEARINGS**
 - A. 2020 Revenues including Ad Valorem Property Tax Levy and other Rate Increases
5. **UNFINISHED BUSINESS**
6. **NEW BUSINESS**
7. **ORDINANCES & RESOLUTIONS**
 - A. Ordinance No. 1428 – 2019 Budget Amendment
8. **PUBLIC COMMENTS & CONCERNS** (*3-minute limit*)
9. **CORRESPONDENCE**
10. **MAYOR & COUNCILMEMBER REPORTS**
 - A. Mayor Mike Reuter
 - B. Councilmember Jon Stanfill - Chamber
 - 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 – 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

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12. **CONSENT AGENDA** - *I move the City Council approve the consent agenda as presented.*
 - A. **Approved for payment are: Claims and Payroll Warrants #40866-40931 plus ACH/EFT payments for the Month of October in the amount of \$ 227,749.93**
 - B. **Approval of Minutes of the October 3, 2019 City Council Meeting**
 - C. **Set 2020 Budget Hearings for November 7 and November 21, 2019 at 7pm**
13. **EXECUTIVE SESSION**
14. **ADJOURNMENT**

**CITY OF KALAMA
CITY COUNCIL MEETING
OCTOBER 17, 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 Sandra Macias, Mike Dennis Langham, Rosemary Brinson Siipola, and Mary Putka. Councilmember Jon Stanfill was absent. 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

Add a late executive session to discuss a litigation issue.

3. PRESENTATIONS & AWARDS

A. Department of Ecology – WWTP Award

Director of Public Works Kelly Rasmussen read a letter from Department of Ecology awarding Kalama for a meeting 100% of permit requirements for a five-year period. This award recognizes the hard work of the City's Wastewater treatment operators Butch Owen, Alonzo Waddle and Travis Van Skike. Director Rasmussen presented the plaque to Operator Butch Owen who noted that this is the first time this plant has met the five-year award. City Administrator Adam Smee noted the DOE inspector Carl Jones had brought the award to him personally noting what a rare accomplishment this is for any jurisdiction and he is very pleased with the performance of the staff at plant.

4. EXECUTIVE SESSION - None

5. PUBLIC HEARINGS

A. 2020 Revenues including Ad Valorem Property Tax Levy and other Rate Increases

Mayor Reuter opened the hearing at 7:08 pm. Clerk/Treasurer Coni McMaster presented an overview of the revenues, detailing those where increases have been incorporated. The City will be increasing property taxes the 1% as allowed by law which due to the increase in assessed valuations to most homes throughout the County, will be an increase on a \$320,000 home approximately \$40 plus or a little of \$3.40 per month. Without the increase in assessed valuation, taxpayers would actually see a small decrease in their taxes as the City's actual tax rate decreased from \$1.58 per \$1000 of assessed valuation to \$1.48 per \$1000. The City's assessed valuation increased over \$32 million. Kalama receives

approximately 14% of the full amount of property taxes paid with schools, fire, and the County receiving the rest. For 2019, Kalama had the lowest rate per \$1000 within Cowlitz County.

Utility rates will increase 2% for water, sewer and stormwater to address inflation. This is the final year of a 5-year incremental water and sewer rate increase authorized in 2015. There will also be an increase to garbage in 2020 as the County has just announced an increase to the tipping fees at the landfill which will trickle down to the rate payers. It could be as much as 9%, and once the amount of increase is known, another hearing will be held. The increases to the utility rates, adds \$2.26 per month to a bill for 600 cubic feet of water and 6.44 per month to a bill for 1000 cubic feet (cbf) of water. Outside water users will see an increase of 1.40 for 600 cbf and \$1.47 for 1000 cbf. In comparing rates to all the cities in Cowlitz County, Kalama does have the highest sewer rates, but overall utility costs in Kalama are in the middle of the five cities with Castle Rock and Woodland being more and Kelso and Longview being less. Rates for cities in Clark and Lewis County were all also compared, but did not include garbage. Utility taxes are included in the bills for comparison with rates ranging from 8% up to 22% with Kalama's at 11%. The cost for connecting to the City system – hookup fees- are also being raised. These system development charges have not been increased since 2008, so the base rate will go up \$1000 from \$3000 to \$4000 for water and from \$8000 to \$9000 for sewer. Outside water services pay 3 times the base rate and industrial uses pay 1.5 times the base rate and will go up accordingly. These are paid by new customers, or developers to cover the costs already incurred for building the system and for ongoing maintenance and to provide for meeting growth as the capacity of the systems are met. Citizens are providing for the system maintenance through a portion of their rates. The City will also restructure the fee for sewer connections for multi-unit facilities such as hotels or apartment buildings so that it mirrors the water structure. This uses the base fee multiplied by the number of units, multiplied by a percentage to determine the fee. Ms. Maureen Jenkins asked for clarification on the multi-unit rate and if the plants were nearing their capacity. The rates are increase so that as these multi-units take capacity, funding for expansion of existing facilities or new facilities is being set aside. City Administrator Adam Smee explained the City's water plant operates at an average of 50% of its capacity. The City has water rights for about 2.7 million gallons and usually only pumps about 1.2 million. There are also reserve water rights recorded with the State should the City need additional capacity. He continued that the connection fees are used to ensure that growth pays for expansion of the system. The current need to replace a 1960's era reservoir is a good example as near by there is a proposed development of about 25 homes that will pay the connection fees providing about 25% of the costs for the new reservoir. The developer will also have to upgrade the water line to provide service. Matt Merz asked how the % were arrived at. It is base on industry standards and calculations as to what the costs are and what is felt to be a fair assessment.

Clerk McMaster reviewed the other revenues including sales taxes, fuel taxes, lodging taxes, permit and application fees, grants and other miscellaneous taxes and fees. The only increase to these is to the internal administrative fees that the utilities pay to the finance department for the services it provides. Councilmember Rosemary Siipola noted that the City could double the funding from lodging taxes if they actively pursue the legislature to change the law allowing the County to take 2%. Cowlitz and Snohomish Counties are the only two where the County gets a share of these revenues. It was addressed in the legislature in 2019,

but failed to move forward. She believes the City should actively pursue it in the future. Clerk McMaster summarized the increases to revenue of 1% increase property taxes equaling \$4797.37 for the City, 2% to water, sewer and stormwater utility rates, \$1000 to connection fees and restructure of sewer multi-unit fees and the increase to administration fees. The final revenues are projected to be \$12.5 million. Mr. Steve Kallio asked if the 1% increase to property taxes only provides less than \$5000, why even increase it. Clerk McMaster explained that while it is a small amount, the City needs to cover inflation and this is one source to help to do that and meet the needs of the City. The City also doesn't want to lose the ability to collect the legal limit. City Administrator Adam Smee noted that future amounts are also based on the highest allowable tax amount, so the City needs the 1% each year. The City has the right to a statutory limit of \$2.10, but because of the 1% limit is only able to collect \$1.48. Mr. John Flynn asked if it is a use it or lose it. While there is a mechanism to bank the unassessed taxes, it is important to have them assessed each year. Mayor Reuter closed the hearing at 7:58 pm.

6. UNFINISHED BUSINESS - None

7. NEW BUSINESS

8. ORDINANCES & RESOLUTIONS

A. Ordinance No. 1428 – 2019 Budget Amendment

Ordinance No. 1428 was read by title: An Ordinance of the City of Kalama, Washington amending the 2019 Budget to account for unanticipated revenues and expenditures increasing the Budget in the amount of \$57,000.00. Councilmember Rosemary Siipola made a motion to adopt Ordinance No. 1428 as presented. Councilmember Mike Langham seconded, and the motion carried.

9. PUBLIC COMMENTS/CONCERNS

Mayor Reuter opened the public comment portion of the meeting stating each would have three minutes to speak and requested no political comments.

The Beacon, a group of young ladies, informed the Council that in conjunction with the Youth and Family Link program they will be holding a Townhall and Youth panel in Longview on November 7, 2019 from 5:30 to 7pm. They invited everyone to attend.

Ms. Maureen Jenkins stated that due to the budget including an increase of fees for garbage service, the City should consider using waste management instead of Waste Control. Waste Management can provide weekly and biweekly service options and curb-side recycling. She noted that a couple years ago, representatives of Waste Control came to the Council concerning with being purchased by another company and wanting Kalama's support. This will be the second year in a row for rate increases and there has been a decrease in service. The City should look at other options. City Administrator Adam Smee explained that the City can look at other options, but they are currently under contract with Waste Control. The City is also

part of an interlocal agreement with the County for solid waste management. Clark County rates are higher based on information the City has from those jurisdictions. Clerk/Treasurer Coni McMaster noted that the increasing rates are because the County increased the tipping fees. Administrator Smee noted that Waste Control has to go to the Utility Trade Commission for approval of any rate increase which may affect what the final rates are. The County is truing up the rates for the landfill as there have not been consistent inflationary increases. The new tipping rates are at the scale and contract haulers may have another rate.

Linda Dolph asked when the Waste Control contract is up. Staff would have to look at the contract. Ms. Dolph noted it probably has a long term. Personally, she likes the service from Waste Control as they always pick up and even on most holidays. She notes the contracts are usually hard to negotiate.

10. CORRESPONDENCE – None

11. MAYOR’S REPORT & COUNCILMEMBERS’ REPORTS

A. Mayor Mike Reuter reported that the Kiwanis have opened a branch of the organization representing Kalama and Woodland. He also noted there will be a Candidate Forum on Monday.

B. Councilmember Jon Stanfill was absent.

C. Councilmember Sandra Macias had no report.

D. Councilmember Mike Langham had no report.

E. Councilmember Rosemary Siipola reported she attended her last meeting of the State Traffic Safety Commission Board. They adopted a Highway System Plan. She noted some statistics regarding accidents of which 94% of fatal accidents are preventable. Young drivers – 16 to 25 years of age – make up only 13.5% of the drivers, but are involved in 31% of the fatal accidents and 34% of the serious accidents. She noted that law enforcement staffing levels in Washington are number 49 out of the 50 states being at 1985 levels. This has decreased the efforts for traffic enforcement. The state as well as Kalama struggle to recruit good candidates for open positions. The board hopes to get more funding from the legislature in the future.

F. Councilmember Mary Putka reported the Tourism Advisory Committee will meet for the first time on October 28th to review the three applications the City received for 2020 funding. At the last meeting the idea for a mural was addressed and she has contacted an organization that did the murals at the Portland Airport. This organization is willing to help and will look to use local artists. Envision Kalama may have some funding available as well.

12. DEPARTMENT REPORTS

A. City Administrator Adam Smee reported he has been attending meetings to work

on the County wide solid waste plan for future years. He is working with Kelly to address an emergency stormwater issue on Council Crest, and noted the downtown stormwater project has been completed. He has attended various meetings on half a dozen land use development projects, having walked some of the sites. He is working with the planner and the Planning Commission on developing site plan review process and with the planner on a critical areas enforcement action. He has been dealing with a civil litigation issue on a project. Adam noted that he and Kelly are reviewing rural transportation funding applications for various county projects. He will be part of a meeting to address the Kalama River Road roundabouts issues dealing with use by the larger vehicles. The development review of the sewer lift station for Sunset Terrace is moving forward as is the design review for Cedar Springs and Columbia Point. The school projects are on schedule to be submitting plans in December. The project plans on River Ridge Road for the roadway and stormwater conveyance is nearly complete. He and other staff are working to hone the expenditure budget for 2020 and looking at the capital improvement plan.

B. Director of Public Works Kelly Rasmussen presented a written report. Tapani finished the downtown stormwater rehab project behind the Library building and Double D's. He was out there today during a downpour and there is no more standing water as the drains are running well. It was a difficult project as no one knew where existing lines were. Kelly noted that he was project manager on the project which was very time consuming. He now understands why we normally hire this out. Staff has been reduced due to hunting season and illness, but we have still installed five new services, and dealt with some clogged lines. He has negotiated a purchase for property for the new reservoir site which is still being finalized with the attorney. He and Adam are working with Chiltons on the 40 acres to be developed into high end estate lots which will include a new pump station from 220-gallon reservoir and installation of new infrastructure. At a higher level the developer will need to put in a new reservoir as well. He is looking at how the City might work with them to build in capacity that would replace two aging tanks the City will need to replace plus a new pump station. He will have to find out how we can contribute to up size their reservoir. Councilmember Siipola commented that Kelly is doing it right in making the effort to address the issues in the best way. Kelly noted that the hookup fees discussed earlier help to maintain the 57 miles of water main throughout the 20 square miles of system he has with 2 reservoirs inside and 10 outside. This is why the outside fees are more for both connection and rates.

C. Police Chief Ralph Herrera presented his statistical report of 151 calls for service and 13 reports. He attended the Cowlitz County Traffic Safety committee meeting, the planning meeting for the Lighted Boat Festival, and the Kiwanis meeting this week. On Wednesday the Library held a Cookies with a Cop attended by 15-20 kids. Homecoming is this weekend and the department will make an appearance at the game on Friday and the dance on Saturday. The Department has recently completed training requirements for all the officers to retain their certifications.

D. Clerk/Treasurer Coni McMaster reported that Emily Moore has returned to work half-time from maternity leave. She noted she had a good time off and will be tackling the expenditures for the budget presentations at the future Council meetings. She has submitted the new construction mapping to the Federal Census to ensure a good count in the City in

2020.

E. City Attorney Sam Satterfield had no report.

13. CONSENT AGENDA

Councilmember made a motion the City Council approve the Consent Agenda including: Claims and Payroll Warrants #40866-40931 plus ACH/EFT payments for the Month of October in the amount of \$ 227,749.93; Approval of Minutes of the October 3, 2019 City Council Meeting; and Set 2020 Budget Hearings for November 7 and November 21, 2019 at 7pm.

14. EXECUTIVE SESSION – Litigation Issue

Mayor Reuter called an executive session on a litigation issue at 8:38 pm. He invited City Administrator Smee and Clerk McMaster to attend. The session should be only for 15 minutes and they expect no action upon return. The Council returned at 8:53 pm.

15. ADJOURNMENT

Mayor Reuter adjourned the meeting at 8:54 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

MEETING SIGN-IN SHEET

MEETING: KALAMA CITY COUNCIL MEETING

MEETING DATE: October 17, 2019

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 STAND - SPEAK CLEARLY and step forward. Thank you.

PLEASE CHECK AGENDA ITEM(S) YOU WISH TO SPEAK TO

Name	ADDRESS	EMAIL OR PHONE NO.	Public Hearing	Other Agenda Items	PUBLIC COMMENTS (ITEMS NOT ON THE AGENDA)
Kou P. Pisher	1057 N 1 st				
Taraig Brainer	1255 Neethink	taraigbrainer@gmail.com	<input checked="" type="checkbox"/>		questions
Darnell Clark	494.414.1144				
Linda Dolph	Taylor			<input checked="" type="checkbox"/>	
The Barber					
Mammi Jenkins	Taylor Rd				Budget/Exchange
John Flynn	Langford Rd		<input checked="" type="checkbox"/>		
JIM BAYN					