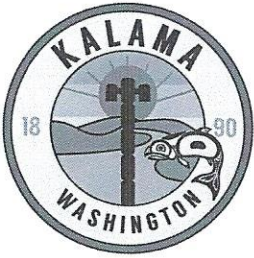


City of Kalama City Council Agenda February 20, 2020 @ 7 pm

1. **OPENING** - Mayor Mike Reuter
 - A. Flag Salute
 - B. Roll Call
 - C. Changes to the Agenda
2. **PRESENTATIONS & AWARDS**
 - A. Proclamation – Dr. Seuss Day
3. **PUBLIC HEARINGS**
4. **UNFINISHED BUSINESS**
 - A. Workshop – Community Building Committee
5. **NEW BUSINESS**
 - A. TBD – Vehicle License Tabs – Repeal \$40 Fee
 - B. Correcting Ordinance for Stormwater & 2020 Budget Amendment
6. **ORDINANCES & RESOLUTIONS**
 - A. Ordinance No. 1436 – KMC Chapter 13 Stormwater Utility
 - B. Ordinance No. 1437- 2020 Budget Amendment – Water Meters
7. **PUBLIC COMMENTS & CONCERNS** *(please observe a 3-minute limit)*
8. **CORRESPONDENCE**
9. **MAYOR & COUNCILMEMBER REPORTS**
 - A. Mayor Mike Reuter
 - B. Councilmember Jon Stanfill – Police & Chamber
 - C. Councilmember Sandra Macias – Public Works
 - D. Councilmember Wendy Conradi – Finance - Tourism
 - E. Councilmember Steve Kallio – COG Board - Library
 - F. Councilmember Matthew Merz – Planning – Economic Development



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**CITY OF KALAMA
CITY COUNCIL MEETING
FEBRUARY 20, 2020**

1. OPENING-ROLL CALL-CHANGES TO THE AGENDA

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, Wendy Conradi, Steve Kallio, and Matthew Merz. 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. PRESENTATIONS & AWARDS

A. Proclamation – Dr. Seuss Day

Chief Herrera informed all that he and Mayor Reuter are members of the local Kiwanis of Woodland and Kalama who are partnering with the local libraries to celebrate Dr. Seuss' Birthday on March 2, 2020. Kalama Library will be celebrating during storytime on Wednesday March 4th. In recognition of the event the City is issuing a proclamation for "Dr. Seuss Day". He read the proclamation as Mayor Reuter presented Library Director Elaine Bystrom with the signed proclamation. Chief Herrera noted the Library staff and volunteers are doing the work for the event, and it will include the normal storytime attendees as well as groups from Little Rascals Preschool and the Early Learning Center.

3. PUBLIC HEARINGS - None

4. UNFINISHED BUSINESS

A. Workshop – Community Building Committee

Clerk/Treasurer Coni McMaster noted that in January the Council indicated they wanted to hold a workshop to discuss the establishing of a committee to look at the issues associated with the Community Building, but no date was set. After a brief discussion the Council agreed to hold a workshop at 6pm before the second meeting in March to look at what the goals will be and the makeup of a committee. Staff will provide information on how this can be done, along with information on the operating costs, history and capital needs of the building for the workshop.

5. NEW BUSINESS

A. TBD – Vehicle License Tabs – Repeal \$40 Fee

Councilmember Steve Kallio stated that 75% of Kalama voters voted for I976 and while it is going through the courts, where the King County court recently upheld which could be

appealed, it is not a sustainable revenue source and he believes the Council should repeal the \$40 vehicle tab fee and stop collecting it. He believes the ultimately the appeals will fail. The Council should repeal the fee to enact the will of the people. Councilmember Sandra Macias noted that she didn't see a plan in the proposal on how to replace the \$100,000 the City will lose if the tab fees are repealed. If the court upholds the law then we lose it immediately. And the City needs a plan to replace the money which is solely for streets. It would not be fiscally responsible to not plan ahead to replace the funding and what do we say when people ask about repairing their streets. She thinks the voters did not fully understand what they were voting on and only heard their car tabs would now be \$30. Councilmember Kallio noted that 75% of those that voted don't want the fee and it is not fair to not listen. It was noted there is not a revenue stream for supporting the streets specifically except for this. Councilmember Matthew Merz noted he would support the sales tax option to fund the Transportation Benefit District so that everyone that comes to town will pay towards it. The funding goes to the side streets and we need streets to be maintained. It was noted that if citizens don't want to fund with car tabs, then how will we fund streets in the future. The City has a responsibility to fund the streets. Councilmember Jon Stanfill stated he thinks the Council should workshop all the options and have a broader conversation on how to fund streets. Councilmember Kallio note it is not fair to assume the voters were ignorant to the funding of streets when they voted and we need to stop assuming that. Councilmember Macias stated she is not doing that, but has heard that people are confused as to where the money goes even now or weren't aware of the funds that were coming to the City. Councilmember Wendy Conradi stated she is not opposed to repealing the tab fees, but thinks we need to look at how we are going to fund the streets. She doesn't think a sales tax will pass as the school levy just failed for the first time. Mayor Reuter noted the Council can't decide tonight as they need more information to see how it will affect the street budget. Director of Public Works Kelly Rasmussen explained the street maintenance fund is only about \$200,000 to cover regular maintenance costs, while these dollars are used only for replacement of asphalt in the residential dead-end neighborhoods. These are areas not eligible for state funds or federal funds. There is very limited funding for streets with only \$3.2 million available to the western portion of Washington State. It isn't available to fix potholes in neighborhood streets but the vehicle tab fees for the TBD has paved many areas in around town including some that have never seen paving before. The funds are without any strings for how it can be spent so the City can call in contractors for overlays without involving engineers making the dollars go further. There are photos of the projects that can be presented at a workshop.

The timing of the elections can affect when the taxes would start being collected with the earliest being January 1, 2021 if the sales tax were on the primary ballot in August. Councilmember Kallio noted the proposed action is not to take away the TBD, but just how it is currently funded. City Administrator Adam Smee explained that there is about year lag in using the funds being collected so Kalama has money for paving in 2020 with funds received prior to the initiative. The City is still receiving funds being collected by the State that will be held for refunding back to the once court decisions are final on the initiative. The general election will have a greater voter turnout as the presidential election is this year. It would be effective in April if passed so the City could lose a year of paving. The sales tax option has a sunset of 10 years with a possibility of a 10-year renewal if used for bond payments. Administrator Smee noted that paving lasts about 10 to 20 years and some of the newer developed areas are getting to the age for requiring maintenance and people in these neighborhoods will expect to have the street maintained in a timely manner. The City does need to listen but needs to inform the

citizens that it costs money. The TBD funding has no overhead costs included so it is all about paying for pavement and is the most effective use of tax dollars the City has. There are options with the most common the car tabs or sales tax but if the tax sunsets of 10 years, what happens next? The legislature hasn't provided an answer to that. The bonding option could allow the City to make mass improvements and then pay the debt over the next 10 to 20 years. Sales tax revenues are unstable as the condition of the economy affects them greatly. The Council can't campaign for the measure as the City is only allowed to educate, providing facts on the impacts.

A committee would have to be formed to advocate for the sales tax. It was suggested to have a 5-year sunset clause, but then could the City still have a full 20 years. City Attorney Sam Satterfield explained that each period could only be for a maximum of 10 years so 20 years isn't guaranteed. Clerk/Treasurer Coni McMaster explained that the Council would not be able to finalize a repeal tonight as it will require an ordinance as the fee was adopted by ordinance. The action would be for the Council to direct staff to draft an ordinance to repeal the fee. It was noted that no matter the action a lag in funding and the ability to do projects will occur. Future projects proposed are all outlined in the capital facilities plan. Councilmember Kallio, stated that since the City will experience a lag anyway, they should just repeal the fee now. Administrator Smee noted that other jurisdictions have used resolutions that would do both – implement a sales tax and repeal the tab fees. Councilmember Kallio stated he thinks we should repeal it now and then hold a workshop to look at funding it a different way with something more stable. Repealing it heeds the voice of the people. Councilmember Merz, thought the idea of packaging the repeal and the tax together would be a good option. We can start the process of preparing a ballot measure to have something in place and will be committed if we put it on the ballot. As an estimate based on 70 million in sales in 2019 for Kalama which includes recent construction a two tenths of a percent sales tax could generate approximately \$140,000, but 2019 was not a normal year. In a bad year it would be considerably less. Councilmember Kallio asked if they thought citizens would vote for the sales tax without having the tab fee repealed. Everyone agreed we want good streets, but several were not comfortable giving up current funding without looking at options to replace. Councilmember Merz made a motion to instruct staff to draft a resolution based on the process set out by Moses Lake for implementing a sales tax to fund the TBD and repeal the vehicle tab fee. Councilmember Kallio seconded. The council requested a workshop to be held before the next Council meeting to look at the options and the resolution. The motion carried. The workshop was set for March 5th at 6pm.

B. Correcting Ordinance for Stormwater & 2020 Budget Amendment

Clerk/Treasurer Coni McMaster explained the two ordinances before the Council tonight. Ordinance 1436 will codify the Stormwater Utility as adopted by Ordinances 1410 and 1411 in November 2018. The ordinances did not set a code chapter for the utility so they were not codified. Ordinance 1437 is a 2020 budget amendment to cover the costs of replacing water meters from funding set aside for that purpose. Meters that were retrofitted have been failing and while the manufacturer is discounting replacement meters due to the premature failures the City is incurring costs that were not included in the original budget to be taken from the reserves that were set aside for future meter replacement.

6. ORDINANCES & RESOLUTIONS

A. Ordinance No. 1436 – KMC Chapter 13 Stormwater Utility

Ordinance No. 1436 was read by title: An Ordinance of the City of Kalama, Washington establishing a new Kalama Municipal Code Chapter 13 – Stormwater Utility as adopted by Ordinances 1410 and 1411 on November 15, 2018. Councilmember Matthew Merz made a motion the City Council adopt Ordinance No. 1436 as read. Councilmember Steve Kallio seconded, and the motion carried.

B. Ordinance No. 1437- 2020 Budget Amendment – Water Meters

Ordinance No. 1437 was read by title: An Ordinance of the City of Kalama, Washington amending the 2020 Budget to account for unanticipated expenditures for replacement of failing water meters increasing the Budget in the amount of \$88,000. Councilmember Matthew Merz made a motion the City Council adopt Ordinance No. 1437 as read. Councilmember Steve Kallio seconded, and the motion carried.

7. PUBLIC COMMENTS/CONCERNS

Mr. Jim Bain, Kalama resident, noted that the Council had decided not to weigh in on the methanol plant issues that are tied up in the courts and he sees the tab fee issues should be treated like that. He is glad the Council realizes they have to replace the funds and will be happy seeing it get done. He did ponder that if the voters don't want the car tab fee, why would they want to pay a sales tax and how does the Council think it will pass?

Ms. Mel Karmerath, Kalama resident noted that she voted against 972 but that is because she read and educated herself. The Council spent 45 minutes discussing the issue to understand and there is still some confusion. She and her husband had to deep search the facts to find out where the tab money goes and it wasn't easy to find. The limited information in the voter's pamphlet is not enough, but that is usually what the voters read. She noted that she can budget for the tab fees but can't budget for the increases in taxes.

Mr. John Flynn, Kalama resident asked what is the City's tax rate. The full rate is 7.9% which includes the State portion of 6.5% with the remaining 1.4% allocated to both the County and the City. He verified the Council is considering a proposal that would increase the tax to 8.1% from 7.9%.

8. CORRESPONDENCE

9. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

A. Mayor Mike Reuter reported will be working with staff to update the five-year old social media policies to be in compliance with any recent updates to the OPMA and PRA. He wants to be sure the policies are clear.

B. Councilmember Jon Stanfill reported the Chamber is working on a few items that

will come to the Council in the near future. Envision Kalama will hold a fund raiser at McMenamins where half the proceeds will be given to Envision on the 25th which is the same date local resident Joanna Boatman is presenting on the history of Kalama. The Fundraiser begins at 5pm and Ms. Boatman's presentation begins at 7pm. Councilmember Stanfill noted that Police hiring process continues, as does the jail negotiations. The department will be participating in the Safety City event tomorrow where local first graders will get the chance to learn about safety issues while interacting with the local first responders of the police and fire departments.

C. Councilmember Sandra Macias reported that she met with Kelly about the projects for this year and noted they will be interviewing the candidates for the new position next week.

D. Councilmember Wendy Conradi issued a reminder that tourism applications will open again in March.

E. Councilmember Steve Kallio reported he attended the Library Board meeting last month. The Library staff has attended census meetings so they will be able to help with the census. There were 838 patrons in January and 500 so far in February coming into the Library. The Library Board is reviewing the survey results which were informative with the biggest thing being the desire for more hours. He attended his first COG meeting where School Superintendent Eric Nerrison presented information about the recent county wide trade fair which was tied to the STEM education and to the trades as options for students.

F. Councilmember Matthew Merz reported he attended the Planning Commission.

10. DEPARTMENT REPORTS

A. City Administrator Adam Smee reported he enjoyed his vacation. The jail negotiations are ongoing with the local police Chiefs presenting an offer to the County. They will next meeting at the beginning of March. Administrator Smee noted the local lodging tax legislation to restore the 2% back to the City has passed the House. He will go next week to testify at the Senate for its passage. He wasn't expecting the progress to be made. If passed, the City will see double the tax amount it current receives.

B. Director of Public Works Kelly Rasmussen provided a written report. He noted he received 30 applications for the new position and narrowed it down to six to interview on Wednesday the 26th. He is working with the Port to develop and update the criteria the City uses for engineering selections so both entities are using a similar process as they work together often. He hopes to complete the evaluations in the next two weeks.

C. Police Chief Ralph Herrera presented his statistical report of 130 calls with 13 reportable incidents including a couple of vehicle prowls. He is targeting an April 1 start date for his new hire if all goes well. The department has been very busy. The Safety City event tomorrow is sponsored by the Traffic Safety Commission who also sponsor on the road enforcement efforts for seatbelt and driving under the influence with the first one this year in April.

D. Clerk/Treasurer Coni McMaster reported she took a very informative MRSC

webinar on the Open Public Meetings Act (OPMA) which is recommended for the Councilmembers to take. It explains how telephone, email, social media, and simple conversations can become "public meetings" for elected officials and what liabilities they face for violations. She has forwarded the recording of the webinar to all of the Council and is providing handouts on the OPMA and electronic communications. She has also uploaded the MRSC publication on the OPMA and shared it with the council. Finance Clerk Shannon Johnson has completed her probationary period and is an asset to the department and City. The Finance Department has put out a request for proposals for updating the 2015 Utility Rate Study for the next 5 years and to include the storm water rates. She also noted the Finance Clerk Emily Moore is taking notes tonight as she will be sitting in for the second meeting of March while she attends a conference.

E. City Attorney Sam Satterfield had no report.

11. CONSENT AGENDA

Councilmember Matthew Merz made a motion the City Council approve the Consent Agenda including:

A. Approval for payment are Claims & Payroll warrants #41332-41377 plus ACH/EFT payments for February 2020 in the amount of \$298,794.11

C. Approval of Minutes of the February 6, 2020 City Council Meeting

Councilmember Steve Kallio seconded, and the motion carried.

12. EXECUTIVE SESSION - None

13. ADJOURNMENT

Mayor Reuter adjourned the meeting at 8:37p.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

