

**CITY OF KALAMA
CITY COUNCIL MEETING
MAY 7, 2020**

1. OPENING-ROLL CALL-CHANGES TO THE AGENDA

Mayor Mike Reuter opened the City Council meeting at 7:00 pm via the virtual format through Zoom.

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 - None

3. PUBLIC HEARINGS - None

4. UNFINISHED BUSINESS

A. Award Bid for the Meeker Drive Lift Station

Director of Public Works Kelly Rasmussen explained the City received 14 bids on this project which was estimated to cost \$1.2 million. The highest bid was \$1,279,208.45 and the lowest bid was \$977,919.28, including sales taxes. The low bidder, Catworks LLC is qualified to perform the work on the project and the Engineers have vetted their qualifications, experience, and references. Director Rasmussen requests the Council award the bid to the low bidder Catworks LLC. Councilmember Steve Kallio asked if the costs were being shared with the Port of Kalama. Director Rasmussen explained the Port is covering 50% of the entire project including the design and construction management costs of this project as the upgrades support the use from the Spencer Creek Business Park. The Port has been briefed on all the costs. Councilmember Matthew Merz made a motion the City Council accept the low bid from Catworks LLC for the construction of the Meeker Drive Lift Station in the amount of \$977,919.28. Councilmember Steve Kallio seconded, and the motion carried.

B. Council Accept the Cloverdale Booster Station Project

Director of Public Works Kelly Rasmussen explained the Cloverdale Booster Station was finally completed which had gone over the time limit. The Council needs to accept it as complete to finalize the project. The project did come in under budget, except for a request for additional funding from the engineers for construction management which he did not feel was justified, so denied the request. The project was covered by a performance bond, so the City held no retainage. Councilmember Matthew Merz mad a motion the City Council accept the Cloverdale Booster Pump Station as complete and take steps to close out the project. He also thanked Kelly for getting the job done. Councilmember Steve Kallio seconded and the motion carried

C. Coronavirus-Stay Home Stay Healthy Order – Options/Revenue Effects

City Administrator Adam Smee noted that some information is included in his Administrator's report. Currently the effects are difficult to forecast. At a third of the way through the year which includes the receipt in April for February revenue reports from the state we are slightly ahead of our budgeted projections. We are eight weeks into the stay health order but aren't truly able to track all actual monetary impacts. We suspect the school construction is boosting the dollars right now and the County chose to not delay property tax collections so we received average funds for this time of year. Kalama is doing alright. He does project a 4.3 short fall which equals around \$119,000. Actual impacts to sales tax revenues will start to be seen at the end of May and into June so we will continue to track it going forward. He expects to bring suggestions to the first meeting in July, with a preliminary discussion in June for budget adjustments at mid-year. The City will be receiving \$87,000 the equivalent of \$30 per person from federal CARES funding through the State. We are still determining what the money can be used for as the restrictions are looser than FEMA funds. There may be some opportunity to provide economic relief, or utility subsidies, or subsidize rent for business from these dollars. There is a City Managers meeting to discuss the options next week. Ours is small compared to County share of almost \$6 million. The amount to help the community will be the portion left over after City expense which hopefully we can preserve to support the local business or vulnerable residents. Councilmember Jon Stanfill asked what the timeline is on the funding. The City hasn't received any of the funds and doesn't know when will be in hand, but it has to be used or spent in 2020 or anything remaining has to be returned to the state. He really wants to find ways to use it for the community benefit.

Councilmember Matthew Merz asked what happens if the economy doesn't increase in the next 60 days. Clerk/Treasurer Coni McMaster noted that based on the averages of what the revenues have been for the March/May period in the last six years, and what the City averaged on a monthly basis in 2018 1nd 2019 and the average for the first four months of 2020 it is difficult to predict what the revenue loss will be. Councilmember Merz noted that multiple citizens don't have until next month. It is irresponsible to just check out. He stated that he walked around and talked to all food providers who reported that they are at least 50% down on revenues and 110 food workers are out of work in Kalama. The City needs to open up. Mayor Reuter stated he is not going to open the City and will not lift the state of emergency or go against the governor's orders. Councilmember Merz stated the he would then violate his oath of office and go against the constitution, just as the governor has along with violating people's constitutional rights. Mayor Reuter noted that he also spoke with some business owners who have reported equal to or increased in sales. Councilmember Merz continued that he is violating the constitutional rights by supporting the governor and asked where is the emergency as there have been no deaths locally. Mayor Reuter suggest Councilmember Merz hold further comments to his report. Councilmember Steve Kallio noted that not everyone has had a chance to talk and it is worth discussing the pros and cons of opening, so he shouldn't just shut down the conversation. Councilmember Sandra Macias asked Councilmember Merz what "rights" he was referring to and what he means by his comments. Any company has a right to deny service. Councilmember Merz stated that there is nothing reasonable about the over reach of the governor. Councilmember Macias, asked again what right had he been denied to which Councilmember Merz noted several RCW sections and sections of the Constitution. Councilmember Macias stated she supports the Mayor in not opening City as it would put the City at a great financial risk. Councilmember Merz noted the City is at risk if they deny the

rights of the citizens. Mayor Reuter suggested to Councilmember Merz that he take it to court if he feels that strongly about the issue but he won't open the City at this time.

Councilmember Wendy Conradi interjected that the Council positions are nonpartisan and that is what they all need to be. There has been a one-sided social media campaign from the right wing that is making what is a healthcare issue into a political one putting people at odds. The Community should be coming together to deal with the issue and keep everyone healthy. Councilmember Merz agreed stating that could be done with "herd immunity" and not continuing the shutdown. Councilmember Conradi continued that the Council needs to listen to the recommendations of the attorney and while we might all agree there is room for improvement in the governor's plan it isn't wise for the City to go against the state. The City relies on the state for many things and different sources of income. Encouraging individual business to go against the state mandates or hire attorneys to do so just adds additional cost for them. She hasn't received any comments from the business owners that she knows about opening immediately. There are consequences of opening and the implications of the health care available as there is limited space in the hospital and not enough PPE available to meet a large demand. Many statistics being put out are inaccurate and factual information has to be found. You cannot put livelihood over life. She sees this everyday working at the hospital. She understands there is a huge financial impact and the City needs to find a way to help them with the CARES funds. This is a healthcare issue not political and not a civil liberty issue either. The City needs to take the opportunity to make a difference and don't disregard the information coming from the experts. Councilmember Merz noted that the predictions of epidemiologists have been wrong in their predictions and Councilmember Conradi asked what he was basing that on. Mayor Reuter interrupted stating they need to move one, as the Council members are not experts in all these fields. The City doesn't have the ability or resources to go against the government. He will look at writing a letter to the governor about the options of what could be done.

5. NEW BUSINESS - None

6. ORDINANCES & RESOLUTIONS

A. Ordinance 1438 – Adopt Local Revenue Sharing for Affordable Housing

Ordinance No. 1438 was read by Title: An Ordinance of the City Council of the City of Kalama, Washington, adopting a new Kalama Municipal Code Chapter 3.07 imposing the local sales and use tax authorized under Laws Of 2019, Ch. 338 (House Bill 1406) to be used for the affordable housing and related purposes set forth therein; and providing for other matters properly relating thereto. Councilmember Sandra Macias made a motion the City Council adopt Ordinance No. 1438 as read. Councilmember Matthew Merz seconded, and the motion carried.

B. Ordinance 1439 – Amending KMC Chapter 5 – Business License Update

Ordinance No. 1439 was read by Title: An Ordinance of the City of Kalama, Washington amending Chapters of the Kalama Municipal Code Title 5 Business Licenses And Regulations to update the code to meet the requirements for the Washington State Department of Revenue to collect general business license fees on behalf of the City and simplify other license related

regulations for the City. Councilmember Steve Kallio made a motion the City Council adopt Ordinance No. 1439. Councilmember Matthew Merz seconded, and the motion carried.

7. PUBLIC COMMENTS/CONCERNS

8. CORRESPONDENCE

A. Letter to City Council from American Cruise Lines – Read into the record by Councilmember Merz.

B. Memo to Administrator Adam Smee from Attorney Sam Satterfield

C. Letter to City Council from Woodland Mayor Will Finn – Mayor Reuter noted the City could consider working with Woodland or the County to draft correspondence with the Governor about moving Cowlitz County forward to reopening faster. City Attorney Sam Satterfield noted that under the governor's phasing plan, the County has to petition for opening sooner and individual cities cannot, so an individual letter from the city won't be as useful without the full county support of a proposal.

D. Emails from Concerned Citizens (4) – The four emails were read into the record.

9. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

A. Mayor Mike Reuter noted that it was a good discussion to have and thanked Matthew Merz for initiating it be on the agenda. There are so many differing opinions, outlooks and reasons for how individuals feel about the issues facing everyone right now. It is not a partisan/political issue. It is difficult to know what to do. He has talked with Jon Stanfill about getting information from the business community about how they are doing, what assistance they are getting, so we have some facts about how the business community is actually doing. How are the employees doing is also important. We don't have enough information currently. Mayor Reuter expressed his desire to wait and see how other places that have opened early fair and use them as examples. He wants to forward cautiously. In a couple more weeks we may be at Phase 2 of the Governor's plan. He understands every week is hard for the citizens, but we can't make a mistake. He doesn't want to have death versus dollars. He acknowledged how good it is that the citizens have been supporting the local businesses. The support has been outstanding.

B. Councilmember Jon Stanfill thanked Wendy for her earlier comments. He fully understands the concerns as he is experiencing the economic impacts first hand as his summer job is completely shut down. We do need to look at options to move forward. He will be working with the Chamber and the City staff to develop a survey to the business owners. Replies can be made anonymously. Hoping this will help take the pulse of the community, so the Mayor and Council can make meaningful decisions. He thanked Sam for all the guidance on the issues. Mayor Reuter noted that he had wanted to do this earlier but School Superintendent Eric Neirson is president of Chamber and has had his hands full with the school issues and the recent levy election, so didn't want to add to his burdens. The results can be used in the communication to the governor on what we need and what we need to do. It will be

helpful to know what business isn't getting the aid that is available.

C. Councilmember Sandra Macias reported she reviewed engineering proposals which is a process that has to be done every two years. She thanked Wendy for articulating her concerns and as a healthcare professional what she sees are the issues. She noted that that citizens have challenged others to purchase and give out gift certificates to others from the local businesses which has worked to help the local community. The hardware store is seeing new people so that business has doubled in a month. She agrees that Kalama may not experience a big hurt. She acknowledged the challenge for those out of work, home schooling their kids or having to find childcare in the current conditions. She hasn't received any negative comments but did hear appreciation for the information that was included in the Mayor's letter to the public.

D. Councilmember Wendy Conradi stated the City needs to keep the CARES money local for the Kalama community. She also suggested that they take another look at the tabled TBD issue. She asked about the Tourism applications. One application was received for the Pub Crawl, and funding should be available in the budget but until the Committee meets again it isn't approved. Councilmember Stanfill noted that the car show has not been officially canceled as they will wait until June 1 to make a final decision. Mayor Reuter noted that staff is looking at the federal funding and what strings are attached to it. He noted the working on how it can be needed to begin as soon as possible.

E. Councilmember Steve Kallio reminded the Mayor that this is a Council meeting and not the Mayor's meeting. He can't just shut it down and not allow the Councilmembers to address the issues before them. Mayor Reuter noted that it is his job to rein it in when it is out of control. Councilmember Kallio noted that there really wasn't a discussion of the Council. He commended both Councilmembers Conradi and Merz on voicing their positions. There are ways to work to make it better for businesses if they find ways to social distance so they can open. We also need to work around the second amendment issues so that fingerprints for concealed weapons permits can be completed. These conversations need to be had and tonight there was an opportunity but it didn't happen.

F. Councilmember Matthew Merz appreciates the rigorous debate. He stated that it is not political but the governor has made it so. The City needs to do whatever to find ways to let citizens get back to normal lives which should include extra meetings as some of these things should have been talked about 3 weeks ago. If we don't take action the City will be going downhill fast.

10. DEPARTMENT REPORTS

A. City Administrator Adam Smee provided a written report. He noted that Mr. White from the High School has contacted him about graduation and has been referred to the local IMT command to work a plan for graduation. While it won't be a regular graduation ceremony all the City entities will try to come up with something to demonstrate our respect for the senior class's accomplishments.

B. Director of Public Works Kelly Rasmussen provided a written report. He informed the Council that the Pavement Preservation project will begin on Monday which is the work on

Elm Street from W. Frontage up to Fourth Street and W. Frontage from Oak Street to the Kingwood crossing. The preconstruction meeting was held earlier this week. The Contractor, AES, LLC is projecting to be done by July 12, 2020, but really want to be done by the end of June. The City will see lots of action on this project as it moves along quickly. The contractor has a Covid plan in place which will be monitored by L&I who is out inspecting sites for compliance. Also next week, the crew will be replacing two blocks of water line along Date Street between Eighth and Tenth streets which will replace an old 6-inch line with a new 8-inch waterline. His department is taking temperatures before starting work each day.

C. Police Chief Ralph Herrera presented his statistical report of 166 calls with 10 resulting reports. He highlighted the scam which is a \$40,000 loss to an elderly Kalama citizen. The scam involved someone posing as representing Publishers Clearing House posing. He encouraged everyone to be careful and remind all your loved ones that if it sounds too good to be true, it probably is and reputable organizations will not request you send them money to receive money or provide personal information. Officer Tyler Kaplan and wife welcomed their son Owen today and all are doing well. He noted he honored the nurses yesterday for National Nurses Day and noted next week is National Police Week. Councilmember Matthew Merz asked if the bank involved was able to help the resident involved in the fraud. Chief Herrera noted the department is following the leads, but these are difficult to track as they are spam and hidden links and if cash was sent, it is lost. Councilmember Merz asked about the theft suspects being pursued. Chief Herrera noted that one is in custody and they are working with other jurisdictions to locate the other suspect. Councilmember Sandra Macias complimented the Fire and Police Departments for taking the time to honor birthdays and individuals out in the neighborhoods while everything is closed down. Councilmember Steve Kallio asked to Chief to send Officer Kaplan the Council's congratulations.

D. Clerk/Treasurer Coni McMaster presented the first quarter 2020 Treasurer and April Cash and Investment reports. As noted earlier, currently the City is operating as expected and effects of the shutdown have not yet been felt with the exception of Tourism dollars. She has been attending various webinars on the financial issues and effect of the Covid-19 for the projecting of potential losses. FEMA contracts for emergency funding have been received and are being processed to return. Work continues on the various annual reports that are due in next couple of months. The process for business licensing has been transitioned successfully to the State and we have received funds for licenses.

E. City Attorney Sam Satterfield thanked them for reaching out to him for information and reading the memos that have been put out. He advised them not to hesitate to send questions during this time as it is what he is here and paid for. Attorney Satterfield Suggested that having some procedures for putting things on the agenda or how meetings are conducted could help the Councilmembers and many jurisdictions have rules in place. He and the staff could look at other jurisdictions and develop some rules of procedures, for review by the Council to adopt. This would address putting items on the agenda, conduct of meeting, points of order and other items which would be helpful for this Council and future Councils. Mayor Reuter noted that perhaps they should be holding additional meetings for discussion of the issues at hand as Councilmember Merz suggested earlier.

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 #416560-41612 plus ACH/EFT payments for April 2020 in the amount of \$309,490.24

C. Approval of Minutes of the April 16, 2020 City Council Meeting

Councilmember Steve Kallio seconded, and the motion carried.

12. EXECUTIVE SESSION - None

13. ADJOURNMENT

Mayor Reuter adjourned the meeting at 8:29 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