

**CITY OF KALAMA
CITY COUNCIL MEETING
NOVEMBER 7, 2007**

1. OPENING

Mayor Pete Poulsen opened the City Council meeting at 7:05 p.m.

A. Flag Salute

Mayor Poulsen led those present in the Pledge of Allegiance.

B. Roll Call

Councilmembers present were Adam Smee, Dominic Ciancibelli, Chuck Hutchinson, Don Purvis, and Bud Gish. City staff present were Director of Public Works Carl McCrary, Clerk/Treasurer Coni McMaster, and Police Chief Bruce Hall. City Attorney Paul Brachvogel arrived at 8:15 pm. Members of the public present are listed on the sign-in sheet.

2. EXECUTIVE SESSION - None

3. CHANGES TO THE AGENDA

Clerk/Treasurer Coni McMaster noted a couple of items have been added under New and Unfinished Business.

4. PRESENTATIONS & AWARDS

A. Small Business Development Center - Susan Hoosier

Ms. Susan Hoosier introduced herself and provided information to the Council. A Small Business Development Center has been established in Longview and will serve all of Cowlitz and Wahkiakum counties. All small businesses may utilize the services at no charge. The Center is funded by federal, state and local funds. They will help businesses with development, marketing and financial planning. Their goal is to keep main street businesses growing and viable. Ms. Hoosier noted that she will be contacting the local Chamber of Commerce as well.

5. PUBLIC HEARINGS

A. 2008 Revenue Public Hearing - Property Tax Levy - Water/Sewer Rate Increases - Fee Increases

Mayor Pete Poulsen opened the public hearing at 7:15 pm. Clerk/Treasurer Coni McMaster briefly reviewed the revenue sources stating that in addition to the much talked about proposed water/sewer rate increases, the City will be increasing the property tax levy by the allowable 1%, and increasing other fees including city labor costs and water/sewer connection fees. Mr. Brian Roe, a Kalama citizen, asked about the 2003 Gray and Osborne study addressing the need for increasing the sewer rates in order to complete the construction of the new sewer plant and other sewer line replacements. Director of Public Works Carl McCrary

explained that the engineers studied the city's rate structure, the cost of the project, and how it would be financed in determining what the rates would have to be once the project was completed. The rate they projected is still accurate and reflected in the current rate increase proposal. Included in the calculations is a factor for growth. The new plant has a projected life span of 20 years and the City plans to have it paid for by then with some funding put aside for expansion or replacement as necessary. We do not want to leave debt for the next generation. We have also increased connection fees to pass some of the costs on to developers. Mr. Roe commented that it sounds like the City has done its homework.

Mayor Poulsen explained that we had hoped for some additional growth in 2007 which did not happen, but due to prior years the City is able to spread the projected increase over several years. Each year the Council will review the needs before implementing additional increases. The City has worked hard at getting grant funding for many of its projects. However the water plant did not qualify for grant funding and the sewer improvements were partially funded by grants. The City is currently paying on \$13 million in debt. All of the loans are at very low interest rates, including the sewer loan at 0%. It was noted that both the sewer plant and water plant projects were mandated by the State, so the City had no choice but to complete them. Many small cities are finding they are in the same situation. There is very little federal funding available to cover these mandated projects, like years ago. So, the burden is then placed on the citizens. The City will need to also save for the future. The City will continue to look for options for how to cover the costs, including considering a property tax levy which will have to be voter approved. It was noted that new infrastructure for developments has been completed and paid for by the developers. Also, the connection fees have been increased to require new residents to cover the costs of installation.

Ms. Alicia McNeil asked if there would be any relief from the high connection fees for those residents having to connect from an existing septic system. There would be no variation in the connection fees. Mayor Poulsen noted that the City will look at ways to help to make it easier on the citizens, including providing a monthly billing option. Mrs. Margaret Robinson commented that while she appreciates the good drinking water Kalama provides, she has not seen her wages increase 12% in recent years. Mayor Poulsen stated that this Council has been very fiscally responsible with a good deal of focus on what is good for the community. The citizens should be very proud of them. Since four members of the Council were re-elected after running unopposed, there must be some consensus that they are doing a good job. Several Councilmembers noted that it was nice to have an audience and be able to hear from the public. Usually there are only 1 or 2 present.

Mr. Brindle who lives on Horizon Drive, asked why the City doesn't sell the property at the top of Taylor Road instead of developing a park. These are prime real estate lots and could provide some additional reserve funds. Mayor Poulsen stated that while this may be desirable property for development, the City needs to provide green space for the public benefit. It is available for all the citizens. Every new development is required to provide for open or green space to benefit the public. Mayor Poulsen closed the hearing at 7:45 pm.

6. PUBLIC COMMENTS/CONCERNS - None

7. UNFINISHED BUSINESS

A. Meeker Drive Annexation - BRB Approval

This is the letter approving the annexation petition. Final action on the petition requires passage of an ordinance which is on the agenda later in the meeting.

B. Acceptance of Dave's View Infrastructure Phase 3

Director of Public Works Carl McCrary explained that all the infrastructure for the third phase of the Dave's View development has been completed and the applicable paperwork received including a two-year maintenance bond. Payment of some final engineering fees is pending, but he is recommending acceptance at this time.

Councilmember Dominic Ciancibelli made a motion the City Council accept the waterlines, fire hydrants, and appurtenances in Dave's View Phase 3, contingent upon approval by the Public Works Director. Councilmember Adam Smeed seconded, and the motion carried.

C. City Facilities Master Plan - Comments from Library Board

Clerk/Treasurer Coni McMaster explained that the Library Board had reviewed the many options that are being discussed for ways to expand the Library space. They have presented their findings to the Council with a list in the order of preference of the pros and cons of each option. The Board reviewed the options looking at what will be in the best interest for the future of the Library. Members of the Board are in the audience should the Council have any questions.

D. Downtown Street Striping

Councilmember Bud Gish asked for an update on the painting of the downtown parking stripes. Director of Public Works Carl McCrary reported that he felt that in order to get through the winter safely, the striping needed to be completed. He requested the contractor sweep and stripe the street, acknowledging that the City was not guaranteeing acceptance of the project. The parking stripes are at the right angles now and while it may not be exactly what the City wanted to see it is safer. Ms. Shanara Schmidt and Mr. Jim Dickey both commented that it looks much better.

8. NEW BUSINESS

A. Set Public Hearings on the 2008 Budget and 2008-2013 Capital Facilities Plan (11/21 & 12/5/07)

The City Council set the public hearings on the 2008 Budget and 2008-2013 Capital Facilities Plan for November 21st and December 5, 2007 at 7 pm.

The City Council also set a budget workshop for November 21, 2007 at 6 pm.

B. Acceptance of Infrastructure in the Kalama Industrial Park

Director of Public Works Carl McCrary explained that the Port had expanded the potable waterline in the industrial park to the Cameron Glass Plant site which the City now needs to accept. Councilmember Bud Gish made a motion the City Council accept the waterlines, fire hydrants, and appurtenances installed by the Port of Kalama between Building 7411 and the

Cameron Glass site. Councilmember Don Purvis seconded, and the motion carried.

C. Resignation of Scott Newberg from the Kalama Planning Commission

Mayor Poulsen stated he would accept Mr. Newberg's resignation. With this event, Mayor Poulsen asked the Council to consider reducing the size of the Planning Commission from seven commissioners to five. In the last year there have been some attendance issues, as well as problems with filling vacant positions. The Planning Commission's function is very important and viable for the Council to rely on. There should not be delays due to cancellation of meetings to the developers. If the membership would be reduced to five then only one position could be from outside the City limits. After a brief discussion, the Council agreed that reducing the number of commissioners would be acceptable. They requested an ordinance be drafted to make this reduction and amend the code.

9. ORDINANCES & RESOLUTIONS

A. Ordinance No 1204 - An Ordinance of the City of Kalama, Washington, providing for the annexation of certain properties to the City of Kalama, classifying and zoning said properties and fixing the effective date of the annexation. This is the annexation for the property located along Meeker Drive and will be effective December 1, 2007.

Mayor Poulsen noted that the County had not been required to hold a hearing on the annexation request, and therefore he would allow anyone that wanted to speak to do so briefly. He understands that there are those who still oppose the annexation, but at this time it will proceed. There were several people in the audience that noted their dislike of the City annexing the area. There were questions regarding the speed limit along Meeker Drive, livestock, dog licensing, and who will maintain the road. Dogs will require licenses, and those that have livestock will still be able to keep them. The City is responsible for maintaining the road. Mr. Frank Kockritz noted that the City has not completed the sidewalk from Nectarine out to the existing city limits which has been proposed for years. The City has been applying for funding to do the project. Hunting does take place out in the area and the City will address that if necessary. Those residents that do not currently have garbage service will be required to after the first of the year. The zoning of the area was discussed, and the majority of the property is zoned R-1 with two small areas zoned for commercial use and the manufactured home park, and the property just north are zoned R-2. Mr. Doug Sessions asked if the City had considered some of the area for more commercial. It may be considered, but the really flat area is a large wetland, so development would be complicated. Residents of the manufactured home park asked if they would be eligible for the low income discount. Since the City bills the Park and not the individuals, it is not possible to offer the discount to the park residents.

Councilmember Bud Gish made a motion the City Council adopt Ordinance No 1204 as read by the City Clerk. Councilmember Don Purvis seconded, and the motion carried.

B. Resolution No. 504 - A Resolution of the City Council of the City of Kalama replacing Resolution N. 362 authorizing the use of credit cards for official government business when necessary and establishing a policy to govern the use of city credit cards.

Councilmember Chuck Hutchinson made a motion the City Council adopt Resolution No

504 as read by the City Clerk. Councilmember Dominic Ciancibelli seconded. Director of Public Works Carl McCrary asked why the employee limit was only \$1000 when the Department Head limit was at \$2500. This is the current limits set on the credit cards. The motion carried.

10. CORRESPONDENCE - None

11. MAYOR'S REPORT & COUNCILMEMBERS' REPORTS

- A. Mayor Pete Poulsen had no report.
- B. Councilmember Adam Smee had no report.
- C. Councilmember Dominic Ciancibelli had no report.
- D. Councilmember Chuck Hutchinson had no report.
- E. Councilmember Donald Purvis reported he had attended a Tourism meeting which addressed promoting cities. He would like to see a committee formed to address the issues of marketing and promoting Kalama.
- F. Councilmember Bud Gish reported the Public Works Committee had met and discussed several of the agenda items plus the downtown street striping, the Fir Street blub out landscaping, the Horizon Drive bolt failures and the Stone Forest development.

12. DEPARTMENT REPORTS

- A. Director of Public Works Carl McCrary presented a written report. He added that Public Works employees Dan Aumiller and Rich Smith have both been designated as "silent heroes" by the Pacific Northwest Clean Water Association for the work they do for the City. Mr. McCrary will present these certificates when they are received by the City. Mr. McCrary noted that the Council will need to take action by resolution to set the speed limit at 35mph on the section of Meeker Drive being annexed into the City.
- B. Police Chief Bruce Hall had no report.
- C. Clerk/Treasurer Coni McMaster had no report.
- D. City Attorney Paul Brachvogel apologized for being late which was due to a prior commitment to the City of Kelso.

13. CONSENT AGENDA -

Councilmember Bud Gish made a motion the City Council approve the Consent Agenda including The approval of claims vouchers totaling \$124,004.00 and payroll vouchers totaling \$111,115.99 For October, 2007, the minutes of the November 17, 2007 City Council Meeting, the minutes of the November 30, 2007 City Council Water/Sewer Rate Workshop, and the posting for applications for an opening on the Parks & Recreation

Committee – resignation of Shirley Johnson. Councilmember Adam Smee seconded, and the motion carried.

14. EXECUTIVE SESSION - None

15. ADJOURNMENT

Mayor Poulsen adjourned the meeting at 8:33 p.m. These minutes are not verbatim. A copy of the tape can be made available for listening.

Pete Poulsen - Mayor

Coni McMaster - Clerk/Treasurer