

# Kelso City Council Agenda

Regular Meeting, 6:00 pm  
September 2, 2014  
City Hall, Council Chambers  
203 South Pacific  
Kelso, WA 98626



\*\*Special accommodations for the handicapped and hearing impaired are available by special arrangement through the City Clerk's Office at 360-423-0900\*\*

## **Invocation:**

Pastor Jerry Dahlke, North Gate City Church

## **Roll Call to Council Members:**

### **1. Approve Minutes:**

1.1. August 19, 2014 – Regular Meeting

### **2. Consent Items:**

- 2.1. Interagency Agreement – Department of Commerce Energy Efficiency Grant
- 2.2. Interlocal Agreement Amendment – Public Rural Facility Funds, Cowlitz County

### **3. Citizen Business:**

### **4. Council Business:**

- 4.1. Contract Award – Chestnut Street Stormwater System Upgrade
- 4.2. 2015 Lodging Tax Advisory Committee Requests

### **5. Action/Motion Items:**

- 5.1. Ordinance, 2<sup>nd</sup> Reading
  - 5.1.1. 2014 Budget Amendment
- 5.2. Ordinance, 2<sup>nd</sup> Reading
  - 5.2.1. Amend KMC 12.20.120, Relating to liquor consumption in parks

## **Other Items:**

- City Manager Report
- Staff/Dept Head Reports
- Council Reports
- Other Business
- Executive Session

Pastor Russ Tevis, Central Christian Church, gave the invocation. Mayor David Futcher led the flag salute. The Regular Meeting of the Kelso City Council was called to order by Mayor David Futcher. Councilmembers in attendance were: Franklin, Archer, Myers, Futcher, McDaniel, Schimmel, and Roberson.

**Minutes:** Upon motion by Councilmember Roberson, seconded by Councilmember Myers, 'Approve the Minutes of the 8/05/14 Regular Meeting,' motion carried, all voting yes.

**CONSENT AGENDA:**

1. **Auditing of Accounts:** \$ 1,932,393.99

Upon motion by Councilmember Myers, seconded by Councilmember Schimmel, 'Approve the Auditing of Accounts in the amount of \$1,932,393.99,' motion carried, all voting yes.

**CITIZEN BUSINESS:**

**Clinton Hash, Sr.**, 1649 North 2<sup>nd</sup> Ave., spoke about the City's quick response to fixing a bump on the road at the intersection of North Pacific Ave. and Redpath St.

**COUNCIL BUSINESS:**

**2015 Lodging Tax Request:** Mayor Futcher commented that the City has not received an official approval from LTAC for this request. The item was removed from the agenda.

**MOTION ITEMS:**

**Ordinance No. (1<sup>st</sup> Reading) – 2014 Budget Revision No.3:** The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Schimmel, seconded by Councilmember Roberson, 'Pass on 1<sup>st</sup> reading, 'AN ORDINANCE OF THE CITY OF KELSO RELATING TO PUBLIC EXPENDITURES AND DECLARING AN EMERGENCY UNDER THE PROVISIONS OF RCW 35A.34.150, FIXING THE AMOUNT OF MONEY REQUIRED TO MEET SUCH EMERGENCIES AND AUTHORIZING THE EXPENDITURE OF MONEY NOT PROVIDED FOR IN THE 2013-2014 BIENNIAL BUDGET OF THE CITY.' Motion passed, all voting yes.

**Ordinance No. (1<sup>st</sup> Reading) – Amend KMC 12.20.120 relating to Liquor Consumption in Parks:** The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Roberson, seconded by Councilmember Myers, 'Pass on 1<sup>st</sup> reading, 'AN ORDINANCE OF THE CITY OF KELSO AMENDING KMC

12.20.120 PARK CODE TO TRANSFER THE AUTHORITY OF PARK LIQUOR CONSUMPTION APPROVAL FROM THE COUNCIL TO THE CITY MANAGER OR THEIR DESIGNEE.’ Discussion followed. Councilmembers Futcher, Schimmel, McDaniel, Roberson, Franklin, and Myers voted yes. Councilmember Archer voted no. Motion passed, 6 to 1.

**Resolution No. 14-1123 – Adoption of Public Defense Standards:** The Deputy Clerk read the proposed resolution by title only. Upon motion by Councilmember Roberson, seconded by Councilmember McDaniel, ‘Pass Resolution No. 14-1123, ‘A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELSO, WASHINGTON REPEALING RESOLUTION NO. 98-784 AND ADOPTING THE APPROVED STANDARDS FOR INDIGENT DEFENSE SERVICES.’ Discussion followed. Motion passed, all voting yes.

**COUNCIL REPORTS:**

**Jared Franklin:** Commented that his prayers go out to the people of Ferguson, Missouri.

**Rick Roberson:** No report.

**Dan Myers:** No report.

**Todd McDaniel:** Announced that there is a celebration dinner this Friday at the Grounds for Opportunity Café to celebrate the café’s 2<sup>nd</sup> year anniversary.

**Gary Archer:** No report.

**Gary Schimmel:** No report.

**David Futcher:** Announced that he has tickets available for the Quaker 5000 Duck Race.

There being no further business, Mayor Futcher adjourned the meeting at 6:19 p.m.

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**MAYOR**

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**CITY CLERK**

# **AGENDA SUMMARY SHEET**

## **Business of the City Council City of Kelso, Washington**

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**SUBJECT TITLE:**

Department of Commerce Energy Efficiency Grant -  
Interagency Agreement

**Agenda Item:** \_\_\_\_\_

**Dept. of Origin:** Community Development/Eng

**PRESENTED BY:**

Van McKay, P.E.  
Senior Engineer

**For Agenda of:** September 2, 2014

**Cost of Item:** N/A

**City Manager:** Steve Taylor

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**AGENDA ITEM ATTACHMENTS:**

Interagency Agreement with the Department of Enterprise Services

**SUMMARY STATEMENT:**

The Department of Commerce (DOC) is providing for the 2013-2015 Energy Efficiency and Solar Grants for Higher Education, Local Governments and State Agencies. The Engineering Department proposes to retrofit the City's streetlights to energy efficient LED streetlights.

An Interagency Agreement (IAA) with the Department of Enterprise Services (DES collaborates with the DOC) allows DES to manage the project. DES maintains a list of qualified consultants that perform Investment Grade Audits. The executed IAA allows the City to hire one of these qualified consultants. The Investment Grade Audit will determine items such as the total project cost, the DOC grant amount, annual savings, rebates, net payback in years and net cost to the City.

The DOC grant is arranged to make the project budget neutral. If the Audit does not show an energy savings, the City is not bound to pay for work done by DES or the qualified consultant. The net cost to the City can be funded by a loan from the State Treasurer. Repayment of the loan is made from cost savings due to lower energy use by the LED streetlights.

The IAA is presented for Council's review and approval. Council is also requested to authorize the City Manager to apply for the Department of Commerce grant. With these two recommended actions, the City will hire a qualified consultant to perform the investment grade audit.

**FINANCIAL SUMMARY:**

N/A

**RECOMMENDED ACTION:**

Staff recommends that the City Council:

- 1) Approve the Department of Enterprise Services Interagency Agreement
- 2) Authorize the City Manager to apply for the Department of Commerce grant.

# ***Interagency Agreement***

Date: August 18, 2014

*Department of Enterprise Services*

Interagency Agreement No: K3003

**Interagency Agreement Between the  
State of Washington  
Department of Enterprise Services  
and  
City of Kelso**

This Agreement, pursuant to Chapter 39.34 RCW, is made and entered into by and between the Department of Enterprise Services, Facilities Division, Engineering & Architectural Services, hereinafter referred to as “DES”, and City of Kelso, hereinafter referred to as the “CLIENT AGENCY”.

The purpose of this Agreement is to establish a vehicle for DES to provide future Energy/Utility Conservation Project Management and Monitoring Services to the CLIENT AGENCY and to authorize the development of the energy services proposal.

Now therefore, in consideration of the terms and conditions contained herein, or attached and incorporated by reference and made a part hereof, the above-named parties mutually agree as follows:

## **1. Statement of Work**

DES shall furnish the necessary personnel and services and otherwise do all things necessary for or incidental to the performance of the work set forth in Attachment “A” and Attachment “C”, attached hereto and incorporated herein by reference. Unless otherwise specified, DES shall be responsible for performing all fiscal and program responsibilities as set forth in Attachment “A” and Attachment “C”.

Energy/Utility Conservation projects shall be authorized by Amendment to this Agreement.

## **2. Terms and Conditions**

All rights and obligations of the parties to this Agreement shall be subject to and governed by the terms and conditions contained in the text of this Agreement.

The CLIENT AGENCY shall provide the Energy Services Company (ESCO) with any additional contract language necessary to comply with the requirements established under federal grants, the American Recovery & Reinvestment Act of 2009 (ARRA) and the Energy Efficiency and Conservation Block Grant (EECBG). The ESCO and their subcontractors are required to comply with all applicable federal regulations and reporting procedures.

## **3. Period of Performance**

Subject to its other provisions, the period of performance of this master Agreement shall commence when this Agreement is properly signed, and be completed on **December 31, 2018** unless altered or amended as provided herein.

#### **4. Consideration**

Compensation under this Agreement shall be by Amendment to this Agreement for each authorized project. Each Amendment will include a payment schedule for the specific project.

For Project Management Services provided by DES under Attachment “A” of this Agreement, the CLIENT AGENCY will pay DES a Project Management Fee for services based on the total project value per Project Management Fees Schedule set forth in Attachment “B”.

If the CLIENT AGENCY decides not to proceed with an Energy/Utility Conservation project that meets CLIENT AGENCY’s cost effective criteria, then the CLIENT AGENCY will be charged a Termination Fee per Attachment “B”. The Termination Fee will be based on the estimated Total Project Value outlined in the Energy Audit and Energy Services Proposal prepared by the ESCO.

If monitoring and verification services are requested by the CLIENT AGENCY and provided by DES under Attachment “C” of this Agreement, the CLIENT AGENCY will pay DES \$2,000.00 annually for each year of monitoring and verification services requested.

Compensation for services provided by the ESCO shall be paid directly to the ESCO by the CLIENT AGENCY, after DES has reviewed, approved and sent the invoices to the CLIENT AGENCY for payment.

#### **5. Billing Procedure**

DES shall submit a single invoice to the CLIENT AGENCY upon substantial completion of each authorized project, unless a project specified a Special Billing Condition in the Amendment. Substantial completion of the project will include the delivery and acceptance of closeout documents and commencement of energy savings notification. Each invoice will clearly indicate that it is for the services rendered in performance under this Agreement and shall reflect this Agreement and Amendment number.

DES will invoice for any remaining services within 60 days of the termination of this Agreement.

#### **6. Payment Procedure**

The CLIENT AGENCY shall pay all invoices received from DES within 90 days of receipt of properly executed invoice vouchers. The CLIENT AGENCY shall notify DES in writing if the CLIENT AGENCY cannot pay an invoice within 90 days.

## **7. Non-Discrimination**

In the performance of this Agreement, DES shall comply with the provisions of Title VI of the Civil Rights Act of 1964 (42 USC 200d), Section 504 of the Rehabilitation Act of 1973 (29 USC 794), and Chapter 49.60 RCW, as now or hereafter amended. DES shall not discriminate on the grounds of race, color, national origin, sex, religion, marital status, age, creed, Vietnam-Era and Disabled Veterans status, or the presence of any sensory, mental, or physical disability in:

- a) Any terms or conditions of employment to include taking affirmative action necessary to accomplish the objectives of this part and
- b) Denying an individual the opportunity to participate in any program provided by this Agreement through the provision of services, or otherwise afforded others.

In the event of DES's non-compliance or refusal to comply with the above provisions, this Agreement may be rescinded, canceled, or terminated in whole or in part, and DES declared ineligible for further Agreement with the CLIENT AGENCY. DES shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth therein.

## **8. Records Maintenance**

The CLIENT AGENCY and DES shall each maintain books, records, documents, and other evidence that sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the services described herein. These records shall be subject to inspection, review, or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so authorized by law. DES will retain all books, records, documents, and other material relevant to this agreement for six years after expiration; and the Office of the State Auditor, federal auditors, and any persons duly authorized by the parties shall have full access and the right to examine any of these materials during this period.

## **9. Contract Management**

- a. The CLIENT AGENCY Representative on this Agreement shall be:

City of Kelso  
Van McKay  
203 S. Pacific Ave., Suite 205  
Kelso, WA 98626  
Telephone (360) 577-3323

The Representative shall be responsible for working with DES, approving billings and expenses submitted by DES, and accepting any reports from DES.

b. The DES Project Manager on this Agreement shall be:

Steve Bolinger  
Department of Enterprise Services  
Facilities Division  
Engineering and Architectural Services  
PO Box 41476  
Olympia, WA 98504-1476  
Telephone (360) 407-8167

Cathy Roberts will be the contact person for all communications regarding the conduct of work under this Agreement.

## **10. Hold Harmless**

Each party to this Agreement shall be responsible for its own acts and/or omissions and those of its officers, employees and agents. No party to this Agreement shall be responsible for the acts and/or omissions of entities or individuals not a party to this Agreement.

## **11. Agreement Alterations and Amendments**

The CLIENT AGENCY and DES may mutually amend this Agreement. Such Amendments shall not be binding unless they are in writing and signed by personnel authorized to bind the CLIENT AGENCY and DES or their respective delegates.

## **12. Termination**

Except as otherwise provided in this Agreement, either party may terminate this Agreement upon thirty (30) days written notification. If this Agreement is so terminated, the terminating party shall be liable only for performance in accordance with the terms of this Agreement for performance rendered prior to the effective date of termination.

## **13. Disputes**

If a dispute arises under this Agreement, it shall be determined in the following manner: The CLIENT AGENCY shall appoint a member to the Dispute Board. The Director of DES shall appoint a member to the Dispute Board. The CLIENT AGENCY and DES shall jointly appoint a third member to the Dispute Board. The Dispute Board shall evaluate the dispute and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the parties hereto.

**14. Order of Precedence**

In the event of an inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order:

- a) Applicable Federal and State Statutes and Regulations
- b) Terms and Conditions
- c) Attachment "A", Project Management Scope of Work; Attachments "B", Project Management Fees; and Attachment "C", Monitoring Services Scope of Work, and
- d) Any other provisions of the Agreement incorporated by reference.

**15. All Writings Contained Herein**

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

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**AUTHORIZATION TO PROCEED**

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Agreed to and signed by:

**City of Kelso**

**Department of Enterprise Services  
Facilities Division  
Engineering & Architectural Services**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

William J. Frare, P.E.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

E&AS Public Works Administrator

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

The Department of Enterprise Services provides equal access for all people without regard to race, creed, color, religion, national origin, age, gender, sex, marital status, or disability. Contract information is available in alternative formats. For more information, please call Cathy Roberts at (360) 407-8270.

K3003 city of kelso

# ATTACHMENT A

## Scope of Work Energy/Utility Conservation Projects Management Services

### Statewide Energy Performance Contracting Program Master Energy Services Agreement No. 2013-133

DES will provide the following project management services for each specific project for the CLIENT AGENCY. Each individual project shall be authorized by Amendment to this Agreement.

1. Assist the CLIENT AGENCY in the selection of an Energy Service Company (ESCO) consistent with the requirements of RCW 39.35A for local governments; or 39.35C for state agencies and school districts.
2. Assist in identifying potential energy/utility conservation measures and estimated cost savings.
3. Negotiate scope of work and fee for ESCO audit of the facility(s).
4. Assist in identifying appropriate project funding sources and assist with obtaining project funding.
5. Assist in negotiating the technical, financial and legal issues associated with the ESCO's Energy Services Proposal.
6. Review and recommend approval of ESCO energy/utility audits and Energy Services Proposals.
7. Provide assistance during the design, construction and commissioning processes.
8. Review and approve the ESCO invoice vouchers for payment.
9. Assist with final project acceptance.
10. Provide other services as required to complete a successful energy performance contract.

# ATTACHMENT B

## Fee Schedule

2013-15 Interagency Reimbursement Costs  
for Project Management Fees to Administer  
Energy/Utility Conservation Projects

<u>TOTAL PROJECT VALUE</u>	<u>PROJECT MANAGEMENT FEE</u>	<u>TERMINATION</u>
5,000,001.....6,000,000.....	\$66,000.....	25,700
4,000,001.....5,000,000.....	65,000.....	25,400
3,000,001.....4,000,000.....	64,000.....	25,000
2,000,001.....3,000,000.....	60,000.....	23,400
1,500,001.....2,000,000.....	56,000.....	21,800
1,000,001.....1,500,000.....	49,500.....	19,300
900,001..... 1,000,000.....	42,000.....	16,400
800,001.....900,000.....	39,600.....	15,400
700,001.....800,000.....	36,800.....	14,400
600,001.....700,000.....	35,000.....	13,700
500,001.....600,000.....	32,400.....	12,600
400,001.....500,000.....	29,000.....	11,300
300,001.....400,000.....	24,800.....	9,700
200,001.....300,000.....	19,800.....	7,700
100,001.....200,000.....	13,800.....	5,400
50,001.....100,000.....	7,500.....	3,500
20,001.....50,000.....	4,000.....	2,000
0.....20,000.....	2,000.....	1,000

The project management fee on projects over \$6,000,000 is 1.1% of the project cost. The maximum DES termination fee is \$25,700.

1. These fees cover project management services for energy/utility conservation projects managed by DES's Energy Program.
2. Termination fees cover the selection and project management costs associated with managing the ESCO's investment grade audit and proposal that identifies cost effective conservation measures if the CLIENT AGENCY decides not to proceed with the project through DES.
3. If the project meets the CLIENT AGENCY's cost effectiveness criteria and the CLIENT AGENCY decides not to move forward with a project, then the CLIENT AGENCY will be invoiced per Attachment B Termination or \$25,700 whichever is less. If the CLIENT AGENCY decides to proceed with the project then the Agreement will be amended per Attachment B for Project Management Fee.
4. If the audit fails to produce a project that meets the CLIENT AGENCY's established Cost Effectiveness Criteria, then there is no cost to the CLIENT AGENCY and no further obligation by the CLIENT AGENCY.

# ATTACHMENT C

## Scope of Work Energy/Utility Conservation Projects Monitoring Services

### Statewide Energy Performance Contracting Program Master Energy Services Agreement No. 2013-133

If requested DES will provide the following monitoring services for each specific project for the CLIENT AGENCY.

1. Monitor actual energy use and dollar costs, compare with the ESCO's annual Measurement and Verification (M&V) report and any ESCO guarantee, resolve differences, if needed, and approve any vouchers for payment.
2. Monitor facility operations including any changes in operating hours, changes in square footage, additional energy consuming equipment and negotiate changes in baseline energy use which may impact energy savings.
3. Provide annual letter report describing the ESCO's performance, equipment performance and operation, energy savings and additional opportunities, if any, to reduce energy costs.

# **AGENDA SUMMARY SHEET**

## **Business of the City Council City of Kelso, Washington**

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**SUBJECT TITLE:** AMENDMENT TO  
INTERLOCAL AGREEMENT BETWEEN CITY  
OF KELSO AND COWLITZ COUNTY  
REALLOCATING RURAL COUNTY PUBLIC  
FACILITY FUNDS

**Agenda Item:** \_\_\_\_\_

**Dept. of Origin:** City Manager

**For Agenda of:** September 2, 2014

**PRESENTED BY:**

**City Manager:** Steve Taylor

Steve Taylor

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**AGENDA ITEM ATTACHEMENTS:**

Memo Requesting Reallocation of Rural Development Funds  
First Addendum to Interlocal Agreement

**SUMMARY STATEMENT:**

In October of 2013 the City entered into an Interlocal agreement with Cowlitz County to provide assistance relocating sanitary sewer and storm water lines to improve a site at the Three Rivers Mall for new commercial development using Rural County Public Facility Funds. The amount awarded to the City was \$50,000. At this time the anticipated new commercial development is unable to move forward so the City has requested that this money be reallocated to another eligible project; the redevelopment of the West Main corridor. The Board of Commissioners has expressed support for this change and the attached addendum amends the original Interlocal agreement to allow the reallocation of funds.

**RECOMMENDED ACTION:**

Move to approve the amended Interlocal Agreement with Cowlitz County.



**Administration Department**  
Steve Taylor, City Manager



203 S. Pacific Avenue, PO Box 819 Kelso, WA 98626

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July 7, 2014

Claire Hauge  
Cowlitz County Office of Financial Management  
207 4<sup>th</sup> AV N.  
Kelso, WA 98626

RE: Rural Public Facilities Grant Funding Re-allocation Request

Dear Claire:

The City of Kelso was awarded \$50,000 in Rural Public Facilities Grant funding in 2013 for the relocation of storm and sanitary sewer infrastructure at the Three Rivers Mall site to facilitate the development of a new restaurant pad that would generate economic development for our community. The City is partnering with Rouse Properties in the funding and construction of this project. The project was originally scheduled for completion prior to the March 31<sup>st</sup>, 2014 expiration of the grant award. While the Commissioners are supportive of extending the grant award for another year, recent conversations with Rouse and Three Rivers Mall staff has confirmed that a tenant for the proposed site has not yet been secured. Further, it is not desirable to relocate the sewer lines in advance of a tenant lease due to uncertainty in the specific needs and location of a proposed structure for the site.

At this time, the City is requesting the reallocation of the \$50,000 grant award from this project to the City's West Main Street Revitalization project which was awarded \$120,000 in County Rural Public Facilities funds in 2014. The City is moving forward with the streetscape project design and engineering this summer, and the reallocation of these dollars will be a valuable supplement to the multi-source funding package the City is assembling to begin construction in 2015.

Separately, the County awarded \$19,000 to the City for parking lot improvements at the Visitor Center site at Allen Street and Minor Road. The actual project bid for the repaving, striping, and inclusion of parking stall wheel stops has come in at approximately \$10,000—well below the original engineer's estimate. The City is requesting permission to reallocate any remaining funds from this grant award to either the West Main Street Revitalization project, or be allowed to use the monies for other interior or exterior improvements and signage for the Visitors Center.

Your consideration and flexibility for the use of these funds is greatly appreciated. Please contact me at (360) 577-3300 with any questions relating to this request.

Thank you.

Steve Taylor  
City Manager



## Office of Administrative Services

207 Fourth Ave. North  
Kelso, WA 98626  
TEL (360) 577-3065  
FAX (360) 423-9987

www.co.cowlitz.wa.us

Board of County Commissioners  
Michael A. Karnofski District 1  
Dennis P. Weber District 2  
James R. Misner District 3

Office of Financial Management  
Claire J. Hauge, Director

OFM  
Claire J. Hauge  
Director

PEOPLESOFT PROJECT  
Kathy Sauer  
Project Manager

RISK MANAGEMENT  
Clyde Carpenter  
Risk Manager

PURCHASING  
H. Matt Hanson  
Purchasing Manager

RECEIVED  
CITY OF KELSO  
AUG 14 2014  
CITY MANAGER'S  
OFFICE

August 12, 2014

Steve Taylor, City Manager  
City of Kelso  
PO Box 819 / 203 S. Pacific Avenue,  
Kelso, WA 98626

Dear Steve:

Enclosed is the First Addendum to the Interlocal Agreement redirecting funds awarded for the Three Rivers Mall project to West Main Corridor Redevelopment. Please review the document and if it meets with your approval, sign two copies and return both to my office. We will present the agreement to the Board of Commissioners for consideration at a regularly scheduled public meeting. A fully executed copy will be returned to you.

If you have any questions, please feel free to call me.

Sincerely,

  
Claire J. Hauge, Finance Director  
Office of Financial Management

Enclosures

**AGENDA SUMMARY**

To the Board of County Commissioners:  
From: Claire J. Hauge  
OFM Director

Re: Amended Interlocal Agreement between  
Cowlitz County and City of Kelso Re:  
West Main Corridor Redevelopment

Agenda Item No. \_\_\_\_\_  
Dept. of Origin: Off of Fin Mgt  
Date Submitted: August xx, 2014  
For Agenda of: August xx, 2014  
Expenditure Required: \$N/A  
Amount Budgeted: \$ Sufficient  
Budget Action Required: \_\_\_\_\_  
None  
Clearance of Other Concerned  
Departments: Douglas E. Jensen, Deputy  
Prosecuting Attorney, has approved

**List of Exhibits:**

Interlocal Agreement dated 10/1/2013 re: Three Rivers Mall Sanitary Sewer/Storm Water Project  
Interlocal Agreement dated 6/17/2014 re: West Main Revitalization Project  
City of Kelso Letter dated July 7, 2014 requesting re-allocation of Rural Development Funds  
First Addendum to Interlocal Agreement

**Summary Statement and Department Recommendation:**

The Board of Commissioners supports a request from the City of Kelso to re-allocate funds distributed to the City in March 2014 in the amount of \$50,000.00 as part of the costs to relocate sanitary sewer and storm water lines at Three Rivers Mall to the City's West Main Corridor Redevelopment project. The County's contribution to the project was funded with proceeds from a sales and use tax authorized by RCW 82.14.370 and Cowlitz County Code 3.21. The attached Addendum #1 to Interlocal Agreement between Cowlitz County and the City of Kelso sets out the obligations of each party.

**RECOMMENDATION:**

Staff recommends that the Board of Commissioners enter into the First Addendum to Interlocal Agreement with the City of Kelso regarding reallocation of the sum of \$50,000, which funds were distributed to the City of Kelso in March 2014 for the costs to relocate sanitary sewer and storm water lines at Three Rivers Mall. The Addendum will allow these funds to be used for the City's West Main Corridor Redevelopment project.

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Clerk of the Board:  
Please return one fully executed copy to:

Steve Taylor, City Manager  
City of Kelso  
PO Box 819 / 203 S. Pacific Avenue, Suite 205  
Kelso, WA 98626

**FIRST ADDENDUM TO  
INTERLOCAL AGREEMENT BETWEEN  
CITY OF KELSO AND COWLITZ COUNTY**

This Addendum shall be attached to and made a part of the agreement between COWLITZ COUNTY (County) and the CITY OF KELSO (City), dated October 1, 2013.

**WHEREAS**, the parties previously entered into an Agreement whereby the County provided funding assistance to the City for relocation costs of sanitary sewer and storm water lines to improve a site at Three Rivers Mall for new commercial development. Said improvements are more particularly described in the Project Information Sheet for Rural County Public Facility Funds, submitted by the City, dated January 7, 2013. The contribution to the City from County tax proceeds for this project was in the amount of \$50,000; and

**WHEREAS**, City has advised County that the project at Three Rivers Mall cannot be completed as anticipated and City has also advised County that it has another project which would qualify for Rural Economic Development funds, namely, corridor redevelopment of West Main Street as described in City's Project Information Sheet dated February 28, 2014; and

**WHEREAS**, City requests that project funds awarded for Three Rivers Mall be re-allocated to the West Main project.

**NOW, THEREFORE**, in consideration of mutual covenants and promises, the parties agree to amend the agreement dated October 1, 2013 (superseded language identified by strikeout) as follows:

2. Purpose: The purpose of this Agreement is to allow the County to provide partial funding assistance to the City ~~to relocate sanitary sewer and storm water lines to improve a site at Three Rivers Mall for West Main~~ corridor redevelopment to encourage new commercial development. Said improvements are more particularly described in the Project Information Sheet for Rural County Public Facility Funds, submitted to the County by the City, dated ~~January 7, 2013~~ February 28, 2014 (the "project"). Reallocation of these funds are in addition to the award of funds described in an Agreement between the parties dated June 17, 2014 for the same project.

3. Planning Design/Implementation: The City agrees to design and complete the project described herein, no later than ~~March 31, 2014~~ August 31, 2015. The County shall have no responsibility for the design or management of said project. The City shall have the sole authority to determine its design and enter into contracts with consultants and contractors in the manner allowed by law.

5. Budget: The total estimated cost for the project is ~~\$90,912~~ \$645,000. The project is anticipated to be completed no later than ~~March 31, 2014~~ August 31, 2015. The City has developed a budget for said project, will maintain the budget, and will account for all expenditures made for the project. In consideration of the above described transfer of funds, the City hereby warrants and guarantees that the said project shall be completed as described herein notwithstanding any cost overruns incurred in the course of the project.

All other terms and conditions of the Interlocal Agreement dated October 1, 2013, shall otherwise remain the same.

Dated \_\_\_\_\_, 2014.

BOARD OF COMMISSIONERS OF  
COWLITZ COUNTY, WASHINGTON

CITY OF KELSO

\_\_\_\_\_  
Michael A. Karnofski, Chair

\_\_\_\_\_  
Steve Taylor, City Manager

\_\_\_\_\_  
James R. Misner, Commissioner

Attest:

\_\_\_\_\_  
Dennis P. Weber, Commissioner

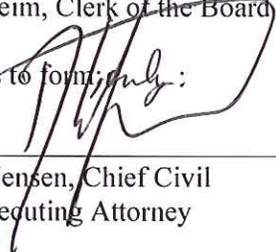
\_\_\_\_\_  
Brian Butterfield, Clerk/Treasurer

Attest:

Approved as to form:

\_\_\_\_\_  
Tiffany Ostreim, Clerk of the Board

\_\_\_\_\_  
Janean Parker, City Attorney

Approved as to form: :

\_\_\_\_\_  
Douglas E. Jensen, Chief Civil  
Deputy Prosecuting Attorney

# **AGENDA SUMMARY SHEET**

## **Business of the City Council City of Kelso, Washington**

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**SUBJECT TITLE:**

Award Contract for:  
Chestnut Street Stormwater System Upgrade  
Project #601302

**Agenda Item:** \_\_\_\_\_

**Dept. of Origin:** Community Development/Eng

**For Agenda of:** September 2, 2014

**PRESENTED BY:**

Michael Kardas, P.E.  
Community Development Director / City Engineer

**Cost of Item:** \$339,491.09

**City Manager:** Steve Taylor

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**AGENDA ITEM ATTACHMENTS:**

Bid Tabulation

**SUMMARY STATEMENT:**

The Chestnut Street Stormwater System Upgrade project provides for drainage improvements and roadway restoration on Chestnut Street from S. Pacific Avenue to S. 13<sup>th</sup> Avenue. This contract represents construction for the first phase of this multi-phased project from 6<sup>th</sup> to 8<sup>th</sup> Avenues. The major work elements include approximately 815 feet of storm pipe, 3 manholes, 11 catch basins and 345 tons of hot mix asphalt (HMA) pavement for approximately 580 linear feet of roadway restoration.

Five bids were submitted for this project and RC Northwest submitted the qualified low bid of \$339,491.09.

**FINANCIAL SUMMARY:**

The qualified low bid for this project is \$1,856.09 above the Engineer's Estimate of \$337,635.00.

This project was budgeted in the CIP and funds are available in the Drainage Fund.

**RECOMMENDED ACTION:**

Staff recommends that the City Council award the above-referenced project to the lowest qualified bidder, RC Northwest, in the amount of \$339,491.09.

Chestnut Street Stormwater System Upgrade  
Project # 601302

**Bid Tabulation - August 1, 2014**

		Engineer's Estimate		Nova Contracting		Sawyer & Sons		3 Kings Environmental		Advanced Excavating Specialists		RC Northwest		
Item No.	Description	Quan	Price	Amount	Price	Amount	Price	Amount	Price	Amount	Price	Amount	Price	Amount
1	CONSTRUCTION SURVEYING	1	L.S. \$ 3,500.00	\$ 3,500.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 7,500.00	\$ 7,500.00	\$ 2,800.00	\$ 2,800.00	\$ 6,200.00	\$ 6,200.00
2	MOBILIZATION	1	L.S. \$ 24,100.00	\$ 24,100.00	\$ 80,000.00	\$ 80,000.00	\$ 10,000.00	\$ 10,000.00	\$ 60,000.00	\$ 60,000.00	\$ 42,250.00	\$ 42,250.00	\$ 36,400.00	\$ 36,400.00
3	PROJECT TEMPORARY TRAFFIC CONTROL	1	L.S. \$ 5,000.00	\$ 5,000.00	\$ 20,000.00	\$ 20,000.00	\$ 15,000.00	\$ 15,000.00	\$ 25,000.00	\$ 25,000.00	\$ 16,000.00	\$ 16,000.00	\$ 4,500.00	\$ 4,500.00
4	REMOVAL OF EXISTING MANHOLE	3	EACH \$ 1,000.00	\$ 3,000.00	\$ 1,000.00	\$ 3,000.00	\$ 3,300.00	\$ 9,900.00	\$ 1,500.00	\$ 4,500.00	\$ 2,100.00	\$ 6,300.00	\$ 750.00	\$ 2,250.00
5	REMOVAL OF EXISTING CATCH BASIN	4	EACH \$ 400.00	\$ 1,600.00	\$ 1,000.00	\$ 4,000.00	\$ 3,300.00	\$ 13,200.00	\$ 950.00	\$ 3,800.00	\$ 450.00	\$ 1,800.00	\$ 265.00	\$ 1,060.00
6	ROADWAY EXCAVATION	630	C.Y. \$ 25.00	\$ 15,750.00	\$ 30.00	\$ 18,900.00	\$ 133.33	\$ 83,997.90	\$ 45.00	\$ 28,350.00	\$ 35.00	\$ 22,050.00	\$ 18.40	\$ 11,592.00
7	UNSUITABLE FOUNDATION EXCAVATION	79	C.Y. \$ 30.00	\$ 2,370.00	\$ 90.00	\$ 7,110.00	\$ 44.30	\$ 3,499.70	\$ 30.00	\$ 2,370.00	\$ 27.00	\$ 2,133.00	\$ 17.00	\$ 1,343.00
8	SELECT BORROW, INCL HAUL	79	C.Y. \$ 20.00	\$ 1,580.00	\$ 90.00	\$ 7,110.00	\$ 10.00	\$ 790.00	\$ 60.00	\$ 4,740.00	\$ 41.00	\$ 3,239.00	\$ 25.00	\$ 1,975.00
9	CRUSHED SURFACING BASE COURSE	547	TON \$ 40.00	\$ 21,880.00	\$ 40.00	\$ 21,880.00	\$ 15.00	\$ 8,205.00	\$ 45.00	\$ 24,615.00	\$ 29.00	\$ 15,863.00	\$ 21.50	\$ 11,760.50
10	CRUSHED SURFACING TOP COURSE	137	TON \$ 40.00	\$ 5,480.00	\$ 40.00	\$ 5,480.00	\$ 15.00	\$ 2,055.00	\$ 90.00	\$ 12,330.00	\$ 55.00	\$ 7,535.00	\$ 40.30	\$ 5,521.10
11	HMA CLASS 1/2" PG 64-22	345	TON \$ 80.00	\$ 27,600.00	\$ 110.00	\$ 37,950.00	\$ 86.50	\$ 29,842.50	\$ 120.00	\$ 41,400.00	\$ 90.00	\$ 31,050.00	\$ 90.00	\$ 31,050.00
12	POLYPROPYLENE STORM SEWER PIPE 12 IN. DIAM.	261	L.F. \$ 70.00	\$ 18,270.00	\$ 190.00	\$ 49,590.00	\$ 7.50	\$ 1,957.50	\$ 130.00	\$ 33,930.00	\$ 84.00	\$ 21,924.00	\$ 59.00	\$ 15,399.00
13	POLYPROPYLENE STORM SEWER PIPE 24 IN. DIAM.	32	L.F. \$ 100.00	\$ 3,200.00	\$ 220.00	\$ 7,040.00	\$ 32.00	\$ 1,024.00	\$ 225.00	\$ 7,200.00	\$ 211.00	\$ 6,752.00	\$ 172.00	\$ 5,504.00
14	POLYPROPYLENE STORM SEWER PIPE 30 IN. DIAM.	277	L.F. \$ 120.00	\$ 33,240.00	\$ 420.00	\$ 116,340.00	\$ 47.00	\$ 13,019.00	\$ 260.00	\$ 72,020.00	\$ 234.00	\$ 64,818.00	\$ 157.00	\$ 43,489.00
15	POLYPROPYLENE STORM SEWER PIPE 36 IN. DIAM.	245	L.F. \$ 140.00	\$ 34,300.00	\$ 460.00	\$ 112,700.00	\$ 60.00	\$ 14,700.00	\$ 295.00	\$ 72,275.00	\$ 242.00	\$ 59,290.00	\$ 177.00	\$ 43,365.00
16	CATCH BASIN, TYPE 1	11	EACH \$ 1,500.00	\$ 16,500.00	\$ 2,000.00	\$ 22,000.00	\$ 610.00	\$ 6,710.00	\$ 2,185.00	\$ 24,035.00	\$ 2,000.00	\$ 22,000.00	\$ 1,655.00	\$ 18,205.00
17	MANHOLE 72 INCH DIAMETER	2	EACH \$ 10,000.00	\$ 20,000.00	\$ 16,000.00	\$ 32,000.00	\$ 1,404.42	\$ 2,808.84	\$ 12,500.00	\$ 25,000.00	\$ 5,800.00	\$ 11,600.00	\$ 7,800.00	\$ 15,600.00
18	MANHOLE 84 INCH DIAMETER	1	EACH \$ 15,000.00	\$ 15,000.00	\$ 22,000.00	\$ 22,000.00	\$ 3,940.00	\$ 3,940.00	\$ 15,000.00	\$ 15,000.00	\$ 7,800.00	\$ 7,800.00	\$ 9,000.00	\$ 9,000.00
19	SURFACE RESTORATION & CLEANUP	1	L.S. \$ 7,500.00	\$ 7,500.00	\$ 2,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00	\$ 10,000.00	\$ 10,000.00	\$ 2,900.00	\$ 2,900.00	\$ 4,500.00	\$ 4,500.00
20	CONNECTION TO DRAINAGE STRUCTURE	1	EACH \$ 900.00	\$ 900.00	\$ 2,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00	\$ 6,835.00	\$ 6,835.00	\$ 2,000.00	\$ 2,000.00	\$ 1,250.00	\$ 1,250.00
21	CONNECTION TO EXISTING STORM SEWER PIPE - SMALL DIAMETER	4	EACH \$ 1,700.00	\$ 6,800.00	\$ 1,000.00	\$ 4,000.00	\$ 1,250.00	\$ 5,000.00	\$ 1,575.00	\$ 6,300.00	\$ 400.00	\$ 1,600.00	\$ 1,250.00	\$ 5,000.00
22	CONNECTION TO EXISTING STORM SEWER PIPE - LARGE DIAMETER	2	EACH \$ 2,500.00	\$ 5,000.00	\$ 4,000.00	\$ 8,000.00	\$ 1,500.00	\$ 3,000.00	\$ 3,815.00	\$ 7,630.00	\$ 1,700.00	\$ 3,400.00	\$ 2,300.00	\$ 4,600.00
23	CLEANING EXISTING DRAINAGE STRUCTURE	1	L.S. \$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 4,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,500.00	\$ 2,500.00	\$ 460.00	\$ 460.00	\$ 2,800.00	\$ 2,800.00
24	GRAVEL BACKFILL FOR FOUNDATIONS CLASS B	70	C.Y. \$ 50.00	\$ 3,500.00	\$ 90.00	\$ 6,300.00	\$ 10.00	\$ 700.00	\$ 60.00	\$ 4,200.00	\$ 51.00	\$ 3,570.00	\$ 78.00	\$ 5,460.00
25	TRENCH SAFETY SYSTEM	1	L.S. \$ 2,500.00	\$ 2,500.00	\$ 20,000.00	\$ 20,000.00	\$ 54,223.43	\$ 54,223.43	\$ 20,000.00	\$ 20,000.00	\$ 10,700.00	\$ 10,700.00	\$ 150.00	\$ 150.00
26	FILL AND ABANDON EXISTING PIPE	40	L.F. \$ 20.00	\$ 800.00	\$ 50.00	\$ 2,000.00	\$ 75.00	\$ 3,000.00	\$ 200.00	\$ 8,000.00	\$ 107.00	\$ 4,280.00	\$ 30.00	\$ 1,200.00
27	DEWATERING OF TRENCH	1	L.S. \$ 25,000.00	\$ 25,000.00	\$ 142,000.00	\$ 142,000.00	\$ 4,500.00	\$ 4,500.00	\$ 95,000.00	\$ 95,000.00	\$ 52,800.00	\$ 52,800.00	\$ 21,000.00	\$ 21,000.00
28	EROSION CONTROL	1	L.S. \$ 1,500.00	\$ 1,500.00	\$ 600.00	\$ 600.00	\$ 7,000.00	\$ 7,000.00	\$ 7,500.00	\$ 7,500.00	\$ 2,600.00	\$ 2,600.00	\$ 1,000.00	\$ 1,000.00
29	GEOTEXTILE, UNWOVEN	1585	S.Y. \$ 3.00	\$ 4,755.00	\$ 2.00	\$ 3,170.00	\$ 9.46	\$ 14,994.10	\$ 3.00	\$ 4,755.00	\$ 2.20	\$ 3,487.00	\$ 2.00	\$ 3,170.00
Sub Total				\$312,625.00		\$764,170.00		\$324,066.97		\$636,785.00		\$ 433,001.00		\$ 314,343.60
8% Sales Tax				\$25,010.00		\$61,133.60		\$25,925.36		\$50,942.80		\$ 34,640.08		\$ 25,147.49
Contract Amount				\$337,635.00		\$ 825,303.60		\$ 349,992.33		\$ 687,727.80		\$ 467,641.08		\$ 339,491.09

# AGENDA SUMMARY SHEET

## Business of the City Council City of Kelso, Washington

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**SUBJECT TITLE:**

2015 Lodging Tax Request

Agenda Item: \_\_\_\_\_

Dept. of Origin: Lodging Tax Committee

For Agenda of: September 2, 2014

**PRESENTED BY:**

City Manager: Steve Taylor

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**AGENDA ITEM ATTACHEMENTS:**

May 16, 2014 - Meeting Minutes  
August 15, 2014 – Meeting Minutes  
August 26, 2014 – Meeting Minutes (Draft)  
Reallocation Memorandum  
Exhibit A - 2015 LTAC Request Summary Spreadsheet

**SUMMARY STATEMENT:**

On August 26, 2014 an LTAC meeting was held to discuss the distribution of 2015 Lodging Tax Funds and the following recommendations were made by the committee for distribution:

- Kelso Highlander Festival-**\$15,000** (requested \$20,000)
- City of Kelso, Longview PDA feasibility study-**\$7,615** (requested \$7,615)
- Mark Morris Booster Club, Bud Clary War of the Border - **\$1,000** (requested \$1,000)
- Kelso Longview Chamber, Visitor Information Center - **\$52,000** (requested \$52,000)
- LCC Athletics, three (3) sporting events - **\$5,000** (requested \$5,000)
- Columbia Theatre - **\$10,000** (requested \$20,000)
- Cowlitz County Museum - **\$15,000** (requested \$15,000)
- KDRA - **\$2,000** (requested \$4,000)
- Kelso Powwow Committee - **\$1000** (requested \$2,000)
- Unique Tin Car Club, Unique Tin Car Show and Cruise - **\$500** (requested \$2,000)

The projected revenue for the Stadium Fund in 2015 is \$140,000. The above recommendations reflect funds utilized only from the projected revenue for 2015 and total \$125,265 which includes the ongoing commitments of \$7,650 to the Big Idea Fund and \$8,500 for the general fund loan repayment relating to the Kelso Youth Baseball infrastructure improvements. The attached minutes give details on the recommendation process. The Council does not have to fund the full list as recommended by the LTAC and can choose to make awards in the recommended amounts to all, some, or none of the candidates on this list. If council would like to modify the allocated amounts, a recommendation outlining the desired adjustments must be submitted to the LTAC committee for consideration.

Separately, the City requested a reauthorization of **2014** lodging tax funds between its two projects approved by the LTAC last year. This would allow unspent money to be transferred from the Visitor Center exterior improvements project to pay for additional Kelso brochures. The LTAC approved the request (See the attached “Reallocation Memo” and “August 15<sup>th</sup> LTAC minutes”) on August 15<sup>th</sup>. Staff is seeking approval of the Committee’s recommendation.

**RECOMMENDED ACTION(S):**

**1<sup>st</sup> Motion:**

Move to approve the recommended allocation of the City's Lodging Tax funds for 2015.

**2<sup>nd</sup> Motion:**

Move to approve the reallocation of 2014 Lodging Tax funds, not to exceed \$1,300, from the City's Visitor Center Improvements Project for the purchase of Kelso brochures.

**Lodging Tax Advisory Committee  
May 16, 2014  
City of Kelso, Executive Session Room**

**Minutes**

Call to order:

Council Representative Todd McDaniel called the meeting to order at 11:01 a.m.

Those present were as follows:

**Lodging Tax Committee Members**

Todd McDaniel, Council Rep  
Bill Marcum  
Cindy Keeney

**Staff**

Amy Mullerleile, Assistant to City Manager  
Steve Taylor, City Manager

**Absent Lodging Tax Committee Members**

Syed Pasha  
Paul Thornton

**Minutes:**

Cindy Keeney made the motion to approve the minutes from the September 30, 2013 meeting, seconded by Bill Marcum. Motion carried, all voting 'yes'.

**Funding Overview:**

The LTAC Committee discussed the history and challenges of the Big Idea Project as well as the current fund requests. Steve Taylor explained that the requests from the City of Kalama and the Woodland Chamber of Commerce had already been approved and disbursed in previous years but were refunded to the City based on concerns from the State Auditor. The auditor said rather than each participating jurisdiction sending their contribution to Cowlitz County to be paid to the project jurisdictions the money needed to be paid directly to the entity proposing the project.

Bill Marcum made the motion to forward the following funding distribution recommendation to the Kelso City Council for approval for a total of \$15,716.85. Cindy Keeney seconded the motion. Motion passed, all voting 'yes'.

- City of Castle Rock - \$7,625.00
- City of Kalama - \$3,163.61
- Woodland Chamber of Commerce- \$4,928.24

**Committee Member/General Public Comments:**

Steve Taylor informed the committee that the City's hotelier representative on the Big Idea Board, Ginny Whiffen, had recently been replaced and Pam Fierst would be the new representative.

With no further comments, the meeting was adjourned at 11:10 am.

Respectfully Submitted,

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Amy Mullerleile, Recording Secretary

**Lodging Tax Advisory Committee  
August 15, 2014  
City of Kelso, Council Chambers**

**Minutes**

Call to order:

Committee member Bill Marcum called the meeting to order at 3:04 p.m.

Those present were as follows:

**Lodging Tax Committee Members**

Pam Fierst  
Bill Marcum  
Cindy Keeney

**Staff**

Amy Mullerleile, Assistant to City Manager  
Steve Taylor, City Manager

**Absent Lodging Tax Committee Members**

Syed Pasha  
Todd McDaniel, Council Rep

**Minutes:**

Cindy Keeney made the motion to approve the minutes from the May 16, 2014 meeting, seconded by Bill Marcum. Motion carried, all voting 'yes'.

**Presentations:**

The Lodging Tax Committee invited each agency that requested funds to give a five (5) minute presentation on their event/proposal. The following event/groups participated:

- Unique Tin Car Club
- Kelso/Longview Chamber of Commerce
- Kelso Highlander Festival
- Kelso Powwow Committee
- City of Kelso-Longview PDA feasibility study
- Lower Columbia College Athletics
- Kelso Downtown Revitalization Association
- Columbia Theatre

**City of Kelso Reallocation Request:**

On August 1, 2014, a memo was sent to the LTAC outlining a request to consider reallocating money that was award to the City for 2014. Amy Mullerleile discussed the City's two awards for 2014 one for \$10,000 for exterior improvements and signage at the Visitor's Center and one for \$5,000 for brochures and a new welcome sign. The City has a need to order additional brochures and although not all of the funds allocated for this purpose have been exhausted, the remaining \$172.08 will not cover the \$1,200 + tax needed to purchase 5,000 additional brochures. However, there is \$6,619.78 from the other award

that would cover the difference. The City is asking the LTAC to consider reallocating the cost of the additional brochures.

Bill Marcum made the motion to approve the reallocation request, seconded by Cindy Keeney. Motion carried, all voting 'yes'.

**Funding Overview:**

The LTAC Committee discussed funding availability and reserve levels. Steve Taylor provided the committee with a summary of the status of the stadium fund and informed the LTAC that the Council has said they would like to maintain reserves of \$75,000 unless there is a project with special circumstances. Steve also explained a change in the rules give Council the authority to select which applications or projects are funded from the recommendation provided by the committee but any change in the amount of funding must be recommended by the LTAC.

**Committee Member/General Public Comments:**

The three members of the committee that were present felt it was important that all five members participate in the recommendation process; because two committee members were absent and did not provide their funding recommendations it was decided that another meeting would be necessary. Amy Mullerleile will use a scheduling tool to arrange a follow up meeting where all members are able to attend.

With no further comments, the meeting was dismissed at 3:45 pm.

Respectfully Submitted,

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Amy Mullerleile, Recording Secretary

**Lodging Tax Advisory Committee  
August 26, 2014  
City of Kelso, Executive Session Room**

**Minutes**

Call to order:

Council Representative Todd McDaniel called the meeting to order at 3:07 p.m.

Those present were as follows:

**Lodging Tax Committee Members**

Todd McDaniel, Council Rep  
Pam Fierst  
Cindy Keeney  
Syed Pasha  
Bill Marcum

**Staff**

Steve Taylor, City Manager  
Amy Mullerleile, Assistant to City Manager

**Minutes:**

Cindy Keeney made the motion to approve the minutes from the August 15, 2014 meeting, seconded by Bill Marcum. Motion carried, all voting 'yes'.

**Funding Overview:**

The LTAC Committee discussed funding availability and determined as a group that they would like to keep distributions for 2015 at the current budgeted funding level and not go into reserves.

Syed Pasha made the motion to forward the following funding distribution recommendation to the Kelso City Council for approval for a total of \$125,265. Bill Marcum seconded the motion. Motion passed, all voting 'yes'.

- Kelso Highlander Festival-**\$15,000** (requested \$20,000)
- City of Kelso, Longview PDA feasibility study-**\$7,615** (requested \$7,615)
- Mark Morris Booster Club, Bud Clary War of the Border - **\$1,000** (requested \$1,000)
- Kelso Longview Chamber, Visitor Information Center - **\$52,000** (requested \$52,000)
- LCC Athletics, three (3) sporting events - **\$5,000** (requested \$5,000)
- Columbia Theatre - **\$10,000** (requested \$20,000)
- Cowlitz County Museum - **\$15,000** (requested \$15,000)
- KDRA - **\$2,000** (requested \$4,000)
- Kelso Powwow Committee - **\$1,000** (requested \$2,000)
- Unique Tin Car Club, Unique Tin Car Show and Cruise - **\$500** (requested \$2,000)

**Committee Member/General Public Comments:**

There was extensive discussion regarding changes to the process and methodology the committee employs to determine the best use of LTAC funds. Among the suggested changes was scheduling a meeting before we open the application period to establish project priorities and evaluation criteria,

aligning our application form with what Longview uses, and requesting more historical data from returning events. It was agreed that another meeting would be scheduled in spring 2016 to work on the above-mentioned items.

With no further comments, the meeting was adjourned at 4:01 p.m.

Respectfully Submitted,

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Amy Mullerleile, Recording Secretary

DRAFT



**Administration Department**  
Steve Taylor, City Manager



203 S. Pacific Avenue, PO Box 819 Kelso, WA 98626

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**MEMORANDUM**

**TO:** Lodging Tax Advisory Committee  
**FROM:** Steve Taylor, City Manager  
**DATE:** August 1, 2014  
**RE:** 2014 Re-Allocation Request

In 2013 the LTAC awarded the City of Kelso two separate lodging tax allocations; one for Visitor's Brochures and Signage totaling \$5,000 and another for Visitor's Center Signage and exterior Improvements totaling \$10,000. The majority of the \$5,000 allocation has been used with only about \$172 remaining. Many of the projects included in the \$10,000 request have been under budget or will be completed using other funds; only about \$3,400 has been spent. At this time, the City of Kelso is requesting that the LTAC include in their funding recommendation to council the reallocated of a portion of the remaining money for the purchase of additional brochures. The original order of 5,000 brochures has been distributed with only 1,500 remaining and the expectation that those will be distributed by the end of the year. The cost for 5,000 brochures is \$1,299 + tax and within the remaining budget of the combined allocations. The breakdown of funds is included below.

\$10,000 Allocation

VC Signage and landscaping - \$1,792.37  
VC Wall Display - \$1,554.51  
Wall Display Sales Tax - \$33.34  
Total - \$3,380.22  
Original Allocation - \$10,000  
Remaining - \$6,619.78

\$5,000 Allocation

New welcome sign \$3,000  
City Logo - \$50.00  
City Brochure - \$1,777.92  
Total - \$4,827.92  
Original Allocation - \$5,000  
Remaining - \$172.08

Total combined allocation - \$15,000

Total spent - \$8,208.14

Total Remaining - \$6,791.86

Please feel free to contact me if you have any questions.

Sincerely,

Steve Taylor,  
City Manager

**Exhibit A**

**2015 Kelso Lodging Tax Request Summary**

<b>Agency</b>	<b>Contact</b>	<b>Project</b>	<b>Amount Requested</b>	<b>Recommend Funding (yes or no)</b>	<b>Recommended Amount</b>	<b>Received money prior</b>
Cowlitz County Historical Museum	David Freece	2015 Historical Museum	\$15,000	Yes	\$15,000	Yes \$15,000
Unique Tin Car Club	Phil Williams	Unique Tin Car Show and Cruise	\$2,000	Yes	\$500	No
Kelso Longview Chamber of Commerce	Bill Marcum	Kelso Visitor's Center	\$52,000	Yes	\$52,000	Yes \$50,500
Kelso Highlander Festival Commission	Cory Mugaas	Kelso Highlander Festival	\$20,000	Yes	\$15,000	Yes \$15,000
Kelso Powwow Committee	Michael Brock	Kelso "In Honor of our Children" Powwow	\$2,000	Yes	\$1,000	Yes \$500
City of Kelso	Steve Taylor	Longview PDA feasibility study	\$7,615	Yes	\$7,615	Yes \$15,000
Mark Morris Booster Club	Bill Backamus	Bud Clary War of the Border	\$1,000	Yes	\$1,000	No
Lower Columbia College Athletics	Kirk Roland	NWAC Baseball Championships	\$3,000	Yes	\$3,000	Yes \$2,000
Lower Columbia College Athletics	Kirk Roland	LC Women's Holiday Basketball Tourney	\$1,000	Yes	\$1,000	Yes \$800 (awarded for use in 2013)
Lower Columbia College Athletics	Kirk Roland	2015 Red Devil Classic Basketball Tournament	\$1,000	Yes	\$1,000	Yes \$1,000
KDRA	Mike Julian	The Highlander Iron Horse Motorcycle Rally	\$4,000	Yes	\$2,000	Yes, \$500
Columbia Theater	Gian Morelli	Columbia Theater	\$20,000	Yes	\$10,000	Yes \$10,000
<b>Subtotal</b>			\$128,615			
On Going Commitment		Big Idea	\$7,650	Yes	\$7,650	
Gen Fund Loan Repayment		Kelso Youth Baseball Capital Improvements	\$8,500	Yes	\$8,500	
<b>Total</b>			<b>\$144,765</b>		<b>\$125,265</b>	

**Total Estimated Revenue**

**\$140,000**

## AGENDA SUMMARY SHEET

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AGENDA ITEM: Ordinance 2nd reading.  
Budget revision #3 for the 2014 fiscal  
year.

SUBMITTED BY: Brian Butterfield

AGENDA ITEM # \_\_\_\_\_  
FOR AGENDA OF: 9/2/2014  
ORIGINATING DEPT: Finance  
DATE SUBMITTED: 8/28/2014  
COST OF ITEM: \_\_\_\_\_  
AMT. BUDGETED \_\_\_\_\_  
CITY ATTY. APPROVAL \_\_\_\_\_  
CITY MGR. APPROVAL \_\_\_\_\_

### AGENDA ITEM PAPERWORK:

See attached Ordinance

### SUMMARY STATEMENT/DEPT. RECOMMENDATION:

Revisions include the following:

#### **General Fund**

- \$160,000 loan to Arterial Street Fund to retire Public Works Trust Fund debt.
- \$105,000 pass-thru of grant funds received by FAA to the SW Washington Regional Airport.
- \$20,000 for parking lot improvements at the Kelso Visitor's Center. Funded by County Grant.
- \$15,000 for expanded project scope for GH Dohrn. Funded by General Fund reserves.

#### **Street Fund**

- \$69,000 to fund new position in the Street Fund. Funded by Street reserves.
- \$15,000 for increased city insurance allocation. Funded by Street reserves.

#### **Arterial Street Fund**

- \$160,000 to retire Public Works Trust Fund debt.
- \$120,000 for West Main Streetscape Project. Funded by County Grant.

#### **Library Fund**

- \$7,700 to replace overhead door and phone system maintenance. Funded by Library reserves.

#### **Stadium Fund**

- \$15,250 to fund Big Idea projects from 2012 and 2013. Funded by Stadium Fund reserves.

#### **Park Fund**

- \$20,300 to fund unforeseen operating expenditures. Funded by reserves.

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF KELSO RELATING TO PUBLIC EXPENDITURES AND DECLARING AN EMERGENCY UNDER THE PROVISIONS OF RCW 35A.34.150, FIXING THE AMOUNT OF MONEY REQUIRED TO MEET SUCH EMERGENCIES AND AUTHORIZING THE EXPENDITURE OF MONEY NOT PROVIDED FOR IN THE 2013-2014 BIENNIAL BUDGET OF THE CITY.**

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

**SECTION 1.** That by reason of the inability of the City and its officials to foresee and compute with accuracy the actual revenue and necessary expenditures of public funds for the current expenses of the City, an emergency is hereby declared under the provisions of RCW 35A.34.150, and it is deemed necessary to make the following amendment to the budget by increasing the following line items by the amounts set forth below for the 2014 Budget, to-wit:

**GENERAL FUND**

Revenues

001-00-308-00-00	Beginning Fund Balance - Restricted	\$ 59,031.00
001-00-308-00-00	Beginning Fund Balance - Unrestricted	175,000.00
001-00-337-00-00	Rural County Fund Grant	20,000 00
001-00-333-00-00	Federal Grant – FAA Pass-thru.	<u>45,969.00</u>
		\$ 300,000.00

Expenditures

001-09-581-10-00-0	Interfund Loan to Arterial Streets	\$ 160,000.00
001-09-594-19-61-0	Parking Lot Improvements	20,000.00

001-12-546-10-41-0	FAA Grant Pass-thru	105,000.00
001-13-524-20-41-0	Professional Services	<u>15,000.00</u>
		\$ 300,000.00

**STREET FUND**

Revenues

101-16-308-00-00	Beginning Fund Balance	\$ 84,000.00
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Expenditures

101-16-542-30-10-0	Salaries	\$ 45,000.00
101-16-542-30-12-0	Overtime	4,000.00
101-16-542-30-20-0	Benefits	20,000.00
101-16-542-90-46-0	Insurance	<u>15,000.00</u>
		\$ 84,000.00

**ARTERIAL STREET FUND**

Revenues

102-18-337-00-00	Rural County Fund Grant	\$ 120,000.00
102-18-381-10-00	Interfund Loan – General Fund	<u>160,000.00</u>
		\$ 280,000.00

Expenditures

102-18-591-45-78-0	PWTF Principal Payment	\$ 160,000.00
102-18-595-14-00-3	West Main Streetscape	<u>120,000.00</u>
		\$ 280,000.00

**LIBRARY FUND**

Revenues

103-19-308-00-00	Beginning Fund Balance	\$	7,700.00
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Expenditures

103-19-572-50-42-1	Telephone	\$	3,500.00
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103-19-572-50-45-1	Facilities Rent		<u>4,200.00</u>
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		\$	7,700.00
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**STADIUM FUND**

Revenues

106-20-308-00-00	Beginning Fund Balance	\$	15,250.00
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Expenditures

106-20-573-90-49-3	The Big Idea	\$	15,250.00
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**PARK FUND**

Revenues

108-21-308-00-00	Beginning Fund Balance	\$	20,300.00
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Expenditures

108-21-576-80-11-0	Part-time Salaries	\$	4,000.00
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108-21-576-80-48-3	Vehicle Maintenance		3,500.00
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108-21-576-80-91-1	Interfund Services - Engineering		7,000.00
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108-21-576-80-91-0	Interfund Services - Admin		<u>5,800.00</u>
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		\$	20,300.00
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**WATER/SEWER FUND**

Revenues

403-25-343-40-23	Water Sales - Residential	\$	43,500.00
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Expenditures

403-25-535-10-46-0	Insurance	\$	43,500.00
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**DRAINAGE FUND**

Revenues

407-52-308-00-00	Beginning Fund Balance	\$	38,000.00
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Expenditures

407-52-531-50-46-0	Insurance	\$	38,000.00
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**SECTION 2.** It is hereby ordered that the aforesaid sum be and the same is hereby appropriated in excess of the budget of the City of Kelso for 2014 and further that said budget be and the same is hereby amended accordingly.

**SECTION 3.** This Ordinance shall be in full force and effect five days after its passage and publication of summary as required by law.

**ADOPTED** by the City Council and **SIGNED** by the Mayor this \_\_\_\_\_ day of September, 2014.

\_\_\_\_\_  
MAYOR

ATTEST/AUTHENTICATION:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

PUBLISHED: \_\_\_\_\_

# **AGENDA SUMMARY SHEET**

## **Business of the City Council City of Kelso, Washington**

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**SUBJECT TITLE:**

An Ordinance of the City of Kelso amending KMC 12.20.120 to give the City Manager or his or her designee the authority to approve liquor consumption in the parks.

**Agenda Item:** \_\_\_\_\_

**Dept. of Origin:** Community Dev. /Engineering

**For Agenda of:** September 2, 2014

**Cost of Item:** \_\_\_\_\_

**PRESENTED BY:**

Michael Kardas, P.E.  
Community Development Director/City Engineer

**City Manager:** Steve Taylor

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**AGENDA ITEM ATTACHMENTS:**

Proposed Ordinance

**SUMMARY STATEMENT:**

The proposed ordinance changes the park code to grant, the City Manager or his or her designee, the authority to allow liquor consumption in the parks with an associated permit. This change eliminates the need for these requests to be brought to Council for approval, and instead will become a part of the Special Event permitting process.

**FINANCIAL SUMMARY:**

There is no cost for the ordinance. Signage changes may be costs of implementation.

**RECOMMENDED ACTION:**

Move to pass the ordinance on second reading.

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF KELSO AMENDING KMC 12.20.120 PARK CODE TO TRANSFER THE AUTHORITY OF PARK LIQUOR CONSUMPTION APPROVAL FROM THE COUNCIL TO THE CITY MANAGER OR THEIR DESIGNEE**

WHEREAS, the City Manager would like to simplify the current Special Event permitting process;

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

**SECTION 1.** That KMC 12.20.120 is hereby amended to provide as follows:

**12.20.120 Intoxicating liquor.**

It is unlawful to consume in any park any whiskey, wine, beer or other intoxicating liquor except as may be permitted under a license or permit issued by the State Liquor Control Board and authorized by the ~~city council~~ City Manager or his or her designee.

**SECTION 2. EFFECTIVE DATE.** This Ordinance shall be in full force and effect 5 days after its passage and publication of summary as required by law.

**ADOPTED** by the City Council and **SIGNED** by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2014.

ATTEST/AUTHENTICATION:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

PUBLISHED: \_\_\_\_\_