

Kelso City Council Agenda

Regular Meeting, 6:00 pm
December 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 Russ Jorgenson, Kelso Christian Assembly

Roll Call to Council Members:

1. Approve Minutes:

1.1. November 18, 2014 – Regular Meeting

2. Presentations:

2.1. Cowlitz Wahkiakum Council of Governments Executive Director Bill Fashing

2.2. City Real Estate Update – Pacific NW Realty

3. Public Hearing:

3.1. 2015-2016 Final Proposed Budget

4. Consent Items:

5. Citizen Business:

6. Council Business:

7. Action/Motion Items:

7.1. Ordinance, 1st Reading

7.1.1. Amending Planning Commission Code KMC 2.60

7.2. Ordinance, 2nd Reading

7.2.1. Adopt 2015-2016 Budget

Kelso City Council Agenda

Regular Meeting, 6:00 pm
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7.3. Resolution

7.3.1. Amending Personnel Policy Handbook, Non-Represented Employee Salary Matrix, and Employee Health Benefit Policy

8.4. Ordinance, 1st Reading

8.4.1. Amending 2014 Budget

Other Items:

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

Pastor Jerry Dahlke, North Gate City 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: Archer, McDaniel, Myers, Futcher, Roberson, Franklin, and Schimmel.

Minutes: Upon motion by Councilmember Schimmel, seconded by Councilmember Roberson, 'Approve the Minutes of the 11/4/14 Regular Meeting,' motion carried, all voting yes.

PROCLAMATION:

Mayor Futcher read a proclamation declaring the week of November 17th – 21th, 2014, as “**International Education Week**” in the City of Kelso. ASSE International Student Exchange Program Western Regional Director Veryl Anderson and foreign exchange students from Canada, Norway, Germany, Japan, and the Ukraine each accepted a proclamation.

PUBLIC HEARING:

Mayor Futcher opened the public hearing at 6:10 p.m. City Manager Steve Taylor provided an overview of the highlights of the 2015-2016 Preliminary Budget.

Rick Von Rock, 400 North 7th Ave., spoke about the proposed budget fitting the needs of the City. He spoke about salary expenditures and revenue sources.

There being no further comments from the public, Mayor Futcher closed the public hearing at 6:33 p.m.

CONSENT AGENDA:

1. **Auditing of Accounts:** \$ 1,838,284.20

Upon motion by Councilmember Roberson, seconded by Councilmember McDaniel, 'Approve the Consent Agenda and the Auditing of Accounts in the amount of \$1,838,284.20.' Councilmembers Archer, McDaniel, Myers, Futcher, Roberson, and Schimmel voted yes. Councilmember Franklin voted no. Motion carried, 6 to 1.

CITIZEN BUSINESS:

Rick Von Rock, 400 North 7th Ave., spoke about improving the directional signage throughout the city. He spoke about any known findings on the recent emergency repair work.

MOTION ITEMS:

Ordinance No. (1st Reading) Adopt 2015-2016 Budget: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, 'Pass on 1st reading, 'AN ORDINANCE RELATING TO MUNICIPAL FINANCE AND ADOPTING A BUDGET FOR THE CITY OF KELSO FOR THE 2015/16 FISCAL YEARS.' Councilmembers Archer, McDaniel, Myers, Futcher, Roberson, and Schimmel voted yes. Councilmember Franklin voted no. Motion passed, 6 to 1.

Ordinance No. 14-3835 – Setting 2015 Property Tax Levy Amount: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Myers, seconded by Councilmember McDaniel, 'Adopt Ordinance No. 14-3835, 'AN ORDINANCE OF THE CITY OF KELSO FIXING THE ESTIMATED AMOUNT TO BE RAISED BY AD VALOREM TAXES AT \$1,412,683 FOR THE 2015 BUDGET OF THE CITY.' Discussion followed. Councilmembers Archer, McDaniel, Myers, Futcher, Roberson, and Schimmel voted yes. Councilmember Franklin voted no. Motion passed, 6 to 1.

Ordinance No. 14-3836 – B&O Utility Tax Rates: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Roberson, seconded by Councilmember McDaniel, 'Adopt Ordinance No. 14-3836, 'AN ORDINANCE OF THE CITY OF KELSO AMENDING KMC 5.05.120 TO INCREASE UTILITY BUSINESS TAX RATES FROM EIGHTEEN PERCENT TO TWENTY PERCENT FOR WATER SEWER AND GARBAGE PROVIDERS.' **Upon motion by Councilmember Schimmel, seconded by Councilmember McDaniel, 'Amend the motion to provide for a sunset date for the tax increase in 2 years.' Discussion followed. Councilmembers Archer, McDaniel, Myers, Roberson, Franklin, and Schimmel voted yes. Mayor Futcher voted no. Motion passed, 6 to 1.**

Mayor Futcher reiterated the original motion to approve the ordinance as amended to include the sunset clause. Motion passed, all voting yes.

Resolution No. 14-1128 – Authorize Property Tax Increase: The Deputy Clerk read the proposed resolution by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Myers, 'Pass Resolution No. 14-1128, 'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELSO AUTHORIZING AN INCREASE IN THE REGULAR PROPERTY TAX LEVY IN ADDITION TO ANY AMOUNT RESULTING FROM NEW CONSTRUCTION AND IMPROVEMENTS TO PROPERTY, NEWLY CONSTRUCTED WIND TURBINES, AND ANY INCREASE IN THE VALUE OF STATE ASSESSED UTILITY PROPERTY.' Councilmembers Archer, McDaniel, Myers, Futcher, Roberson, and Schimmel voted yes. Councilmember Franklin voted no. Motion passed, 6 to 1.

Resolution No. 14-1129 – Cancellation of Unclaimed Warrants: The Deputy Clerk read the proposed resolution by title only. Upon motion by Councilmember Roberson, seconded by Councilmember Schimmel, ‘Pass Resolution No. 14-1129, ‘A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELSO CANCELLING CERTAIN WARRANTS OF THE CITY PURSUANT TO RCW 39.56.040.’ Motion passed, all voting yes.

MANAGER’S REPORT:

Steve Taylor: Discussed amending the planning commission code KMC 2.60. He briefed the Council on state law requirements for planning commissions. Lengthy discussion followed. **By general consensus, the Council gave direction to staff to bring back, for consideration, amendments to the planning commission code regarding the number of positions on the commission and the requirements of residency.**

Rod Wright, 97 Banyon Drive, spoke about the need for a planning commission.

STAFF REPORTS:

Community Development Director/City Engineer Mike Kardas: 1) Briefed the Council on the decision to approve the Love Overwhelming application to operate at the former Emergency Support Shelter facility. 2) Briefed the Council on the findings of the recent emergency work at the 13th Ave. & Chestnut St. site and the Minor Rd. & Allen St. site.

COUNCIL REPORTS:

Gary Schimmel: No report.

Jared Franklin: No report.

Rick Roberson: No report.

Dan Myers: 1) Provided a report on the Interim Metropolitan Regional Transportation Plan Update that was recently approved by the Cowlitz Wahkiakum Council of Governments. 2) Provided a report on the All Aboard Washington meeting that he recently attended. 3) He commented that he had received a report on bow hunting within the city limits.

Todd McDaniel: Provided a report on the Kelso Police Homecoming that he recently attended. He commented that the Kelso police officers are well respected statewide.

Gary Archer: Provided a report on his recent visit to the coal mining industry in Wyoming.

David Futcher: Provided a brief report on the recent meeting with the Congresswomen Herrera-Buetler's representatives and local city officials.

There being no further business, Mayor Futcher adjourned the meeting at 7:05 p.m.

MAYOR

CITY CLERK

AGENDA SUMMARY SHEET

AGENDA ITEM: Public Hearing
Final Hearing on the proposed
2015-2016 Biennium Budget

AGENDA ITEM # _____
FOR AGENDA OF: 12/2/2014
ORIGINATING DEPT: Finance
DATE SUBMITTED: 11/26/2014
COST OF ITEM: _____
AMT. BUDGETED _____
CITY ATTY. APPROVAL _____
CITY MGR. APPROVAL _____

SUBMITTED BY: Brian Butterfield

SUMMARY STATEMENT:

RCW 35A.33.070

The council shall meet on the day fixed by RCW 35A.33.060 for the purpose of fixing the final budget of the city at the time and place designated in the notice thereof. Any taxpayer may appear and be heard for or against any part of the budget. The hearing may be continued from day to day but not later than the twenty-fifth day prior to commencement of the city's fiscal year.

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: AN ORDINANCE OF THE CITY OF KELSO, WASHINGTON AMENDING THE KELSO MUNICIPAL CODE CHAPTER 2.60 PLANNING COMMISSION.

Agenda Item: _____

Dept. of Origin: _____ City Manager _____

For Agenda of: December 2, 2014

Originator: _____

PRESENTED BY:

Steve Taylor

City Attorney: Janean Parker

City Manager: Steve Taylor

Agenda Item Attachments:

Proposed Ordinance

Exhibit A – Proposed Chapter 2.60 Planning Commission

Exhibit B – Current Chapter 2.60 Planning Commission

SUMMARY STATEMENT:

The changes contained within the proposed ordinance are intended to reflect recent Council conversations regarding the rules and regulations governing the planning commission. The current code specifies a seven-person commission and allows two members to live outside City limits but within the City's urban growth area. The proposed changes reduce the number of commissioners to five, provide flexibility for residency requirements, and eliminate antiquated and/or irrelevant language to reflect the current operations of the commission.

The planning commission currently has three vacancies; one of these vacancies has been advertised since October 13, 2014. Staff has not received any applications for this position.

RECOMMENDED ACTION:

Make a motion to approve the Ordinance amending KMC 2.60 on first reading.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF KELSO, WASHINGTON
AMENDING THE KELSO MUNICIPAL CODE CHAPTER 2.60 PLANNING
COMMISSION.**

WHEREAS, KMC Chapter 2.60 establishes the Kelso planning commission pursuant to RCW 35A.63 to serve in an advisory capacity to the City Council; and

WHEREAS, the City Council wishes to update the City's municipal code to reflect the current operations, processes, and increase the efficiency of the planning commission;

NOW, THEREFORE,

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

SECTION 1. That Kelso Municipal Code 2.60 is hereby amended as set forth in Exhibit A, attached hereto and hereby incorporated.

SECTION 2. SEVERABILITY. The provisions of this Ordinance are declared to be severable. If any provision, clause, sentence, or paragraph of this Ordinance or the application thereof to any person, establishment, or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this Ordinance.

SECTION 3. 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: _____

Chapter 2.60
PLANNING COMMISSION

Sections:

- [2.60.010](#) Created—Membership.
- [2.60.020](#) Term limits—Vacancies.
- [2.60.030](#) Residency requirements.
- [2.60.040](#) Powers.
- [2.60.050](#) Quorum.
- [2.60.060](#) Position deemed vacant when.
- [2.60.070](#) Rules of procedure.
- [2.60.080](#) Reserved.
- [2.60.090](#) Recommendations to council.
- [2.60.100](#) Annual reports to council.

2.60.010 Created—Membership.

Pursuant to RCW 35A.63.020, there is created a planning agency to be known as the “Kelso planning commission.” ~~Said agency~~The planning commission shall serve in an advisory capacity to city officials and to the city council. The planning commission shall consist of seven-five regular members, ~~plus one ex-officio (nonvoting) member who is also a member of the Kelso parks and recreation board.~~

The seven-five regular members shall be appointed by the mayor subject to confirmation by the city council, ~~;~~ ~~provided, the ex-officio member shall be designated by the Kelso parks and recreation board to serve at the pleasure of said board~~

2.60.020 Term limits—Vacancies.

The terms of the members shall be as follows:

- ~~A. A. Members shall be appointed for terms of four years.~~
- ~~B. The terms shall be staggered so that no more than three members’ terms shall expire in any year~~
- ~~A. Three members shall be appointed for a term of two years and the term shall expire November 1, 1986, or until their successors are appointed. One such office shall be designated Position No. 1, one Position No. 2 and one Position No. 3. Thereafter, the~~

~~terms for such positions shall be four years and shall expire on the first day of November of each succeeding four-year period.~~

~~B. Four members shall be appointed for a term of four years and the term shall expire November 1, 1988, or until their successors are appointed. One such office shall be designated Position No. 4, one Position No. 5, one Position No. 6 and one Position No. 7. Thereafter, the terms for such positions shall be four years and shall expire on the first day of November of each succeeding four-year period.~~

C. Vacancies occurring otherwise than through the expiration of terms shall be filled for the unexpired term. Members may be removed, ~~after a public hearing,~~ by the ~~appointing official~~ mayor, with the approval of the city council for inefficiency, neglect of duty or malfeasance in office or other just cause.

2.60.030 Residency requirementsEligibility.

At least ~~four~~five members of the planning commission shall be residents of the city. Up to ~~one~~two members need not reside in the city, but must reside within Cowlitz County and meet one ~~one~~ [[or both??]] of the following eligibility requirements:

- a. Own property within the city limits of the City of Kelso; [and/or]
- b. Own a business that operates within the city limits of the City of Kelso

~~the city's urban growth area~~. In the event a planning commission member is serving who is not a resident of the city, such person shall not be authorized to serve as the planning commission chairman. In the further event that a duly appointed member shall move from within the city to outside the city or cease to own property or own a business with the city limits of the City of Kelso, that person may remain on the commission with the consent of the mayor and approval by the council for the balance of the unexpired term.

2.60.040 Powers.

The planning commission shall have all the powers and perform each and all of the duties specified by Chapter 35A.63 RCW, except those powers and duties delegated to the City's Hearings examiner, together with any duties or authority which may hereafter be conferred upon them by statute or ordinance or as directed by Council action. The performance of such duties

and the exercise of such authority shall be subject to each and all of the limitations expressed in such legislative enactment or enactments.

2.60.050 Quorum.

A majority of the planning commission shall constitute a quorum for the transaction of business. Any action taken by a majority of those present at any regular or special meeting of the planning commission shall be deemed and taken as the action of the commission.

2.60.060 Position deemed vacant when.

The position of a member shall be forfeited and become vacant for failure to attend three regular consecutive meetings of the planning commission, unless such absence is excused by a majority of the members of the commission.

2.60.070 Rules of procedure.

The planning commission is empowered to adopt its own rules of procedure. Such rules shall comply in all respects to any procedural steps required by state law or by city ordinance.

2.60.080 Reserved.

~~(Ord. 3404 § 1, 1998; Ord. 2959 § 3, 1984)~~

2.60.090 Recommendations to council.

All ~~legislative land use decisions under Title 18B, including comprehensive plan updates and amendments and all zoning code text and zoning district amendments, subdivisions of land, all proposed additions, comprehensive plans and amendments thereto, binding site plans, zoning matters, as well as dedications of streets and alleys, offered to the council for acceptance~~ shall first be submitted to the planning commission for its recommendation and report, which report shall be made to the council within any time frame established by statute or ordinance.

2.60.100 ~~Annual reports~~Reports to council.

~~The city council may periodically request reports, recommendations, or opinions from the planning commission and the planning commission shall provide such reports, recommendations, and opinions as may be requested.~~ The planning commission, as an advisory body, may report to the city council as they may determine necessary. The community development director, or other staff directed by the city manager, shall also provide periodic

reports to the city council on the schedule and activities of the planning commission as the city council may request., at or before its first regular meeting in February of each year, shall make a full report in writing to the city council of its transactions and expenditures, if any, for the preceding year, with such general recommendations as to matters covered by its prescribed duties and authority as may to it seem proper.

Chapter 2.60 PLANNING COMMISSION

Sections:

- [2.60.010](#) Created—Membership.
- [2.60.020](#) Term limits—Vacancies.
- [2.60.030](#) Residency requirements.
- [2.60.040](#) Powers.
- [2.60.050](#) Quorum.
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- [2.60.100](#) Annual reports to council.

2.60.010 Created—Membership.

Pursuant to RCW 35A.63.020, there is created a planning agency to be known as the “Kelso planning commission.” Said agency shall serve in an advisory capacity to city officials and to the city council. The commission shall consist of seven regular members plus one ex-officio (nonvoting) member who is also a member of the Kelso parks and recreation board.

The seven regular members shall be appointed by the mayor subject to confirmation by the city council; provided, the ex-officio member shall be designated by the Kelso parks and recreation board to serve at the pleasure of said board. (Ord. 3404 § 1, 1998; Ord. 3299 § 1, 1996; Ord. 2959 § 1 (1), 1984)

2.60.020 Term limits—Vacancies.

The terms of the members shall be as follows:

A. Three members shall be appointed for a term of two years and the term shall expire November 1, 1986, or until their successors are appointed. One such office shall be designated Position No. 1, one Position No. 2 and one Position No. 3. Thereafter, the terms for such positions shall be four years and shall expire on the first day of November of each succeeding four-year period.

B. Four members shall be appointed for a term of four years and the term shall expire November 1, 1988, or until their successors are appointed. One such office shall be designated Position No. 4, one Position No. 5,

one Position No. 6 and one Position No. 7. Thereafter, the terms for such positions shall be four years and shall expire on the first day of November of each succeeding four-year period.

C. Vacancies occurring otherwise than through the expiration of terms shall be filled for the unexpired term. Members may be removed, after a public hearing, by the appointing official, with the approval of the city council for inefficiency, neglect of duty or malfeasance in office. (Ord. 3493 § 1, 2002; Ord. 3404 § 1, 1998; Ord. 2959 § 1(2), (3), 1984)

2.60.030 Residency requirements.

At least five members of the planning commission shall be residents of the city. Up to two members need not reside in the city, but must reside within the city's urban growth area. In the event a planning commission member is serving who is not a resident of the city, such person shall not be authorized to serve as the planning commission chairman. In the further event that a duly appointed member shall move from within the city to outside the city, that person may remain on the commission with the consent of the mayor and approval by the council for the balance of the unexpired term. (Ord. 3404 § 1, 1998; Ord. 3325 § 1, 1996; Ord. 3187 § 1, 1992; Ord. 2984 § 1, 1985; Ord. 2959 § 1(4), 1984)

2.60.040 Powers.

The planning commission shall have all the powers and perform each and all of the duties specified by Chapter 35A.63 RCW, together with any duties or authority which may hereafter be conferred upon them by statute or ordinance. The performance of such duties and the exercise of such authority shall be subject to each and all of the limitations expressed in such legislative enactment or enactments. (Ord. 3404 § 1, 1998; Ord. 2959 § 2, 1984)

2.60.050 Quorum.

A majority of the commission shall constitute a quorum for the transaction of business. Any action taken by a majority of those present at any regular or special meeting of the commission shall be deemed and taken as the action of the commission. (Ord. 3404 § 1, 1998; Ord. 2959 § 5, 1984)

2.60.060 Position deemed vacant when.

The position of a member shall be forfeited and become vacant for failure to attend three regular consecutive meetings of the commission, unless such absence is excused by a majority of the members of the commission. (Ord. 3404 § 1, 1998; Ord. 2984 § 1, 1985; Ord. 2959 § 1(5), 1984)

2.60.070 Rules of procedure.

The commission is empowered to adopt its own rules of procedure. Such rules shall comply in all respects to any procedural steps required by state law or by city ordinance. (Ord. 3404 § 1, 1998; Ord. 2984 § 1, 1985; Ord. 2959 § 1(6), 1984)

2.60.080 Reserved.

(Ord. 3404 § 1, 1998; Ord. 2959 § 3, 1984)

2.60.090 Recommendations to council.

All subdivisions of land, all proposed additions, comprehensive plans and amendments thereto, binding site plans, zoning matters, as well as dedications of streets and alleys, offered to the council for acceptance shall first be submitted to the commission for its recommendation and report, which report shall be made to the council within any time frame established by statute or ordinance. (Ord. 3404 § 1, 1998; Ord. 2959 § 4, 1984)

2.60.100 Annual reports to council.

The planning commission, at or before its first regular meeting in February of each year, shall make a full report in writing to the city council of its transactions and expenditures, if any, for the preceding year, with such general recommendations as to matters covered by its prescribed duties and authority as may to it seem proper. (Ord. 3404 § 1, 1998; Ord. 2959 § 6, 1984)

AGENDA SUMMARY SHEET

AGENDA ITEM: Ordinance 2nd reading
Final Budget 2015/2016.

AGENDA ITEM # _____

FOR AGENDA OF: 12/2/2014

ORIGINATING DEPT: Finance

DATE SUBMITTED: 11/24/2014

COST OF ITEM: _____

AMT. BUDGETED _____

CITY ATTY. APPROVAL _____

CITY MGR. APPROVAL _____

SUBMITTED BY: Brian Butterfield

AGENDA ITEM PAPERWORK:

See attached Ordinance.

SUMMARY STATEMENT

Ordinance adopts the 2015/2016 final biennial budget for the City of Kelso.

Total appropriations amount to \$26,963,411 and \$36,021,690 in 2015 and 2016, respectively.

Appropriations in the general fund amount to \$7,663,901 in 2015 and \$7,812,040 in 2016.

NOTE:

The following changes have been made from the first reading to the second:

General Fund:

- Decreased by \$15,350 in 2015 as we were able to move the purchase of certain software and tools and equipment from 2015 to 2014.
- Increased by \$9,000 in 2016 to reflect the ammendment to the City Manager's contract.

Drainage Fund:

- Increased by \$400,000 in 2015 and 2016 for Phase 1 of the Minor Storm Drain and Phase 2 of Chestnut Street, respectively.

Drainage Capital Fund:

- Increased by \$400,000 in 2016 for Phase 2 of Chestnut Street.

OPTIONS:

- 1) Move to approve ordinance on second reading.
- 2) Do not approve ordinance.
- 3) Provide direction to staff regarding desired changes.

ORDINANCE NO. _____

**AN ORDINANCE RELATING TO MUNICIPAL FINANCE AND
ADOPTING A BUDGET FOR THE CITY OF KELSO FOR THE 2015/16
FISCAL YEARS.**

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

SECTION 1. That the City budget for the ensuing biennium of 2015/2016, as the same now appears in the Office of the City Clerk, be and the same is hereby in all respects adopted and approved.

SECTION 2. That the following are the separate totals of the appropriation total allowed for each of the following funds:

<u>FUND</u>	<u>2015 Budget</u>	<u>2016 Budget</u>
General	\$7,663,901	\$7,812,040
Street	791,917	707,466
Arterial Street	1,820,363	8,505,852
Library	465,901	481,991
Paths & Trails	45,000	-
Kelso Station	47,180	53,780
Stadium	118,440	123,025
Hilander Festival	60,900	60,900
Parks and Recreation	264,241	244,293
Tam O'Shanter Park	14,900	-
HUD Grant	460,000	10,000
Façade/Mural	10,000	10,000
Criminal Justice	257,550	264,950
Transportation Improvement District	246,000	301,000
2011 G.O. Bond	211,128	209,028
Capital Projects	80,000	80,000
Solid Waste	1,518,848	1,549,209
Water/Sewer	9,064,752	7,691,978
Water Capital Reserve	1,100,500	5,380,500
Drainage	640,240	1,014,730
Sewer Capital Reserve	1,090,000	400,000
Drainage Capital Reserve	485,000	450,000
Water Guarantee Deposit	140,000	145,000

Revenue Bond Fund	-	-
Bond Reserve Fund	-	-
Equipment Reserve	195,000	344,098
Firemen's Pension	<u>171,650</u>	<u>181,850</u>

TOTAL APPROPRIATIONS **\$26,963,411** **\$36,021,690**

SECTION 3. That the City Clerk be and is hereby authorized and directed to transmit a copy of the budget as adopted to the Division of Municipal Corporations.

SECTION 4. This Ordinance shall be in full force and effect on the first day of January, 2015.

ADOPTED by the City Council and **SIGNED** by the Mayor this ____ day of _____, 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

**SUBJECT TITLE: RESOLUTION
AMENDING THE PERSONNEL POLICY
HANDBOOK, NON-REPRESENTED
EMPLOYEE SALARY MATRIX, AND
EMPLOYEE HEALTH BENEFIT POLICY**

Agenda Item: _____

Dept. of Origin: City Manager's Office

For Agenda of: December 2, 2014

Originator: Steve Taylor

PRESENTED BY:
Steve Taylor

City Attorney: Janean Parker

City Manager: Steve Taylor

Agenda Item Attachments:

Resolution

Non-Represented Employee Salary Matrix and Classifications (Exhibit A)

City of Kelso Employee Health Benefit Policy (Exhibit B)

SUMMARY STATEMENT:

Revisions to the salary classification matrix for non-represented employees for 2015 are proposed for Council's consideration. Major changes include:

- Reclassifying the Public Works Superintendent position from M13 to M16 to reflect the current responsibilities of the position given the continued vacancy with the Public Works Director position
- Incorporating a 2% across the board salary adjustment as reflected in the 2015 budget
- Changing the title of the Airport Operations Manager position to "Airport Operations Superintendent" but maintaining the classification at its existing range

Two amendments to the Personnel Policy Handbook have also been submitted to reflect a change in state law authorizing two unpaid holidays for "reason of faith or conscience" and clarification on the provision of long-term disability insurance for full-time non-represented employees.

An amendment to the Kelso Employee Health Benefit Policy extending through 2015 the HRA medical insurance co-pay reimbursement incentive of \$1,000 (employee only) or \$2,000 (employee plus dependent(s)) to employees choosing one of the two high deductible plan offerings is also included within the Resolution for consideration.

OPTIONS

- 1) Move to approve the Resolution amending the Personnel Policy Handbook, Salary Classification Matrix, and City of Kelso Health Benefit Policy;
- 2) Provide direction to amend the Resolution and the components within;
- 3) Do not approve the Resolution.

RECOMMENDED ACTION:

Staff recommends the City Council adopt the attached resolution amending the Personnel Policy, Salary Classification Matrix, and City of Kelso Employee Health Benefit Policy.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELSO AMENDING RESOLUTION NO. 13-1105 AND ADOPTING CHANGES TO THE SALARY CLASSIFICATION SYSTEM FOR NON-REPRESENTED EMPLOYEES, AMENDING THE PERSONNEL POLICY HANDBOOK APPLYING TO THE EMPLOYEES OF THE CITY AS INDICATED THEREIN, AND AMENDING THE CITY OF KELSO EMPLOYEE HEALTH BENEFIT POLICY.

WHEREAS, the City Council has adopted a Personnel Policy Handbook and has found it necessary to make periodic amendments to reflect changes in law and best practices and to enhance the effectiveness of the provision of public services; and

WHEREAS, the City Council desires to revise the salary classification system for non-represented employees and other articles of the Personnel Policy Handbook to better reflect the changes within the system; and

WHEREAS, the City Council further desires to extend certain health benefit plan incentives offered within the City of Kelso Employee Health Benefit Policy for 2015;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF KELSO DO HEREBY RESOLVE:

SECTION 1. That Appendix “D” of the Personnel Policy Handbook is amended in its entirety by the 2015 Non-Represented Employee Salary Matrix and Classifications attached hereto as “Exhibit A”.

SECTION 2. That Article 4.2 of the Personnel Policy Handbook is amended as follows:

4.2 Holidays

The City of Kelso recognizes the following holidays for all full-time employees:

1. New Year’s Day 1st of January
2. Martin Luther King, Jr. Day 3rd Monday of January
3. President’s Day 3rd Monday of February
4. Memorial Day Last Monday of May
5. Independence Day 4th of July
6. Labor Day 1st Monday of September
7. Veteran’s Day 11th of November
8. Thanksgiving Day 4th Thursday of November
9. Day After Thanksgiving Friday after Thanksgiving
10. Christmas Day 25th of December
11. Three (3) Floating Holidays Individual Employee Choice
12. Any other day(s) proclaimed by the Governor as a legal holiday.

Any holiday falling on Saturday will be observed on the preceding Friday. Any holiday falling on a Sunday will be observed on the following Monday.

With the exception of those offices involved in emergency services, all City offices will be closed on these holidays, except for floating holidays. Floating holidays will be scheduled by individual employees on a day mutually agreed upon by the employee and the Department Head.

Part-time, temporary, or seasonal employees will not receive paid holidays but will be paid at their regular straight-time rate for hours worked on a holiday. Floating holidays shall be credited to the employee on January 1 of each year for the employee's use and may not be carried over from year to year; provided however, only one (1) floating holiday shall be credited to an employee in his or her first year of employment.

If a non-exempt, regular full-time employee must work on a holiday, he/she will be given another day off in lieu of the holiday. If the department is unable to schedule him/her for another day off, the employee will be compensated in accordance with the type of overtime worked (i.e.: pre-arranged or emergency call back overtime).

Holidays for Reason of Faith or Conscience

Employees are entitled to two (2) holidays per calendar year for a reason of faith or conscience or an organized activity conducted under the auspices of a religious denomination, church, or religious organization. Employees may use their accrued leave or the time may be taken as unpaid. Use of sick leave shall not be permitted.

Employees may select the days on which he or she desires to take the two (2) holidays after consultation with their supervisor/department head. If an employee desires to take the two (2) holidays on specific days, then the employee will be allowed to take the holidays on the days he or she selected unless the absence would impose an undue hardship, or the employee is necessary to maintain public safety. The term "undue hardship" has the meaning contained in the rule established by the Washington State Office of Financial Management.

Leave allowed in this section must be taken during the calendar year, if at all; the allowed days do not carry over from one year to the next. Requests for partial days off will count as a full day toward the annual allotment of two (days). Leave requests shall be approved through procedures established by the department head. Generally, prior written approval will be expected.

~~If an employee's religious beliefs require observance of a holiday not included in the above holiday schedule, the employee may, with the approval of the City Manager, take the day off using his/her floating holiday, vacation, compensatory time, or leave without pay.~~

SECTION 3. That Article 4.6 of the Personnel Policy Handbook is amended as follows:

4.6 Long Term Disability

The City currently pays the premium for Long Term Disability ~~insurance through Lincoln Financial Group~~ for ~~the~~ full-time non-represented employees. The premium is based on his/her salary. Information will be provided at the time of sign up.

SECTION 4. That the City of Kelso Employee Health Benefit Policy attached hereto in Exhibit "B" and incorporated by reference herein is amended in its entirety.

SECTION 5. This Resolution shall be effective immediately upon its adoption.

ADOPTED by the City Council and SIGNED by the Mayor this _____ day of _____, 2014.

Mayor

Attest/Authentication:

CITY CLERK

Approved as to form:

CITY ATTORNEY

Non-Represented Employee Salary Matrix 2015

	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	10 yr - 4% longevity	Step 1 Annual Salary	Step 6 Annual Salary
M22	\$7,815	\$8,127	\$8,452	\$8,790	\$9,142	\$9,508	\$9,888	\$93,776	\$114,092
M21	\$7,443	\$7,740	\$8,050	\$8,372	\$8,707	\$9,055	\$9,417	\$89,310	\$108,659
M20	\$7,088	\$7,372	\$7,666	\$7,973	\$8,292	\$8,624	\$8,969	\$85,057	\$103,485
M19	\$6,751	\$7,021	\$7,301	\$7,593	\$7,897	\$8,213	\$8,542	\$81,007	\$98,557
M18	\$6,429	\$6,686	\$6,954	\$7,232	\$7,521	\$7,822	\$8,135	\$77,149	\$93,864
M17	\$6,123	\$6,368	\$6,623	\$6,888	\$7,163	\$7,450	\$7,748	\$73,476	\$89,394
M16	\$5,831	\$6,065	\$6,307	\$6,560	\$6,822	\$7,095	\$7,379	\$69,977	\$85,137
M15	\$5,554	\$5,776	\$6,007	\$6,247	\$6,497	\$6,757	\$7,027	\$66,644	\$81,083
M14	\$5,289	\$5,501	\$5,721	\$5,950	\$6,188	\$6,435	\$6,693	\$63,471	\$77,222
M13	\$5,037	\$5,239	\$5,448	\$5,666	\$5,893	\$6,129	\$6,374	\$60,449	\$73,545
M12	\$4,798	\$4,989	\$5,189	\$5,397	\$5,612	\$5,837	\$6,070	\$57,570	\$70,043
M11	\$4,569	\$4,752	\$4,942	\$5,140	\$5,345	\$5,559	\$5,781	\$54,829	\$66,707
M10	\$4,351	\$4,526	\$4,707	\$4,895	\$5,091	\$5,294	\$5,506	\$52,218	\$63,531
M9	\$4,144	\$4,310	\$4,482	\$4,662	\$4,848	\$5,042	\$5,244	\$49,731	\$60,506
M8	\$3,947	\$4,105	\$4,269	\$4,440	\$4,617	\$4,802	\$4,994	\$47,363	\$57,624
M7	\$3,759	\$3,909	\$4,066	\$4,228	\$4,397	\$4,573	\$4,756	\$45,108	\$54,880
M6	\$3,580	\$3,723	\$3,872	\$4,027	\$4,188	\$4,356	\$4,530	\$42,960	\$52,267
M5	\$3,409	\$3,546	\$3,688	\$3,835	\$3,989	\$4,148	\$4,314	\$40,914	\$49,778
M4	\$3,247	\$3,377	\$3,512	\$3,653	\$3,799	\$3,951	\$4,109	\$38,966	\$47,408
M3	\$3,093	\$3,216	\$3,345	\$3,479	\$3,618	\$3,763	\$3,913	\$37,110	\$45,150
M2	\$2,945	\$3,063	\$3,186	\$3,313	\$3,446	\$3,583	\$3,727	\$35,343	\$43,000
M1	\$2,805	\$2,917	\$3,034	\$3,155	\$3,281	\$3,413	\$3,549	\$33,660	\$40,953

22% classification range	5% Range
27% at 10 yr longevity	4% Step

Non-Represented Employee Classifications 2015

Range	Position	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Annual Lo	Annual Hi
Unclassified	City Manager	N/A							
M20	Police Chief	\$ 7,088	\$ 7,372	\$ 7,666	\$ 7,973	\$ 8,292	\$ 8,624	\$ 85,057	\$ 103,485
M19	Director of Public Works	\$ 6,751	\$ 7,021	\$ 7,301	\$ 7,593	\$ 7,897	\$ 8,213	\$ 81,007	\$ 98,557
M19	Finance Dir - City Clerk	\$ 6,751	\$ 7,021	\$ 7,301	\$ 7,593	\$ 7,897	\$ 8,213	\$ 81,007	\$ 98,557
M19	Comm Dev Dir - City Engineer	\$ 6,751	\$ 7,021	\$ 7,301	\$ 7,593	\$ 7,897	\$ 8,213	\$ 81,007	\$ 98,557
M18	Police Captain	\$ 6,429	\$ 6,686	\$ 6,954	\$ 7,232	\$ 7,521	\$ 7,822	\$ 77,149	\$ 93,864
M16	Public Works Superintendent	\$ 5,831	\$ 6,065	\$ 6,307	\$ 6,560	\$ 6,822	\$ 7,095	\$ 69,977	\$ 85,137
M16	Senior Engineer	\$ 5,831	\$ 6,065	\$ 6,307	\$ 6,560	\$ 6,822	\$ 7,095	\$ 69,977	\$ 85,137
M14	Civil Engineer	\$ 5,289	\$ 5,501	\$ 5,721	\$ 5,950	\$ 6,188	\$ 6,435	\$ 63,471	\$ 77,222
M13	Planning Manager	\$ 5,037	\$ 5,239	\$ 5,448	\$ 5,666	\$ 5,893	\$ 6,129	\$ 60,449	\$ 73,545
M10	Library Manager	\$ 4,351	\$ 4,526	\$ 4,707	\$ 4,895	\$ 5,091	\$ 5,294	\$ 52,218	\$ 63,531
M10	Assistant Finance Director	\$ 4,351	\$ 4,526	\$ 4,707	\$ 4,895	\$ 5,091	\$ 5,294	\$ 52,218	\$ 63,531
M10	Associate Planner	\$ 4,351	\$ 4,526	\$ 4,707	\$ 4,895	\$ 5,091	\$ 5,294	\$ 52,218	\$ 63,531
M9	Building Official*	\$ 4,144	\$ 4,310	\$ 4,482	\$ 4,662	\$ 4,848	\$ 5,042	\$ 49,731	\$ 60,506
M8	Assistant to the City Manager	\$ 3,947	\$ 4,105	\$ 4,269	\$ 4,440	\$ 4,617	\$ 4,802	\$ 47,363	\$ 57,624
M8	Airport Operations Superintendent	\$ 3,947	\$ 4,105	\$ 4,269	\$ 4,440	\$ 4,617	\$ 4,802	\$ 47,363	\$ 57,624
M8	Park Superintendent	\$ 3,947	\$ 4,105	\$ 4,269	\$ 4,440	\$ 4,617	\$ 4,802	\$ 47,363	\$ 57,624
M7	Senior Engineering Tech	\$ 3,759	\$ 3,909	\$ 4,066	\$ 4,228	\$ 4,397	\$ 4,573	\$ 45,108	\$ 54,880
M7	Senior Engineering Tech	\$ 3,759	\$ 3,909	\$ 4,066	\$ 4,228	\$ 4,397	\$ 4,573	\$ 45,108	\$ 54,880
M5	Abatement Officer*	\$ 3,409	\$ 3,546	\$ 3,688	\$ 3,835	\$ 3,989	\$ 4,148	\$ 40,914	\$ 49,778
M5	Executive Assistant/Records Supervisor	\$ 3,409	\$ 3,546	\$ 3,688	\$ 3,835	\$ 3,989	\$ 4,148	\$ 40,914	\$ 49,778
M4	Planning Assistant	\$ 3,247	\$ 3,377	\$ 3,512	\$ 3,653	\$ 3,799	\$ 3,951	\$ 38,966	\$ 47,408
M3	Project Coordinator (Engineering)	\$ 3,093	\$ 3,216	\$ 3,345	\$ 3,479	\$ 3,618	\$ 3,763	\$ 37,110	\$ 45,150
M2	Engineering Tech	\$ 2,945	\$ 3,063	\$ 3,186	\$ 3,313	\$ 3,446	\$ 3,583	\$ 35,343	\$ 43,000

*Part-time Position	Hourly
Abatement Officer (PT)	\$ 25.57
Building Official (PT)	\$ 31.52

Stipends Authorized	Monthly
Civil Service Secretary	\$ 200.00
Safety Committee Secretary	\$ 150.00

Transition Floor
 For 2014, employees currently at the top of their classification range transitioning into a new range that contains a top step with a lower level of compensation shall continue to be compensated at their higher monthly base salary from 2013.

EXHIBIT B

City of Kelso Employee Health Benefit Policy

(Adopted by Resolution No. _____)

1. Effective January 1, 2013, the City shall offer the following medical insurance plans for each eligible employee and their dependents:
 - a) AWC Health First High Deductible (HRA/VEBA)
 - b) AWC Health First 500
 - c) Kaiser Foundation HSA-Qualified High Deductible \$1,500/\$3,000 with \$10 (generic)/\$20 (brand) prescription coverage (HRA/VEBA)
 - d) Kaiser Foundation Traditional \$500 Deductible with \$10 (generic)/\$20 (brand)/\$40 (non-formulary) prescription coverage (HRA/VEBA as applicable)

2. The City shall pay the full monthly premium for AWC Health First High Deductible and Kaiser HSA-Qualified High Deductible plans for eligible employees, spouses, and dependents. The City shall contribute \$125.00 each month of employment into a Health Reimbursement Arrangement (HRA)/VEBA account for Employee Only coverage and \$250.00 each month of employment into a HRA/VEBA account for Employee plus Spouse and/or Dependent coverage under the High Deductible plan offerings. Employees must adhere to the rules and provisions pertaining to the use of funds deposited into a HRA/VEBA account.

3. The City shall pay the monthly premium for AWC Health First 500 and Kaiser Traditional \$500 Deductible plans up to the respective equivalent coverage category cost of the AWC and Kaiser High Deductible Plan offerings plus \$125.00 for Employee Only coverage or \$250.00 each month for Employee plus Spouse and/or Dependent coverage. Employees are responsible to pay any remaining monthly premium cost, if applicable. The employee's portion of the premium shall be deducted monthly. Where the City's equivalent cost contribution is greater than the premium for either benefit plan described in this subsection, the difference shall be deposited into the employee's HRA/VEBA account established for this purpose.

4. Eligible employees and/or their spouses/dependents may choose to opt out of City-provided health coverage and receive a monthly City contribution to a HRA/VEBA account equal to half of the Employer's premium cost equivalent (which includes the high deductible plan premium plus HRA monthly contribution). The incentive shall be provided for any eligible spouse or dependent(s) opting out of City coverage that result in a premium cost savings to the City. An employee may only opt out if eligible for alternative insurance coverage as defined by the City's provider's plan requirements. No more than twenty-five percent (25%) of employees throughout the organization may

choose to opt out of City-provided coverage. Eligible employees choosing to opt out shall make their requests in writing and will be approved by the City's human resources manager on a first-come/first-served basis until the limit is reached.

5. Employees choosing either of the High Deductible plans offered through AWC or Kaiser for the 2015 plan year shall receive an additional HRA allowance of up to \$1,000 for Employee Only coverage or \$2,000 for Employee plus Spouse/Dependent coverage to reimburse eligible out-of-pocket medical co-insurance expenses incurred in 2015 above the applicable deductible (\$1,500 or \$3,000 respectively). Any unused portion of the additional HRA allowance will not be contributed to the employee's HRA/VEBA account.
6. The City shall pay the full premium cost of dental and vision insurance to cover the employee and eligible dependents.
7. This policy, and the provisions herein, may be amended at any time by the City Council, with or without notice to the employees.

AGENDA SUMMARY SHEET

AGENDA ITEM: Ordinance 1st reading.
Budget revision #4 for the 2014 fiscal year.

SUBMITTED BY: Brian Butterfield

AGENDA ITEM # _____

FOR AGENDA OF: 12/2/2014

ORIGINATING DEPT: Finance

DATE SUBMITTED: 11/26/2014

COST OF ITEM: _____

AMT. BUDGETED _____

CITY ATTY. APPROVAL _____

CITY MGR. APPROVAL _____

AGENDA ITEM PAPERWORK:

See attached Ordinance.

SUMMARY STATEMENT:

Revisions include the following:

Solid Waste Fund:

- \$25,000 for payments to Waste Control.

Water Capital Reserve Fund:

- \$300,000 for waterline replacement done during the West Main Realignment project.

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:

SOLID WASTE FUND

Revenues

402-24-308-00-00	Beginning Fund Balance	\$ 25,000.00
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Expenditures

402-24-537-70-41-0	Professional Services	\$ 25,000.00
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WATER CAPITAL RESERVE FUND

Revenues

404-17-308-00-00	Beginning Fund Balance	\$ 300,000.00
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Expenditures

404-17-594-14-00-5	West Main Waterlines	\$ 300,000.00
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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 _____, 2014.

MAYOR

ATTEST/AUTHENTICATION:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLISHED: _____