

Kelso City Council Agenda

Regular Meeting, 6:00 pm
January 6, 2015
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 Mark Schmutz from Northlake Baptist Church

Roll Call to Council Members:

1. Approve Minutes:

- 1.1. December 16, 2014 – Regular Meeting
- 1.2. December 17, 2014 – Special Meeting

2. Presentation:

- 2.1. Award - Government Finance Officers Association

3. Consent Items:

- 3.1. Amendment – Cowlitz Wahkiakum Narcotics Task Force Interlocal Agreement

4. Citizen Business:

5. Council Business:

- 5.1. Assignments – Standing Boards & Committees
- 5.2. Amendment – Wetland Mitigation Lease Agreement
- 5.3. Discussion – Criminal Diversion Program

6. Workshop:

- 6.1. Comprehensive Plan, G.R. Dohrn & Associates

7. Action/Motion Items:

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Other Items:

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

Pastor Jesse Jorgensen, East Hills Alliance 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 Myers, 'Approve the Minutes of the 12/2/14 Regular Meeting,' motion carried, all voting yes.

PRESENTATION:

Cowlitz Wahkiakum Council of Governments (CWOOG) Executive Director Bill Fashing provided a brief overview of the CWOOG's role in the community.

CONSENT AGENDA:

1. **Re-appointments – Boards & Commissions**
2. **Appointment – Municipal Court Judges**
3. **Award Bids for 2015 – Water Treatment Chemical Purchase**
4. **Closeout Contract – N. Kelso Ave., CHAP Overlay**
5. **Closeout Contract – 2014 CHAP Street Overlay & N. Kelso Ave. Waterline Replacement**
6. **Agreement – Maintenance Services, Southwest Washington Regional Airport**
7. **Auditing of Accounts: \$1,233,264.96**

Councilmember Franklin requested to have **Item No. 3 (Water Treatment Chemical Purchase Bid Award)** removed from the consent agenda for separate discussion.

Upon motion by Councilmember Roberson, seconded by Councilmember Myers, 'Approve the Consent Agenda and the Auditing of Accounts in the amount of \$1,233,264.96 with the removal of Item No. 3,' motion carried, all voting yes.

CITIZEN BUSINESS:

Chris Turner, 8 Cedar Gates Road, spoke about the proposed planning commission amendment.

Anthony Currena, 803 S. 6th Ave., spoke about the two left turn lanes on the Allen Street Bridge merging into one lane on 3rd Avenue.

Curtis Hart, 115 Williams Ave., spoke about fluoride being added into the City's drinking water.

Matt Nooner, 116 Williams Ave., spoke about the City doing research on water fluoridation.

COUNCIL BUSINESS:

Continuation of the Consent Agenda (Item No. 3 previously removed): Upon motion by Councilmember McDaniel, seconded by Councilmember Myers, 'Approve the Award Bids for 2015 Water Treatment Chemical Purchase.' Councilmember Franklin recommended rejecting the sodium fluoride portion of the bid awards. Councilmembers Archer, McDaniel, Myers, Fatcher, Roberson, and Schimmel voted yes. Councilmember Franklin voted no. Motion passed, 6 to 1.

MOTION ITEMS:

Ordinance No. 14-3838 – Amending Planning Commission Code KMC 2.60: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Schimmel, seconded by Councilmember McDaniel, 'Adopt Ordinance No. 14-3838, 'AN ORDINANCE OF THE CITY OF KELSO, WASHINGTON AMENDING THE KELSO MUNICIPAL CODE CHAPTER 2.60 PLANNING COMMISSION.' Councilmembers Archer, McDaniel, Myers, Fatcher, Roberson, and Schimmel voted yes. Councilmember Franklin voted no. Motion passed, 6 to 1.

Ordinance No. 14-3839 – Amending 2014 Budget: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Schimmel, seconded by Councilmember Roberson, 'Adopt Ordinance No. 14-3839, '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.

Resolution No. 14-1131 – Adopt 2015-2020 Capital Improvement Program: The Deputy Clerk read the proposed resolution by title only. Upon motion by Councilmember Roberson, seconded by Councilmember Myers, 'Pass Resolution No. 14-1131, 'A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELSO RELATED TO CAPITAL IMPROVEMENTS AND ESTABLISHING THE CITY'S CAPITAL IMPROVEMENT PROGRAM FOR THE PERIOD OF 2015 – 2020.' Motion passed, all voting yes.

MANAGER'S REPORT:

Steve Taylor: 1) Reminded the Council of the meeting with the 19th District Legislatures on December 17th. 2) Announced that a retirement gathering will be held on December 17th, for longtime employee Becky Hill. 3) He commented that the annual assignments to the Boards & Commissions will be discussed at the next council meeting.

4) He commented that, as a fundraiser event, the City of Kelso adopted some families and donated gifts to them for the holiday. 5) Reported on a Sustainable Communities Task Force meeting he recently attended. 6) Reported on a meeting with representatives from the South Kelso Neighborhood Association (SKNA). He spoke about the presentation provided by the lead organizer of the Castle Rock's America in Bloom program Nancy Chennault.

STAFF REPORTS:

Finance Director Brian Butterfield: Merry Christmas to everyone.

Community Development Director/City Engineer Mike Kardas: 1) Provided an update on the Chestnut Street Storm Drainage project. 2) He reported that the City of Kelso will be soliciting bids for repair work on the 16 inch storm drain on Minor Rd. Councilmember Myers spoke about plugged culverts on Hwy 99.

Library Manager Cindy Donaldson: Reported on the Tree Lighting event that was held on December 5th.

COUNCIL REPORTS:

Gary Schimmel: No report.

Jared Franklin: Asked everyone to tour the water treatment plant and research the issue concerning water fluoridation.

Rick Roberson: Reported on the recent SKNA meetings.

Dan Myers: 1) Reported on the poverty simulation event that was held by Lower Columbia Community Action Program. 2) Spoke about a missing AMTRAK sign.

Todd McDaniel: No report.

Gary Archer: Reported on the last 'Big Idea' meeting. He commented that the next 'Big Idea' meeting will be in Kalama next March.

David Futcher: He commented that he recently played the innkeeper role in a Christmas event at his church.

There being no further business, Mayor Futcher adjourned the meeting at 6:45 p.m.

CITY CLERK

MAYOR

**KELSO CITY COUNCIL
3:30 P.M.**

**December 17, 2014
SPECIAL MEETING**

The Special Meeting of the Kelso City Council was called to order by Mayor David Fatcher. Councilmembers in attendance were: Fatcher, Franklin, Archer, Myers, Roberson, and Schimmel. Councilmember McDaniel was absent.

DISCUSSION:

Adopted 2015 Legislative Agenda: Legislative Representatives Dean Takko and Brian Blake and representatives from Gordon Thomas Honeywell Governmental Affairs met with the Council and discussed the adopted legislative agenda.

There being no further business, Mayor Fatcher adjourned the meeting at 5:05 p.m.

MAYOR

CITY CLERK

AGENDA SUMMARY SHEET
Business of the City Council
City of Kelso, Washington

SUBJECT TITLE:

**AMENDMENT NO. 4 TO THE COWLITZ
WAHKIAKUM NARCOTICS TASK FORCE
INTERLOCAL AGREEMENT**

Agenda Item: _____

Dept. of Origin: _____ Police _____

For Agenda of: January, 6 2015

Originator: Andrew Hamilton

PRESENTED BY:

Andrew Hamilton

City Attorney: **Janean Parker**

City Manager: **Steve Taylor**

Agenda Item Attachments:

Proposed Amendment No. 4 to Interlocal Drug Task Force Agreement

SUMMARY STATEMENT:

The City participates in the Cowlitz Wahkiakum Narcotics Task Force and supports its operations with both law enforcement staff and financial contributions. A change to the 1987 Interlocal Agreement is required to reflect the new 2015 funding protocol agreed to by the governing members of the Narcotics Task Force, as well as the change in participation by the City of Longview. The City of Kelso currently contributes \$6,000 and assumes the cost of one detective sergeant assigned to the task force. The costs of one additional Kelso detective are covered by the task force's grants and income.

The amendment repeals the sunset clause contained within Amendment No. 3 which was adopted in February 2014, and specifically names Cowlitz County as the "seizing agency" for the purpose of search warrants, orders for seizures, and civil forfeiture actions commenced with regards to property seized by the Task Force.

OPTIONS:

- 1) Move to approve Amendment No. 4 to the Cowlitz Wahkiakum Narcotics Task Force Interlocal Agreement;
- 2) Do not approve the Amendment;
- 3) Send the Amendment back to the Task Force governing board with instructions.

RECOMMENDED ACTION:

Move to approve Amendment No. 4 to the Cowlitz Wahkiakum Narcotics Task Force Interlocal Agreement.

AMENDMENT NO. 4
TO
INTERLOCAL DRUG TASK FORCE AGREEMENT

Cowlitz County, Wahkiakum County, the City of Kelso and the City of Longview ("the parties") are all signatories to the Interlocal Drug Task Force Agreement ("Interlocal Agreement") effective November 1, 1987, which established a "Task Force" as set forth therein, and amended by Interlocal Agreement Amendment No. 1 ("Amendment No. 1"), effective December 1, 1988, and Interlocal Agreement Amendment No. 2 ("Amendment No. 2"), effective May 1, 1990, and Interlocal Agreement Amendment No. 3 ("Amendment No. 3"), effective on March 18, 2014, copies of which documents are on file with the respective jurisdictions and by this reference incorporated herein. The parties wish to further amend the Interlocal Agreement with Interlocal Agreement Amendment No.4 ("Amendment No. 4") in the particulars set forth below:

The parties agree to clarify or modify the provisions of the Agreement(s) regarding the legal status of the Task Force, and the seizure and disposition of property under RCW 69.50 RCW, as addressed in Section 2 and Section 6, respectively, of the Interlocal Agreement, as follows:

A. Section 2 of the Interlocal Agreement is amended by adding the following sentence at the end of the section:

No separate legal entity is created under this Agreement.

B. Section 5 of the Interlocal Agreement is amended to provide, as follows:

A. In consideration of the mutual benefits herein described, the constituent members of the Cowlitz-Wahkiakum Narcotics Task Force agree that both financial and operational obligations of the parties herein are described as follows.

1) Wahkiakum County Sheriff's Office - \$30,000.00, zero (0) personnel.

2) Cowlitz County Sheriff's Office - \$6,000.00, one (1) agency funded detective.

3) Kelso Police - \$6,000.00, one (1) agency funded detective sergeant.

4) Longview Police - \$0.00, zero (0) agency funded detective.

5) The contributions of the parties, set forth in section A. 1-3 above, shall be made by April each year.

6) Kelso Police will provide an additional detective (1) to the organization whose support funding will be billed against remaining grants and income.

7) Cowlitz County Sheriff's Office - will provide a (1) support staff clerk whose support funding will be billed against remaining grants and income.

8) Cowlitz County Prosecutor - will provide one (1) agency funded deputy prosecutor, as needed, for cases generated by the CWNTF.

9) Cowlitz County Sheriff's Office – will provide agency funded evidence system management.

10) Cowlitz County Sheriff's Office – will provide agency funded fiscal management.

11) Longview Police – will provide one (1) agency funded commander.

12) No party will be billed for detective salaries, as each party to this agreement shall bear the sole responsibility for its employees' salaries.

13) The remainder of Cowlitz-Wahkiakum Narcotics Task Force operations will be funded by grants and other income.

C. The sunset clause, item D. of Amendment No. 3, is herewith repealed

D. Section 6 of the Interlocal Agreement is amended by adding the following sentences at the end of the section:

The "seizing agency" for purposes of Chapter 69.50 RCW, is Cowlitz County. All search warrants, orders for seizures, and civil forfeiture actions commenced with regards to property seized by the Task Force and its participation jurisdictions will identify Cowlitz County as the Plaintiff. Designation of Cowlitz County as the seizing agency and the Plaintiff neither alters the remaining terms of this Section, nor alters the terms or intent of Sections 7, 8, or 9 of the Agreement. For purposes of Section 9, all such warrants, orders and actions with regards to property seized and the actions of Cowlitz County as the seizing agency and the Plaintiff shall be deemed "Task Force operations".

E. Except to the extent specifically modified herein, all provisions of the Interlocal Agreement, including Amendment Nos. 1 through 3, thereto, shall remain in effect.

F. This Amendment No. 4 may be signed in counterpart originals, with each copy hereof constituting an original once it is signed by any party. Execution of this Amendment No. 4 shall be deemed complete once each party has signed any copy hereof, and it is not necessary that all parties' signatures appear on the same document, and effective upon its filing or posting in accordance with RCW 39.34.040.

G. Severability: If any term or condition of the Interlocal Agreement and Amendments, or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end, the terms and conditions thereof are declared severable.

**BOARD OF COUNTY COMMISSIONERS
OF COWLITZ COUNTY, WASHINGTON**

Michael A. Kfer
Chairman

[Signature]
Commissioner

Demetrius R. Miller
Commissioner

ATTEST:

[Signature]
Clerk of the Board 12-



RECOMMENDED:

Mark S. Nelson
Cowlitz County Sheriff

APPROVED AS TO FORM, ONLY:

Civil Deputy Prosecuting Attorney

CITY OF LONGVIEW, WASHINGTON

BY: Robert J. Lagoy
City Manager

ATTEST: Ann C Davis
City Clerk

APPROVED AS TO FORM, ONLY:

[Signature]
City Attorney

**BOARD OF COUNTY COMMISSIONERS
OF WAHKIAKIM COUNTY, WASHINGTON**

Chairman

Commissioner

Commissioner

ATTEST:

Clerk of the Board

RECOMMENDED:

Wahkiakum County Sheriff

APPROVED AS TO FORM, ONLY:

Prosecuting Attorney

CITY OF KELSO, WASHINGTON

BY: _____
City Manager

ATTEST: _____
City Clerk

APPROVED AS TO FORM, ONLY:

City Attorney

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: Standing Committee/Board
Assignments, City of Kelso Councilmembers

Agenda Item: _____

Dept. of Origin: _____ City Manager _____

For Agenda of: _____ December 16, 2014

Originator: _____ Steve Taylor _____

PRESENTED BY:

Steve Taylor

City Attorney:

City Manager: Steve Taylor

Agenda Item Attachments:

Exhibit A - 2014 Worksheet

SUMMARY STATEMENT:

This is a yearly review of the City Council Committee/Board Assignments, and the opportunity to make any changes. The 2014 list of assignments is attached for review with the addition of the Cowlitz County Housing First Coalition which has requested an elected representative from Kelso to participate.

RECOMMENDED ACTION:

Staff recommends review, changes and approval of the 2015 City Council Committee/Board Assignments for 2015.

**KELSO CITY COUNCIL STANDING
COMMITTEE/BOARD ASSIGNMENTS-2014
WORKSHEET**

SWEDC	Quarterly	Rick Roberson	Todd McDaniel
Airport Authority	Monthly, 2nd Thursday 3:00 pm Kelso Council Chambers	David Futcher	Gary Archer (Alternate)
CAP Board	Monthly, 4th Wednesday 5:30 pm 1526 Commerce, LV	Todd McDaniel	Gary Archer
CEDC Ex Board	Monthly, 3rd Wednesday Noon, US Bank Bldg	Steve Taylor	N/A
CEDC	Monthly, 3rd Wednesday 7:00 am, LCC Student Center	Rick Roberson	Steve Taylor
City Audit	Monthly, 3rd Tuesday 2:00 – 5:00 pm Kelso City Hall	Dan Myers Gary Schimmel	Todd McDaniel (Alternate)
Cowlitz Transit Authority Board	Monthly, 4th Wednesday 4:00 pm Longview City Hall	Todd McDaniel Rick Roberson	Gary Schimmel (Alternate)
CWCOG	Monthly, 3rd Tuesday Noon, County Admin Bldg	Dan Myers	Rick Roberson
Disability Board	As Needed	David Futcher	N/A
911 E-Board	Monthly 10:00 am EOC, Hall of Justice	Steve Taylor	N/A
Cowlitz County 911 Council	Quarterly EOC, Hall of Justice	Gary Schimmel	Gary Archer (Alternate)
KDRA	Monthly 3rd Wednesday Place/time TBD	Rick Roberson	Gary Archer
Fire Pension Board	Quarterly, 3rd Tuesday 4:30 pm Ex Session Room	David Futcher	Traci Howard Brian Butterfield
Library Board	Monthly, 2nd Monday 7:00 pm Library	Gary Schimmel	Gary Archer
Lodging Tax Advisory	As Needed	Todd McDaniel	N/A

**KELSO CITY COUNCIL STANDING
COMMITTEE/BOARD ASSIGNMENTS-2014
WORKSHEET**

Multi-Agency Coordinating Group	TBD	Steve Taylor	David Futcher
Park Board Liaison	Monthly, 3rd Tuesday 7:00 pm Council Chambers	Gary Archer	Gary Schimmel (Alternate)
Public Health	Quarterly, 4th Thursday 4:00 pm Health Dept	Dan Myers	N/A
Sewer Operating Board (TRRWA)	Monthly, 3rd Wednesday 10:00 am Sewer Treatment Plant	Mike Kardas	Steve Taylor (Alternate)
Solid Waste Technical	As Needed County Bldg	Steve Taylor (Public Works Director)	Dan Myers (Alternate)
MPO	Monthly Date/Time TBD	Mike Kardas	Rick Roberson (Alternate)
RTPO	Quarterly Date/Time TBD	Mike Kardas	Rick Roberson
'Big Idea'	TBD	Gary Archer	Gary Schimmel (Alternate)
Cowlitz County Government Summit	As Needed	Dan Myers Gary Archer	Rick Roberson (Alternate)
Pathways 2020	As Needed	Steve Taylor	
<u>Cowlitz County Housing First Coalition</u>	<u>Monthly, 3rd Wednesday 1:30 pm Lower Columbia CAP Office in the Altrusa Room, located at 1526 Commerce Avenue, Longview, Washington.</u>		

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: Amending Wetland Mitigation Lease Agreement with Habitat Bank, LLC. (Harts Lake property)

Agenda Item: _____

Dept. of Origin: _____ City Council _____

For Agenda of: _____ January 6, 2015 _____

Originator: _____ Steve Taylor _____

PRESENTED BY:

Steve Taylor, City Manager

City Attorney: **Janean Parker**

City Manager: **Steve Taylor**

Agenda Item Attachments:

Amendment to Lease Agreement with Habitat Bank, LLC
August 20th, 2013 Approved Lease Agreement
March 5, 2002 Agenda Packet Item accepting Jacobsen Trust Property

SUMMARY STATEMENT:

The City owns 240 acres of real property transferred in 2002 from the Department of Natural Resources located along the Coweeman River and extending south into the east hills of Kelso directly east of the Aldercrest landslide. The property, known as the Jacobsen Parcel, was transferred to the City as part of a formal state land transfer program that provided funding to DNR (\$3.2 million) for the timber value of the land—a portion of which went into the Common School Fund and another portion to fund the purchase of more economically viable land. The terms of the transfer to the City requires that the property be “used exclusively for open space or recreation purposes for a minimum of thirty years from the date of this deed.” Further research confirmed that the City’s intent for receiving the land was to preserve it for open space. However, it appears the City would have the option to harvest timber from portions of the land in accordance with accepted DNR practices after March 2032.

In 2013, the City was approached by Habitat Bank, LLC about including the lower Harts Lake portion of the land (approximately 40-60 acres) within a wetland mitigation bank. Basically, wetland and wildlife habitat in the area would be improved, thus generating credits that could be purchased for mitigation purposes on regional projects within the Cowlitz River watershed. In August 2013, the City Council approved a lease agreement with Habitat Bank that would provide the city with 20% of the gross revenues generated from credits purchased from the bank proportionate to the City’s share of the land included. However, the defined area of the City’s property to be included within the bank

was left open until Habitat Bank completed its delineation process and worked through the extensive state and federal agency regulatory approval process. Once a solid number of credits (along with their associated value) was determined, the City would decide the total amount of acreage it wanted to include within the lease, initially estimated not to exceed 140 acres. The estimated value to the City last August was \$400,000 to \$1,000,000. The proceeds from the credits are proposed at this time to be used for parks, open space, and recreation facility construction, repair, and enhancement.

Habitat Bank has recently informed the City that the upper forested portion of the property (199 acres) would generate 20.85 net credits resulting in approximately \$834,000 of revenue once all credits were sold. The lower 40 acres of restored wetlands along the Coweeman River look to generate an approximate \$690,000 for a total of \$1,524,000 to the City.

Staff's recommendation is to include the entire 240 acres transferred to the City by the DNR into the mitigation bank, thus maintaining the land for conservation and open space purposes in perpetuity. The proceeds generated from this action can be used for a variety of purposes, including the development of better recreational access points to the land, as was originally intended.

The current approved agreement already commits the City to 60 acres of the lower portion of the property. Staff's recommendation would include the remainder of the two Jacobsen Trust parcels transferred to the City by the DNR.

OPTIONS:

- 1) Move to approve the amended wetland mitigation lease agreement with Habitat Bank, LLC.
- 2) Do not approve the amendment.
- 3) Negotiate alternatives to the proposed amendment.

RECOMMENDED ACTION:

Approve the amended wetland mitigation lease agreement with Habitat Bank, LLC.

WHEN RECORDED RETURN TO:
Thomas F. Haensly
144 Railroad Avenue, Suite 217
Edmonds, Washington 98020

Amendment No. 1 to Agreement for Use of Property

Grantor: City of Kelso

Grantee: Habitat Bank, LLC

Abbreviated legal description: Portion Section 36, Township 8 North, Range 2 West WM.

Assessor's Tax Parcel Number(s): WI36-01-001; 24125

Auditor File No. of Documents Assigned, Released, or Amended: _____

This AMENDMENT NO. 1 to the Agreement for Use of Property dated August 20th, 2013 is made between the City of Kelso ("City") and Habitat Bank LLC ("HB") on this _____ day of January, 2015.

RECITALS

WHEREAS, on August 20th, 2013, the City and HB entered into an Agreement for Use of Property describing the terms and conditions under which the City granted HB rights to the development of a Mitigation Project on certain city owned property; and

WHEREAS, under section 2 of that agreement the parties contemplated that the property subject to the project would be approximately 60 acres of the Coweeman River floodplain and up to 80 acres of adjacent upland property, and attached as Exhibit B thereto; and

WHEREAS, under section 2 of that agreement, the parties agreed to amend the agreement with an updated description of the boundaries and configuration of the property once the area had been reviewed and delineated; and

WHEREAS, HB has completed its work related to the review and delineation and has determined that, in addition to the property of the Coweeman Floodplain, that there are an additional 199 acres of forested property above the Hart's Lake area available for the project and has proposed amending the agreement to include this additional area, which would bring the total property included in the project to be approximately 240 acres; and

WHEREAS, the parties wish to amend the agreement in accordance with paragraph 2 to reflect the revised description of the property that is the subject of the agreement; and

WHEREAS, the timing and criteria for the title report at paragraph 4 was not clarified in the original Agreement and has been updated;

NOW THEREFORE, the City and HB hereby agree as follows:

1. Paragraph 2 of the Agreement for Use of Property dated August 20th, 2013, is hereby amended as follows:

Property. The Property shall be comprised of approximately 60 acres of Coweeman River floodplain and up to 80 acres of adjacent upland buffer, all of which shall be contiguous acres and as generally shown in Exhibit "B," which is attached hereto and incorporated herein by this reference. The Parties shall determine the boundaries and configuration of the Property at a later date and in association with the Mitigation Project process. Upon such determination, the Parties shall amend this Agreement to reflect such determination.

On January , 2015, the parties have revised the boundaries and configuration as contemplated by this paragraph. The revised description of the Property shall be comprised of Cowlitz County Assessor Parcel Nos. WI36-01-001 and 24125 consisting of approximately 40 acres of Coweeman River floodplain and 199 acres of adjacent upland buffer all of which are contiguous acres and are legally described in Exhibit "A", which is attached hereto and incorporated herein by this reference, hereinafter the "Property".

2. The first sentence of Paragraph 4 of the Agreement for Use of Property dated August 20th, 2013, is hereby amended as follows:

At least 120 days before April 25, 2016, the date specified for final permit approval, HB shall have a preliminary title commitment prepared showing the condition of the title to the Property including all exceptions set forth in Schedule B thereof.

3. All other terms and conditions of the Agreement for Use of Property shall remain in full force and effect.

Dated this ____ day of _____, 2015

HABITAT BANK, LLC

By: _____

Name/Title: _____

CITY OF KELSO

By: _____

_____, City Manager

APPROVED AS TO FORM

By: _____

City Attorney

ATTEST:

By: _____

City Clerk

EXHIBIT A

(updated January 6th, 2015)

Legal Description of City of Kelso Property

The E1/2 of the E1/2, the SW1/4 of the NE1/4 and the NW1/4 of the SE1/4 of Section 36, Township 8 North, Range 2 West, Willamette Meridian, Cowlitz County, Washington, according to U.S. Government subdivision procedures.

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this ____ day of _____ 2015, before me personally appeared _____, to me known to be the CITY MANAGER of the CITY OF KELSO, a Washington municipality, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipality for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said municipality.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

NOTARY PUBLIC in and for the State of
Washington, residing at _____
Print Name: _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

On this ____ day of _____ 2013, before me personally appeared _____, to me known to be the Manager of HABITAT BANK, LLC, a Washington limited liability company, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said company for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written

NOTARY PUBLIC in and for the State of
Washington, residing at _____
Print Name: _____
My commission expires _____

WHEN RECORDED RETURN TO:

Name: Thomas F. Haensly

Address: 144 Railroad Avenue, Suite 217

City, State, Zip: Edmonds, Washington 98020

AGREEMENT FOR USE OF PROPERTY

Grantor: City of Kelso

Grantee: Habitat Bank, LLC

Abbreviated legal description: _____

Additional legal description is on page: Exhibit A, p. 5

Assessor's Tax Parcel Number(s): _____

Auditor File No. of Documents Assigned, Released, or Amended: _____

THIS AGREEMENT FOR USE OF PROPERTY ("Agreement") is entered into between the CITY OF KELSO ("City" & "Grantor") and HABITAT BANK, LLC ("HB" & "Grantee") (collectively known as "the Parties").

RECITALS

WHEREAS, City is the sole owner of that certain real property located in Cowlitz County, Washington, located along the Coweeman River, including what is locally known as Harts Lake, which real property is more specifically described in Exhibit "A," which is attached hereto and incorporated herein by this reference; and

WHEREAS, the City and HB intend this Agreement to apply to a portion of the City-owned property described in the foregoing recital, which portion shall be in the floodplain of the Coweeman River and include Harts Lake (such portion hereinafter being the "Property"), which is to be determined as provided in Section 2 below; and

WHEREAS, HB is in the business of developing land into wetland mitigation projects, consolidated mitigation projects, and mitigation banks, and has developed, among other things, significant technical expertise, connections with regulatory agencies, and relationships with potential customers to further this enterprise; and

WHEREAS, HB and City believe that the Property may be suitable for a consolidated wetland and stream mitigation project and/or as a mitigation bank ("Mitigation Project"). The Parties intend that the primary purpose of the Mitigation Project will be to develop and sell wetland and stream mitigation and/or credits for permitted impacts ("Mitigation"); and

WHEREAS, the Mitigation Project will include land other than the Property, and HB intends to utilize all of such real property as an integrated unit in the development and operation of the Mitigation Project; and

WHEREAS, HB and City want to establish a framework for the Parties' relationship in developing and operating the Mitigation Project, including, but not limited to, provisions pertaining to the City's purchase of Mitigation from the Mitigation Project:

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, HB and City agree as follows:

1. Rights Granted. The City hereby grants, conveys, and warrants to HB the exclusive right to develop a Mitigation Project, as further defined and described in Exhibit C, which is attached hereto and incorporated herein by this reference, on the Property and to otherwise exclusively use and occupy the Property in association with the Mitigation Project as further provided herein. The configuration and boundaries of the Property are to be determined as provided in Section 2.

2. Property. The Property shall be comprised of approximately 60 acres of Coweeman River floodplain and up to 80 acres of adjacent upland buffer, all of which shall be contiguous acres and as generally shown in Exhibit "B," which is attached hereto and incorporated herein by this reference. The Parties shall determine the boundaries and configuration of the Property at a later date and in association with the Mitigation Project process. Upon such determination, the Parties shall amend this Agreement and Exhibit A to reflect such determination.

3. Restrictions on Use. Subject to any existing deed restrictions and encumbrances, including without limitation any restrictions by the Department of Natural Resources or other state or federal agencies, the City shall make the Property available solely to HB for the development and operation of a Mitigation Project and shall not, without HB's written approval (which shall be in HB's reasonable discretion), engage in any use or activity (or permit a third party to do the same) with respect to the Property that will, or might, preclude or impair HB's ability to develop and sell Mitigation from the Mitigation Project or establish the Mitigation Project. City hereby grants and conveys to HB, and HB's managers, employees, agents, and contractors, access to the Property. At such time as it is requested by HB, City shall also grant a conservation easement or deed restriction over the Property (or a series of conservation easements or deed restrictions as the case may be), which City acknowledges will in the case of conservation easements, among other things, convey to a governmental agency or nonprofit conservation organization ("Holder") a perpetual real property interest in the Property, or in the case of deed restrictions, limit the future use of the Property in perpetuity. Any such conservation easement(s) or deed restriction(s) shall preclude City from engaging in, or permitting others to engage in, uses and activities on the Property that are contrary to the development and operation of the Mitigation Project and the conservation values of the Property

and grant to the Holder a right to enforce such prohibitions. Any such conservation easement(s) or deed restriction(s) shall allow passive, dispersed recreational use of the Property. Such recreational use may include uses such as hiking and bird watching, but shall not include any motorized recreational use, field sports, or any activity that may adversely impact the Mitigation Project or the conservation values of the Property.

4. Title Report. At least ____ days before ____, HB shall have a preliminary title commitment prepared showing the condition of the title to the Property including all exceptions set forth in Schedule B thereof. If HB has any objection to matters disclosed in the preliminary title commitment ("Objectionable Conditions"), HB shall give written notice of its objection to the City within thirty (30) days after receiving the preliminary title commitment. If HB fails to provide notice of such objection within such thirty (30) day period, HB will be deemed to have accepted any and all such conditions without objection. The City shall have thirty (30) days from delivery of HB's notice to notify HB in writing whether the City is able and willing to remove such Objectionable Conditions. If the City notifies HB in writing that it is not willing or able to remove any of the Objectionable Conditions, then HB shall have thirty (30) days thereafter within which to waive in writing the removal of such Objectionable Conditions or terminate this Agreement.

5. Term. The term of this Agreement shall be either ten (10) years from the date of execution, or until any monitoring and/or maintenance obligations required by permits for which Mitigation has been sold and pertaining to such Mitigation have been satisfied, whichever is later. The Term may be extended by agreement of both parties. This Agreement may also be terminated as provided in Paragraphs 4 and 6.

6. Termination.

(a) In the event HB is unable to obtain necessary permits and approvals by April 25, 2016, then this Agreement will terminate.

(b) Either party hereto may terminate this Agreement without cause by giving written notice of intent to terminate to the other party in accordance with Paragraph 12 hereof and at least one hundred eighty (180) days prior to the intended effective date of such termination. If the City terminates this Agreement pursuant to this Paragraph 6(b), reimbursement under Paragraph 8 shall be required.

(c) If a party hereto does not fulfill any of its obligations under this Agreement in a timely and proper manner, or if either party violates any of the terms and conditions of the Agreement, the aggrieved party may give the other party (hereafter "responsible party") written notice of such failure or violation. If the responsible party fails to correct the failure or violation within ten days after receipt of such notice (or if the failure or violation requires longer than ten days, the responsible party fails to start curing within ten days and/or fails to continue diligently curing until such failure or violation is cured), the aggrieved party may thereupon terminate this Agreement. If the City terminates this Agreement pursuant to this Paragraph 6(c) reimbursement under Paragraph 8 shall not be required.

7. Mitigation Project.

(a) The Property shall be developed by HB as a Mitigation Project (as more completely defined and described in Exhibit C, which is attached hereto and incorporated herein by this reference). HB shall use the Property only for the Mitigation Project.

(b) HB accepts the Property in its present condition and will complete at its own costs and expense improvements deemed necessary by HB and applicable permitting agencies to make the Property usable for the Mitigation Project.

(c) The City may approve and provide input to HB and/or to the regulatory agencies with authority over the Mitigation Project as to the scope and design of that portion of the Mitigation Project that includes the Property, provided, however, that such approval shall be made prior to when HB proposes a final design for approval by the agencies regulating the Mitigation Project. HB will make reasonable efforts to keep the City informed as to the timing of the regulatory process so as to facilitate the City's opportunity to provide such approval.

8. Reimbursement. In the event the City terminates this Agreement pursuant to Paragraph 6(b), the City shall reimburse HB for all HB's costs incurred to the date of such termination and associated with the development of the Property as part of the Mitigation Project, including, but not limited to: engineering, design, planning, and permitting, as well as any construction on and/or improvements made to the Property, less any sums received by HB from the sale of Mitigation from the Property. In the event of termination of the Agreement by the City pursuant to Paragraph 6(c), the City shall not be required to reimburse HB for such costs.

9. Maintenance. HB shall maintain and keep the Property in good condition and repair during the term hereof. HB will adhere to all local, state and federal laws applicable to the development of the Property as a Mitigation Project.

10. Indemnification. HB shall indemnify, defend, and hold harmless the City against any and all claims or liability for damage to any person or property and costs incidental thereto arising with respect to HB's use and occupancy of the Property, or the use and occupancy of any person using the Property under the control and authority of HB. The City shall indemnify, defend, and hold harmless HB for any and all claims or liability for damage to any person or property and costs incidental thereto arising with respect to City-sponsored or controlled activities on the Property, where such damage is attributable to some act or omission of the City, and where such damage is attributable to public use of the Property.

11. Insurance. HB agrees to maintain during the Term of this Agreement the following minimum insurance coverage:

- i) Commercial General Liability covering the risks of bodily injury (including death), property damage and personal injury, including coverage for contractual liability, with a limit of not less than \$2 million per occurrence/\$4 million general aggregate;
- ii) Business Automobile Liability (owned, hired, or non-owned) covering the risks of bodily injury (including death) and property damage, including coverage for contractual liability, with a limit of not less than \$1 million per accident;

The City shall be named as an additional insured on HB's Commercial General Liability Policy and on the Commercial General Liability Policy of any contractor of HB performing work on the Property.

12. Notices. Any written notice given by either party to the other under the provisions of, or with respect to, this Agreement, shall be delivered in person, or by certified or registered mail to the following address:

City: Steven Taylor
City Manager
203 South Pacific Avenue
Kelso, Washington 98632

HB: Habitat Bank, LLC
PO Box 354
Kirkland, WA 98033

or to such other address(es) as each party hereto may notify the other.

13. Entire Agreement. The Parties agree that this Agreement sets forth completely the terms of the Parties' agreement and understanding regarding the Property and the Mitigation Project, that this Agreement supersedes any and all prior agreements or understandings, both oral and written, and that this Agreement cannot be modified without the express written consent of all Parties hereto.

14. Counterparts. This Agreement may be signed in counterpart originals.

15. Benefit of Agreement. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture, or other arrangement between City and HB, except to the extent otherwise expressly provided for herein. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any person, firm, organization, or company not a party to this Agreement, and no such other person, firm, organization, or company shall have any right or cause of action hereunder, except as otherwise expressly provided for herein.

16. Runs with the Land. This Agreement shall run with the land.

Dated this 20th day of August, 2013

HABITAT BANK, LLC

By: [Signature]
Name/Title: Manager

CITY OF KELSO

By the direction of the Kelso City Council taken 8-20-, 2013

By: [Signature]
City Manager

APPROVED AS TO FORM this 20th day of, August 2013

By: [Signature]
City Attorney
City of Kelso

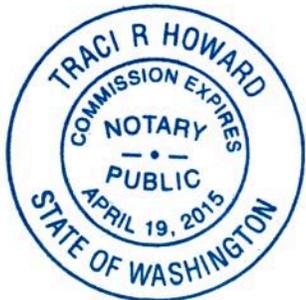
ATTEST:

By: [Signature]
City Clerk
City of Kelso

STATE OF WASHINGTON)
) ss.
COUNTY OF Cowlitz)

On this 20th day of August 2013, before me personally appeared Steve Taylor, to me known to be the CITY MANAGER of the CITY OF KELSO, a Washington municipality, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipality for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said municipality.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written



[Signature]
NOTARY PUBLIC in and for the State of Washington, residing at Kelso
Print Name: Traci R. Howard
My commission expires Apr. 19, 2015

STATE OF WASHINGTON)
) ss.
COUNTY OF Cowlitz)

On this 20th day of August 2013, before me personally appeared Victor Woodward,
to me known to be the Manager of HABITAT BANK, LLC, a Washington limited liability
company, that executed the within and foregoing instrument, and acknowledged the said
instrument to be the free and voluntary act and deed of said company for the uses and purposes
therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf
of said company.

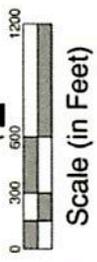
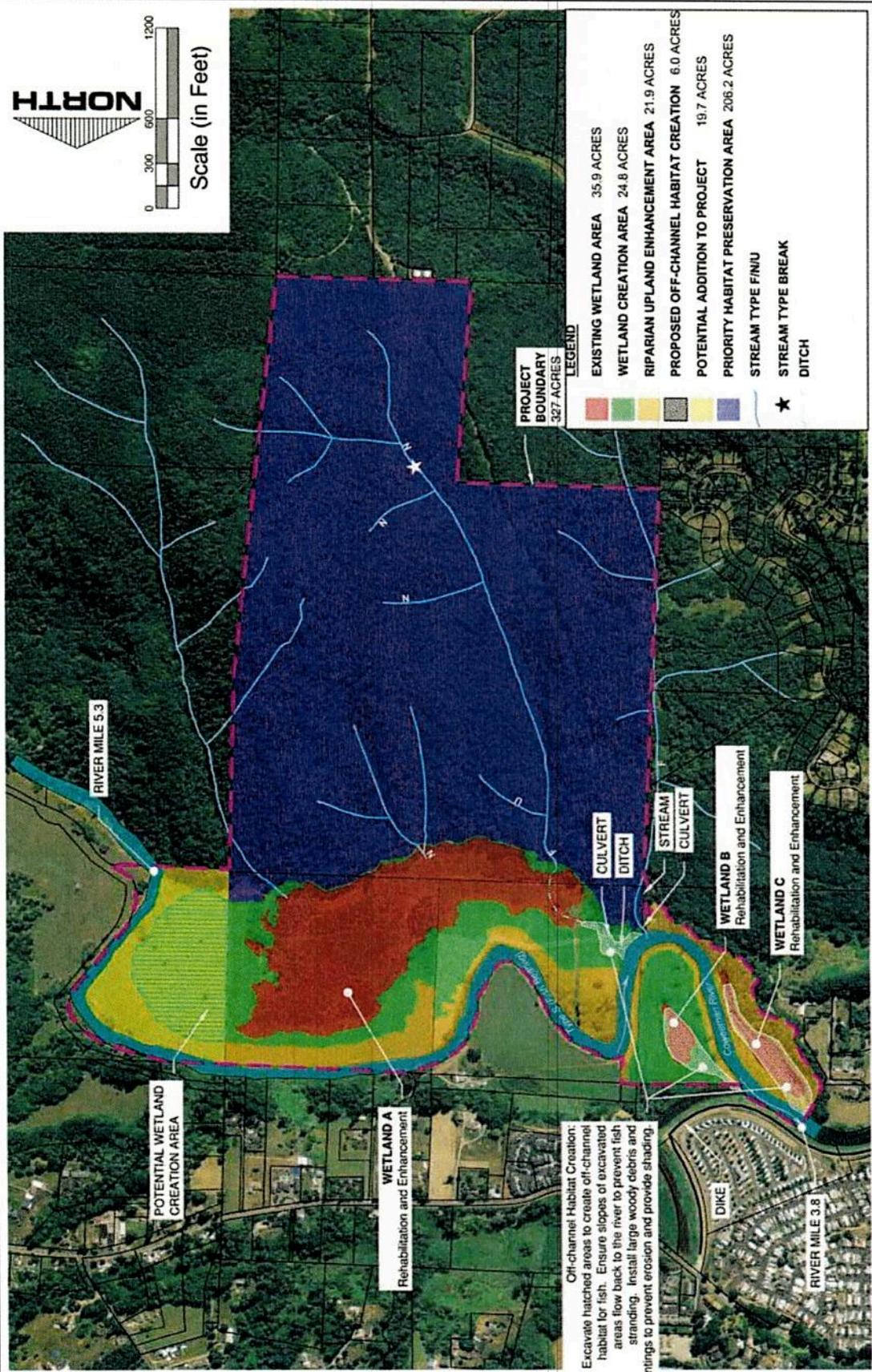
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day
and year last above written



Traci R Howard
NOTARY PUBLIC in and for the State of
Washington, residing at Kebo
Print Name: Traci R. Howard
My commission expires April 19, 2015

EXHIBIT A
Legal Description of City of Kelso Property

To be determined at a later date.



LEGEND

[Red Box]	EXISTING WETLAND AREA	35.9 ACRES
[Green Box]	WETLAND CREATION AREA	24.8 ACRES
[Yellow Box]	RIPARIAN UPLAND ENHANCEMENT AREA	21.9 ACRES
[Blue Box]	PROPOSED OFF-CHANNEL HABITAT CREATION	6.0 ACRES
[Dark Blue Box]	POTENTIAL ADDITION TO PROJECT	19.7 ACRES
[Light Blue Box]	PRIORITY HABITAT PRESERVATION AREA	206.2 ACRES
[Blue Line]	STREAM TYPE FINIU	
[Star Symbol]	STREAM TYPE BREAK	
[Dashed Line]	DITCH	

PROJECT BOUNDARY
327 ACRES

Off-channel Habitat Creation:
Excavate hatched areas to create off-channel habitat for fish. Ensure slopes of excavated areas flow back to the river to prevent fish stranding. Install large woody debris and plantings to prevent erosion and provide shading.

POTENTIAL WETLAND CREATION AREA

WETLAND A
Rehabilitation and Enhancement

WETLAND B
Rehabilitation and Enhancement

WETLAND C
Rehabilitation and Enhancement

EXHIBIT C

1. Development & Operation of Project. HB shall begin, and diligently continue until completed, planning, permitting, constructing, developing, and establishing the Mitigation Project for the purpose of developing and selling Mitigation to sponsors of permitted projects with need for mitigation of impacts. The Mitigation Project is defined to mean all planning, permitting, construction, maintenance, and monitoring of upland, stream, wetland, and shoreline mitigation work required by city, state or federal agencies, including enhancement, restoration and creation of wetlands, streams, and riparian uplands along the Coweeman River and including the Property or land adjacent to the Property. HB shall diligently continue operating the Mitigation Project until all Mitigation has been sold. HB agrees to be responsible for all maintenance associated with the Mitigation Project for the duration of this Agreement. HB shall make reasonable efforts in the design, development, and operation of the Mitigation Project so as to avoid to the greatest extent practicable any material, adverse, and unauthorized impacts to real property that is not included in the Mitigation Project.

2. Costs & Expenses. HB shall be solely responsible for the costs and expenses of its performance in furtherance of this Agreement.

3. Ownership. The Parties acknowledge and agree that City shall remain the fee owner of the Property during the Term of this Agreement and thereafter, except as may be otherwise provided herein. Notwithstanding any other provision of this Agreement, the Parties agree that HB shall own all rights to Mitigation until such Mitigation is sold to an end user.

4. Allocation of Mitigation Sales Revenue. The mitigation project will occur on multiple landowner's property. The Mitigation Project permitting documentation will detail what percentage of the overall mitigation derives from each landowner's property over the life of the project. The City will receive a payment for mitigation sold which is prorated to their percentage of the total credits generated by the project. 5. Allocation of Gross Revenue. Beginning on the date of execution of this Agreement and continuing until the last point in time at which revenue is received from the sale of Mitigation, except as provided in Section 5 below; on a quarterly basis the total gross proceeds from the sale of Mitigation generated from the City property shall be allocated, divided, and paid as follows:

(a) such amount as is required under the permits issued for the Mitigation Project for funding a long-term stewardship plan endowment, shall be subtracted from the total gross proceeds and allocated to HB's account; and

(b) the amount of total gross proceeds remaining after subtraction and allocation of the amounts set forth in Paragraphs 4(a) and (b) above shall be divided and paid as follows:

- 1.) one-fifth (1/5) thereof to City;
- 2.) four-fifths (4/5) thereof to HB.

5. City's Purchase of Mitigation.

(a) The City shall have the right, which shall not expire, to sufficient mitigation credit from the project to mitigate for up to ½ acre of wetland impact at the Regional Airport facility for runway extension at no cost., HB may delay the City's exercise of the foregoing right until any projects funded by federal stimulus dollars that require mitigation from the site to be approved, have purchased the necessary available credit.

(b) The City may also purchase Mitigation on such terms and conditions as are available to other purchasers, provided that such Mitigation is for the City's own use and not for resale, the payment for which shall be included in the total gross revenue and subject to the provisions of Section 4 above (*the result being that the City can purchase such Mitigation at a 20% discount*).

6. Execution of Project Instrument. The City will fully cooperate with HB in the development and operation of the Mitigation Project and shall consent to and execute all permits for the Mitigation Project that are required to be executed by the owner of the Property.

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE:

Authorization to accept Jacobsen Trust
Property and underline lessee

Agenda Item: _____ 2 _____

For Agenda of: _____ March, 05, 2002 _____

Originator: _____ DK Robinson _____

Dept. of Origin: _____ City Managers office _____

City Attorney: _____

PRESENTED BY:

Doug Robinson, City Manager

City Manager: _____ DKR _____

Agenda Item Attachments:

Letters of February 22nd and February 25th from Debbie Van Buren, project administrator for the Washington State Department of Natural Resources. Also enclosed is a quitclaim deed for the property as well as an assignment agreement. Also enclosed is a September 21st memo from Rich Bemm, Director of Parks and Recreation providing a recommendation on the transfer of this property to city ownership and potential uses of the property. Also enclosed is memo dated August 31st from C. Leroy Borders providing an opinion on this land transfer the underlying easements and the lease agreement with the Hill family.

SUMMARY STATEMENT:

The Department of Natural Resources approached the City of Kelso in 2001 concerning the potential transfer of two hundred forty (240) acres of DNR land to the City of Kelso. This land is not economically feasible to manage for the DNR. By transferring the land to the city the state agency receives the value of the land and timber for its various funds with some of the proceeds going into a common school fund and other going towards the eventual purchase of land that would have greater potential for development and management in line with DNR objectives.

This issue has been before the council as an informational item on at least two (2) separate occasions. The Kelso/Longview Park/Recreation Board has also discussed this issue and recommended that the city accept the land. The consensus of the Council at these past meeting is that the city should accept the property.

The main stumbling block to the transfer was the inability of DNR to obtain the monies from the State. Those issues were recently resolved and the project administrator, Debbie Van Buren, has indicated that the Board of Natural Resource would consider approving the Jacobson Parcel transfer to the City of Kelso for us as recreation and open space. Those issues were recently resolved and the project administrator, Debbie Van

Buren, has indicated that the Board of Natural Resources would consider approving the Jacobson Parcel transfer to the City of Kelso for use as recreation and open space at its next meeting on March 5th. Ms. Van Buriem has sent me the enclosed transfer of assignment form and quitclaim deed in anticipation of the Board of Natural Resources approving this parcel transfer.

The cities resolution on sale and acquisition of properties provides no formal method for acquiring property other than for the council to authorize the purchase or acceptance of the property by motion.

I have enclosed some copies of photos and a map, which help to locate the property to be transferred, and the location of the property in conjunction with our existing corporate boundary.

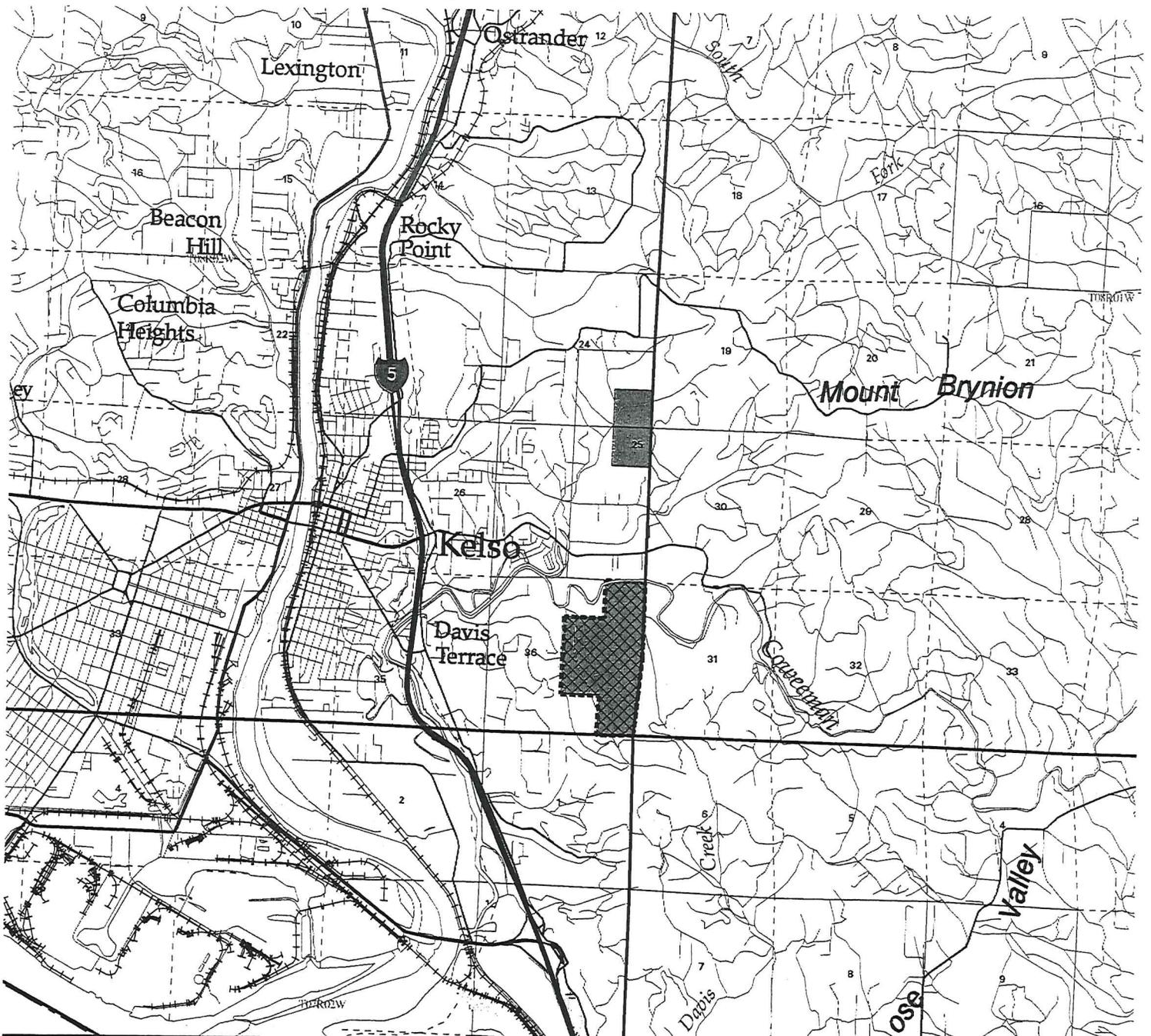
The city has no experience in this land transfer program. We have tried to explore what draw backs we may encounter should we accept the land transfer. What I can find so far is that the city will become a landowner and will eventually have to negotiate or re-negotiate a lease with the Hill family after 2010. There are currently easements on the property for electric towers and a gas pipeline. We know there is an ongoing dispute between individuals that have property near the lake. We have had one minor taste of this dispute as folks living in the area have complained about the discharge of firearms. We would likely be asked to develop this property in some way. There is no additional general fund money for major improvements. Liability to the city to those who use the property for some recreational purpose could occur. However, potential losses would appear to be remote. My reading of the deed gives the property to the city but reserves numerous rights to the state to include oil, gas, coal, ores, mineral, fossils etc.

RECOMMENDED ACTION:

I believe Rich Bemm said it best in his memo of September 21st when he and the Park Board stated, "This property has limitations due to severe contours but they also see there is a great need for this type of open space being preserved. As the area continues to be developed, the Park Board would envision this parcel as being the last, large open space available to the community". I agree and would recommend the council accept the property and the lease assignment proposed by the state.

Department of Natural Resources 2001-2003 Trust Land Transfer Project

Jacobsen



Common School, Indemnity and Escheat	Capitol Grant
Agricultural School	Forest Board Transfer
Scientific School	Forest Board Purchase
Normal School	NRCA
Univ. Transferred	NAP
Univ. Original	Other DNR Land
Charitable, Educational, Penal and Reformatory Institutions	Federal/other State or Tribal
Proposed Parcel	
Transfer Parcels	

Cowlitz County

T08N-R02W

Washington

WASHINGTON STATE DEPARTMENT OF
Natural Resources

Jacobsen



- DNR Managed Lands
 - Forest Board
 - Granted Trusts
 - NAP, NRCA
- DNR Trans
 - Road
 - Trail
 - Railroad
 - Ferry Crossing
- DNR Hydro
 - Types 4-9
 - Type 3
 - Type 2
 - Type 1
- Townships



CITY OF KELSO
CITY ATTORNEY

REC. MANAGER

AUG 31 2001

CITY OF KELSO
REC. MANAGER

AUG 31 2001

CITY OF KELSO

Memo

To: DOUG ROBINSON, CITY MANAGER
From: C. LeROY BORDERS, CITY ATTORNEY 
CC:
Date: 08/31/01
Re: JACOBSON PROPERTY – DNR

After reviewing the documents concerning the above, I see no legal reason why we should not proceed. The Bonneville easement in addition to being impossible to read word for word, does not appear to define Bonneville's rights to any specific degree.

The pipeline easement is clear enough and imposes most of the burdens on the grantee. I do not see it as a deterrent. The indemnity provision seems adequate.

The grazing lease is an example of bureaucratic overkill however we are the bureaucrat in this instance. I hope this will not run into a conflict with our zoning ordinance. I note that hunting and fishing is to be permitted. We do have an ordinance that prohibits discharge of fire arms in the city. In any event, that ordinance already affects the subject property..



Cities Working Together

**Parks and Recreation
Memorandum**

September 21, 2001

To: Doug Robinson, City Manager
From: Rich Bemm, Director of Parks and Recreation
Subject: DNR Trust Land Transfer

At our Parks and Recreation Board meeting last night, we discussed the value of this transfer and the potential uses for the land. It was very evident that the Board is in unanimous support of preserving this 240-acre parcel and in fact voted to do just that.

Regarding potential uses, they recognize the property's limitations due to severe contours, but they also see that there is a great need for this type of open space being preserved. As the area continues to be developed, they could envision this parcel as the last, large open space area available to the community. With that in mind, they felt that the future uses could be:

- Development as an environmental education center with a classroom and exhibit building, marked trails and native species habitation preservation and enhancement.
- Joint development with the school district to create an outdoor education curriculum.
- Enhancement to Tam O'Shanter Park with a bridge spanning the Coweeman River to this property.
- Acquisition of at least some adjoining property for parking facilities or acquisition under the Park Dedication Ordinance.
- Development of some of the area for picnic and restroom facilities.
- Consideration of using the lower Aldercrest Hill property for overnight camping facilities.

It was agreed that before any development takes place, a consultant should be hired to develop a master plan for this piece and the surrounding area. This could give us a perspective of dimensions that we have not even considered.

We also noted that there should not be any expectation of accommodating public access at this time until it can be determined what the impact will be on the budget and staffing. They saw no problem with the property remaining unimproved as it currently stands. They recommended moving cautiously until the funds are there for development.

Please let me know if you need anything further at this time.



February 25, 2002

REC. MANAGER

Mr. D. K. Robinson
City Manager
City of Kelso
Administration Office
105 Allen
Kelso, WA 98626

FEB 27 2002

CITY OF KELSO

SUBJECT: WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES
TRUST PROPERTY KNOWN AS JACOBSEN

Dear Doug:

Again, in anticipation of the Board of Natural Resources approval of the transfer known as Jacobson to the City of Kelso, I have enclosed two original assignment forms that have been signed by the lessee, the Hill Family.

At your earliest convenience please sign both originals in the space provided and return both originals to me at PO Box 47014, Olympia, WA, 98504-7014. The deed conveying the property to the City of Kelso cannot be issued until the assignment is returned. I will obtain the department's signature and provide you with an original for your records.

As always, if you have any questions, please contact me at (360) 902-1599.

Sincerely,

Debi VanBuren
Project Administrator

Enclosures



February 22, 2002

D.K. Robinson, City Manager
City of Kelso
Administration Office
105 Allen
Kelso, WA 98626

REC. MANAGER
FEB 27 2002
CITY OF KELSO

RE: Trust land Transfer No. 02-073145 - Jacobson

Dear Mr. Robinson:

Subject to the Board of Natural Resources approval of the transfer known as Jacobson, I am sending for your review a copy of the deed the state will issue under the Trust Land Transfer Program for the Jacobson property. Also, I am enclosing a copy of the Assignment Agreement for Grazing Lease No.10-071631 that has been sent to the Hill Family for signature. Enclosed are a number of documents related to closing the transaction.

Please return the following by March 6, 2001 to Debi VanBuren, Department of Natural Resources, Asset Management and Protection Division, PO Box 47014, Olympia, Washington, 98504-7014.

1. This letter: signed and dated, or a copy of this letter with original signature, indicating your approval of the deeds.
2. A Real Estate Excise Tax Affidavit (all four copies): signed and dated in the space provided at the bottom of the form for Grantee/Agent.
3. Disclosure to Grantee: signed and dated.

As mentioned above, the closing is subject to the Board of Natural Resources approval of the transaction. However, if approved by the Board at it's March 5th meeting, closing may take place immediately.

Page 2
February 22, 2002
Jacobson

Please call me at (360) 902-1599 if you have questions.

Sincerely,



Debi VanBuren, Project Administrator
Asset Management and Protection Division

Enclosures

c: Transaction File No.02-073145

DEED APPROVED:

Recipient

Date

Title

DISCLOSURE TO RECIPIENT

The following documents are prepared relating to the transfer of the property under Land Transfer File No. 02-073145:

Quitclaim Deed
Real Estate Excise Tax Affidavit

You are further advised Debi VanBuren will render closing services under the following conditions:

DISCLOSURES

- (1) Debi VanBuren is an agent of the Department of Natural Resources, and thus an **ESCROW IS NOT FORMED;**
- (2) The documents prepared will affect the legal rights of the Recipient;
- (3) The parties' interests in the documents may differ;
- (4) The Recipient has the right to be represented by a lawyer of its own selection; and
- (5) Debi VanBuren cannot give legal advice as to the manner in which the documents affect the Recipient.

The Recipient acknowledges that this Disclosure has been fully read and understood and that the Recipient has received a copy.

Dated this _____ day of _____, 2002.

Recipient

Title

AFTER RECORDING RETURN TO:

Department of Natural Resources
Asset Management Section
P.O. Box 47014
Olympia, WA 98504-7014

QUITCLAIM DEED

Grantor: State of Washington, by and through the Department of Natural Resources
Grantee: City of Kelso
Legal Description: Portion Section 36, Township 8 North, Range 2 West, W.M.
Tax Parcel Number: WI36-01-001, 24125

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for and in consideration of the sum of THREE MILLION TWO HUNDRED AND NINE THOUSAND DOLLARS (\$3,209,000), hereby conveys and quitclaims to the CITY OF KELSO, GRANTEE, all interest in the real property situated in Cowlitz County, Washington, and described in EXHIBIT A, which by this reference is made a part hereof.

This property is conveyed pursuant to Chapter 8, Section 415, Washington Laws of 2001, Second Special Session, to be used exclusively for open space or recreation purposes for a minimum of thirty years from the date of this deed.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.01.312 and to the following reservation:

The Grantor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself and its successors and assigns forever, all oils, gases, coal, ores, minerals, and fossils of every name, kind, or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself and its successors and assigns forever, the right to enter by itself or its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns, forever, the right by its or their agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself and its successors and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved.

No rights shall be exercised under the foregoing reservation, by the state or its successors or assigns, until provision has been made by the state or its successors or assigns, to pay to the owner of the land upon which the rights reserved herein to the state or its successors or assigns, are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land: PROVIDED, That if said owner from any cause whatever refuses or neglects to settle said damages, then the state or its successors or assigns, or any applicant for a lease or contract from the state for the purpose of prospecting for or mining valuable minerals, or option contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in the superior court of the county wherein the land is situate, as may be necessary to determine the damages which said owner of said land may suffer.

Grantee accepts the Property "AS IS, WHERE IS" with all faults. State disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose about the Property, including but not limited to improvements located thereon, and no employee or agent of State is authorized otherwise. The foregoing specifically excludes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste or claims based thereon arising out of the actual or threatened discharge, disposal, seepage, migration, or escape of such substances at, from, or into the Property. Grantee hereby fully releases State from any and all liability to Grantee arising out of or related to the condition of the Property prior to, at, or after Grantee accepts title to the Property, including but not limited to the deposit or release of hazardous or toxic wastes or material and pollutants.

This Deed is executed and delivered pursuant to RCW 79.01.220 and Chapter 8, Section 415, Washington Laws of 2001, Second Special Session at the request of the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

WITNESS the Seal of the State of Washington, affixed this _____ day of _____, 2002.

GOVERNOR

ATTEST: _____
SECRETARY OF STATE

Approved as to form this _____
day of _____, 2002.

Assistant Attorney General

Deed No. _____ .

State Record of Deeds, Volume _____ , Page _____ .

Transaction File No. 02-073145

After Recording Return To:
Department of Natural Resources
Asset Management and Protection Division
PO Box 47014
Olympia, WA 98504-7014

ASSIGNMENT AGREEMENT

This Agreement is between the State of Washington, acting through the Department of Natural Resources ("Assignor") and the City of Kelso ("Assignee").

Assignor will transfer certain real property to the Assignee, the legal description of which is contained in that certain lease between State of Washington as landlord and the Hill Family, LLC as lessee dated December 21, 2000 under Lease No. 10-071631. Assignor wishes to assign its rights under the lease as landlord to Assignee and Assignee is willing to assume all of Assignor's obligations under the lease.

NOW THEREFORE, the parties agree as follows:

1. Assignment. Assignor hereby assigns to Assignee all of Assignor's rights, obligations and interests in and to the lease.
2. Assumption. Assignee hereby assumes any and all of Assignor's obligations arising under the lease after the date of this assignment and agrees to indemnify Assignor against and hold Assignor harmless from any and all liabilities, costs, losses, damages, claims or expenses, including, without limitation, reasonable attorney's fees, arising out of the obligations assumed herein.

ASSIGNOR
State of Washington
Department of Natural Resources

ASSIGNEE
City of Kelso

Date

Date

CONSENT AND RELEASE

The lessee, the Hill Family, LLC, hereby consents to the transfer of the property to the City of Kelso, Assignee, subject to the lease and releases Assignor from any and all liability arising under the lease after the date of this assignment.

LESSEE

 FOR Hill Family LLC

Date

Pre-approved as to Form
February 12, 2001 by
James Schwartz
Assistant Attorney General

After Recording Return To:

Department of Natural Resources
Asset Management and Protection Division
PO Box 47014
Olympia, WA 98504-7014

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ASSIGNOR
State of Washington
Department of Natural Resources

ASSIGNEE
City of Kelso

Date

Date

CONSENT AND RELEASE

The lessee, the Hill Family, LLC, hereby consents to the transfer of the property to the City of Kelso, Assignee, subject to the lease and releases Assignor from any and all liability arising under the lease after the date of this assignment.

LESSEE

Daniel Hill for Hill Family LLC

Date

Pre-approved as to Form
February 12, 2001 by
James Schwartz
Assistant Attorney General

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: Criminal Diversion Options
Pertaining to Kelso Municipal Court

Agenda Item: _____

Dept. of Origin: _____ City Manager _____

For Agenda of: _____ January 6, 2015

Originator: _____ Steve Taylor _____

PRESENTED BY:

Steve Taylor

City Attorney:

City Manager: Steve Taylor

Agenda Item Attachments:

SUMMARY STATEMENT:

City Manager Taylor and Police Chief Hamilton will provide information on the options for the Criminal Diversion Program.

RECOMMENDED ACTION:

AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: Comprehensive Plan
Presentation – G. R. Dohrn and Associates

Agenda Item: _____

Dept. of Origin: _____ City Council

For Agenda of: _____ January 6, 2015

Originator: _____ Steve Taylor

PRESENTED BY:

Gregg Dohrn

City Attorney: _____ Janean Parker

City Manager: _____ Steve Taylor

Agenda Item Attachments:

SUMMARY STATEMENT:

The City's current Comprehensive Plan was prepared in 1979 and adopted in 1980 shortly after the eruption of Mt. St Helens. Since then portions of the plan were updated in 1987 and 1992 and the associated maps were updated in 1994. The proposed plan is intended to replace that document and is based on a Vision Statement describing the preferred future for the City. The Vision Statement was articulated through a series of community workshops in 2009 and was approved by the Kelso City Council on February 2, 2010. The primary focus of this Comprehensive Plan are a series of goals, policies, and objectives that describe in more detail what the City hopes to accomplish over the next ten to twenty years, how it hopes to accomplish it, and what action steps it is prepared to take to achieve it.

Since the adoption of the Vision Statement in 2010 not much progress was made towards writing a new plan until the spring of 2013 when the City hired planning consultant Gregg Dohrn to help draft the new document. Mr. Dohrn facilitated numerous discussions with the Planning Commission and held a management team meeting on April 18, 2014 with City staff to acquire feedback and insight to ensure the goals, policies, and objectives were appropriate for Kelso. The Plan was made available for public consumption and comment on September 4, 2014 and a public hearing was held at the October 14th Planning Commission meeting. On December 9, 2014, the Planning Commission recommended that the City Council adopt the proposed updated plan; that version can be found on the City's [website](#).

During the comment period and public hearing the City received several comments that resulted in changes to the document recommended by the Planning Commission; a version containing these changes was e-mailed to Council last week. All of the accompanying maps, plans, and documents can be found [here](#).

RECOMMENDED ACTION:

No action required at this time.