

Father Mel Straz, St. Mary Catholic 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: Futcher, Lefebvre, Webb, McDaniel, Schimmel, and Roberson.

Minutes: Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, 'Approve the Minutes of the 11/01/11, Regular Meeting,' motion carried, all voting yes.

PROCLAMATION:

Mayor Futcher read a proclamation declaring November, 14-18, 2011 as "International Education Week" in the City of Kelso. ASSE Western Regional Director Veryl Anderson accepted the proclamation. Foreign exchange students, Eva Parada Anton from Spain and Zhanna Oliynyk from Ukraine spoke from the audience about how much they appreciated the opportunity to be here.

PRESENTATION:

Behavioral Health Transformation Coalition: Chief Executive Officer of the Cowlitz County Guidance Association Eric Yakovich came to Council with a request for a document of support for the implementation of a 1/10th of 1% retail sales tax increase. This would be a behavioral health sales tax to improve the behavioral health system in Cowlitz County. Mr. Yakovich gave a presentation of the coalition's goals and priorities. He discussed the need to improve and increase mental health services in our community. Lengthy discussion followed. No decision was made at this time.

CONSENT AGENDA:

1. **Liquor License Renewal** – Plaza Jalisco, 400 W. Main; Your Homebrew Beer and Wine Making Supplies, 303 W. Main St, Ste A; Quick Stop Market, 807 S. Pacific
2. **Adoption of Sewer Facilities Plan**
3. **Airport Lease Agreement**
4. **NSP Budget Approval**
5. **Auditing of Accounts:** \$ 2,020,261.91
6. **Liquor License Application:** Red Leaf Coffee Liquor, 209 W. Main, Ste 102

Upon motion by Councilmember McDaniel, seconded by Councilmember Lefebvre, 'Approve the Consent Agenda and the Auditing of Accounts in the amount of \$2,020,261.91 with the removal of Item 3 for separate consideration' motion carried, all voting yes.

CITIZEN BUSINESS:

Rick Von Rock, 407 N. 7th Ave., spoke about the West Main Realignment project. He wanted to know if the City of Kelso is getting closer to turning a stone on the project. Public Works Director David Sypher said the project is right on schedule. The project is at the design stage which should be done by the summer of 2012. Then we will start bidding it out. Mr. Sypher said that the City of Kelso's website has a complete updated report of the West Main Realignment project. The website is very informative. He encouraged Mr. Von Rock to read the web site and if he had more questions to contact him. Mr. Von Rock asked where the City is at regarding the Airport Expansion Project. Mayor Fatcher said, at this time, our main focus is working on an Airport Governance Model that consists of four entities which will run the airport. This should be completed by the end of the year. Mr. Sypher spoke about the Eastside Hangar Development and the Runway Extension projects. He said there will be about \$1 million worth of consultant work to be put together for these projects. There is, also, environmental work for both of the projects. Mr. Sypher said we are depending on FAA grant money to cover the cost of the drainage studies and some of the cost of the wetland mitigation and identification delineation. Mr. Von Rock asked about the water bills being available on line. Finance Director Brian Butterfield said we are not looking into an online utility payment option at this time. We do have Rapid Pay where you can get your utility bill automatically deducted from your bank account. Discussion followed.

Anthony Currena, 803 S. 6th Ave., spoke of the 18% increase in the Cowlitz PUD electric utility rate. He wanted to know if there is something Mayor Fatcher, as the mayor of Kelso, could do to fight the increase. Mayor Fatcher said using city funds would not be appropriate in this case. Mayor Fatcher said he believes the Cowlitz PUD is within their rights to set their customer's electric utility rates. A better way to handle this may be to go through the ballot box or retain a lawyer and file a class action lawsuit.

MOTION ITEMS:

Ordinance (1st Reading) – New Cingular Wireless Lease at Tam O'Shanter Park:

The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Schimmel, 'Pass on 1st Reading, 'AN ORDINANCE OF THE CITY OF KELSO APPROVING THE LEASE OF PROPERTY TO NEW CINGULAR WIRELESS PCS, LLC.' Motion carried, all voting yes.

Ordinance (1st Reading) – Verizon Wireless Lease at Tam O'Shanter Park: 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 OF THE CITY OF KELSO APPROVING THE LEASE OF PROPERTY TO VERIZON WIRELESS LLC.' Motion carried, all voting yes.

Ordinance No. 11-3751 - McDaniel Cellular Lease at Tam O'Shanter Park: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Schimmel, seconded by Councilmember Lefebvre, 'Adopt Ordinance No. 11-3751, 'AN ORDINANCE OF THE CITY OF KELSO APPROVING THE LEASE OF PROPERTY TO MCDANIEL CELLULAR TELEPHONE COMPANY.' Motion carried, all voting yes.

Ordinance No. 11-3752 – Budget Revision #4, 2011 Fiscal Year: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, 'Adopt Ordinance No. 11- 3752, 'AN ORDINANCE OF THE CITY OF KELSO AMENDING THE 2011 BUDGET TO REFLECT REVENUES AND APPROPRIATE FUNDS TO COVER EXPENDITURES OVER AND ABOVE THOSE ANTICIPATED AT THE TIME SAID BUDGET WAS ADOPTED.' Motion carried, all voting yes.

Ordinance No. 11-3753 – Setting 2011 Property Tax Levy Amount: The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Roberson, seconded by Councilmember McDaniel, 'Adopt Ordinance No. 11- 3753, 'AN ORDINANCE OF THE CITY OF KELSO FIXING THE ESTIMATED AMOUNT TO BE RAISED BY AD VALOREM TAXES AT \$1,347,579 FOR THE 2012 BUDGET OF THE CITY.' Motion carried, all voting yes.

Resolution No. 11-1052 – Declaring Items Surplus: The Deputy Clerk read the proposed resolution by title only. Upon motion by Councilmember Schimmel, seconded by Councilmember Webb, 'Pass Resolution No. 11-1052, A RESOLUTION OF THE CITY OF KELSO, WASHINGTON, DECLARING CERTAIN PERSONAL PROPERTY OF THE CITY OF KELSO TO BE SURPLUS AND DIRECTING THE DISPOSITION THEREOF.' Motion carried, all voting yes.

WALK-ON ITEM:

Authorize City Manager Richards to sign a grant agreement with the Dept. of Ecology for Kelso's Recycling Program: Upon motion by Councilmember Roberson, seconded by Councilmember McDaniel 'Approve the Walk-on Item.' Councilmember Schimmel asked if the \$10,000 is already in the budget. Mr. Butterfield said the \$10,000 is in the budget, this is a recurring grant that we have been doing for 20 years. The Department of Ecology will provide up \$30,000 in matching funds. The City's share of this program is \$10,000. Motion carried, all voting yes.

COUNCIL BUSINESS:

Airport Lease Agreement Fees for End-Of-Row Storage Areas (Pulled from the Consent Agenda). Upon motion by Councilmember McDaniel, seconded by

Councilmember Webb, 'Approve the Airport Lease Agreement Fees for End-Of-Row Storage Areas.' Mr. Sypher spoke of the airport having several storage units that are not large enough to house an aircraft. A non-profit group was granted temporary use of storage Unit C-6 at no charge. It is recommended to have a standardized lease agreement for all storage units. A rate of \$.22 per square foot which is \$52.80 per month is a fair rate. Councilmember Fatcher, Lefebvre, Schimmel, McDaniel, and Webb voted yes. Councilmember Roberson voted no. Motion carried, 5 to 1.

STAFF REPORTS:

Janean Parker: Last week we learned that the property at Terry's Salvage will not be able to be redeveloped with use of NSP funds. The NSP funds need to be expended by the end of next year and there is not enough time to get the ecology grant for the study and the clean up work done in time. In addition, we learned that one of the other properties we were going to redevelop with NSP funds already had funds obligated through CAP. With the use of some of the money for the Terry's Salvage property and some of the money for the other property, we may be able to purchase a fifth property to renovate. The fifth property would need to be completed by the end of next year. CAP is already working to identify some properties for us. They have been great.

David Sypher: 1) The street lights were recently inspected by Labor & Industries so now they can be energized this week for testing. The street lights are a great enhancement for our downtown. 2) We are filling our Paxton Rd Reservoir. Please come and see it. 3) The North Kelso Waterline project is about 40% complete. 4) We have been notified by the FAA that the joint agreement is going forward. 5) I will be meeting with Mr. Butterfield about rolling over the projects from the 2011 to the 2012 Budget. Councilmember Roberson asked about the potholes on Yew Street. Mr. Sypher said we normally wait for a sun break in the weather to do pothole repair work. If the pothole has become dangerous, we will fill them anyway. It is an expensive fix and does not work as well when the pothole is dry. Councilmember Schimmel asked about when we need to block off a road do to water. Mr. Sypher said we prefer to patch the street rather than close it. As long as we have funds, patch work is done once a month. Once we do not have the funds, we may need to close the street.

Nancy Malone: 1) There is a "Ground Breaking Ceremony" on Friday, November 18, 2011, at 3:00 p.m. for the Grounds for Opportunity Cafe. 2) I spoke to Segale Attorney Jack Pawlicki today regarding the binding site plan for the Segale property. They will be getting it recorded within the next few weeks. Once the binding site plan is recorded they can offer the property for sale. 3) We received building permit applications for Target and Red Lobster. They will be doing some remodeling work. 4) We are still waiting for the plan revisions from Jack in the Box. 5) We received a site plan review for Star Bucks. 6) I received a phone call this afternoon from Anderson Environmental regarding the property at 404 Burcham. They have been contacted by the lending institution that has a lien filed on the property. The lending institution is looking for bids to remove the structure. Hopefully, this issue will be resolved soon.

Darr Kirk: 1) We are working with the retail stores at the mall that are opening at midnight on Black Friday. We are working with them to streamline that process. Last year there were about a thousand people lined up at Target before they opened. 2) On December 17, 2011, we will have the 'Shop with a Cop' event. Officers will be taking 17 – 20 underprivileged children to shop at Target for Christmas gifts. Then we will bring them back here to see Santa and wrap the gifts. It is a real fun project.

Brian Butterfield: 1) Last week we proceeded on getting our 2003 G.O. Bond refinanced. Mayor Fatcher, Nancy Malone, and I had a conference call with Standard & Poors to get a bond rating. We should be receiving that rating by the end of next week. 2) You have the Monthly Financial Reports through October 31, 2011. Please let me know if you have any questions. 3) At the next council meeting on December 6th, we will have a public hearing on the 1st reading of the amended budget for 2012. We should have it ready a week in advance of the meeting. Mayor Fatcher spoke of the conference call with Standard & Poors. Mayor Fatcher sat in for City Manager Denny Richards because he was out of town. He said it was very enlightening to learn that some things that are relevant to a financial institution do not seem like a big deal to us. They asked if we had a formal reserve policy in place. Maybe we could work toward having one if it has potential to save us money down the line.

COUNCIL REPORTS:

Kim Lefebvre: No report.

Rick Roberson: No report.

Todd McDaniel: No report.

James Webb: No report.

Gary Schimmel: No report.

David Fatcher: 1) My kid's school had a field trip for the 3rd, 4th, and 5th grades. I took them through the council chambers. Captain Kirk hosted the tour through the Police Dept. The kids seemed to like that more. Thank you Captain Kirk.

There being no further business, Mayor Fatcher adjourned the meeting at 8:28 p.m.



MAYOR



CITY CLERK