

Pastor Nick Stumbo, 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: Futcher, Myers, Lefebvre, McDaniel, Schimmel, and Roberson.

Minutes: Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, 'Approve the Minutes of the 11/15/11 Regular Meeting,' motion carried, all voting yes.

**OATH OF OFFICE:**

City Clerk/Finance Director Brian Butterfield swore in **Gary Archer** to the Kelso City Council Position #5.

**PUBLIC HEARING – Biennial Review:**

Mayor Futcher opened the Public Hearing at 7:03 p.m. Brian Butterfield spoke of adjustments that were made to the 2012 Budget. Because of two unanticipated staff vacancies in 2011, we were able to redirect money to save a police officer position that was scheduled to be eliminated. Other changes made were to allow for the projects that are rolling over from 2011 to 2012. By the request of Mr. Butterfield, Mayor Futcher moved to continue the Public Hearing to the next council meeting on December 20, 2011. Motion by Councilmember Roberson, seconded by Councilmember McDaniel, 'Continue the Public Hearing at the next Regular Council Meeting.' Motion carried, all voting yes. There being no comments from the public, Mayor Futcher closed the Public Hearing at 7:06 p.m.

**PRESENTATION:**

**Martin Nelson and Company, Inc:** Vice President and Senior Municipal Underwriter Jim Nelson gave a presentation of the refinancing of the 2003 City Hall Bonds. The refinancing for the bonds will result in a savings of interest costs. Mr. Nelson said that the City of Kelso received an "A+" rating grade from an independent national rating agency, Standard & Poors. An "A+" rating is a fantastic accomplishment for a city this size and it qualifies the City for lower interest rates. By refinancing the 2003 Limited Tax General Obligation Bonds, the City will achieve an average annual savings of \$13,899 over the remaining 17 years of the bond. Foster Pepper PLLC, Bond Counsel Marc Greenough spoke of the bond ordinance. He said the issuance of these bonds is not a new issuance; it just refinances the old bonds. The second reading of the bond ordinance is scheduled to be done at a Special Meeting on December 7, 2011. Once the ordinance is adopted, it will authorize the process of the bond purchase. The refunding process will take place on December 20, 2011.

**CONSENT AGENDA:**

1. West Main Re-Alignment Consultant Agreement
2. Minor Road Reservoir Consultant Agreement
3. Lower Columbia CAP Agreement
4. Habitat for Humanity Agreement

Upon motion by Councilmember Schimmel, seconded by Councilmember Roberson, 'Approve the Consent Agenda,' motion carried, all voting yes.

**CITIZEN BUSINESS:**

Larry Wagle, 1405 17th Ave. Longview, spoke of the Longshoreman Union strike demonstration at the EGT grain terminal. He asked that the City of Kelso not send police enforcements to assist in breaking the strike. Discussion followed.

**COUNCIL BUSINESS:**

**Boards & Commission – Council Assignments:**

The following positions were assigned:

- Airport Authority Board (Alternate) – Gary Archer
- Community Action Partnership – Dan Myers
- Community Action Partnership (Alternate) – Todd McDaniel
- Cowlitz Economic Development Council – Rick Roberson
- Cowlitz Transit Authority Board (Alternate) – Rick Roberson
- Emergency Management 911 Board (Alternate) – Kim Lefebvre
- Kelso Downtown Revitalization Association (Alternate) – Kim Lefebvre
- Park Board Liaison – Gary Archer
- Park Board Liaison (Alternate) – Gary Schimmel
- Public Health Board – Kim Lefebvre
- 'Big Idea' – Kim Lefebvre

**MOTION ITEMS:**

**Resolution No. 11-1053 – Natural Hazards Mitigation Plan:** The Deputy Clerk read the proposed resolution by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, 'Pass Resolution No. 11-1053, 'A RESOLUTION OF THE CITY OF KELSO, WASHINGTON, ADOPTING THE CITY OF KELSO HAZARD MITIGATION PLAN AS THIS JURISDICTION'S MULTI-HAZARD MITIGATION PLAN.' Councilmember Myers asked about the need for this plan. Public Works Director David Sypher said at the time of the flood in 2009, the City of Kelso was included in the Cowlitz County's Hazard Mitigation Plan. Therefore, we

were eligible for FEMA reimbursements. This resolution will allow us to annex into the Cowlitz County Mitigation Plan therefore making us eligible for future FEMA reimbursements. Motion carried, all voting yes.

**Ordinance (1st Reading) – Budget Revision #1, 2012:** The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Myers, seconded by Councilmember Roberson, ‘Pass on 1st reading, ‘AN ORDINANCE OF THE CITY OF KELSO AMENDING THE 2012 BUDGET TO REFLECT REVENUES AND APPROPRIATE FUNDS TO COVER EXPENDITURES OVER AND ABOVE THOSE ANTICIPATED AT THE TIME SAID BUDGET WAS ADOPTED.’ Councilmember Schimmel asked if there was a revenue adjustment for the estimated reduction of sales tax for 2012. Mr. Butterfield said this does not have any adjustment for the sales tax at this time. There is an anticipated ordinance coming in January about a possible increase of the utility tax. Motion carried, all voting yes.

**Ordinance (1st Reading) – 1504 North 2nd Ave., Conveyance:** The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember McDaniel, seconded by Councilmember Myers, ‘Pass on 1st reading, ‘AN ORDINANCE OF THE CITY OF KELSO CONVEYING PROPERTY AT 1504 NORTH SECOND AVENUE IN KELSO TO THE COWLITZ COUNTY HABITAT FOR HUMANITY.’ Councilmember Archer asked if this house will stay on the tax roll. Mr. Butterfield said if the house is owned by the city, it is not on the tax roll. Once this house is donated to Habitat for Humanity, they will find a placement for the home. That person will be the legal owner and the house will be on the tax roll. City Attorney Janean Parker explained that this house is funded through the Neighborhood Stabilization Program. Discussion followed. Motion carried, all voting yes.

**Ordinance (1st Reading) – Bond Issuance:** The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Roberson, seconded by Councilmember Lefebvre, ‘Pass on 1st reading, ‘AN ORDINANCE OF THE CITY OF KELSO, WASHINGTON, RELATING TO CONTRACTING INDEBTEDNESS; PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$2,710,000 PAR VALUE OF LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, 2011, TO CARRY OUT A CURRENT REFUNDING OF THE CITY’S LIMITED TAX GENERAL OBLIGATION BONDS, 2003; AND TO PAY THE ADMINISTRATIVE COSTS OF SUCH REFUNDING AND THE COSTS OF ISSUANCE AND SALE OF SUCH BONDS; PROVIDING FOR AND AUTHORIZING THE PURCHASE OF CERTAIN OBLIGATIONS OUT OF THE PROCEEDS OF THE SALE OF THE BONDS HEREIN AUTHORIZED AND FOR THE USE AND APPLICATION OF THE MONEY DERIVED FROM THOSE INVESTMENTS; AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH THE BANK OF NEW YORK MELLON, OF NEW YORK, NEW YORK, AS REFUNDING TRUSTEE; PROVIDING FOR THE CALL, PAYMENT AND REDEMPTION OF THE OUTSTANDING BONDS TO BE REFUNDED; FIXING THE TERMS AND COVENANTS OF THE BONDS; AND PROVIDING FOR RELATED MATTERS,’ motion carried, all voting yes.

**Ordinance (1st Reading) – Budget Revision #5, 2011:** The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Schimmel, seconded by Councilmember Lefebvre, ‘Pass on 1st Reading, ‘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 TIME SAID BUDGET WAS ADOPTED.’ Councilmember Archer asked if this pertains to the 2012 Budget. Mr. Butterfield said that this budget revision will allow us to take the old bond debt service off our books and show the new bond debt before the end of the year. Councilmember Myers asked about the refinancing fees. Mr. Butterfield said the debt issue cost will be around \$50,000. Motion carried, all voting yes.

**Ordinance No. 11-3754 – New Cingular Wireless Lease at Tam O’Shanter Park:**

The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Roberson, seconded by Councilmember Lefebvre, ‘Adopt Ordinance No. 11-3754, ‘AN ORDINANCE OF THE CITY OF KELSO APPROVING THE LEASE OF PROPERTY TO NEW CINGULAR WIRELESS PCS, LLC.’ Councilmember Archer asked what this is about. Mayor Fletcher explained that this lease agreement allows a wireless cell tower to be placed on the top of a light pole. They will pay us \$1,100 a month. Motion carried, all voting yes.

**Ordinance No. 11-3755 – Verizon Wireless Lease at Tam O’Shanter Park:** The Deputy Clerk read the proposed ordinance by title only. Upon motion by Councilmember Roberson, seconded by Councilmember McDaniel, ‘Adopt Ordinance No. 11-3755, ‘AN ORDINANCE OF THE CITY OF KELSO APPROVING THE LEASE OF PROPERTY TO VERIZON WIRELESS, LLC,’ motion carried, all voting yes.

**MANAGER’S REPORT:**

**Dennis Richards:** 1) Tomorrow we have a Special Meeting in the Kelso City Council Chambers at 4:30 p.m. 2) We have a ‘Giving Tree’ upstairs at City Hall. The donations will be going to the Women’s Emergency Support Shelter. There are some tags left to pick and make a donation. 3) KDRA is holding a Christmas event at the Kelso Commons Park across the street from City Hall on December 10th and 17th; from 12:00 p.m. to 4:00 p.m. Santa will be there. 4) Some local volunteers have stepped up and arranged for the Christmas tree to be installed on top of the train depot. They have also arranged for it to be taken down. I did not think it was going to happen this year. 5) I am very pleased to announce that Nancy Malone is officially the Community Development Department Manager. She has done an outstanding job in her six months as the interim manager.

**STAFF REPORTS:**

**Janean Parker:** No Report.

**David Sypher:** 1) Gave a year end summary report of the Public Works projects. 2) The parks and traffic crews have been putting up the holiday decorations and banners. 3) Three people have made donations and volunteered their time to get the Christmas tree on the top of the train depot. Mr. King of Campbell Crane is supplying the crane. I will let you know who the volunteers are after it is confirmed. It is very heartening to see what a great spirit our community has. 4) Currently our water/sewer reserves are at the minimum level we would like to see. In 2008 we adopted a 6 year rate structure that would minimize rate increases and maximize our infrastructure potential. Unfortunately, due to urgent projects and our commitment to maintain the industrial fees, we are looking at having to make increases in our residential fees. Discussion followed.

**Nancy Malone:** No Report.

**Cindy Donaldson:** 1) We have two Christmas parties at the Library. The first one is on Thursday, December 8<sup>th</sup>, at 10:00 a.m., where there will be arts, crafts, and Santa. On Tuesday, December 13<sup>th</sup>, at 6:00 p.m., the Cowlitz Ukulele Association will be at the Library to sing Christmas Carols. We will have games, crafts and Santa at that party. Last week we had 20 very well-behaved teenagers come to the Library for their Christmas party.

**Andrew Hamilton:** 1) The Kelso Police are participating in the 'Shop with a Cop' program. It is on Saturday, December 17<sup>th</sup>. Officer Bebe McFall has run this program for the last three years. Officers donate their time for this event. This year we are pairing up with Cowlitz 2 Fire and Rescue. It is a great event. 2) Patrols have been very busy the last couple of weeks with 'Black Friday' and the amount of cases they have had to handle. 3) At the end of the year, we recycle some of the officer's positions. Detective Hochhalter will be transferred to the streets. So we will be doing interviews for his position. We will be recycling positions from the Task Force too. 4) We are looking forward to a peaceful holiday season.

**Brian Butterfield:** No Report.

**COUNCIL REPORTS:**

**Kim Lefebvre:** No Report

Rick Roberson: 1) Santa Claus will be in the Commons Park on December 10<sup>th</sup> and 17<sup>th</sup>, from 12:00 p.m. to 4:00 p.m.

**Dan Myers:** 1) I attended the Grounds for Opportunity 'Ground Breaking Ceremony.' The target date for completion is February 11, 2012, which is the 100<sup>th</sup> Anniversary Celebration of the Kelso Train Depot. I hope they make that date. 2) I would like to encourage creating a more formal reserve policy to help maintain a good credit rating for the city. 3) The Train Depot Volunteers are a great asset. They help in locating lost luggage. I was there when a conductor of a northbound train called because one of his passengers was missing his wallet. The volunteers looked around the depot and found

the wallet with money still intact. They sent the wallet on the next northbound train so the passenger could pick it up at his destination. I hope we can find some more volunteers. We have a lot of fun.

Todd McDaniel: No Report.

Gary Archer: 1) The street basins may be clogged on the intersection of Chestnut and 10th Ave. It also appears that the road is coming apart from where it was patched. This road patch was done about a year ago. Mr. Sypher said he will check in to it.

Gary Schimmel: 1) I want to commend the Police Department for their participation in sharing resources with other agencies. It helps with the costs. I see the library sharing resources with the other libraries in the county. The Public Works Department shares resources with other agencies. The Stormwater program together with other agencies, are developing a plan that will serve all in Cowlitz County. I believe this will be needed more in the future as we see our budget change. 2) I was asked by a citizen, who could not physically be here, to suggest a surcharge to help pay for street department repairs. Discussion followed.

David Futcher: 1) I invite everyone to come and join us at the Seventh-day Adventist Church in Lexington for the 'Journey to Bethlehem'. It is being held the second weekend in December. I am playing the part of the inn keeper.

There being no further business, Mayor Futcher adjourned the meeting at 8:16 p.m.



MAYOR



CITY CLERK