

001 Mayor Larsen opened the workshop meeting at 7:00 p.m., with the following councilmembers present: Greg Marcil and Ed Smith. Councilmember Skeie arrived at 7:20 p.m. and Councilmember Yund arrived at 7:22 p.m. Councilmember Bean was absent. Also present was Fire Chief Eric Koreis, Fire District #6 Commissioner Martinson, Paramedic Kyle McCoy, volunteer firefighter Don Lansing and Clerk-Treasurer Ryana Covington.

012 Chief Koreis outlined his strategic planning to develop long-term funding options to support the fire and ambulance services to the area. He distributed two documents outlining estimated property tax models and equipment reserve estimate needs.

035 Koreis noted that one option is to merge the city fire department into Fire District #6. If property tax levels remain the same, fund balances would run out by the year 2015, requiring a rate increase or reduction of services.

He also reviewed Fire District #6 equipment needs and discovered that even without annexation of the city's department, the district would be in deficit by 2025 and would need to take action to allow purchase of equipment.

080 Koreis stated if the city would be annexed into the Fire District, taxpayers have noted concern that this would result in city residents paying higher taxes for the same service, since they would be paying an additional district fire tax along with their regular property taxes. Koreis asked if the city has any consideration in how the city property taxes would be used, if annexation would be approved. He suggested that identification of existing General Fund departmental deficits would help to educate the taxpayer of how their property taxes are going to be used.

Councilmember Smith agreed that taxpayers may feel that realignment of the fire services would be an added burden. However he added that he did not think city fathers felt that taxes should be increased to support only a city fire department, and if they did, they should have set about a better way to fund it as inflation and the demands of a larger city grew.

In answer to Councilmember Smith's question, Koreis stated that if the public does not support the annexation, the city would not be

able to sustain the ambulance transport service, at it's current level. Koreis felt that the city would still need to provide some level of first response aid, but that would not generate any revenue and would require General Fund taxpayer support. Combining the city and district services would provide a seven-year planning opportunity for both entities.

Koreis stated he would need to research if a city has the ability to request additional voter-approved taxes to support EMS (emergency medical services) transport. He is aware that the county has that ability, however it would require county commission action and would include the entire county. He suggested the city attorney research if the county can initiate only a portion of the county.

Councilmember Smith does not want to impact the taxpayer by threatening reduction of services. Koreis noted that currently the city and Fire District are providing additional financial support for the service.

Koreis outlined the process for consideration of annexing the city into the Fire District. Councilmembers would need to adopt a resolution and submit it to Fire District #6 commissioners. The Fire District would also pass a resolution and forward it to the Cowlitz County Boundary Review Board for a 45 day review. Once this is completed, the issue can be submitted for voter consideration in November.

- 250 Councilmember Smith supports the annexation, noting that he feels this is the best way to provide services to all taxpayers.

In answer to Councilmember Marcil's question, Koreis stated if the city only provides basic life support services (BLS), the city would lose all transport revenue. Under State law, the city would set up a BLS system, and funding for the vehicles, equipment and operations would need to come from General Fund sources.

Councilmember Marcil voiced concern over the high number of foreclosures in the county. He stated this is a great impact on projecting revenues from property tax sources. Koreis agreed and noted that his projections include these impacts.

Koreis stated that paramedics are currently dispatched on all medical calls and the city would need to pay a private agency to provide first response calls, as required by current county protocol. Agencies providing ALS (advanced life support) must have this service available on a 24-hour basis.

336 Koreis reminded councilmembers of the annual fire department banquet scheduled for this Saturday.

345 Mayor Larsen adjourned the workshop meeting at 7:25 p.m.

Mayor Barbara Larsen

Clerk-Treasurer

Regular Council Meeting
Tape 1 of 2

March 28, 2005
Side A

348 Mayor Barbara Larsen called the regular meeting of the Castle Rock City Council to order at 7:32 p.m.; followed by the Pledge of Allegiance. The following councilmembers were present: Khembar Yund, Greg Marcil, Ed Smith and Jeff Skeie. Councilmember Julie Bean is on medical leave.

358 Councilmember Smith made a motion, seconded by Skeie to approve minutes for the March 14, 2005 Regular Council Meeting. Clerk-Treasurer Ryana Covington disclosed that a few typographical errors have been noted and will be corrected. By roll call vote, Councilmember Yund abstained, the rest 'Aye', motion passed.

368 Clerk-Treasurer Ryana Covington, on behalf of Exhibit Hall Director John Kramer, requests a street closure for Front Avenue NW from Jackson Street to Cowlitz Street W. The requested street closure is from 10:00am to 4:00pm on Saturdays May 14th and May 21st for Mt St Helens 25th Anniversary activities.

Public Works Director David Vorse was assured by Covington that an emergency vehicle access lane will be provided. Vorse noted this closure would block the right-of-way access next to C & C Speedy Mart from Huntington Avenue North, however alternate routes are available.

Covington will present an ordinance for this street closure at the next Regular Council Meeting. Councilmember Yund requests that the owner of the Pastime Tavern be notified of this street closure as it will affect that business.

432 Police Chief Bob Heuer requests approval to purchase a patrol car. Heuer is concerned that he is approaching the 2005 order deadline

and will have to wait until fall to order this vehicle. The lease of a patrol car was approved in the 2005 budget, but as this is a capital expenditure from the General Fund, it requires council approval. Councilmember Skeie would like to review revenue information before approving this purchase.

Heuer announced that the Cowlitz-Wahkiakum Domestic Violence/Sexual Assault Task Force recently honored officers for their work assisting victims of domestic violence and sexual assault. During the Fifth Annual Justice and Hope Domestic Violence Conference Police Chief Bob Heuer received a plaque in recognition of outstanding service to victims of domestic violence.

During that conference Sergeant Scott Neves and Kelso Detective Khembar Yund also received a certificate of appreciation for outstanding service for victims of domestic violence. Heuer reports that the number of incidents of domestic violence in Castle Rock has plummeted. Heuer noted that Bill and Candy Richey of the Castle Rock Kiwanis Club provided the award plaques to that conference for the cost of materials only.

520 City Engineer Mike Johnson summarized alternative projects that could be completed as options for the \$655,000 Public Works Trust Fund (PWTF) loan. The PWTF loan was awarded to the city to complete the Wastewater Treatment Plant rehabilitation. However it was granted too late to be used for that project. Requirements of the loan include ½% interest, for 20 years. Johnson discussed two potential projects for consideration:

1. Replacement of the 50 year old main sewer trunk line to the wastewater treatment plant at a cost of \$393,000. Impacts to the utility customer would require a 4% rate increase
2. Construction of a composting facility at the wastewater treatment plant at a cost of \$428,000. This impact would require a rate increase of 4.4%

Vorse distributed a diagram highlighting three sections of sewer main that are in need of replacement. Priorities include:

1. Replacement of the main trunk line from the wastewater treatment plant to Hibbard Street SW, this 18" main is located in the alley between First Avenue and Second Avenue SW.
2. Replacement of the 12" main that runs along Hibbard Street SW from the connection with the main trunk line to Third Avenue SW to the west.

3. Replacement of the 12" main that runs along Hibbard Street SW from the connection with the main trunk line to Front Avenue SW to the east.

To demonstrate failures along these sewer mains, Vorse played videotapes taken of the inside of those mains. The videos were recorded in March of 1996 after the mains had been cleaned.

The first video shown was of the main along Hibbard Street starting at Third Avenue SW. Grease is apparent in this section of main. A break in grade or belly was encountered which created a pond that reduced flow. Sediment is setting in the main due to the reduced flow velocity. Another belly was encountered fifteen feet after emerging from the first belly.

Side B

- 587 A break in the pipe was met at 109 feet with inflow & infiltration (I&I) possible. Vorse explained that I&I is grit or sand entering the system via ground water. Another break in grade was encountered at 113 feet.

Vorse also showed a videotape of the main trunk line from Hibbard Street SW to the wastewater treatment plant. Tree roots were intruding throughout this main, which creates infiltration of groundwater into the main. This video was recorded directly after cleaning the main to remove roots and other blockage as thoroughly as was possible.

Johnson explained that cost estimates to replace all three sections of main sewer lines would be \$500,000. To reduce that project and exclude the replacement of the main on Hibbard Street SW from the main trunk line to Front Avenue SW would cost \$393,000 and necessitate a 4% rate increase.

- 721 Johnson presented cost estimates to construct a composting facility at the Wastewater Treatment Plant. This project would allow the addition of yard debris to the Class B Biosolids and through the composting process, change the waste to Class A Compost, which can be used and sold. The estimated cost for this project would be \$428,000 for a rate increase of 4.4%. Additional labor would be required to run the composting system, however, revenue from compost sales could help offset labor expenses.

Vorse noted that in the video of the Hibbard Street SW main sewer line from the main trunk line to Front Avenue SW there is an 80 foot

long continuous belly that is full of water. This main collects all the waste from the eastside of the city.

Vorse stated that Cowlitz County will assume 5% of the costs to replace the regional sewer system mains. The regional system includes the main along Hibbard Street SW from Third Avenue to the main trunk line and on to the Wastewater Treatment Plant.

Vorse added that in the past, the Wastewater Treatment Plant (WWTP) has always been the highest water consumer in the city, and is billed accordingly. The new treatment process does not require nearly as much water to be used. The WWTP was averaging a usage of 30,000 cubic feet of water per month. The usage for the first month of the new treatment process was only 2,500 cubic feet, resulting in an estimated savings of \$957 per month. That savings equates to approximately \$1 per month for each city utility service user. This savings could help counteract any rate increase required to pay the PWTF loan.

Vorse explained that approximately twenty years ago an emergency sewer main trunk line repair was required at a cost of \$20,000 for 30 feet of line. A main trunk line failure could incur a substantial cost. At this time the WWTP is operating at below capacity due to flow restrictions in the main lines.

In response to Mayor Larsen's question Johnson explained that where the main is located on Hibbard Street SW between Third Avenue and Front Avenue, a street overlay would be required following project completion.

Councilmember Skeie understands the need for the sewer main replacement project but is disturbed about the cost which would require a rate increase. Vorse pointed out that rate increases would not take effect until 2006.

Councilmember Yund is reluctant to increase utility rates, however after viewing the condition of the sewer mains in question, there exists a great potential for main failure. The city will not be able to obtain a better interest rate than the ½% this loan offers.

Councilmember Smith reasoned that the present councilmembers now have to decide to either do the right thing at the right time or postpone the decision to make these repairs. If this decision is postponed the next group of councilmembers might be forced to perform this work at double the cost to ratepayers.

Councilmember Skeie agrees that this could be a situation in which administrators put off making a tough decision that results in an increased cost to the city. Similar to problems encountered when previous administrations did not move forward with regular maintenance.

Councilmember Smith questioned if the scope of work could be reduced if costs exceed projected amounts. Johnson related that the scope of work outlined in bid requests could contain a base project with additive alternate projects to be completed, if financially feasible.

Vorse explained that after receiving council resolution to accept the PWTF loan for sewer trunk line replacement, he will meet with the Regional Utility Board (RUB) for approval. Following approval from RUB, the revised scope of work will be presented to the PWTF Board for their final approval.

Preliminary cost estimate for acceptance of the entire \$655,000 PWTF loan would require a 7% rate increase or acceptance of \$500,000 would require a 5.5% rate increase. The projected rate increase could be lower providing the water usage at the wastewater treatment plant remains stable. City Attorney Tom O'Neill advised acceptance of the entire loan with the ability to reject unused funds.

- 095 Councilmember Smith made a motion, seconded by Yund for the City Engineer to proceed to finalize plans and advise PWTF of the acceptance of \$655,000 in loan funds at ½ % interest to be used for the projects indicated, on the condition of approval by the RUB.

Discussion: Councilmember Skeie would like to clarify that the projects are to include the three trunk line projects with priority provided to the regional sections.

Vote: By roll call vote, unanimous 'Aye'.

- 129 City Engineer Mike Johnson summarized concepts for Cowlitz Street West configuration of the business district which were derived from numerous public meetings. A preferred concept discussed was to change the parking to the north side of the street. Another preference would be to reverse the one way direction on the 100 block of First Avenue SW. Relocating the utilities underground along with various aesthetic changes were also discussed.

000 Estimated cost to complete the Cowlitz Street West Revitalization would be a \$1.4 million project, which could be done in phases. An application for a \$500,000 Transportation Improvement Board (TIB) grant can be submitted in August. Covington noted there were a variety of other grants which could be available.

Councilmember Marcil stated he liked the proposed design, but was concerned with leaf issues created by street trees. Johnson explained that street trees would be limited to two or three per block. Johnson also stated that the estimated cost included relocation of stormwater lines and installation of an irrigation system added for trees and landscaping.

Councilmember Smith is concerned that reversing the direction of the one way flow on First Avenue would create a traffic impact on Cowlitz Street West, between and including the 100 block of Second Avenue and Third Avenue SW. Johnson stated a couple of parking spaces would be lost in an area that already has parking issues due to limited spaces. Designing and incorporating a more efficient parking area behind the Exhibit Hall will be examined.

Councilmember Smith would like to verify that business owners approve of the Cowlitz Street West Revitalization Plan. Johnson will provide Covington with a copy of the design to distribute to business owners for approval.

165 Vorse presented five streets to be considered for overlay in 2005. These streets were initially prioritized for overlay in 2003:

Kirby Avenue SE	
300 & 400 Block (remaining section)	540 feet
Pioneer Avenue NE	
North Street to Green Street	470 feet
North Street to Helton Street	850 feet
Roake Avenue SE	
Cowlitz Street E to C Street SE	580 feet
Cowlitz Street E to Elementary School	1300 feet
Warren Street SW	
Fourth Avenue to Sixth Avenue SW	660 feet
D Street SW	
Front Avenue to First Avenue SW	280 feet
Front Avenue to Alley (between 1 st & 2 nd)	400 feet

Vorse stated that the overlay completed in 2004 included 600' on Aden Street SW for a cost of \$7,700

The 2005 Street Fund included an \$8,000 budget for overlay work. Cowlitz County Public Works Department would like a decision on which street the city will overlay as soon as possible.

Bernice LePage, 418 Kirby Avenue SE, spoke in favor of overlaying the remaining section of Kirby Avenue SE. Councilmember Skeie would like time to take into consideration the number of people affected, in addition to the condition of the road.

- 267 Councilmember Yund made a motion, seconded by Marcil to authorize the overlay of the 300 & 400 blocks of Kirby Avenue SE. By roll vote, Councilmember Skeie 'Nay', the rest 'Aye', motion passed.
- 288 Public Works Director David Vorse discussed the annual Levee Inspection Report from the Army Corps of Engineer. The city received an 'Excellent' rating in that report. One issue which was noted is the growth of trees on the revetment between 'The Rock' and Lions Pride Park. Those trees will become large enough to require their removal in one or two years.
- 331 Vorse requested approval for the purchase and painting of the Hotbox from Cowlitz County Public Works Department for \$1150. This piece of equipment would be a tool used for patching potholes. This purchase was approved in the 2005 budget. As this is a General Fund capital expenditure, councilmembers would like to table this item to provide the opportunity to review revenues.
- 371 Public Works Director David Vorse requests sponsorship of a Mt St Helens 25th Anniversary Run/Walk event. The sponsorship requested is to cover the liability aspect of the event. A \$5 donation for trail beautification will be requested from participates.
- 383 Councilmember Marcil made a motion, seconded by Skeie to sponsor the Mt St Helens 25th Anniversary Run/Walk event. By roll call vote, unanimous 'Aye'.
- 395 Vorse requests additional funding for Huntington Avenue South Entrance Features Phase I in the amount of \$10,900. The amount originally budgeted for this phase is \$20,000, including a \$10,000 grant from Department of Natural Resources. The work and plants purchased to date have expended the budgeted funds. An increase of \$10,900 from the Arterial Street Fund would allow for the purchase of fertilizer, additional plants along the tree lines and the parts and equipment needed to install an irrigation system.

Vorse explained that a mistake occurred when this item was budgeted. The amount budgeted should have been \$20,000 in addition to the \$10,000 Department of Natural Resources grant, for a budgeted total of \$30,000. Covington stated that she will be pursuing additional grants to be used towards future phases of this project.

- 462 Councilmember Smith made a motion, seconded by Yund to approve \$10,900 from the Arterial Street Fund to be used for the Huntington Avenue South Entrance Features Project Phase I. By roll call vote, unanimous 'Aye'.

The need to monitor the water level in the low lying areas within the newly graded entrance features was also discussed.

- 490 Vorse distributed the final copy of the Park & Recreation Guide, printed by Speedy Litho. Vorse explained that Speedy Litho's owner, Jim Wilson upgraded to a higher grade of paper and offered to print the guide on that paper without increasing the agreed upon price. In addition, the price quoted for the colored ink was actually intended for a single color of ink, not multiple colors, which should have doubled the cost. Mr. Wilson considered this to be his mistake and provided the multiple-colored ink for the agreed upon price. Mayor Larsen suggested writing Mr. Wilson a letter thanking him for his work.

- 509 After reviewing information pertaining to the Exhibit Hall parking lot, City Engineer Mike Johnson does not recommend proposed striping changes, unless council wishes to vacate the alley located next to the Exhibit Hall building. Johnson suggests that the area behind the Exhibit Hall would provide a better opportunity to increase parking space. Councilmember Smith suggests that the Exhibit Hall could seek the donation of a load of rock to make the area behind the Exhibit Hall building more usable.

- 535 Police Officer Charlie Worley reported that the state bid deadline to guarantee delivery of a police vehicle in 2005 was February 28th. Council will review revenues before making a police vehicle purchase decision.

- 556 Report of Meetings
Mayor Larsen, Councilmember Skeie and Clerk-Treasurer Ryana Covington attended the CDBG Home Rehab meeting. Mayor Larsen also attended a Community Action Plan meeting and a Health Board meeting.

- 575 Councilmember Smith made a motion, seconded by Marcil to approve Resolution No. 2005-03 authorizing and providing for the incurrence of indebtedness in the amount of \$2,400,000 for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving and/or extending its sewer facility to serve an area lawfully within its jurisdiction, effective as of July 10, 2000. By roll call vote, unanimous 'Aye'.
- 588 Ordinance No. 2005-01 regarding utility deposits will be tabled until next meeting.

Side B

- 595 Councilmember Skeie made a motion, seconded by Marcil to approve Resolution No. 2005-04 authorizing and providing for the incurrence of indebtedness in the amount of \$655,000 for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving and/or extending its sewer facility to serve an area lawfully within its jurisdiction, effective November 2003. By roll call vote, unanimous 'Aye'.
- 608 Councilmember Smith made a motion, seconded by Skeie to approve Ordinance No. 2005-05 repealing Title 12.04 Sidewalk Maintenance, Repair and Construction of the City of Castle Rock, and reenacting a new Chapter 12.04, on first reading.

Discussion: City Attorney Tom O'Neill clarified that this revision will modify the existing ordinance to allow the Public Works Director the flexibility to perform the Sidewalk Program as outlined.

Vote: By roll call vote, unanimous 'Aye'.

- 659 City Attorney Tom O'Neill reports that the city must establish a zoning designation for the high school property prior to being when annexed into the city. Covington explained that state law for annexation recommends designating property at the lowest density rating. Therefore Covington recommends a zoning designation of R-1 'Low Density Residential' use.
- 764 Councilmember Yund made a motion, seconded by Smith to approve Ordinance No. 2005-06 establishing a zoning designation of R-1 Low Density Residential for the school property proposed for annexation, on first reading. By roll call vote, unanimous 'Aye'.
- 775 Vorse requests approval to enter into a contract for special services with the Cowlitz County Council of Governments to complete a

digital database of the city's utility system. The digital database would provide layered mapping of all the city utilities, water, sewer, stormwater and streets. Future layers could be added to show building entrances and exits, which could assist emergency personnel. This contract would cost \$12,650, plus rental of GPS equipment at \$200 per week, for approximately two weeks. A small amount would be budgeted from each of the following funds for this contract: Street, Arterial Street, Regional Water, Regional Sewer, Stormwater Management, DOT Dredge Spoils, Water Department and Sewer Department.

City Attorney Tom O'Neill recommends the contract include the addition of language to provide for disputes, arbitration and attorneys fees.

- 812 Councilmember Smith made a motion, seconded by Yund to approve the special services contract with the Cowlitz County Council of Governments to complete a digital database for the city's utility systems with the addition of arbitration language. By roll call vote, unanimous 'Aye'.
- 819 Mayor Larsen adjourned the meeting at 9:45pm.

Mayor Barbara Larsen

Clerk-Treasurer