

0233 Mayor Barbara Larsen called the workshop meeting to order at 6:40 p.m. The following were present: Councilmembers Bean, Yund and Smith, Public Works Director David Vorse and Clerk-Treasurer Ryana Covington. Members of the public include: Mr. and Mrs. Jack Riley, Earl Queen, Mike Mask and Berwyn 'B.J.' Jeffery.

0340 Street Fund (Fund 100) -
Covington summarized revenues received by the State from motor vehicle fuel taxes. She recommended if council wants to complete a street project this year, they use Real Estate Excise Tax proceeds, estimated to be \$13,000 in 2008, to fund it. Otherwise, the remaining required revenues, based on council projected priorities, would need to come from the General Fund.

Vorse outlined project and capital outlay requests for 2008 as follows:

Capital Outlay -
Portable Welder - \$950

Projects -
Small City Pavement Preservation Grant for an overlay - \$100,000
Small City Pavement Preservation Grant for chip seal - \$50,000
Small City Pavement Preservation Grant – for sidewalks - \$25,000

Vorse stated the city has applied for the above grant programs. All eligible streets are submitted to the State and they determine which streets they want to include in the grant, if awarded. Vorse stated in the past, the city has attempted to submit clustering of streets to reduce mobilization costs, leaving more funds for completion of the work. He distributed a copy outlining grant eligible streets. The city will find out on November 16th if they were successful in obtaining any of the above grants.

Vorse included \$32,000 in the budget for the annual local street project. He suggested a street, such as Roake Avenue SE (from C Street to the school property) be considered, based on the priority set by council as a result of the street survey conducted by the city.

Vorse added that since the city will have three new councilmembers seated, he will be conducting the street survey in 2008 to review conditions and priorities with the new council. Usually this survey is done every 3-4 years.

Chip seal of gravel streets (1000 block of Fourth Avenue, Cummings and LaRue)
- \$8,000

This project was discussed last year, however council allocated those funds to complete Balcer Street.

Mask – stated he would like to see sidewalks constructed on C Street, to the school. Currently they need to walk in the street to get to school. Vorse stated the sidewalk grant is intended to maintain existing facilities, not for the construction of new facilities.

Smith – depending on the revenues, he would like to see Roake Avenue SE completed.

In answer to Larsen’s question, Vorse stated the existing welder dates back to the 1950’s and recently all of the leads were stolen from the equipment and due to the age, it is not cost effective to repair.

1609 Arterial Streets (Fund 110) -

Covington summarized projected revenues, which include \$15,000 from 31.86% of the motor vehicle tax received from the State, \$480,000 from Cowlitz County Safe-TEA-LU funds, \$600,000 from Small Cities Arterial Program (SCAP) and \$250,000 from Cowlitz County Rural Development funds.

Estimated General Fund contributions will be determined based on council recommendations.

- 1729 Vorse distributed an outline of four options to be considered to fund the proposed Cowlitz Street West downtown improvements. He noted that to complete the project, as designed would cost approximately \$2 million dollars. At this time, the city has secured \$250,000 from Cowlitz County Rural Development funds, \$486,000 from ISTEPA-21 funds and a 12.5% match from TIB, if the city does not get any other stated funding for the project. The city has applied for two State funding grants for this project: \$600,000 Small City Account and \$200,000 for the Arterial Street Fund, Small City Sidewalk program. Vorse noted the city could get either of those grants, but not both. In the past, the city has not be able to rank high enough to get the Small City Account grant funds. Their criteria is based on the number/severity of traffic accidents and condition of the street.

In answer to Yund’s question, Vorse stated the Rural Development funds must be spent in 2008. If the city is not successful in obtaining any of the other funds, he suggested that work on the stormwater improvements could be completed. This is not the most efficient, however it would take advantage of available funding. In addition, there are sometimes congressional discretionary funds available.

The final option would be to ask business owners if they would support imposing a Business and Occupation tax to fund a portion of the project. This would be the final option, if all other efforts prove unsuccessful.

2545 Other projects proposed:

Downtown parking, phase 2 - \$42,000. This would include the paving and striping of the proposed 20,000 square foot parking facility. It would also include installation of conduit to prepare for lighting of the parking area. Installation of the lighting will be completed in Phase 3. Vorse stated he felt comfortable with the paving estimate, however he is still working to define that cost.

Crack seal Huntington Avenue South from A Street to Exit 48 - \$13,000. Vorse discussed the cracks that have developed in the concrete sections of this road. The repair of those cracks would be the most expensive phase of this project. Smith noted that federal funds were used to upgrade this street and he felt it was unfortunate that these issues are present in such a new road surface. In answer to Mask's question, Vorse stated that chip sealing over concrete would create an uneven wear surface and the development of potholes.

Entrance feature – completion of second half of Phase 3 - \$10,000. Vorse noted that the rock work will be completed this fall, leaving the second half of Phase 3, which includes completion of landscaping and the irrigation system. The final Phase 4 for this project, include the entrance feature sign and kiosks near the restroom area. Covington stated both the Chamber of Commerce and the Community Action Plan 'Play Group' are working to fund the purchase and installation of a kiosk. The purpose of the kiosk is to inform visitors to the area of what is available and to provide a map showing where vital points are located.

Councilmembers Smith and Bean listed the crack seal project as the highest priority.

Smith noted that the downtown parking project is also important. However, he would like to see one of the existing projects completed.

In answer to Bean's question, Vorse stated the Phase I parking would include completion of stormwater work and rocking the parking area. Bean did not feel it would be in the best interest if paving is not done, because rock may be lost due to wear and potholes would develop.

Bean stated the downtown parking would be her second priority, while the entry feature would be the second priority for Smith and Yund.

4158 REET Capital Fund (Fund 310) -

Vorse noted this is not a new funding source, but is a fund that has been created to track how the Real Estate Excise Tax proceeds are used. Covington outline some of the types of projects that are allowable under RCW.

In answer to Mask's question, Vorse stated the estimated revenues would not be sufficient enough to complete a full project, but it would reduce the amount

required of General Fund contributions for infrastructure capital projects.

4514 DOT Spoil Site (Fund 170)

Revenues include \$980,000 IAC boat Launch grant funds, \$200,000 County Enhancement grant for extension of the Riverfront Trail, \$200,000 from County Rural Development funds, and contributions from Port of Longview and Friends of the Cowlitz – both for construction of a boat launch.

In answer to Mask's question, the proposed funds cannot be used to repair storm damage at Lion's Pride Park because they have been awarded by various funding agencies for specific projects.

Side - B

5004 Repair of damages at Lion's Pride Park are a stormwater issue as it pertains to the levee protection.

Vorse stated in past years, revenues for non-grant funded projects have depended on the amount of dredge spoil materials sold. Currently the city has an on-going contract with a company for purchase of large amounts of the spoils. This should help fund other maintenance projects proposed for 2008.

5029 Capital Outlay -
Portable cameras - \$3500.

Projects -

RV Disposal pavement for the pull through - \$4,000. This corrects the structural problem with the sloping at the disposal site.

Riverfront Trail light replacement - \$8,000. Many of the light fixtures have been shot out along the trail. At a cost of approximately \$400 each, this will begin to repair those damaged. The portable cameras requested in capital outlay are for surveillance along the trail to identify the perpetrators. He is also working with a company to develop a holistic plan to protect features along the trail. Mask described an incident where he caught juveniles shooting out lights. He feels this will be an ongoing problem. Vorse hopes that the city can institute a reward program to encourage users to report these incidents.

In answer to Yund's question, Vorse stated he would verify the amount of donations for the RV disposal site. Yund noted that now large tour buses are using the site.

Skate Park equipment (donation match) - \$5,000. This is an on-going commitment by the council to match donations for the purchase of additional skate park equipment.

5732 Mayor Larsen suggested that the remaining listed funds be discussed at the next budget workshop meeting, scheduled for Wednesday, October 24th at 7:30 p.m.

5795 Mayor Larsen adjourned the budget workshop meeting at 7:28 p.m.

Mayor Barbara Larsen

Ryana Covington

Regular City Council Meeting
Tape 1 of 2

October 22, 2007
Side – B

5800 Mayor Larsen called the regular meeting of the Castle Rock City Council to order at Mayor Barbara Larsen, with the following councilmembers present: Khembar Yund, Julie Bean and Ed Smith. Councilmembers Greg Marcil and Jeff Skeie were absent.

5842 Councilmember Yund made a motion, seconded by Smith to approve the minutes to the October 8, 2007 Regular Council meeting, October 15, 2007 budget workshop meeting and to the October 16, 2007 budget workshop meeting. By roll call vote, unanimous 'Aye'.

5906 Grant LaBoe, 337 Third Avenue SW reported that he recently hired a contractor to prune a walnut tree on city right-of-way. Unfortunately the contractor failed to get proper permits from the city prior to completing the work.

Vorse stated three weeks ago, Mr. LaBoe contacted him regarding permits to prune the tree. A councilmember noted work being done and contacted city personnel. RCF Tree Service was then contacted by public works personnel and they admitted to not getting the proper right-of-way permit for the project. Vorse stated the city attorney has reviewed a letter to be sent to RFC Tree Services putting them on notice of city policies.

Councilmember Yund thanked Mr. LaBoe for attempting to adhere with city policy. Mr. LaBoe stated he would like to add two more trees in front of his home. The trees would be purchased at his expense, and planted on city right-of-way. Vorse advised to contact the Public Works Department prior to purchasing the trees. The city has criteria for the type of tree and the planting requirements for those planted in city right-of-way.

6724 O'Neill reviewed the minutes to the meeting with reference to Municipal Court funding requirements. He will be discussing this with the police chief. Covington requested any proposed increases of line items be forwarded to her, since it is critical that they be included for review by city councilmembers during

the budget process.

- 6829 Heuer reported that the city had an exit audit meeting today, and the police department records were in compliance.
- 6998 Heuer also summarized recent police incidents which resulted in several felony arrests.
- 7230 Vorse reported that next Monday, Department of Transportation will begin work on the Huntington Avenue South sewer main, to eliminate the odors near the railroad overpass.
- 7255 Vorse stated that work is progressing on the Phase I of the downtown parking improvements. The stormwater pond has been completed and they are currently rocking the area to provide for an estimated forty additional parking spaces.

In answer to Mr. Jack Reilly's question, Vorse stated that telephone poles were placed to keep vehicles from driving into the stormwater pond. He will ask the city engineer to review safety measures to keep pedestrians from entering that area. Some mitigation measures include planting a hedge row, or placing barriers or a fence.

- 7740 Covington stated that Cowlitz County Tourism Bureau has again requested city participating in the Awesome brochure. They are requesting \$2,200 for the same space as in the 2007 brochure. By consensus, councilmembers agreed to include this in the 2008 budget.
- 7850 Covington announced that the State Audit report was positive. The audit period included accountability and compliance with state law and regulations from January 1, 2005 through December 31, 2006 and financial records for fiscal year 2006. Financial records for 2005 were reviewed during last year's audit of federally financed programs. There were no audit findings, however the auditor had three recommendations: 1) restricted resources, such as the Real Estate Excise tax revenues be tracked in a separate fund, 2) due to the small work environment and number of available staff, the mayor or council designee review and initial monthly bank reconciliations as a monitoring function and 3) that a more accurate accounting of EMS receivables be implemented. Last year the Fire Department lost many of the source documents due to a computer failure and age analysis of accounts was not available. Covington stated Cowlitz Fire District #6 staff processed patient accounts for billing, sent them to Systems Design and proceeds were sent to the city for processing. The city finance department can account for all revenues received, however source documents retained by Cowlitz Fire District #6 were lost, as a result of their computer failure. In accordance with the city's interlocal agreement with Fire District #6, all revenues obtained from medical incidents are to be paid to the district.

Covington also noted that the city has already implemented a fund to track the restricted REET revenues.

In answer to Councilmember Bean's question, Covington stated that all city revenues for ambulance services incurred prior to January, 2007, are forwarded to Fire District #6, per the interlocal agreement. Currently city staff receipt in the payments, make copies of the receipts for both the Fire District and Systems Design and then staff processes payment vouchers and creates a check for payment of those revenues to District #6. This process was agreed upon to allow Fire District #6 to obtain their own ambulance transport licensing with various agencies. As of January 2007, the district became independent of the city's license, so now an alternative could be for the city to amend the Interlocal Agreement with Fire District #6, to allow them to directly receive those revenues and for the city to void any claims for on existing city ambulance receivables. This would be one means to eliminate the city's responsibility for pre-existing receivables for ambulance accounts.

- 8220 Librarian Vicki Selander discussed the proposed budget for fiscal year 2008. Covington stated the main revenue source is by voter-approved excess levy. General Fund contributions in the amount of approximately \$3700 will be required to include increases for COLA, retirement rates and medical insurance coverage. In answer to a question from Mask, Covington outlined employee contributions for medical insurance coverage. He felt that library employees should pay a contribution level for medical insurance. Councilmember Yund disagreed, citing that he does not feel part-time hourly employees should be held at the same standards as full-time employees. He felt that all of the efforts put forth by library staff to obtain grants and community support more than makes up for this benefit cost.

Tape 2 of 2

Side - A

- 0005 Ordinance No. 2007-08, an ordinance fixing the estimated amount to be raised by Ad Valorem taxes for the 2008 budget of the City of Castle Rock, on second reading. By roll call vote, unanimous 'Aye'.
- 0115 Covington stated this ordinance must be adopted by a super-majority of the councilmembers. Since only three councilmembers are attending this meeting, the issue will need to be re-voted at the next council meeting. By RCW, the tax rate must be adopted by the end of November.
- 0140 By consensus, councilmembers tabled vote on Resolution No. 2007-07, since it requires the same super-majority vote. The issue will be addressed at the next council meeting.
- 0170 Ordinance No. 2007-09, an ordinance rescinding Ordinance No. 2001-13, which initially established an expendable police vehicle replacement fund, on first

reading. By roll call vote, unanimous 'Aye'.

0201 There being no further business, Mayor Larsen adjourned the meeting at 8:15 p.m.

Mayor Barbara Larsen

Clerk-Treasurer