

**CALL TO ORDER**

Mayor Paul Helenberg called the April 28, 2014 regular meeting of the Castle Rock City Council to order at 7:34 p.m., followed by the Pledge of Allegiance. The following councilmembers were present: Ray Teter, Lee Kessler, Earl Queen, Mike Davis and Ellen Rose.

**BUSINESS FROM THE FLOOR**

1. Steve Corrie, promoter for Castle Rock MX 'Rumble At The Rock', presented councilmembers with a plaque thanking the city for their support of this motorcycle off-road race event which was held on April 26<sup>th</sup>.
2. Jim and Donna Grose, requested council permission to allow street closures on July 26<sup>th</sup> from 5:30 am to 4:30 pm for the Rod Run To The Rock car show. Requested street closures include Front Ave SW to Jackson Street NW; Cowlitz Street West from Huntington Avenue North to Second Avenue SW and First Avenue SW to A Street SW. Mrs. Grose also requested permission to use city right-of-way to post event signage. The event will include the same format as last year. Councilmember Queen made a motion, seconded by Davis to approve the street closures for the Rod Run To The Rock event on July 26<sup>th</sup> and to use right-of-way for signage. By roll call vote, unanimous 'Aye'.
3. Gene Frymire, Growlers Gulch resident and former city councilmember, stated in the last 64 years, he ranks three mayors as having a positive significant impact on the city. Of those he listed Stan Green, mayor in the 1950's who brought sanitary sewer services to the city and Mike Huson, who brought the city into the water business. Frymire stated the third is the current presiding mayor, Paul Helenberg. Mr. Frymire expressed displeasure over a recent newspaper article where council took action against the mayor. He asked that councilmembers try to find other means to resolve issues that may arise in the future.
4. Barbara Rider, Castle Rock Fairgrounds, explained for the past 25 years, there are several American Kennel Club (AKC) dog groups that use the property behind the fairgrounds for dog trial events. The dog groups apply for, and receive an annual permit to use the property which is issued by Washington State Fish and Game Department. On April 26<sup>th</sup>, there was a conflict for the use of the city-lease property when the city gave permission for a motorcycle event to be held on the same property that the dog group was intending to use. The dog group was not aware they needed to obtain permission from the city to use that property. Public Works Director Dave Vorse voiced appreciation for Mrs. Rider being pro-active in bringing this to the city's attention. He asked Mrs. Rider if she could assist by distributing the city's permit application to those groups, which should avoid future conflicts. Vorse stated the application then can be approved by city council. Covington asked if it is necessary for city council to formally approve those applications, or if staff can just issue the permits. She noted that city council has approved of the application process, which was developed by the city attorney and city's risk manager. Councilmember Rose noted in August and September dog trial for dachshunds, beagles and basset hounds are held at the fairgrounds. Mrs. Rider stated the groups want to confirm their dates with the city for the remainder of this year. Future trial dates that already have AKC approval include the following:  
May: 1<sup>st</sup> – 5<sup>th</sup>; 16<sup>th</sup> – 18<sup>th</sup>; and 23<sup>rd</sup> – 26<sup>th</sup>;  
August 28<sup>th</sup> – September 1<sup>st</sup>;

September: 5<sup>th</sup> – 7<sup>th</sup> ; 26<sup>th</sup> – 28<sup>th</sup> ;  
October 16<sup>th</sup> – 20<sup>th</sup>

By consensus, city councilmembers stated as long as insurance information is obtained for the permits, the process would not require council approval; the permit process will be through staff.

#### PROCLAMATION:

Mayor Helenberg presented a proclamation for Mental Health Month – May 2014 to Eric Yakovich, Chief Executive Officer for Cowlitz County Guidance Association. Mr. Yakovich stated over 20,000 people in Cowlitz County are affected by mental illness. He thanked councilmembers for supporting awareness for this issue. A Mental Health Awareness event will be held at Lake Sacajawea on May 3<sup>rd</sup> and he invited city councilmembers to attend.

#### DEPARTMENT REPORTS

##### Public Works Director Dave Vorse

1. Presented the 2013 Annual Drinking Water Quality Report for the Castle Rock water system. In June, this report will be provided to all customers and includes information relating to the water system, rates, testing and contact information. Vorse stated he is proud to announce that per Environmental Protection Agency (EPA) standards, there have been no violations and EPA has determined that the water is safe at all levels.
2. Vorse announced that Castle Rock was awarded \$170,000 from Cowlitz County Rural Development Funds to construct a visitor center at Exit 49. These funds, in conjunction with the Big Idea allocation that the city will receive this year, almost funds fully this project.
3. Vorse noted that Cowlitz County, along with other entities, are working to develop a funding package for the State Route 432 reconstruction project in Longview. This project is a regional benefit to the county. As such, Cowlitz County Commissioners will begin setting aside Rural Development funds for this project over the next three years. A 10% match (approximately \$3.5 million dollars) would be needed for that project to allow for matching funds for a federal grant. Vorse wanted councilmembers to be aware of this, as future county funds will be focused on this in the future. Vorse noted Castle Rock is fortunate to receive funding for the visitor center and thanked County Commissioners for their ongoing support of our projects.
4. May 8<sup>th</sup>, will be the Front Avenue ribbon cutting ceremony and volunteer celebration. The event begins at 8:30 am at the North Trailhead parking lot. Refreshments will be served after the event. The monthly Chamber of Commerce meeting will follow after the festivities.

Councilmember Kessler stated he appreciates the information provided in the 2013 Annual Drinking Water Quality Report, noting that many people appreciate the good quality of water that is produced for Castle Rock users.

##### Clerk-Treasurer Ryana Covington

Provided the first quarter budget report. Copies of the following documents were distributed to councilmembers for their review:

- March Cash And Investment report
- Revenue and Expenditure reports
- Summary comparison of General Fund first quarter revenues for fiscal years 2009 – 2013

In the Cash and Investment report, Covington noted the Street Fund and Municipal Capital Water fund show negative balances. This is due to interfund transfers that have not yet been processed.

Most expenditures within the funds are in line with appropriated levels; however she noted appropriations for legal services (General Fund) already are at 53% of the amount allocated for the entire year. If this trend continues, city council will need to approve a budgetary amendment to allocate additional funds. Covington stated expenditures in the first quarter are high due to payment of liability insurance costs. In comparing first quarter General Fund revenues to what has been received in prior years for that same period; Covington noted that property taxes received are slightly higher than last year. However local sales and use tax revenues are approximately \$4,000 less than what was received at the end of the 2013 first quarter. Covington also noted gambling tax revenues are higher this year.

In answer to the fund total for the Transportation Benefit District (TBD); Covington stated that the city is required to maintain tracking of the TBD funds as part of the city's accounting system. Initially the city was told that a separate accounting system was required and Councilmember Teter and Covington were asked to investigate options. She noted that a year-end adjustment will be required to adjust the fund totals for both bank account balances.

#### Council and Ad Hoc Committee Reports

1. Mayor Helenberg reminded councilmembers that May 3<sup>rd</sup> is the annual city-wide cleanup day. He asked that councilmembers participate if they are able to.
2. Reported that last weekend, eight new trail lights were put up at the boat launch. The mayor, along with several volunteers completed this project.

#### CONSENT AGENDA

1. Councilmember Queen made a motion, seconded by Davis to approve the April 14, 2014 regular council meeting minutes, as presented. By roll call vote, unanimous 'Aye'.
2. Councilmember Queen made a motion, seconded by Davis to approve the April 21, 2014 special meeting minutes, as presented. By roll call vote, unanimous 'Aye'.

#### OLD BUSINESS

1. Councilmember Kessler made a motion, seconded by Davis to approve Resolution No. 2014-05, a resolution to submit to voters the question of whether or not a special excess levy on real property shall be had for the purpose of funding library services during the year 2015, on first reading. By roll call vote, unanimous 'Aye'.
2. Councilmembers Teter and Kessler were appointed by the mayor to review gambling tax rates for commercial enterprises in accordance with RCW 9.46.110 (e) for punchboards and pull-tab operations. Teter felt it was unfair to assess a tax based on gross receipts, because it does not allow for any deduction for losses that the business may have. He stated the city's current taxation rate is 5%. Teter recommended the city amend their gambling tax ordinance to assess a tax of 3% up to \$25,000 in gross receipts and then 4% of any gross receipts exceeding \$25,000. He noted that gambling tax revenues currently are exceeding the amount projected for 2014. Teter explained that some of the businesses try to offset food costs from gambling tax revenues and Kessler felt this change would help those commercial business operations. Councilmember Kessler felt that incorporating a 'stair step' rate would allow the city to retain a status quo basis on anticipated revenue

projections for this year and also help businesses.

Councilmembers requested this amendment be included for council action at the next regular meeting.

## NEW BUSINESS

1. Mayor Helenberg announced that due to health issues, Doug Parker has resigned from the Big Idea board. The mayor stated a replacement is needed to represent the city on this board. Councilmember Rose volunteered to find a replacement for the board. She will provide a report at the next city council meeting.
2. Public Works Director Dave Vorse requested council approval to seek additional funding from the Port of Longview to complete the boat launch project. Council-member Queen noted the importance of getting rock installed at the launch to protect the docks. Vorse agreed, but noted that funds would have been adequate; however the Corps of Engineer required the city to go through a completely new environmental review and mitigation process. Vorse stated he estimates an additional \$86,000 is needed to complete the project. Councilmember Teter felt this was a good idea, citing the amount of local property tax dollars received by the Port. In answer to Councilmember Kessler's question, Vorse noted the proposed funding request would include the required in-water work for the groin/barb, complete the off-side mitigation work required by the Corps of Engineers and complete several smaller remaining projects.

By consensus, councilmembers supported the proposal to seek additional funding from the Port of Longview to complete remaining items at the boat launch as outlined above.

3. Dave Vorse addressed city council from the floor. Speaking on behalf of Cowlitz Valley Runners, he requested council permission to use city right of way on July 26<sup>th</sup> for the annual Mountain Mania Run/Walk event, which includes permission to place signage on city right-of-way. Vorse stated the route along city streets will be the same as last year. Cowlitz Valley Runners will provide insurance for the event.

Councilmember Queen made a motion, seconded by Davis to approve the use of city right of way by Cowlitz Valley Runners on July 26<sup>th</sup> for the event as described. By roll call vote, unanimous 'Aye'.

4. Speaking on behalf of I Topped The Rock Committee, Dave Vorse requested permission to place event signage on city right-of-way for the event. Vorse noted at the last council meeting, city council approved use of city streets for the event only.

Councilmember Queen made a motion, seconded by Davis to approve the use of city right-of-way for placement of event signage. By roll call vote, unanimous 'Aye'.

5. Covington noted proposed Resolution No. 2014-06 amends the land use fees to include fees for recreational marijuana facilities. Cost estimates for those types of permits were discussed at the April 21<sup>st</sup> special meeting. Covington noted that cost outlines presented at that meeting did not include estimated costs for city attorney services. The proposed resolution includes the addition of those estimated attorney costs.

Covington noted that staff will be continuing to assess costs for other land use processes; with the goal of amending fee assessments based on those costs. She noted staff will be requesting councilmembers consider additional land use fee amendments later this year.

Councilmember Kessler made a motion, seconded by Rose to approve Resolution No. 2014-06, a resolution amending Resolution No. 2006-18 to include land use fees for recreational marijuana facilities, on first reading. By roll call vote, unanimous 'Aye'.

ADJOURNMENT

There being no further business, Mayor Helenberg adjourned the regular meeting at 8:41 p.m.

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Mayor Paul Helenberg

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Clerk-Treasurer Ryana Covington