CALL TO ORDER
Mayor Paul Helenberg called the February 11, 2013 regular meeting of the Castle Rock City Council to order at 7:30 p.m., followed by the Pledge of Allegiance. The following councilmembers were present: Ray Teter, Glenn Pingree, Earl Queen, Mike Davis and Ellen Rose.

DEPARTMENT REPORTS
Police Chief Bob Heuer
Chief Heuer reports the Police Department was awarded $3,000 from the Washington Association of Sheriffs and Police Chiefs' Traffic Safety Program. The grant includes $2,500 for purchase of a digital in-car video system and $500 for purchase of a Field Sobriety Tester.

City Engineer Mike Johnson
Johnson provided the following project status update:

<table>
<thead>
<tr>
<th>Project</th>
<th>Estimated Ad Date / Completion Date</th>
<th>Est. Construction Start</th>
<th>Est. Construction Finish</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cowlitz Street</td>
<td>ASAP</td>
<td></td>
<td></td>
<td>All unit quantities have been resolved with Nutter with the exception of the additional excavation claim. Nutter has made an offer to resolve claim. City is considering offer.</td>
</tr>
<tr>
<td>Safe Routes to Schools</td>
<td>11/12/2012 4/1/2013 5/30/2013</td>
<td></td>
<td></td>
<td>Bids opened 12/4/12. Award tabled to see if timing of project can be better coordinated with Front Ave to reduce inspection cost. Award bid either 2/11 or 2/25.</td>
</tr>
<tr>
<td>Front Ave. A to Shintaffer</td>
<td>1/21/2013 4/1/2013 11/1/2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Front Ave. Shintaffer to Huntington</td>
<td>1/21/2013 4/1/2013 11/1/2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water System Plan Update</td>
<td></td>
<td></td>
<td></td>
<td>Submitted to DOH. Waiting on comments.</td>
</tr>
<tr>
<td>Sewer Cleaning and Inspection</td>
<td>2/11/2013</td>
<td></td>
<td></td>
<td>Making revisions to final draft per City comments.</td>
</tr>
<tr>
<td>Projects not yet started:</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Barr Street/Huntington Sidewalk</td>
<td></td>
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<tr>
<td>Carpenter Road Booster Station</td>
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<td></td>
</tr>
<tr>
<td>Cowlitz County Rural Development Funding Applications</td>
<td></td>
<td></td>
<td></td>
<td>Applications submitted. Waiting on Cowlitz County.</td>
</tr>
</tbody>
</table>
Covington reviewed the 2012 year end Budget Summary Report which includes revenue and expenditure summaries and fund balances for all funds. This report also denoted the differences between the adopted estimated 2013 beginning fund balances and the actual amounts. Covington noted that the year-end General Fund balance was $31,210 more than estimated at the end of October 2012. She distributed a detailed outline showing that revenues were $6016 more than initially estimated and department supervisors expended $28,418 less than appropriated, which resulted in this difference. Councilmembers also reviewed the General Fund Revenue Quarterly Comparison report for fourth quarter totals for the years 2007 to 2012.

Councilmembers reviewed the fourth quarter utility comparison report showing net gain/loss for both water and sewer services. As of January 1, 2012, the Water/Sewer Fund had a fund balance of $291,284. On December 31, 2012 that fund balance was $289,188; a loss of $2,096. Covington noted that sewer service costs are still being supplanted by water revenues. Councilmembers also reviewed charts showing fourth quarter customer usage average comparisons for 2010 through 2012. Monthly usage averages continue to show an increase of customers using 500 cubic feet of service or less. In 2013, City Council did not increase water rates; however the base rate for monthly sewer services had a $5.00 increase.

A three-year comparison of utility operation and maintenance (O/M) costs was provided for fiscal years 2010-2012. In 2012 O/M costs for both water and sewer services declined from the 2011 totals.

Council and Ad Hoc Committee Reports
1. Councilmember Rose reported that she attended the Newly Elected Officials training provided by Association of Washington Cities. Also attending the training were Mayor Helenberg and Councilmembers Teter, Pingree, Queen and Davis.

2. Councilmember Davis, council liaison for the police department, provided an overview of that department’s budget for 2012. He noted that initially $708,097 was allocated in 2012; with actual expenditures totaling $727,837. He noted the overage was attributed to the police clerk position only being funded for a three-month period, however this position was retained for the full year; a difference of $44,414. He stated if the police budget allocation would have included a full-year’s clerical salary, the police department’s total budget would have been underspent by $24,665 for the year. Davis stated the department approved overtime expenses in the amount of $37,539 however actual overtime expenses totaled $43,605. He noted this difference is attributed to expenses for ‘holiday pay worked’ and ‘holiday overtime’ being included in the line item for overtime expenses. Davis stated it appears that the holiday overtime was expended from the overtime line item beginning in September 2012.
Davis noted that due to the expenditure freeze implemented by the mayor and city council at the end of 2012, the police was unable to make certain purchases until 2013. These two items would be the purchase of ammunition ($1719) and fuel ($7049). He asked that the police budget be amended in 2013 to allow for those additional expenses.

Davis also recommended that a separate budget line item be added to account for expenses associated with ‘holiday worked/not worked’ payments.

Mayor Helenberg stated last year the police department had 1877 hours in overtime, citing this would be enough to hire an additional police officer. He felt there needs to be better control over this. Sgt. Neves stated the accounting for holiday pay in 2011 was not tracked in the overtime line item and he also recommended delineating overtime pay from contractual holiday pay obligations. Covington stated if the police department (or any department) would like to add additional accounting numbers to assist management with tracking their budget, all they need to do is make a request to her office.

In reference to Councilmember Davis’ budget amendment recommendation, Mayor Helenberg suggested council wait to see if 2013 revenues are sufficient enough to support this budget adjustment. Chief Heuer stated these are costs that he did not budget for when he submitted his 2013 budget. Chief Heuer stated he also did not know that his overtime line item included holiday expenses. Covington answered that the police department 2013 budget includes estimated holiday related payroll expenses.

Councilmember Davis requested that his proposal to amend the police department be evaluated by city council after completion of the first fiscal quarter. Mayor Helenberg agreed to consider this.

Mikayla Risner, Student Representative
Reported that the High School wrestlers and Girls Basketball teams have qualified for State.

CONSENT AGENDA
1. Councilmember Queen made a motion, seconded by Rose to approve the minutes of the January 28, 2013 Regular Council Meeting. By roll call vote, Pingree abstained; the remaining councilmembers voted ‘Aye’.

2. Councilmember Teter advised that he has reviewed the January expenditures as outlined on the Fund Transaction Summary report. Covington noted that payment for the library and Exhibit Hall share of the AWC RMSA liability insurance will be paid later, when cash flows allow for those two funds.

Councilmember Teter made a motion, seconded by Rose to approve the January
expenses in the amount of $457,220.54 as described on the Fund Transaction Summary as adjustment number 269, EFT payroll 1/31/2013, payroll check numbers 23354-23417 and general expenditure check numbers 43376-43485. Discussion: Councilmember Rose requested clarification for expenditures to Woods Logging, Four Corners, Walter Nelson, Office Express, Cowlitz County Sheriffs Office and the Humane Society. By roll call vote, unanimous ‘Aye’

OLD BUSINESS
None

NEW BUSINESS
1. City Engineer Mike Johnson reported that the city received ten bids today for the Front Avenue Reconstruction Project; with the apparent low bidder being Tapani Incorporated of Battleground, Washington in the amount of $1,685,554. The engineers estimate for the project was $1,690,000. Johnson stated he is still reviewing the bids and verifying documentation. He will ask council to consider award at the next council meeting. Once awarded, he hopes the project will begin in April.

2. Councilmembers reviewed Gray and Osborne request to approve the consultant agreement for the Huntington Avenue North Sidewalk Project (Barr Street to approximately 160 feet south) for a maximum payable of $35,500 for design, bid award and construction management services. Johnson stated this project is funded by a Transportation Improvement Board (TIB) grant in the amount of $140,000, with a 5% local match. This project creates a connection to the Front Avenue Improvement project and the funding is not a part of the Front Avenue reconstruction. Public Works Director Dave Vorse stated that the city’s insurance carrier has recently advised of mandatory contract language. He asked that approval be contingent upon verification that the TIB Consultant Agreement meets those requirements.

   Councilmember Teter made a motion, seconded by Davis to approve the TIB Consultant Agreement with Gray and Osborne in the amount of $35,500. By roll call vote, unanimous ‘Aye’.

3. Dave Vorse reported that the city has received over $2,000 in donations for replacement of the flag pole at City Hall. Councilmember Rose stated she received a call from a former classmate that is challenging people to donate toward this cause.

4. Councilmember Teter stated that the Washington State Department of Revenue is beginning to notify local businesses of the .2% additional sales tax to be collected for the Castle Rock City Transportation Benefit District.
5. Mayor Helenberg introduced and welcomed Marqise Allen reporter for the Daily News as the new correspondent covering the Castle Rock area. Mr. Allen will be replacing Natalie St. John.

ADJOURNMENT
There being no further business, Mayor Helenberg adjourned the meeting at 8:18 p.m.

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Mayor Paul Helenberg

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Clerk-Treasurer Ryana Covington