

- 012 Mayor Barbara Larsen called the regular meeting of the Castle Rock City Council to order at 7:31 p.m.; followed by the Pledge of Allegiance. The following councilmembers were present: Greg Marcil, Julie Bean and Ed Smith.
- 030 Councilmember Bean made a motion, seconded by Smith to approve minutes for the June 13, 2005 Regular Council Meeting. By roll call vote, Marcil abstained, the rest 'Aye', motion passed.
- 040 Mayor Larsen closed the regular meeting at 7:35 p.m. and opened the Public Hearing to take testimony on the proposed Six Year Transportation Plan for 2006-2011 for arterial streets within the City of Castle Rock.

City Engineer Mike Johnson reports that every six years municipalities must update a Six Year Transportation Plan to be eligible for arterial street funds. This plan identifies projects to be completed in the next six years. The arterial street projects listed in the plan are:

1. Cowlitz Street W Phase 1 from Huntington Avenue to First Avenue SW
 2. Front Avenue N Phase 1 from Huntington Avenue to Shintaffer Street NW
 3. Cowlitz Street W Phase 2 from First Avenue to Third Avenue SW
 4. Front Avenue N Phase 2 from Shintaffer Street to Cowlitz Street W
 5. Dougherty Drive Phase 1 from SR504 to Ramsey Street NE
 6. Dougherty Drive Phase 2 from Ramsey Street NE to south city limits
- 100 Mayor Larsen closed the Public Hearing at 7:40 p.m. after receiving no further comments, and resumed the regular session.
- 103 Fire Chief Eric Koreis reports that the Fire Department was included in a German magazine article on United States Fire Departments.
- 113 Koreis states that he has reviewed the financial issues raised at the last Regular Council Meeting regarding Ordinance 2005-07 the annexation into Cowlitz County #6 Fire Protection District. At the last meeting Councilmember Smith requested clarification of the financial realities that the City could expect with this annexation.

Koreis presented net expenditures from the General Fund for fire services for 2003 in the amount of \$36,201, for 2004 in the amount of \$40,267 with the amount budgeted for 2005 at \$37,282. The current fire protection rate of 49¢ per \$1000 at the present assessed value is \$21,658.

Councilmember Smith requests clarification on the effect that the annexation would have on the maximum statutory rate that the City can levy. Koreis explained that currently, the Fire District levy is at 49¢ per \$1000 and the City levy is at \$3.35 per \$1000 with the City's maximum statutory rate at \$3.60 per \$1000 assessed value. With the annexation, the City's maximum statutory rate (\$3.60/\$1000) would be reduced by the Fire District levy (49¢/\$1000) for a City maximum statutory rate of \$3.11 per \$1000 valuation.

Kories stated that the Fire District has no plans for a levy increase which would require voter approval. Tax increases are limited to 1% a year without voter approval. The Fire District can access other sources of revenue such as an Emergency Medical Service (EMS) levy, a bond issue or a maintenance & operation levy.

Councilmember Marcil stated that the figures presented are for fire protect without including ambulance expenses. Koreis explained that the Fire District has a fifteen year funding plan which includes ambulance expenses. An EMS levy or an EMS rate increase could offset ambulance/EMS expenses. Koreis stated that EMS services will require a funding increase whether it stays a city or becomes a district service. The annexation would allow for small gradual funding increases which would reduce the impact for taxpayers.

Councilmember Marcil advised that the Fire District has not been provided the option of annexing only fire protection services. If the Fire District does not accept the annexation of both fire and EMS services then they should be provided the option of accepting only fire services. If the Fire District accepted only fire service the City could cut back to a Basic Life Support service. Koreis stated that his goal is to preserve the current level of service. Councilmember Marcil requests a comparison of the number of Advance Life Support (ALS) calls and the number of Basic Life Support (BLS) calls.

Councilmember Smith stated that the issue of supporting EMS services has been reviewed for years and the option of Fire District annexation is the best option available. The entire north county has

been receiving benefit of City supported EMS services which should be supported by the district as a whole.

In response to a question from Mayor Larsen, Councilmember Marcil explained that when EMS services are needed both the BLS and ALS teams are dispatched. The BLS team will then turn back the ALS team if BLS decides that ALS is not needed. Regardless of the outcome, the ALS team expects to be compensated.

Koreis explained that the volume of BLS calls would not generate enough income to support privatizing ALS services. Contracting with a private company would result in a decrease in the level of service and an increase in response time. Prior to the current level of EMS service, the City contracted with a private company and they required a \$75 payment for every call not receiving transport.

In answer to Councilmember Smith's question, Clerk-Treasurer Ryana Covington explained that the City's maximum statutory rate (\$3.60/\$1000) would automatically be reduced by the Fire District levy (49¢/\$1000) for a City maximum statutory rate of \$3.11 per \$1000 valuation. Any future Fire District tax rate increases would further decrease the City's taxing authority. For example if the Fire District increases their tax rate to \$1.00 per \$1000 valuation, the City's maximum statutory rate would be \$2.60 per \$1000. Variables to this would include changes in assessed valuations and new construction values.

With the annexation the City would experience an initial revenue loss of \$21,658 at \$3.11/\$1000. That loss would be offset by a decrease in fire protection expenditures of approximately \$37,000. A City tax reduction of 49¢/\$1000 at the current assessed value would decrease City Ad Valorem taxes by \$38,742.

Koreis pointed out that a Fire District rate increase would require voter approval. Cities within the state that have annexed Fire Protection/EMS service into the district have realized a decrease in the rate of inflation. He noted that an annexation is feasible at this point as the tax rate and expenditures are very similar. An annexation or merger could be difficult to negotiate at a time when expenditures exceed taxes. Koreis stated that Fire Protection/EMS service is not a business but a government funded essential service.

437 Councilmember Bean made a motion, seconded by Smith to approve Ordinance 2005-07 stating intent to initiate the annexation to the City of Castle Rock into and to join Cowlitz County #6 Fire Protection District and making a finding that the public interest will

- be served thereby and providing for severability. By roll call vote, Councilmember Marcil 'Nay', the rest 'Aye', motion failed.
- 455 Councilmember Khembar Yund has notified the Mayor that his work schedule has changed and he may not be able to attend council meetings for the rest of the year. City Attorney Tom O'Neill reports that councilmembers can receive no more than three unexcused absences. These absences will require council action to be excused. Councilmember Smith suggests speaking with Councilmember Yund to determine if he is interested in retaining his seat or be willing to step down. Mayor Larsen will contact Councilmember Yund.
- 496 Police Chief Bob Heuer reports that the public restrooms at City Hall have received significant damage over the years. Heuer recommends remodeling to create a more sanitary facility. Heuer requests approval to seek estimates to remodel the restroom. Councilmember Marcil suggests seeking two estimates, an estimate for repairs and also to upgrade the facility to meet Americans with Disability Act standards. By consensus, Heuer will obtain estimates for restroom upgrade.
- 572 Heuer stated that the Uniform Crime Statistics for 2003 and 2004 reports that Castle Rock's crime rate dropped almost 50% with a 58% drop in property crimes.
- 585 Heuer reports that Sergeant Scott Neves has exchanged bullet proof vests as a result of the defective vests recall.

Side B

- 603 City Engineer Mike Johnson presented an engineering services proposal for Whittle Creek bridge abutment design for an estimated cost of \$4200.
- 636 Councilmember Smith made a motion, seconded by Bean to approve the Whittle Creek bridge engineering contract with Gray & Osborne in the amount of \$4200. By roll call vote, unanimous 'Aye'.
- 642 Public Works Director David Vorse stated that the Notice of Final Completion of the Wastewater Treatment Plant Project has been tabled until further progress is made on the punch list.
- 654 Vorse reports that he has been negotiating with the Department of Natural Resources (DNR) and elected officials to exchange City owned property located in the Cowlitz River channel for DNR

owned riverfront property. Vorse requests that a councilmember be appointed to represent the City in these negotiations.

Councilmember Marcil agreed to represent the City in these negotiations. Councilmember Bean will also represent the City in these negotiations if it is determined that no conflict of interest exists, given that a family member works at DNR.

- 740 Vorse reports that the Association of Washington Cities (AWC) is promoting Walk across Washington 2005. AWC supports community involvement in Walk across Washington and encourages elected officials to lead the way to a healthier lifestyle. This event will take place during the week of October 9th to 15th with approximately 80 identified walking sites located throughout the state. Each walking route will be approximately 3 miles long.

AWC is promoting Walk across Washington on their website and will distribute posters, pamphlets and maps. By consensus, councilmembers agreed to participate as a designated site, which would highlight the newly completed Riverfront Trail. Councilmembers directed Vorse to work with AWC to organize the event.

- 840 Clerk-Treasurer Ryana Covington has distributed 2006 budget packages to department supervisors. Budget estimates are to be turned in to the finance office by August 1st, with workshop meetings scheduled for August 22nd to October 24th. The public hearing on 2006 budget and first reading of the budget ordinance is scheduled for November 14th.

- 876 Councilmember Marcil made a motion, seconded by Bean to approve Resolution 2005-10 the Six Year Transportation Improvement Plan, on first reading. By roll call vote, unanimous 'Aye'.

- 888 Mayor Larsen adjourned regular session at 8:37 p.m. for a ten minute executive session to discuss litigation and potential land acquisition, with no action being anticipated.

- 891 Mayor Larsen resumed regular session at 8:45 p.m. with no action being taken. There being no further business, the meeting was adjourned.

Mayor Barbara Larsen

Clerk-Treasurer