

**CALL TO ORDER**

Mayor Pro-Tempore Ear Queen called the October 28, 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, Mike Davis and Ellen Rose. Mayor Helenberg was absent.

**BUSINESS FROM THE FLOOR**

Dianne Swanson, Coordinator, Castle Rock CARE Coalition and Susie Barker, Castle Rock School Superintendent outlined the formation and purpose of the CARE Coalition, which began in 2003 to implement changes in perception and culture of drug and alcohol use. Ms. Barker noted the Castle Rock Police Department has served as an integral partner in this coalition; which also includes the school district. Ms. Swanson added that due to the positive accomplishments of this coalition they have received national and state recognition for their work. Swanson outlined several of the CARE Coalition's recent projects;

- Prescription drop box; Officer Worley made the recommendation to install a drop box, which is located in the Castle Rock Senior Center. Last Saturday was National Take Back Day and they were able to collect over 90 lbs. of unused medications.
- Speaker forums on impacts of prescription drugs; Sergeant Neves coordinated efforts to have the Emergency Director from St. Johns Medical Center as the featured speaker.
- National Night Out; a coordinated effort by the Castle Rock Police Department. While not held the last two years, the purpose of this event is to raise awareness of crime and drug prevention.
- Swanson feels the police department has done a great job in bridging the gap between children and the police department by being present in the schools and also active in the community.
- Officer McNew has worked on numerous projects within the schools. The most recent centered on students doing liquor assessments in local businesses. This assessment was followed by a Town Hall meeting facilitated by students to discuss their results.
- Dodge ball night at the Middle School. Teams law enforcement and students in an after school activity.
- Shop With A Cop; allows a select group of students to purchase Christmas presents, through community donations.
- Swanson stated the CARE Coalition was awarded a grant this year which included work with the media, compliance checks, and development of public service and media releases relating to alcohol use. This included coordinated efforts from the police department, school guidance counselors and students. The media message focused on the fact that most students were choosing healthy habits. Surveys and parent input was also encouraged. At the project conclusion, another Town Hall was held to discuss the results and serve as an information forum to discuss substance abuse prevention programs.

In 2011, the Castle Rock Police Department received an Exemplary Award for their outstanding collaboration between their department, the CARE Coalition and the school district. Last week, Swanson was asked to speak at the State Prevention Summit to showcase the work being done in our community. In addition to speaking on the CARE Coalition projects, she was also able to highlight the outpouring of volunteer work being done in Castle Rock through the America In Bloom program, the bicycle park, as well as other local projects. Swanson commended Chief Heuer for his passion and the support of his staff to collaborate with CARE Coalition projects.

#### **DEPARTMENT REPORTS:**

1. City Attorney Frank Randolph reported that in accordance with I-502, passed by the voters, the Washington Liquor Control Board (WLCB) will begin to take applications on November 18<sup>th</sup> for licenses to sell recreational marijuana. WLCB has determined that in Cowlitz County, up to seven retail licenses could be issued; three in Longview, one in Kelso, and three at-large within the county. As such, he felt there may be a good chance that a retail store could be located in Castle Rock. In addition, the State will be issuing licenses for production and processing. Washington Liquor Control Board has developed sixteen criteria to assess the applications. Local jurisdictions will be notified if any applications are within their boundaries; and the cities have a 20-day window in which to provide comments on the application. That would be the city's time to review the applications and he recommended that city council approve committing time and staff to complete the review. Randolph noted that in the Netherlands, it is illegal to produce and sell marijuana; however there is only selective enforcement and so the practice is tolerated. Washington State and Colorado are the only two states that have voted to legalize marijuana; even though it is still illegal on the federal level. The State has imposed a 25% tax on the sale, production and processing; however no resources will be available to local jurisdictions to control or oversee these establishments. Association of Washington Cities will be asking the State legislature for funds to offset local enforcement costs.

2. Police Chief Heuer thanked Ms. Swanson for their presentation. He feels the relationship established between the school and police department has been very productive. He felt these programs are a way to be proactive to address issues before they become problems. He stated these programs have also been supported by his entire department, including his reserve program.

3. Public Works Director Vorse stated he also appreciates the collaboration between his department, the police and school district.

Vorse reported on the basket and planter care for 2013. A total of 288 hours were expended by city personnel; which is a 26% decrease from last year. The added cost for Public Works personnel time was a total of \$2,578 over the cost prior to the landscape

improvements. This cost did not require any additional funds to be allocated, Reasons for this success were:

- large contingent of volunteers who worked to plan, plant and maintain the flower baskets and landscaped areas. Several families and businesses even 'adopted' areas to maintain;
- larger baskets with experimental built-in water reservoirs were used to conserve water use;
- growing season was not as hot as in 2012.

As a result of this program, the city has seen positive changes:

- less vacant store fronts; vacancy rates have decreased by 6% from last year. This is even with the Front Avenue construction project that affected adjacent access to the business area;
- more building owners are taking initiative to paint and clean up their buildings;
- more volunteers are helping with community projects such as the American In Bloom project.
- more positive comments within the community. Other cities have even toured Castle Rock to learn how to bring these improvements to their own communities.

4. Clerk-Treasurer Covington distributed the September Cash and Investment Activity report. Deficits in the Street and Arterial Street funds are still a concern, however grant reimbursements for the Front Avenue project are still pending. The Municipal Water Capital Improvement Fund also shows a deficit due to lags in reimbursement from the funding agency for the water main replacement on Front Avenue. Councilmembers also reviewed reports outlining the revenue and expenditure totals by fund and showing a comparison of what percentage of revenues have been received (and what has been expended) over the amount estimated for the year. Covington noted that 73.44% of the estimated revenues have been received within the General Fund, while expenditure totals are at 74.59%. At this time, the city has been able to almost maintain the revenue/expenditure balance for this fund. Covington also distributed financial information comparing General Fund revenues and expenditure trends for fiscal years 2007 through 2012. She noted there was a question at the last budget workshop pertaining to fund balances and this report should answer that question pertaining to the General Fund beginning fund balance. Covington reminded councilmembers of the next budget workshop meeting scheduled for 6:30 pm on November 4<sup>th</sup>.

#### PUBLIC HEARING

Mayor Pro-Tempore Queen opened the hearing at 8:01 p.m. to review projected revenue sources for the current expense budget (General Fund) for fiscal year 2014 and consideration of possible increases in property tax revenue (Ad Valorem taxes) to be assessed for payment in fiscal year ending December 31, 2014. Covington noted that city council will later consider an ordinance to increase the property tax rate a total of \$3,527.24, which is 1.01% increase from the previous year. General Fund revenues to

support the current expense budget have remained flat over the last three years. The main revenue sources to support current expense services such as law enforcement, parks, finance and streets originate from two sources; property taxes and sale/use taxes. City council has continued to reduce expenses to keep in alignment with current year revenues. However increases such as personnel costs, electricity and operating/maintenance cost increases will require the assessment of taxes at the full statutory limit. Since no public comments were received, Queen closed the Public Hearing at 8:08 p.m. and resumed regular session.

#### CONSENT AGENDA

1. Councilmember Teter made a motion, seconded by Pingree to approve the minutes of the October 14, 2013 Council Meeting. By roll call vote, unanimous Aye.
2. Councilmember Rose made a motion, seconded by Davis to approve the minutes to the October 21, 2013 Special Meeting/Budget Workshop. By roll call vote, Councilmember Teter abstained and the remaining councilmembers voted 'Aye'. Motion passed.

#### OLD BUSINESS:

1. Councilmembers considered second reading of Ordinance No. 2013-08, an ordinance approving a \$16,000 interfund loan from the Accumulative Reserve Fund to the Water Fund to complete the May Avenue water main replacement project.

Mr. Lee Kessler asked the purpose of the Accumulative Reserve Fund and the origin of those funds. Covington noted the Accumulative Reserve Fund is intended to make available funds, through an interfund loan, for projects that need immediate attention. The funding source for the Accumulative Reserve Fund originated from the current expense budget; however no additional funds have been added to the Accumulative Reserve fund for many years. Loans made to other funds within the city, must be paid back, including any interest that may have been earned. Covington stated the Accumulative Reserve Fund currently has a balance of just over \$20,000. The public works director is proposing to borrow \$16,000, which will be paid back in 2014. Vorse stated by doing the work this year, he would be able to use city personnel. If he waits until 2014, the State limitation for using city forces for capital projects would not allow city staff to complete the utility replacement work that city council would like to do in conjunction with the upcoming street upgrade work. This would require the city to bid those water and sewer line replacement projects, at the prevailing wage rate. Vorse stated the loan also would allow him to order the 1 1/2" meters that are available this year at a discounted price. Councilmember Davis asked how the loan is to be repaid if the projected Water Fund is estimated to be \$23,000 off from balancing. This was the estimate provided at the October 21<sup>st</sup> budget workshop meeting. Vorse stated that other reductions in his budget will need to be made. Currently State law limits city work forces to not exceed \$65,000 on construction projects. His staff

has not exceeded that amount this year; and completing the May Avenue utility project, without having to use contracted labor, would save the city money in the long run. Vorse noted the mayor has issued a directive to all supervisors to submit a 0% increase budget for 2014 and decisions will need to be made to meet that directive and still do the work that city council has requested to be completed in 2014.

Councilmember Teter made a motion, seconded by Davis to approve Ordinance No. 2013-08, on second reading. By roll call vote, unanimous 'Aye'.

2. Councilmember Pingree made a motion, seconded by Davis to approve the Humane Society of Cowlitz County contract for 2014 in the amount of \$7,000. By roll call vote, unanimous 'Aye'.

#### **NEW BUSINESS:**

1. Attorney Frank Randolph reviewed proposed Ordinance No. 2013-07, which is an emergency ordinance relating to land use and zoning for recreational marijuana producers, as a conditionally permitted use. Randolph reported that Mr. Germundsen has requested the ordinance be amended to remove his two parcels from the area identified within the ordinance. Randolph stated the city planner has confirmed that this change is appropriate and would not require the city to complete another SEPA for the ordinance.

Randolph recommended city council approve this ordinance on first reading, with the understanding that the ordinance would be amended to remove those parcels when council considers the second reading of this ordinance.

Councilmember Davis asked if the concern outlined in correspondence submitted by Helen Leith has been taken into consideration. Randolph noted this is an emotional issue on both sides; however voters have passed the initiative and State law will now allow this use. Ms Leith's request to buffer areas where children are present make it impossible to create an allowed area and still meet the States criteria for siting of these types of business. Randolph feels this ordinance as presented, is the best way to protect the city's interest. He also noted that Castle Rock is taking a different stance than other cities within our county. The cities of Longview and Kelso have passed a moratorium and Kalama and Cowlitz County have chosen to do nothing. Castle Rock personnel have consulted closely with Association of Washington Cities land use attorney, Carol Morris. Morris feels that those cities with a moratorium have set themselves up for legal battles. Washington Liquor Control Board will still issue licenses for those areas, even if a moratorium is in place. If the city chooses to do nothing, then any location within the city that meets State criteria could get a retail, production or distribution site. Randolph feels it is better to do this in a controlled manner. He noted that Carol Morris wrote the model ordinance which was used as a basis for the city's proposed ordinance. Morris also has reviewed and approved the city's final draft.

Councilmember Davis made a motion, seconded by Pingree to approve Ordinance No. 2013-07, with the exception of the Germundson parcels, on first reading. In discussion, Randolph stated the ordinance is being adopted on an emergency basis; all steps including SEPA have been completed. The reason for the emergency is to allow the ordinance to become effective prior to the State accepting applications. By roll call vote; unanimous 'Aye'.

2. Councilmember Pingree made a motion, seconded by Teter to approve Ordinance No. 201-09, an ordinance establishing the Ad Valorem tax rate to be assessed for collection of property taxes in 2014, on first reading. By roll call vote, unanimous 'Aye'.

3. Mr. Randolph recommends approval of Change Order No. 2 for Tapani Underground Inc. He noted the delays and added cost was not the fault of the contractor; the impact was caused by two utilities located in the area. Randolph stated he would continue to negotiate with those utilities to recoup these costs. Mike Johnson distributed a spreadsheet outlining the funding available for this project and the amounts expended to date. Councilmember Pingree made a motion, seconded by Davis to approve Change Order No. 2 in the amount of \$18,006.36; for a total contract amount of \$1,706,936.04. By roll call vote, unanimous 'Aye'.

4. Mayor Pro-Tempore Earl Queen recommended the city amend the qualifications for Veterans preference for parking privileges at the Al Helenberg Memorial Boat Launch to coincide with Cowlitz County. This amendment would only effect those veterans honorably discharged, under 65 years old, with a service related disability. It would reduce the percentage requirement from the current 60% service related disability to the county's rate of 30% service related disability. Councilmember Davis noted that this change could directly benefit him; however he would note that he has received several requests for this change.

Councilmember Pingree made a motion, seconded by Teter to amend the Veteran exemption for those honorably discharged, under 65 years old, from the current 60% percentage to 30% service related disability. By roll call vote, Councilmember Davis abstained. The remaining councilmembers voted 'Aye', for first reading.

5. Queen stated he has received numerous complaints regarding the intersection of C Street and Roake Avenue. Parents travelling to drop off their children at the school are driving too fast and not slowing down at that intersection. Queen stated residents Buck Savage and Jack Reilly also have noted these same issues.

Jack Davis, resident, suggested the city consider installing a four-way stop sign at that intersection. Vorse stated this may sound more of an enforcement issue; however if

council does want to amend the traffic flow, he asks that they have the engineer conduct a traffic study to see if that intersection qualifies for a four-way stop sign under State MUTDC standards. Councilmember Pingree stated he has spoken with school officials and suggested the back parking area be closed to parents. Councilmember Teter outlined the issues parents encounter when dropping off students. Councilmember Davis noted that enforcement in that area is difficult because when police are present, the problem does not exist. Vorse noted the signage currently on that street includes a flashing radar system to remind drivers of the speed and school zone. Chief Heuer stated in the past all issues pertaining to traffic flows have been referred to the city engineer prior to making any changes. City Engineer Mike Johnson stated he does not think the traffic volume would qualify that intersection for a four-way stop under State road standards; however it may qualify due to pedestrian traffic volume. Johnson cautioned councilmembers of the liability associated with putting up signage without considering the State standards for signage. Lee Kessler, resident, stated he does not feel that speed is as much a factor as the volume of bicycles and children. With the sidewalk improvements, more children are using this route to access the school property. Councilmembers Teter and Pingree stated they would like to look at all options available to the city. Randolph recommended city council make use of their resources, such as the city engineer, before making any decisions; then the city would have a basis for any changes.

Councilmember Davis made a motion, seconded by Teter to follow the recommendation of the city attorney and to direct the city engineer to do a traffic assessment. In discussion, Mr. Johnson stated the estimated cost for this assessment would be approximately \$1000. Queen spoke against expending that amount and favored just instituting the change to a four-way stop. By roll call vote, unanimous 'Aye'.

6. Mayor Pro-tempore Queen reminded councilmembers of the budget workshop meeting to be held this Monday, November 4<sup>th</sup> at 6:30 p.m. He also reminded councilmembers that the next regular city council meeting will be held on Tuesday, November 12<sup>th</sup>, due to Veterans Holiday on the 11<sup>th</sup>.

7. Covington announced that the Castle Rock Senior Center has received a bid of \$482 to replace the glass in windows located in their office area. The Senior Center has offered to pay for this window replacement. By consensus, city councilmembers agreed to allow this work to be done and thanked the Senior Center for their offer to pay for the work.

#### ADJOURNMENT

There being no further business, the meeting was adjourned at 8:50 p.m.

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Mayor Pro-Tempore Earl Queen

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**Castle Rock City Council**

**Regular Meeting**

**October 28, 2013**

**Clerk-Treasurer Ryana Covington**