

0005 Mayor Barbara Larsen called the 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: Khembar Yund, Greg Marcil, Earl Queen and Jack Reilly. Councilmember Mike Mask was absent.

0053 Councilmember Reilly made a motion, seconded by Queen to approve the minutes of the October 27, 2008 Regular Council Meeting. By roll call vote, unanimous Aye.

0075 Mayor Larsen opened the Public Hearing at 7:31 p.m. to take public comment on the estimated Ad Valorem Taxes to be assessed for fiscal year ending December 31, 2009.

Clerk-Treasurer Ryana Covington reports that this is the first of two Public Hearings detailing the Ad Valorem tax rate within the City of Castle Rock. The maximum amount that the City can ask for is \$288,983.70. The statutory levy limit rate for Castle Rock is not to exceed \$3.60 per \$1000 of assessed value.

0205 There being no questions or comments, Mayor Larsen closed the Public Hearing regarding Ad Valorem taxes.

Mayor Larsen opened the Public Hearing at 7:32 p.m. to take public comment on the proposed budgetary amendments for fiscal year 2008 to increase revenue and expenditure appropriation for the Police and Park Departments due to receipt of grant funded projects.

Covington detailed that these amendments are for grants that were received. The Police Department Fund amendments are \$7000 from the Washington Auto Theft Prevention Program for safe parks projects and \$9000 for a Safe Schools, Healthy Students grant. The Park Department Fund amendments include \$500 from a AWC Risk Control Grant for playground equipment and \$5000 for the City to sponsor a grant from the Cowlitz County Park Department for the restoration of the log cabin at the Castle Rock Fairgrounds. The DOT Spoils Site Fund amendment is for the City to sponsor a grant in the amount of \$5,000 on behalf of the North County Recreation Association for ADA parking improvements at the Sports Complex.

0389 There being no questions or comments, Mayor Larsen closed the Public Hearing regarding proposed budget amendments.

Mayor Larsen opened the Public Hearing at 7:35 p.m. to take public comment on the proposed budget for the fiscal year ending December 31, 2009.

Covington explained that the proposed budget for the General Fund is currently out of balance by \$498,041. During the November 5, 2008 Budget Workshop Meeting council directed the Mayor to schedule a meeting with Department Supervisors to resolve this budget deficit. At this time, Mayor Larsen has not set a date for that meeting.

During the November 5, 2008 Budget Workshop Meeting a recommendation to increase water rate by \$1 per 100 cubic feet of usage was discussed in order to balance the Water Fund revenues. This increase is attributed to the additional rate that will be required to be paid to the Regional Water Fund for purchase of water. The Regional Water Fund will need to increase their rates to begin paying the loan and interest for the current Water Treatment Plant Upgrade Project funded by a Drinking Water State Revolving Loan. The Regional Utility Board will be meeting later in the month to approved regional rates charges to both of their customers; Cowlitz County and the city.

Covington added that the Ad Valorem tax rate is dependant upon the passage of the Library Excess Levy. If the levy fails the Ad Valorem tax rate ordinance will need to be amended.

Covington detailed items remaining in the General Fund Budget:

- Proposed salary increases of 5.6% for non-bargaining employee
- Salary increase of 4% for Police and Clerical per bargaining agreement. Per contract, Clerical bargaining employees also will receive a 2% market adjustment if their salary.
- Salary increase for Public Works is currently in negotiations
- Estimated 10% increase in medical insurance
- 39% increase for AWC liability insurance
- Approximately \$44,000 for a new phone system. This would be funded through a 60 month financing plan at 5.3% interest
- Billing/Payroll/Budget Software Upgrade for \$36,722 which will be divided between 14 funds

In response to a question from Mayor Larsen, Covington stated that the election will be certified on November 26th. The second Regular Council Meeting in November will be on the 24th. The Ad Valorem Taxes must be passed and in the Auditor's Office by November 28th. The 2009 Budget must be passed by December 31st.

0899 There being no questions or comments, Mayor Larsen closed the Public Hearing at 7:44 p.m. and resumed regular session.

Fire District #6 Commissioner Mark Watenpaugh distributed a sample ballot from the August 21, 2007 Primary Election, the March 11, 2008 Special Election and the November 4, 2008 General Election. Each of these ballots contained Proposition No. 1 Cowlitz County Fire Protection District No 6 Levy Lid Lift.

Watenpaugh stated that Fire District #6 did not have an excess levy on the ballot for those elections.

Watenpaugh presented minutes from the Regular Council Meeting on June 27, 2005 discussing the financial realities that the City could expect with the City annexing into Cowlitz County Fire Protection District #6. Council was aware at the time of annexation that the tax rate for Fire District #6 affects the City's tax rate. The minutes state, "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."

In response to a question from Mr. Watenpaugh, Covington clarified that following the annexation, the City continued to collect a portion of the taxes because the timing of the annexation prohibited the District from assessing taxes at that time. These collections were then paid to the District through an agreement with Cowlitz County Treasurer's office. She noted that residuals of those taxes are still being paid to the District.

Councilmembers Yund and Marcil noted that for the earlier election the Voters Pamphlet Statement indicated that the funds from the passage of the levy would be used for facilities and the remodel of facilities. Mr. Watenpaugh specified that a portion of the levy that was defeated was to be used for a study to ascertain if a new fire station is feasible or should the current station be remodeled.

1326 Police Chief Bob Heuer reports that Officer Jeff Gann successfully completed a two week course and is now a Defensive Tactics Instructor Level 1.

1387 City Planner T.J. Keiran reports that the Geographic Information System (GIS) Utilities Mapping Project Phase 1 is complete. Using a PowerPoint presentation, he illustrated how the different layers of information will be readily available for staff. This project inventories the City's utility infrastructure. This information will:

- Improve system management,
- Expand the ability to perform site design engineering,
- Provide better customer service,
- Improve the ability to locate utility services and
- Facilitate daily maintenance.

This information was scanned from as-built drawings which were matched to reference points that were marked using a portable GPS unit. Data was entered for the sanitary sewer collection system, the potable water distribution system and the stormwater collection system. Agreements are in place to add the Cowlitz Public Utility District and Cascade Natural Gas utilities. Due to Homeland Security concerns, some information will not be distributed for general public use.

In response to a question from Mayor Larsen, Keiran specified that the Qwest representative working on this project has retired. He will be working with a new contact to add telephone information to this system.

Keiran further detailed that the city limits and utility service area were used to form a grid of the area. Each grid contains many layers of information. The data entered is both GPS collected and from staff knowledge. Another layer contains 2006 aerial photos obtained from the Cowlitz-Wahkiakum Council of Governments.

Details of the potable water distribution system include valves and fire hydrant locations and information. Vorse expanded that fire flow information will be available for each hydrant.

In response to a question from Mayor Larsen, Keiran explained that seven books containing this information will be developed. These books will be distributed to the City Planner, City Engineer, City Hall and the Public Works Department. As development occurs, the developer is required to provide utility information that will be added and the books will be updated at that time.

Vorse detailed that building layouts will be added in the future for access by emergency responders. In addition, the Fire Department will be able to immediately identify which fire hydrants have the best fire flow. Phase 1 has been a two year process.

- 2238 Clerk-Treasurer Ryana Covington requests payment of October expenditures in the amount of \$447,818.75 as outlined on the Summary of Claims and further described as check numbers 37951 through 38045 for general expenditures and check numbers 20333 through 20379 for payroll expenses. Councilmembers Queen and Reilly have reviewed the claim request documentation.
- 2250 Councilmember Marcil made a motion, seconded by Queen to approve payment of October 2008 invoices in the amount of \$447,818.75, as described in the Summary of Claims. By roll call vote, unanimous 'Aye'.
- 2290 Librarian Vicki Selander reports that the Library Excess Levy requires a supermajority of 60% to pass. At last count, the levy was very close with 377 yes votes and 267 no votes.
- 2356 Report of Meetings
The Mayor and Councilmembers have been attending Budget Workshop Meetings.
- 2373 Councilmember Yund made a motion, seconded by Reilly to approve Ordinance 2008-06 creating an accounting system within the General Fund entitled, Building and Planning Department, on second reading. By roll call vote, unanimous Aye.

2389 Councilmember Marcil made a motion, seconded by Queen to approve Resolution 2008-08, adopting the Six-Year Capital Facility Plan, on second reading. By roll call vote, unanimous Aye.

2404 Councilmember Marcil made a motion, seconded by Reilly to approve Ordinance 2008-07 fixing the estimated amount to be raised by Ad Valorem Taxes for the 2009 budget of the City of Castle Rock, on first reading.

During discussion: In response to a question from Councilmember Yund, Covington clarified that if the Library Excess Levy fails, the second reading of this ordinance will be amended to remove that amount.

Vote on motion: By roll call vote, unanimous Aye.

Tape 1 of 1

Side B

2471 Councilmember Queen asked for a status update on the street vacation request submitted by Mrs. and Mr. Arthur (and neighbors). City Planner T.J. Keiran reports that he will work with the Auditor's Office to determine the legal lot boundaries of the properties adjoining the alley located between 642 Fifth Avenue SW and 459 Warren Street SW. Once the alley boundaries are verified, Keiran will meet with the City Engineer and City Attorney to determine any access issues that could be created by vacating this alley.

Covington noted that the City Attorney has not reviewed this request. In addition, Mrs. Arthur requests that this item remain tabled until the regular meeting on December 8th, since she will not be able to attend any earlier meetings.

By consensus, this item is tabled until the Regular Council Meeting on December 8th.

2572 Councilmember Yund made a motion, seconded by Queen to approve Resolution 2008-09 pursuant to Section 209 of Referendum 47 of the State of Washington authorizing an increase in the regular property tax levy, in addition to any amount resulting from new construction, improvements and any increase in the value of stated assessed property for the amount levied in 2008, on first reading. By roll call vote, unanimous Aye.

Covington noted that this Resolution is not affected by the Library levy.

2647 Councilmember Marcil reports that he received a request from Castle Rock School District Transportation Supervisor Larry Norman to allow school bus traffic on McCoy Street and Little Avenue NE.

In response to a question from Councilmember Yund, Councilmember Marcil noted that the posted sign prohibits vehicles over 28 feet in length. School buses are 40 feet long, but could be made exempt from this requirement.

In response to a question from Councilmember Yund, Vorse clarified that an ordinance was passed in 1999, to eliminate the truck traffic from the motel that was causing damage issues at the intersection of McCoy Street and Little Avenue NE. Both of these are narrow streets.

Councilmember Marcil cautioned that barring school bus traffic on these roads has created safety issues. Currently, during inclement weather, with limited visibility, the bus is backing up Little Avenue to pickup children.

Councilmembers directed Covington to prepare an amendment to Ordinance 99-02 which will exempt school bus traffic.

2923 Covington noted that the financing of a new phone system through Cisco Capital in the amount of \$44,933.87 was tabled from the October 13th meeting. By consensus, Councilmembers agreed that this item will be eliminated from being tabled. Any further discussion of this issue will be through the current budget processes.

2993 Councilmember Yund specified that approval of the minutes for the October 14, 2008 Budget Workshop Meeting will remain tabled to allow the City Attorney the opportunity to review them.

3038 Councilmember Reilly made a motion, seconded by Marcil to approve the Animal Control Contract with the Humane Society of Cowlitz County for fiscal year 2009 in the amount of \$7,000.

During discussion: In response to a question from Councilmember Yund, Councilmembers Marcil and Queen stated that the City Attorney has indicated that this contract can be approved.

Vote on motion: By roll call vote, unanimous Aye.

3184 Councilmembers scheduled a Budget Workshop Meeting for Monday, November 17th at 10:30 a.m. Mayor Larsen noted that she would not be available after 1 p.m. on Monday.

3363 Covington reports that the Regional Utility Board Meeting is scheduled for Wednesday, November 19th at noon.

3388 Mayor Larsen will meet with Department Supervisors on November 12th at 10:00 a.m. to discuss the budget.

3469 There being no further business, Mayor Larsen adjourned the meeting at 8:31 p.m.

Mayor Barbara Larsen

Clerk-Treasurer