

- 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, Ed Smith and Jeff Skeie. Councilmember Bean was absent.
- 0045 Councilmember Yund made a motion, seconded by Marcil to approve the minutes of the February 12, 2007 Special Meeting. By roll call vote, Councilmember Smith abstained, the rest Aye, motion passed.
- 0075 Councilmember Yund made a motion, seconded by Skeie to approve the minutes of the February 12, 2007 Regular Council meeting. By roll call vote, Councilmember Smith abstained, the rest Aye, motion passed.
- 0105 Mayor Larsen closed the regular meeting at 7:32 p.m. and opened the Public Hearing to take testimony on an amendment to increase fiscal year 2006 expenditure appropriations for Municipal Court, Finance Department and Water Fund.

Clerk-Treasurer Ryana Covington reports that this is the second public hearing on this budget amendment. These funds have exceeded appropriated levels due to unforeseen expenses in 2006, however adequate funds exist to cover the expenses. A General Fund budgetary amendment of \$5,989 is needed for Municipal Court due to unanticipated court appointed attorney and jail costs. A General Fund budgetary amendment of \$2,730 is needed for the Finance Office due to insurance and PERS retirement increases. A Water Fund budgetary amendment of \$17,415 is needed to cover the cost for unanticipated large amounts of potable water required to backwash the filters at the Water Treatment Plant when treating water with high turbidity.

- 0265 There being no public comments, Mayor Larsen closed the public hearing at 7:34 p.m. and resumed regular session.
- 0275 City Attorney Tom O'Neill reports that council concerns regarding the proposed ComCast Franchise Agreement were discussed with a ComCast representative. ComCast indicated that they may agree to increase the contract term from five to ten years. The maximum franchise fee allowed by State law is 5%. Any increase in the franchise fee would be passed on to the customer. Since councilmembers did not want to adversely impact local customers, the agreement will require a franchise fee of 3%. The addition of a DSL internet connection, which was recommended by the Public Works Director, will not be included in the franchise agreement but may be included in a collateral agreement. ComCast indicated that a representative may attend a future council meeting to review this agreement.

- 0399 O'Neill advised that he has reviewed and recommends approval of the GPS agreement.
- 0452 Mayor Larsen stated that she has received a letter reporting that log trucks, both loaded and unloaded, are regularly traveling on C Street SW. Since this is a street that children frequently play on, she asks that officers be made aware of this issue.
- 0507 City Engineer Mike Johnson requests approval of Front Avenue Sidewalk Construction Management Services Proposal in the amount of \$10,000. This contract amounts to 7.5% of construction costs and will provide for a person to oversee the project.
- 0607 Councilmember Skeie made a motion, seconded by Smith to approve the Front Avenue Sidewalk Construction Management Services Proposal with Gray & Osborne, Inc. in the amount of \$10,000. By roll call vote, unanimous Aye.
- 0627 Mr. Johnson distributed a memorandum regarding alternatives for addressing the low water pressure issue in the vicinity of the existing reservoir on Carpenter Road. Eight existing water service connections on Carpenter Road and Powell Road have individual booster pumps supplying water to their residence due to inadequate water pressure. Current Washington State Department of Health (DOH) standards require a minimum of 30 pounds per square inch (psi) of water pressure at every service meter.

In the short term there is the potential for 15-20 lots in this general area to require water service in a boosted pressure zone. In the long term there is the potential for 400-500 service connections in this boosted pressure zone on the east side of I-5. The 2006 Water System Plan identified a new booster station and reservoir as the long term facilities needed to serve this area. The Water System Plan also planned for a 12 inch water main to be extended south from the future reservoir to create a loop with the existing water main that is currently located on Huntington Avenue, north of I-5 Exit 48.

To resolve the short term issue, a closed zone booster station could be constructed on the existing reservoir site. This station building should be 5-6 feet larger than is currently needed to allow room for the installation of additional pumps when new development occurs. A new water main would need to be extended to the properties to be served. The minimum size of the water main required, if fire flow is provided, is four inches. To facilitate the long term development in this area a 12 inch main should be considered. The estimated cost for a booster station is \$216,000. The estimated cost for the 4 inch main is \$254,000 or for a 12 inch main is \$430,000. A future reservoir would cost approximately \$600,000.

Johnson reviewed the following possible funding sources for this project:

1. Form an Utility Local Improvement District (ULID)

2. Fund the project through public loan programs or bonds and repay through connection charges and water rates

The issues associated with an ULID are:

- Is established through petition or resolution
- Property in the ULID area is assessed a share of the cost based on benefit to property.
- Must be requested or have the support of the majority of the assessed area
- If 20 parcels were assessed, the approximate assessment of each parcel for the four inch transmission main would be \$23,500 (not including financing costs).
- This method does not account for future system wide benefit of the booster station or transmission main.

The issues associated with connection charges are:

- Can be calculated system wide or for a particular area
- Currently are 50% higher for those outside of city limits
- Money is only collected when people connect to the system. Existing customers would not be impacted
- Must be supported by documentation
- A Local Facility Charge can be assessed to a particular area for facilities that are constructed to only benefit that area
- If the cost of construction were distributed over 400 new connections, the approximate cost of a local facility charge for the 12 inch alternative would be approximately \$1,615(not including financing costs). To support 400 new connections, a reservoir would also be required. The total project cost for a new reservoir and transmission main would be approximately \$1,276,000. The approximate local facility charge for the project including a reservoir for 400 new connections would be \$3,190 (not including financing costs).
- The 2005 Water System Plan projected 150 new connections to the City system by 2025.

The issues associated with water rates are:

- Can be assessed system wide or calculated for particular zones
- Currently are 50% higher for those outside of city limits
- If system wide water rates were raised, the average monthly rate increase to pay back the additional cost of a 12 inch main instead of a 4 inch water main would range from \$0.50-\$0.90 depending on financing costs.
- If system wide water rates were raised, the average monthly rate increase to pay back the cost of the booster station and a 12 inch water main would range from \$2.00-\$3.25 depending on financing costs.
- If system wide water rates were raised, the average monthly rate increase to pay back the cost of booster station, a 12 inch water main and reservoir would range from \$3.70-\$6.50 per month.

In response to a question from Covington, Johnson stated that the reservoir cost estimate does not include land acquisition.

Public Works Director David Vorse clarified that an expandable booster pump station with 12 inch transmission main would allow for future expansion as well as resolving the current issues for existing customers. Johnson added that the 12 inch water main would have a system wide benefit and is included in the Capital Facilities Plan. A reservoir may need to be funded if a large development occurs.

In response to a question from Councilmember Smith, Johnson stated that this area is outside of city limits. The city is not required to connect residents in the county to the city system. However, if a significant investment is made, this area could be annexed into the city to help recover costs.

In response to a question from Councilmember Smith, Johnson stated that a minimum 4 inch transmission main would also be needed with the addition of a booster pump station. The current transmission lines would not be sufficient.

Councilmember Smith noted that the minimum investment of a booster station and 4 inch line would cost approximately \$470,000 to serve Powell Road and Carpenter Road, which has eight customers that are currently on the city system. Johnson stated that once improvements are made, roughly 20 additional services could be added.

In response to a question from Mayor Larsen, Johnson stated that many other water systems are facing the same dilemma relating to inadequate pressure, which may reduce the possibility of receiving a grant.

Councilmember Smith voiced concern that water rates are already high and only a few existing customers would benefit from this closed zone booster station.

In response to a question from Councilmember Smith, Johnson stated that the city currently has the capacity to fill another reservoir and the supply source is good. However, the city does need to improve the Water Treatment Plant's ability to treat water during the winter months. To have the capability to add more pumps to meet future needs, the booster station would need to be expandable.

In response to a question from Councilmember Yund, Johnson specified that the 12 inch main would provide the infrastructure needed to enable development at I-5 Exit 48. Councilmember Yund noted that economic development may be the criteria needed for a grant.

Councilmember Skeie questioned if it would be possible to have the current eight customers pay for this improvement and then be reimbursed or credited as new customers connect to the service. Johnson responded that a latecomer's agreement could be established, however those usually sunset in 15 years.

In response to a question from Councilmember Skeie, Johnson reports that Washington Administrative Code 290.246 states that you shall provide 30 psi to each water customer. Individual booster pumps may be used on an interim basis to supply that pressure. The DOH Water System Design Manual states that interim individual booster stations are intended to be upgraded within the entity's next 6 year planning cycle.

In response to a question from City Attorney Tom O'Neill, Councilmember Marcil explained that these connections were allowed because the individual wells were not able to supply an adequate source of year-round water to these residences.

In response to a question from John Jokela, 514 Balcer Street NE, Johnson clarified that the elevation of the reservoir sets the water pressure with a gravity flow system. The three residences on Powell Road, which is above the reservoir, require an individual booster pump to receive water. The residences on Carpenter Road have approximately 10 psi without their individual booster pump. In addition the pressure is reduced as the reservoir level decreases.

2360 Public Works Director David Vorse reviewed a list of streets recommended for consideration of an overlay or chip seal in 2007. The Street Fund has \$22,000 budgeted for an overlay and \$7,500 budgeted for a chip seal. The Arterial Street Fund has \$3,000 budgeted for a chip seal.

Councilmember Smith stated that his biggest disappointment as a councilmember is that we cannot provide paved streets for all citizens within the city.

Tape 1 of 2

Side B

In response to a question from Russ Reynolds, 435 Balcer Street NE, Vorse reports that the life expectancy of a two inch overlay in 5-10 years.

Vorse explained that last year the city received a Washington State Pavement Preservation Program grant. The State agency determined the work to be done under this program. Only streets in listed as 'good condition' were eligible for the program. Otherwise there are few grants available for residential streets.

John Jokela, 514 Balcer Street NE, stated that Woodard Avenue and Balcer Street NE should receive the overlay given that a new stormwater line has been installed along these streets. Vorse noted that Woodard Avenue is on the list recommended for an overlay. However, Balcer Street needs a new water main upgrade to increase the fire flow. When a new water line is installed, the ground should be allowed to settle for a season before repairs are made to that street.

In response to a question from Councilmember Yund, Vorse estimates the cost of a thin one inch overlay of Balcer Street would cost approximately \$6500-\$7000.

Councilmember Marcil suggested that funds could be reassessed to allow Woodard Avenue to be overlaid, and Balcer Street could receive a thin overlay. The 200 block of Cowlitz Street West and the 100 block of Third Avenue SW could still be chip sealed using the Arterial Street Fund.

In response to a question from Councilmember Skeie, Vorse reports that Roake Avenue SE has no stormwater system in place, however this area drains well. Any storm drains installed in this area would require a pump station. Vorse pointed out that the sewer collection system dates back to the 1950's. A sinkhole from a sewer line failure could develop on any street at any time.

In response to a question from Steve White, 424 Balcer Street, Vorse specified that a thin overlay on Balcer Street would last approximately five years. Although the water main on Balcer Street should be upgraded for fire flow, it currently does not leak. To prevent equipment damage to these streets, White would like to see the work completed on Balcer Street then on Woodard Avenue.

Vorse estimates the cost to chip seal Balcer Street at \$2900. A chip seal over the thin overlay would help prevent water penetration and extend the live of that overlay approximately an additional two years. A reimbursable agreement with Cowlitz County yields the best price for street repairs, however the work is done on Cowlitz County's schedule.

Councilmember Skeie wants to see street repairs be of benefit to the most people. Roake Avenue SE has a large amount of traffic and is already half completed.

- 4015 Councilmember Skeie made a motion, seconded by Marcil to do a two inch overlay on Woodard Avenue NE, a thin overlay on Balcer Street NE and chip seal if funds remain available from the Street Fund. By roll call vote, unanimous Aye.
- 4124 Councilmember Marcil made a motion, seconded by Yund to chip seal the 200 block of Cowlitz Street West and the 100 block of Third Avenue SW using the Arterial Street Fund. By roll call vote, unanimous Aye.
- 4175 Public Works Director David Vorse requests approval of the Seattle Utility Agreement for use of data from the GPS unit. City Attorney Tom noted that he has reviewed this contract.
- 4205 Councilmember Smith made a motion, seconded by Marcil to approve the Seattle Utility Agreement for use of data from the Washington Department of Transportation GPS. By roll call vote, unanimous Aye.

4220 Vorse reviewed funding for the Front Avenue NW Sidewalk Project. The estimated engineering and construction cost for this project is \$164,529. The Washington State Transportation Improvement Board (TIB) grant for this project is \$138,092 which leaves the city responsible for approximately \$26,437. The city has budgeted \$15,000 from the Arterial Street Fund, plus the federal grant swap for county funds is \$30,000. The funds remaining for this project is approximately \$18,563.

Vorse stated that the Park Board recommends the continuation of flowering cherry trees along Front Avenue NW. This would require less maintenance than a grass strip. The cost to change from top soil and seed to beauty rock, landscape fabric and weed inhibitor is \$800. The estimated cost for 15 flowering cherry trees is approximately \$3500.

Vorse added that the Public Utility District may require utility pole relocation at an estimated cost of \$5000. A franchise agreement with PUD has not been located and this cost is still up for discussion.

4572 Councilmember Smith made a motion, seconded by Yund to approve the addition of flowering cherry trees and beauty rock in place of a grass strip for the Front Avenue Sidewalk Project.

During discussion: Councilmember Skeie stated that he is not in favor of the trees given that in the future this area may be commercially developed. He is concerned that the trees may be more prone to vandalism in a commercial district. Vorse stated that the trees will be spaced further apart in this area than in a residential area. Vorse added that some vandalism to trees have occurred at every location that they have been placed.

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

4760 Report of Meetings

Mayor Larsen will attend a CAP Board meeting on Wednesday.

Clerk-Treasurer Ryana Covington attended a housing meeting to complete federal mandates to reduce homelessness. She also attended a Council of Governments meeting on Thursday. Covington, along with 52 community member have been attending Horizon Project meetings to work on reducing poverty within the community. The Horizon groups will bring their ideas to a community forum in March. These efforts are part of the Horizon grant that the city received. The grant will take 18 months to complete.

4859 Councilmember Yund made a motion, seconded by Marcil to approve Resolution 2007-02 establishing vacation schedules for full time city employees not covered by a collective bargaining agreement, on second reading. By roll call vote, unanimous Aye.

4880 By consensus City Councilmembers agreed that a citizen's committee will be formed to review Mayor and City Council salaries. It was recommended that a minimum of three people participate and Mayor Larsen asked councilmembers to solicit names to serve on this committee. This will be discussed in more detail at the next council meeting.

Tape 2 of 2

Side A

0003 Councilmember Marcil made a motion, seconded by Yund to approve Ordinance No. 2007-01 amending the budgets for Municipal Court, Water Fund and Finance Department for fiscal year 2006, on second reading. By roll call vote, unanimous Aye.

0050 Covington reports that the Castle Rock Eagles #556 have submitted a letter of intent to apply for a 2007 Fireworks Permit. The stand would again be located at 549 Huntington Avenue North.

0078 Mayor Larsen adjourned regular session at 9:05 p.m. for a 15 minute to 30 minute executive session to discuss a personnel issue. No action is anticipated.

0130 Mayor Larsen reconvened regular session at 9:35 p.m. with no action taken. There being no further business, the meeting was adjourned.

Mayor Barbara Larsen

Clerk-Treasurer