

0004 Mayor Barbara Larsen called the Budget Workshop Meeting to order at 6:00 p.m., with the following present: Councilmembers Earl Queen and Jack Reilly, Public Works Director David Vorse, Clerk-Treasurer Ryana Covington and resident Mike Wind.

0211 Exhibit Hall Fund

Covington estimated the 2009 beginning fund balance to be \$23,000. The revenue source for this fund comes from Hotel-Motel taxes and must be used to promote tourist related activities.

Covington stated that Cowlitz County Tourism Bureau has asked if the city would like to again participate in the 2009 AWESOME brochure. The tourism bureau has also asked the Castle Rock Chamber of Commerce if they want to also participate. Proceeds from the chamber and city contributions would be used together to enable a larger display in the brochure.

Expenditures also include salary and benefit costs for a part-time manager. The manager directs activities at the Exhibit Hall/Visitors Information Center and manages the center's volunteers.

Covington outlined how the manager position originated. In answer to Mr. Wind's question, Covington stated the Chamber has not been approached with the idea of taking over the costs for the manager's position.

In answer to Mr. Vorse's question, Covington stated that utilities are paid by the Exhibit Hall Society. However the city also contributes \$200/month for building costs. Covington stated the building is owned by the city and was originally leased to the Chamber of Commerce for operations of the center. This has since become a city managed function and the lease no longer exists.

Mr. Wind stated that rarely will a visitor find an attraction that includes both visitor information and a historic museum.

Mr. Wind stated he has been volunteering at the Visitor's Center. He summarized ideas that he has for tracking tourist information and promotion of the business community. Mr. Wind asks for funding continuation of the Exhibit Hall/Visitor's Information Center as the center for promotion of our community to outside visitors.

Covington stated the city council initially financially supported the Exhibit Hall/Visitors Information Center providing that adequate hotel-motel funds exist to support the service needs.

Accumulative Reserve Fund

Covington explained the function of this fund. She noted that approximately two years ago councilmembers made the decision to built up the balance of this fund on an annual basis. With this in mind, Covington noted that \$2,500 has been included in the revenue projections as a fund transfer from the General Fund. There are no expenditures anticipated in 2009.

CDBG Home Rehab Grant Fund

Covington stated this fund originally was initiated from the city receiving a \$500,000 federal home loan to rehabilitate low to moderate income owner-occupied homes. The city has an oversight committee that has the final determination of projects. In addition, the city contracts with Lower Columbia Community Action Program for management of the applications and contracted work.

In answer to Councilmember Reilly's question, Covington stated the revenue source from this fund comes from loans that have been repaid and are then made available to assist other qualified homeowners.

Expenditures in this fund will be dependent on applications received for this program.

Low Income Housing Fund

The source of this fund comes from document recording fees received by the county. Castle Rock's portion of the recording fees is \$3,000 per year. Funds are to be use for low income or poverty housing assistance. Last year the city council formed a committee to use these funds for water and sewer utility assistance. Parameters still need to be developed before assistance can be made available.

Councilmembers discussed the homeless needs in the Castle Rock area.

DOT Spoil Site

Covington distributed the completed revenue and expenditure projections for fiscal year 2009. The revenue source is from the sale of dredge spoil material and/or grants.

Capital Outlay:

- Security cameras; \$15,000

Vorse explained proposed locations for the cameras. The intent is to coordinate the system with the system proposed by the police department. The purpose of the cameras will be to identify and reduce vandalism on the Riverfront Trail.

Vorse stated the proposed cost of this item could be reduced to \$3,000, depending on system requirements of the police department's project. He explained different systems that could be used.

- Skate park equipment (donation match); \$5,000

Vorse stated this was established by the city council to contribute matching funds for the purchase of additional skate park equipment, up to a total of \$5,000. Councilmembers discussed various outreach options to generate interest in this opportunity. Covington noted that the city has already invested over \$20,000 to develop the area and Vorse explained previous efforts to reach interested youth leaders.

Side - B

4636 Councilmembers continued to discuss the skate park area.

- Bark chips for the playground area at Memory Lane Volunteer Park, located at the end of Merrill Street; \$5,000. Vorse stated he has not yet contacted the city's risk manager to see if pea gravel is an accepted surface areas for the playground.

- Exercise stations for the Riverfront Trail; \$15,000.

Vorse stated these are individual exercise stations that cost approximately \$1,000 each. They provide an added opportunity for trail users to vary their exercise programs and include simple exercise activities. Vorse stated he would like to secure a grant source for funding, instead of using Dredge Spoil funds.

Councilmembers discussed various areas of vandalism that has occurred along the Riverfront Trail.

Projects:

- Riverfront Trail north extension (grant funded); \$378,653

Vorse stated two grant have been secured for this project; \$199,956 from the Washington State Department of Transportation Enhancement funds and \$174,000 from the RCO WWRP Grant program to promote outside recreational uses. The project scope includes extending the trail and lighting up the hill along Huntington Avenue North, opening up viewing areas along the river, and also added trail lighting across the river near the High School.

- Boat Launch construction; \$1,100,000 (grant funded)

Covington summarized the grant commitments. Vorse stated the engineer has recently updated their cost estimates for the project, which shows that the city is approximately \$400,000 short of funds needed to complete the project as designed. Vorse has contacted the Port of Longview to see if additional funding is available. The second option is to amend the scope of work to eliminate certain items, such as paving.

Councilmember Queen stated that fees will help pay for operations and maintenance costs.

In a response from a comment made by Councilmember Queen, Vorse stated that the city does not have any jurisdiction over the Camelot area, which is currently

being used for launching watercraft.

Vorse stated no General Fund monies will be used for the boat launch construction project. Other funding sources will be researched, or the project will need to be amended.

- Rock 'High Banks' access road improvements; \$7,000

Project includes application of rock material and rolling to establish a road base. Vorse described the type of material needed for this project.

Vorse stated the estimated beginning fund balance for 2009 is estimated to be \$42,640. Covington stated the revenue estimates for 2009 are contingent upon continued sales of dredge spoil materials. Currently the city has one hauler on a long-term contract.

Council priorities are:

Councilmembers stated the Riverfront Trail and Boat Launch project are a continuation from this fiscal year and are grant funded.

Other priorities are:

#1 Bark chips for the playground area; \$3,500

#2 Security cameras; Vorse stated he would like to see an appropriation of \$5,000 instead of the \$15,000 as originally denoted.

#3 Rock for the 'High Banks' access road; \$7,000

#4 Exercise equipment; \$15,000 only if grant funding is received.

#5 Skate park equipment; \$5,000 this is only a match if donations are received.

Swimming Pool Construction Fund

Covington stated the estimated beginning fund balance is \$144,014 for 2009 fiscal year. No expenditures are expected for the coming fiscal year.

Vorse stated that construction of a swimming pool is identified in the Park Master Plan. When the Park Plan is updated in 2010, other sites can be identified.

Vorse noted that when a funding source is secured, the city will still need to identify funds for maintenance and operation costs.

Councilmembers discussed possible sites for a swimming pool and discussed the possibility of negotiating with the school district for the Middle School property. Covington stated that the school has not formally offered this to the city and they have just recently completed their facility study to determine capital project needs. Vorse suggested that if the city is interested in speaking with school officials regarding that property, a study of the building maintenance costs and value needs to be investigated. The building is very old, although it was updated in 1985.

Councilmembers discussed various configuration options available to the school for alternative siting of their buildings.

Councilmember Reilly suggested that we should become more proactive in investing these funds. Covington stated it was a council decision on what funds to invest. She would like to see an investment policy adopted by the city council and this will be discussed with the audit committee next week.

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Side - A

0006 Covington requested councilmembers consider canceling the budget workshop meeting scheduled for October 23rd. She stated that it will not be possible to complete all of the updates outlined in these past workshop sessions. In addition, councilmembers noted that they would prefer to have a full slate of councilmembers present when decisions are made to balance the budget for 2009 fiscal year. Covington stated that she does not know if Councilmember Yund will be available for the meeting.

Councilmembers still need to review the requests for the Non-Departmental account, which is the final department within General Fund to be reviewed. Covington stated she will include this as a discussion item at the next regular council meeting.

Covington stated that once changes are made, she would like to have time to distribute for review by department supervisors for any final adjustments.

Councilmembers suggested a budget workshop be scheduled for November 3rd during the day. Covington will check with the other councilmembers to ascertain their availability.

0305 Meeting adjourned at 7:45 p.m.

Mayor Barbara Larsen

Clerk-Treasurer