

- 0006 Mayor Barbara Larsen called the regular meeting of the Castle Rock City Council to order at 7:35 p.m., followed by the Pledge of Allegiance. The following councilmembers were present: Greg Marcil, Earl Queen, Jack Reilly and Mike Mask. Councilmember Khembar Yund was absent.
- 0048 Councilmember Mask made a motion, seconded by Reilly to approve the minutes of the November 24, 2008 Budget Workshop Meeting. By roll call vote, Councilmember Marcil abstained, the rest Aye, motion passed.
- 0082 Councilmember Mask made a motion, seconded by Reilly to approve the minutes of the November 24, 2008 Regular Council Meeting. By roll call vote, unanimous Aye.
- 0097 Clerk-Treasurer Ryana Covington reports that the minutes for the November 17, 2008 Budget Workshop Meeting are not completed. Approval will be tabled until the next Regular Council Meeting.
- 0112 Mayor Larsen opened the Public Hearing at 7:36 p.m. to take public comment on the proposed budget for fiscal year ending December 31, 2009, including proposed fee increases for building permits, business licenses, utility rates, non-metered water fees and stormwater rates. Adoption of the budget will require interfund loans totaling \$236,074 from two existing city funds to the General Fund to bridge projected revenue shortfalls. This public hearing was continued from the November 24, 2008 Regular Council meeting.

Clerk-Treasurer Ryana Covington reports that elected officials have been meeting over the last two months to resolve the projected General Fund shortfall. Mayor Larsen and the city council have presented their proposed 2009 budget in the amount of \$9,838,767, which includes an interfund loan of \$236,074 to the General Fund.

The General Fund related requests included in this budget are:

**Personnel Increases -**

- 4.00% COLA plus a 2% Market Adjustment increase in accordance with the Clerical collective bargaining agreement
- 3% COLA increase for non-bargaining and part-time employees; (Clerk-Treasurer has declined her COLA increase)
- 4% increase in accordance with the Police collective bargaining agreement
- Collective bargaining agreement for Public Works employees is not settled
- Industrial Insurance – 3% increase
- Health Insurance – 5% increase (Medical, Dental, Vision – Full Time Employees)

**Software Upgrade**

Upgrade the software and printers from DOS based to Windows based programs for budget, payroll and utility billing programs. Cost to be shared between 12 funds at \$3,511 for each fund. Includes General Fund, Street Fund, Arterial Street Fund, CDBG Home Rehab Fund, Criminal Justice, DOT Spoil Site, Water Fund, Sewer Fund, Regional Water Fund, Regional Sewer Fund and Stormwater Management Fund. This is a one time expense for 2009 fiscal budget.

**Phone System Upgrade**

To replace the existing system which is approximately 16 years old. Existing system has limitations on expansion capabilities and does not include functions (such as voice mail). Purchase of phone system to be funded through a 5 year rental agreement. Cost to be shared between five funds/departments (Executive, Police, Finance, Water and Building/Planning) at \$2050/year for each fund and/or department. (Purchase not to be authorized until reevaluation of revenue resources in June)

**Insurance Increases -**

AWC RMSA Liability Insurance – 39% Increase (\$23,571 increase)  
Trustmark Insurance – LEOFF I Retiree Medical - \$1500 increase

**Finance Department**

Fund Clerk-Treasurer’s salary and benefits to be distributed 70% Finance; 15% Water Fund; 15% Sewer Fund

**Police Department;**

Overtime Increase; \$12,000

Grants for the Police Department services include:

ESD 112 Safe School Grant; \$9,000

WASPC Registered Sex Offender Grant; \$1,000

Traffic Safety Commission Grant, Seat Belt; \$4,000 (estimated)

Traffic Safety Commission Grant, DUI Enforcement; \$4,000 (estimated)

Traffic Safety Commission Equipment Grant; \$1,000

AWC Safety Equipment Grant; \$1,000

AWC Loss Control Grant; \$1,000

**Park Department**

Completion of DNR west side survey - \$14,000 (Revenue calculations include \$14,000 Rural Development grant reimbursement.)

**Building And Planning Department**

Hours reduced for building official to one day/week.

Planning – completion of an update to Critical Areas Ordinance and promotion of development opportunities

**Non-Departmental**

Ending fund balance of \$150,000  
 Washington State Audit - \$12,000 (remaining cost of audit to be shared with Regional Sewer and Regional Water Funds)  
 Books, maps, periodicals - \$2,000 completion of municipal code revision project  
 Interfund transfers – Water/Sewer Fund - \$2800 (no increase from previous years)

### **Street Fund**

Modified Public Works Maintenance employee's work schedule (reduced by 290 hours), Funded this position 45% Street Fund; 15% DOT Spoil Site Fund; 40% Stormwater Fund

Safe Route To Schools Sidewalk Grant; \$317,200 (December 15<sup>th</sup> city estimates final determination will be made by granting agency)

### **Arterial Street Fund**

Cowlitz Street West Reconstruction (Grant/Loan funded) \$630,000

### **Real Estate Excise Tax Fund**

\$3,000 Interfund transfer to Arterial Streets to fund crack seal project for Huntington Avenue South (The Rock to Exit 48)

### **Criminal Justice Fund**

Grant programs for domestic violence (support shelter), bike patrol and youth programs

Funding \$3,000 for part-time salaried law enforcement officer

Funding 20% of Officer's salary from this fund (Approx \$14,000)

### **Local Criminal Justice Fund**

Capital Outlay:

Patrol Vehicle Purchase	\$16,000 (3 year lease/pmt plan)
SLR Digital Camera	\$1050
Hard armor plates	\$2400
Breaching tools	\$700
Laptop computer	\$3000
Go Bags (for reserves)	\$1,300

### **DOT Spoil Site**

Security Cameras; \$2,400

Skate Park donation \$5,000 (city match for donations received)

Riverfront Trail extension \$378,653 (RCO Grant funded)

### **Public Works Vehicle Replacement**

\$300 Tool boxes (purchase of 3 @ \$300 each)

\$20,000 Purchase of new replacement pickup

\$20,000 Purchase of either a used 10 yd dump truck or new pickup

Covington explained that this fund was created for the purchase of equipment. A transfer is made each year into this fund from five different funds. Participating

funds include: Water, Sewer, Street, Regional Water and Regional Sewer. This year there will not be a transfer from the Street Fund due to the limited amount of funds available.

**Water Fund**

Utility billing system and handheld meter (1/2 cost share) \$10,500  
Meter upgrade of 75 new meters and 75 radio read; \$14,500  
Shop maintenance (repair front gate, painting structures); \$3000  
Shop security camera; \$3000

**Sewer Fund**

Utility billing system and handheld meter (1/2 cost share) \$10,500  
Mandatory sewer inspection plan \$10,000 (Mandated by AWC)

**Regional Water Fund**

Water Treatment Plant Upgrade (DWSRF Loan 20 yr, 1/2%) \$1,900,000  
(\$200,000 from Cowlitz County Rural Development)  
Security camera; \$3,000  
Water main replacement (Woodard to Cowlitz View); \$25,000 (if funds are available)  
Spirit Lake Highway Reservoir inspection and cleaning; \$5,000

**Regional Sewer Fund**

Security camera; \$3000  
Bobcat tiller attachment (used); \$3500  
Outfall evaluation and repair; \$10,000  
Mandatory sewer inspection program \$10,000  
Solids Odor Control processes; haul solids to alternative site (Nov-Apr)  
\$5,000/year

**Stormwater Management Fund**

Levee certification through contract with Army Corps Of Engineer (ACOE) – Phase 2; \$25,000  
Tree removal on levee (per ACOE recommendation); \$10,000

Council requested increases to fees and permits as follows:

1. Stormwater rate increase of approximately 22%. For example, this would equate to an increase of 82¢/month for residential customers
2. Increase building permit fee schedule to Cowlitz County 2008 rates. The city has not adjusted these fees since 1999.
3. Increase business license permit fees to \$75/year (last increased in 1977)
4. Increase water and sewer rates – council recommendation made at November 24<sup>th</sup> budget workshop meeting was to increase cubic foot charge for water customers from \$3/100 cf to \$4/100 cf of use. Further discussion regarding these utility rates will continue later this meeting.

Covington clarified that the utility base rate was established to cover operation and maintenance expenses and the cubic foot charge covers the Regional Utility Board (RUB) fee charged to the city for treatment. Both of these expenses have increased. The RUB fee will increase from .015606/cf to .02128/cf in 2009.

Per council direction at the November 24, 2008 budget workshop; General Fund deficit to be funded from Interfund Loans in the amount of \$236,074 from Fund #300 and Fund #160. This loan will be for a period of three years and must be paid back to the lender, with interest. Council also directed that no interest or principal payment be made in the first year of the loan.

In response to a request made by Councilmember Yund at the November 24<sup>th</sup> workshop, Covington reviewed the Public Works Vehicle Replacement Fund to ascertain if funds from here can be returned to the General Fund. The Public Works Vehicle Replacement Fund was established in 1996 to fund the purchase of equipment. To date, eight purchases have been made from this fund totaling \$28,837. Currently the fund has a balance of \$34,500. The General Fund has never transferred money directly into the Public Works Vehicle Replacement Fund but rather, transferred money into the Street Fund which then contributed to this fund. Covington calculated that \$5663 from the Public Works Vehicle Replacement Fund is the amount eligible to be refunded to the Street Fund. If council directs, the Street Fund could then return that same amount to the General Fund.

Covington reports that in 2004 and 2005, city staff negotiated a fee with the Washington State Department of Transportation (WSDOT) for the Toutle River Rest Stop waste treatment. At that time the city was charging \$11.91/1000 gallons for waste and WSDOT felt this was too high. In August 2005, the city and WSDOT entered into a new service agreement at a rate of \$6.75/1000 gallons. This agreement also froze the rate that can be charged for a period of two years and the city is now able to amend this charge. The contract enables the rate to be increased by the same percentage as other city customers. However, the rate structure established by the city council for 2008 charges was not done by a percentage, but rather a complete restructuring. In an e-mail from City Engineer Mike Johnson, he interpreted the agreement to be a rate of \$12.06/1,000 gallons of treated waste (this would include the base rate, plus the usage rate divided by 7,200 gallons per month). However Johnson noted this amount may create an issue with WSDOT. As an alternative, he suggested it would be appropriate to charge the monthly base rate assessed to city sewer customers, in addition to a usage rate \$9.56/1000 gallons (based on 7,200 gallons per month customer equivalent usage). By consensus, councilmembers agreed this may need to be renegotiated, however until that time, they directed that a base of \$18/month be charged in addition to a flow rate of \$9.56/1000 gallons of use.

Councilmembers reviewed proposed rates for the Water/Sewer Operating Fund, which will require an additional \$24,188 to meet 2009 expenses if council

chooses to include funding for a portion of the Clerk-Treasurer’s salary. An increase to the sewer base rate is needed as the number of sewer customers was underestimated when the rates were restructured in 2008.

Covington presented two options for utility increases:

	<b>Water Charge</b>	<b>Sewer Charge</b>
<b>Option 1</b>	Increase the base rate from \$28 to \$31 and increase the rate per100 cubic feet from \$3 to \$3.10	Increase the base rate from \$18 to \$22.10 with no increase to the cubic feet rate
<b>Option 2</b>	No increase to the base rate of \$28 but increase the rate per100 cubic feet from \$3 to \$4	Increase the base rate from \$18 to \$22.10 with no increase to the cubic feet rate

Councilmember Mask feels that Option 1 would have less of an impact on a higher number of customers. In addition, utility rate increases would not be as high if a portion of the Clerk-Treasurer’s salary was not funded from the Water/Sewer Fund. He felt it would be better to increase the interfund loan by this amount then to raise rates to fund this salary realignment. Councilmember Mask believes that a utility increase would not be needed if not for this salary realignment.

Covington stated various expenditure decreases have already been included in the 2009 budget, including a reduction in the ending from balance for both the Water and Sewer Fund, from \$40,000 to \$30,000.

Councilmember Marcil noted that water and sewer services must be supported by user fees. Sewer expenses continue to be subsidized by water funds.

2416 There being no questions or comments, Mayor Larsen closed the Public Hearing at 8:19 p.m. and resumed regular session.

Councilmember Mask noted that raising utility rates necessitates an increase in all other costs for the community. Councilmember Queen responded that an increase is necessary to meet expenses.

Tape 1 of 2

Side B

2518 Police Chief Bob Heuer reports that an in-car video system was installed in one of the police vehicles. Officer Jeff Gann explained that a grant was received last year from the Association of Washington Cities (AWC) to purchase in-car video equipment. This equipment consists of a video camera, digital recording system and a touch screen monitor which are mounted in the patrol vehicle. Camera and recording functions are controlled with the touch screen monitor.

Councilmembers reviewed a recording of a traffic stop by Chief Heuer and Officer McNew, involving a stolen vehicle. Video recordings document the

arrest, provides evidence that is difficult to contest in court and is also available for training purposes. The system cost is \$3,000. Half of the cost was funded through the grant and the other half was paid from the Local Criminal Justice Fund. Officer Gann has submitted an application for three more in-car video systems. A decision on that grant should be received by the end of the year.

Officer Charlie Worley described the Shop with a Cop event which will take place on Sunday, December 14<sup>th</sup> at 1 p.m. Ten middle school students were chosen from the Castle Rock School District and five from the Toutle Lake School district to participate in the event. Officers will take the students to Wal-Mart to do holiday shopping and afterwards the students will be treated to lunch at Papa Pete's Pizza.

Chief Heuer detailed that this annual event is funded entirely from donations. In Castle Rock, the event began in 2003 with a \$100 donation from a local business woman. This year, Police Chaplain Steve White is organizing the Shop with a Cop program. Officer Worley announced that \$2,245 in donations was received this year from the following businesses: Castle Rock Texaco, Castle Rock Pharmacy, Castle Rock Lions Club, Mt. St. Helens Motel, Papa Pete's Pizza, C & C Speedy Mart, Castle Rock Building Supply, Bredfield's True Value, Hubbard Funeral Home, Hill Creek Outdoors, Inc., Castle Rock Pediatric and Family Wellness Center, Quaipe's Insurance, Reinholdt Alignment, Chuck and Linda Bauska, Doug, Lily and Rusty Eiche, Cowlitz County Sheriffs Guild and the Cowlitz County Sheriffs Department Administrators.

In response to a question from Mayor Larsen, Officer Worley noted that Wal-Mart has offered to wrap the gifts.

In response to a question from Councilmember Mask, Officer Worley clarified that Chaplain White and school administrators assisted him with the selection of deserving students. Councilmember Mask commented on the good work that the Police Department does.

- 3546 City Planner T.J. Keiran has reviewed the alley vacation request submitted by Mr. and Mrs. Arthur for determination of legal lot boundaries. He will meet with the City Attorney to provide a recommendation for the next Regular Council Meeting in January.
- 3619 Keiran requests approval of Ordinance 2008-05 which will update the Zoning Code, Zoning Map and the Comprehensive Plan Map to bring zoning stipulations into compliance with the Comprehensive Plan.
- 3811 Councilmember Reilly made a motion, seconded by Queen to approve Ordinance 2008-05 amending the Zoning Map of the City of Castle Rock and Title 17, Zoning of the Castle Rock Municipal Code, with the noted correction, on second reading. By roll call vote, unanimous Aye.

3876 Public Works Director David Vorse stated that he has received a letter from the Washington State Transportation Improvement Board denying grant funding for the Cowlitz Street West Revitalization Project. Two applications were submitted by the City, one for the Small City Arterial Program (SCAP) and the other for the Small City Sidewalk Program (SCSP). The SCSP project ranked third out of the eight projects that were submitted with the top two projects funded. The SCAP project ranked eleventh with the first five projects funded. The rating for this grant was low because no points were received for deteriorated street conditions. An application will again be submitted once the underground utilities have been installed and the road surface will be adversely affected, which should increase the city's point score.

The results of the Washington State Department of Transportation Safe Routes to School grant application will be received on December 15<sup>th</sup>.

4003 Vorse reports that he has been invited to attend a Smart Growth Conference in Albuquerque, New Mexico. The lodging, registration and flight costs are being funded by Cowlitz on the Move and Pathways 2020. This conference offers numerous courses for building viable communities. Meals will be the only expense that the city will incur for this conference. This conference is scheduled for January 21<sup>st</sup> through the 24<sup>th</sup>.

4171 Councilmember Marcil made a motion, seconded by Reilly to approve out-of-state travel for the Public Works Director to attend the Smart Growth Conference in Albuquerque, New Mexico funded by Cowlitz on the Move and Pathways 2020. By roll call vote, unanimous Aye.

4186 In response to a question from Councilmember Mask, Vorse reports that the Whittle Creek Easement Agreements for the mitigation portion of the Boat Launch Project have been sent to property owners. The property owners have indicated that they are willing to enter into this agreement. The surveyor is currently working on the short plat that is needed before the school district can Quit Claim the boat launch site property to the city. The boat launch engineering firm, URS, is modifying the parking plans to reduce costs. No permitting issues have been brought forth by federal agencies.

In response to a question from Councilmember Queen, Vorse specified that the North County Recreation Association (NCRA) will share maintenance responsibilities for the asphalt access road. Councilmember Queen pointed out that it will be quite an expense to pave this road. Vorse clarified that the amount that can be paved will be dependant upon actual construction costs. The parking lot site is in good condition as NCRA used what is called reject rock which binds well with the dredge spoil material.



In response to a question from Councilmember Mask, Vorse clarified that all of the Castle Rock School District property is within city limits. Councilmember Mask stated that he received a report from a neighboring property owner that underage drinking is taking place at the proposed boat launch site. Councilmember Queen suggests locking the cable gate to prevent vehicular access to the site.

Vorse reports that the Quit Claim Deed for this site will be for eight acres. The city attorney is working on the easements for the access road.

4441 Clerk-Treasurer Ryana Covington requests payment of November expenditures in the amount of \$262,999.37 as outlined on the Summary of Claims and further described as check numbers 38046 through 38119 for general expenditures and check numbers 20380 through 20429 for payroll expenses. She noted that Councilmember Reilly has reviewed all claims prior to this meeting.

4446 Councilmember Queen made a motion, seconded by Mask to approve payment of November, 2008 invoices in the amount of \$262,999.37, as described in the Summary of Claims. By roll call vote, unanimous 'Aye'.

4461 Librarian Vicki Selander presented recommendations from the Library Board of Directors in response to the failure of the Library Excess Levy. The Board recommends that the Library continue operating on a limited schedule of 79 hours or less per month as long as 2008 funds and any private funding or donations remain available. When funds are depleted the Castle Rock Public Library operations will be suspended until such time as sufficient funds can be generated to resume the Library's operation on a sustainable basis. The Board further recommends that Castle Rock City Council notify the personnel holding the positions of Library Assistant and Library Maintenance that their jobs will be eliminated on January 31, 2009, due to lack of funding from the levy failure.

Selander reports that Library Levy failed by four votes. The Friends of the Library have agreed to dedicate up to \$2500 for the expense of a Special Election. However, the Cowlitz County Treasurer clarified that the November election is the last opportunity to obtain tax funds for the following year. The Library Excess Levy can be included on the ballot for the August Primary Election to receive funding in 2010, at a lower cost for election expenses.

In response to a question from Vorse, Selander indicated that Library donations can be given to City Hall or the Friends of the Library. Donations given to the Friends of the Library are tax deductible as this is a 501(C) (3) organization. Councilmember Mask suggests that the Daily News assist with informing the public on the need for donations.

In response to a question from Councilmember Mask, Selander stated that current funding will operate the Library for 79 hours per month for possibly four months.

Selander will perform all duties for a part-time hourly wage without benefits. The Friends of the Library scheduled a book sale in January and also plan on speaking to local service organizations.

4756 Report of Meetings

All councilmembers have been attending Budget Workshop Meetings.

Councilmember Mask reports that today he received a call from a member of the Chamber of Commerce requesting a meeting. He met with chamber members representing thirteen local business owners. These members believe that the City's Building Permit process should be faster and less cumbersome.

Councilmember Mask expanded that these Chamber members also shared an exciting promotional idea. They plan to discuss this development potential with state senators and Cowlitz County Commissioners.

Covington noted that Building Permit's must adhere to the International Building Code. The City developed the Site Plan Review as a time saving benefit by arranging for all parties to assemble to review concerns and requirements. In answer to Councilmember Mask's question, she stated that building permits are usually issued within ten days after receiving a completed application.

Councilmembers commented on the length of time needed to obtain a building permit from Cowlitz County.

Councilmember Mask stated that the Chamber of Commerce will present the promotional idea at a future Council Meeting. Councilmember Queen responded that the Chamber of Commerce should present ideas and concerns to council during a Regular Council Meeting instead of individually seeking out councilmembers.

Tape 2 of 2

Side A

0045 Covington summarized that at the last meeting, councilmembers adopted both Ordinance No. 2008-07 (which includes the Special One Year Excess Levy for the Library) and Ordinance No. 2008-07(A), which excludes reference to the library excess levy. This was done to meet the statutory timeframe for adopting the city's Ad Valorem tax rate. At that time, the library levy issue had not been ratified by the elections board. Because the library levy was not successful, Councilmembers must now repeal Ordinance No. 2008-07.

0167 Councilmember Mask made a motion, seconded by Queen to rescind Ordinance No. 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. By roll call vote, unanimous Aye.

- 0205 Councilmember Marcil made a motion, seconded by Mask to approve Ordinance No. 2008-09 providing for Highway Access Management, access permits and administrative process pursuant to RCW 47.50, on second reading. By roll call vote, unanimous Aye.
- 0247 Councilmember Reilly made a motion, seconded by Queen to approve Ordinance No. 2008-10 amending CRMC Chapter 10.40, to exclude school bus traffic from length restrictions, on second reading. By roll call vote, unanimous Aye.
- 0291 In response to a question from Librarian Vicki Selander, The Daily News Reporter Barbara LaBoe clarified that Library personnel are city employees and must be notified by the City that their jobs will be eliminated on January 31, 2009, due to lack of funding from the levy failure.
- 0410 Councilmember Mask made a motion, seconded by Reilly to accept the recommendations from the Library Board of Directors and direct the Mayor to take appropriate action to follow those recommendations. By roll call vote, unanimous Aye.
- 0449 Councilmember Reilly made a motion, seconded by Queen to approve Ordinance No. 2008-08 amending the 2008 fiscal year budgets for the Police Department, DOT Spoil Site and the Park Department Funds, on first reading. By roll call vote, unanimous Aye.
- 0530 Covington explained that Ordinance No. 2008-11 will remove business license fees from the municipal code and allow them to be established by resolution.
- 0573 Councilmember Queen made a motion, seconded by Mask to approve Ordinance No. 2008-11 amending CRMC Chapters 5.04 and 5.16 (in part) to set business license fees by resolution, on first reading. By roll call vote, unanimous Aye.
- 0585 Councilmember Mask made a motion, seconded by Queen to approve Resolution No. 2008-11 amending Resolution No. 2004-03, Building Permit Fee Schedule, on first reading. By roll call vote, unanimous Aye.
- 0645 Covington stated that council must choose the option that is preferred for a utility rate adjustment which will then be incorporated into Resolution No. 2008-12. Councilmember Reilly indicated that he agrees with Councilmember Mask that Option 1 is the better option. Councilmembers Queen and Marcil prefer Option 2 as the cost is directly linked to the amount used. Increases to the base rate have an adverse affect on the lowest users. Option 2 increases the cost per cubic feet which increases costs as usage increases. Councilmember Mask noted that only the lowest users benefit from Option 2. Councilmember Reilly pointed out that the reason the rate structure was changed is to provide residents with the ability to reduce costs through conservation. Councilmember Mask feels that utility increases are pricing people out of business. Councilmember Queen noted that

the City's customer base is small and the expense of the Wastewater Treatment Plant loan must be absorbed between the city's users. Councilmember Mask disagrees that a rate increase is required this year.

1307 Councilmember Reilly made a motion, seconded by Queen to approve Resolution No. 2008-12 amending Resolution No. 2007-08 pertaining to water and sewer utility rates and set rates in accordance with Option 2, on first reading. By roll call vote, Councilmember Mask 'Nay', the rest 'Aye', motion passed.

1326 Public Works Director David Vorse clarified that the stormwater rate increase discussed at November 24, 2008 budget workshop is approximately a 17% increase which amounts to a 82¢ increase for residential customers. All residential customers will be charged a flat monthly fee of \$4.57.

Councilmember Mask indicated that he disagrees with this increase as utility costs are too high. He calculated that the 2009 increase for a usage of 600 cubic feet is approximately \$13 per month. Increases will be higher for businesses and that directly impacts all residents. Councilmembers Queen and Marcil noted that expenses must be met which is the reason for the increases.

1633 Councilmember Marcil made a motion, seconded by Reilly to approve Ordinance No. 2008-15 amending the Stormwater Utility Rates, on first reading. By roll call vote, unanimous Aye.

1646 Councilmember Reilly made a motion, seconded by Queen to approve Resolution No. 2008-14 establishing fees for business licenses, cabaret, card room, jukebox machines, pool tables, pinball machines and other coin operated amusement devices, on first reading. By roll call vote, unanimous Aye.

1708 Councilmember Mask made a motion, seconded by Reilly to approve Resolution No. 2008-15 adopting updated Cowlitz County Comprehensive Emergency Management Plan, on first reading. By roll call vote, unanimous Aye.

1732 Councilmember Queen made a motion, seconded by Reilly to approve Ordinance No. 2008-12 authorizing and establishing the terms for interfund loans to the General Fund, on first reading.

During discussion: In response to a question from Councilmember Mask, Covington clarified that the loans will taken from the CBGB Grant Rehab Fund and the Swimming Pool Construction Fund.

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

1785 Councilmember Mask made a motion, seconded by Queen to approve Ordinance No. 2008-13 adopting the 2009 Fiscal Year Budget, on first reading. By roll call vote, unanimous Aye.

1799 Councilmember Reilly made a motion, seconded by Queen to approve Ordinance No. 2008-14 amending the CRMC Section 13.16.020 Retail Water Sales/Fees, on first reading. By roll call vote, unanimous Aye.

1856 Covington reports that she will have the 2009 Salary Schedule prepared for the next Regular Council Meeting.

1894 Covington stated that the contract for treatment of waste from the Toutle River Rest Stop only allows the City to increase rates by the same percentage as city customers. Councilmember Marcil feels that regardless who the customer is, everyone using the service should have to pay the same rate as city residents.

In response to a question from Councilmember Mask, Covington reports that the State of Washington spends approximately \$45,000 annually for payment of treatment of waste from the Toutle River Rest Stop area.

Vorse felt that the engineer's calculations may be incorrect regarding the gallon charge. He said that the adopted monthly base rate would be charged the same as residents. In addition, \$9.56 per 1000 gallons of treated waste would also be charged. This is in alignment with the current rate structure paid by city customers. In answer to Councilmember Marcil's question, Vorse stated city customers are charged by the 100 cubic feet of use and the state is charged by the 1000 gallons of treated waste. Vorse stated that the charge needs to be converted from cubic feet to gallons and he outlined how the gallon charge was calculated. Councilmember Mask agrees that the State should be charged at the same rate as city customers, but the city cannot afford to lose them as customers. By consensus, councilmembers agreed to bill the stated as discussed above.

2320 The next council meeting will be held on December 22, 2008 at the regular time.

2323 Mayor Larsen adjourned the meeting at 9:50 p.m.

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Mayor Barbara Larsen

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Clerk-Treasurer