

**GRANDVIEW CITY COUNCIL
REGULAR MEETING MINUTES
MAY 4, 2009**

1. CALL TO ORDER

Mayor Norm Childress called the regular meeting to order at 7:00 p.m. in the Council Chambers at City Hall.

Present were: Mayor Childress and Councilmembers Mike Bren, Pam Horner, Diana Jennings, Bill Moore, Jesse Palacios and Joan Souders. Councilmember Jan McDonald was absent.

Staff present were: City Administrator Scott Staples, City Attorney Jack Maxwell and Deputy City Clerk-Treasurer Elizabeth Alba.

2. PLEDGE OF ALLEGIANCE

Laisha Valencia, student at McClure Elementary School led the pledge of allegiance.

3. PUBLIC COMMENT – None

4. CONSENT AGENDA

On motion by Councilmember Horner, second by Councilmember Moore, Council unanimously approved the Consent Agenda consisting of the following:

- A. Minutes of the April 20, 2009 regular meeting**
- B. Claim check Nos. 93142-93238 in the amount of \$97,070.98**
- C. Payroll check approval for the April 16, 2009 through April 30, 2009 payroll**

5. ACTIVE AGENDA

A. HOME Investment Partnerships Program Presentation

City Administrator Staples introduced Marjorie Dahlstrom of Yakima County Department of Human Services. Ms. Dahlstrom outlined the HOME Investment Partnerships Program. The program was authorized by Congress in 1990 and was the largest federal block grant to state and local governments to produce affordable housing for low-income families. A HOME Consortium was contiguous units of governmental units that enter into an inter-local agreement to undertake eligible HOME Program activities in order to receive HOME funds as a "Home Consortium." HOME eligible activities included construction of homes for sale and rental housing; rehabilitation of owner occupied and rental housing; acquisition of housing for sale or rent to low-income households; tenant based rental assistance; and homebuyer assistance. Yakima County Consortium HOME Investment Partnership Program would be created by an intergovernmental agreement between interested cities in the Yakima Valley and Yakima County in order to receive HOME program funding in fiscal year 2010. The program commitment would be a three-year commitment with no requirement to actually expend funds during the three years. An Intergovernmental Agreement with Yakima County would need to be signed and forwarded to Yakima County by May 29, 2009.

On motion by Councilmember Palacios, second by Councilmember Souders, Council unanimously directed staff to prepare the necessary documents to join with Yakima County to form a consortium for the HOME Investment Partnerships Program.

B. Notice of Intent to Apply for Funding Assistance to the USDA Rural Development for Grandridge Neighborhood Water System and Storm Drainage Improvements

City Administrator Staples announced the City's intent to apply for funding assistance to the USDA Rural Development for the Grandridge Neighborhood Water System and Storm Drainage improvements. He explained that in 1996, the City identified a low income residential area that had deteriorated streets and failing utilities. An application was submitted for a Community Development Block Grant (CDBG) to improve the street and utility infrastructure in this multi-block area. Although the City was successful in receiving nearly one million dollars in CDBG funds, the project cost for the total area exceeded the available funds requiring a reduction in project scope. As a consequence, a portion of the 1996 target area was removed from the project. In 2008, the City submitted another application for a CDBG and was awarded \$660,000 for the area that was removed from the original project. The estimated cost of the second phase project was \$1,054,200 with a contribution of \$384,200 from the City water/sewer fund and \$10,000 from local businesses. Since the CDBG funding award, the project estimate has risen primarily due to the increased cost of steel and asphalt. He explained that staff was hopeful that the economic climate would generate competitive bids. In the meantime, staff has been researching additional sources of funding to make up the difference between the original estimate and the actual low bid. USDA Rural Development provides loans to communities for water system and storm drainage improvements. In addition to USDA, staff was also researching the possibility of applying for a supplemental CDBG to cover the additional cost. He mentioned that if the City does apply for USDA funding and USDA approves the City's request there was still no obligation on the part of the City to finalize the loan documents. The City would be advertising the project on May 6th with a bid opening scheduled for May 27th. He noted that if the City utilized the USDA's loan, debt service would be paid back from the water/sewer fund and it would only be to pay for that portion of the project not covered by the CDBG.

C. Resolution No. 2009-14 Adopting an Identity Theft Policy

The Federal Trade Commission's new rules on identity theft, known as "Red Flags Rules," required financial institutions, utilities, and other creditors to set up programs aimed at preventing identity theft. The Red Flags Rules applied to governmental entities that maintain customer billing accounts that permit the customer to pay after the service has been rendered, such as a utility. The rules and guidelines were effective January 1, 2008. The mandatory compliance date for this rule was November 1, 2008, however, the FTC granted a six-month delay (until May 1, 2009) for enforcement of the Red Flags Rules. To comply with the Red Flags Rules, an Identify Theft Policy was prepared for implementation.

On motion by Councilmember Bren, second by Councilmember Horner, Council unanimously adopting an Identity Theft Policy.

D. Legislative Wrap-Up

City Administrator Staples outlined the key outcomes of the 2009 legislative session:

- Full mitigation for streamlined sales tax: \$65 million was allocated to fully mitigate the revenue redistribution impacts of the sourcing law changes as a result of streamlined sales tax.
- An additional \$10 million for the City-County Assistance Account: the real estate excise tax that funds this account has fallen significantly. The budget allots an additional \$10 million to this account to assist small and low tax-based cities and counties.
- Continuation of important state-shared revenues: the Criminal Justice Assistance Account, the Liquor Excise Tax Account and the Liquor Revolving Account continue to be appropriated at levels similar or above previous years. An additional \$18.7 million was to be distributed to local governments through the Liquor Revolving Account because of assumed additional liquor profits associated with additional store openings and store hours.
- A reduction in local government audit costs and in audit frequency for some local governments: during the next biennium the State Auditor was directed to reduce charges for audits performed on local governments and to conduct audits no more frequently than once every two years for local governments with annual general fund revenues of \$10 million or less as long as there were no findings of impropriety within the last three years.
- Key city components of the capital budget include: \$10 million for Small Community Jobs. A new competitive grant program to be administered by the Public Works Board.
- Brokered natural gas use tax: Clarifying the definition of use for the brokered natural gas use tax was not passed. AWC would pursue legislation during the special session if the legislature was called.
- Pension Systems Funding: SB 6161 setting pension contribution rates for the 2009-11 Biennium passed the legislature and was delivered to the Governor on the final day of the session. The bill makes several changes to pension funding methods and assumptions for all of the state's retirement plans, except the Law Enforcement and Fire Fighter's Plan 2 (LEOFF 2).

6. UNFINISHED AND NEW BUSINESS - None

7. COUNCILMEMBER MEETING REPORTS

Library Fundraiser – Councilmember Horner reported that the YVCC Student Government fundraising event to benefit the new library building was very successful raising an additional \$1,000.

Centennial Update – Councilmember Bren remarked that the Oral History Series held on April 28th was very successful with over 95 people in attendance. A video presented that evening of past parades and Harvest festival is available for \$10. The next Centennial Committee meeting was scheduled for May 6 at 6:30 p.m. at The Vineyard.

Chamber of Commerce Update: Councilmember Souders announced that the Chamber Executive Board has hired a new Executive Director, Gary Avery. Mr. Avery would be the guest speaker at the general membership meeting on Thursday, May 7, at noon at The Vineyard.

Frisbee Golf Course: Mayor Childress remarked that at a previous meeting Council decided to sponsor a hole. It was determined that a payroll deduction in the amount of \$12.50 per Councilmember would be included in the next payroll.

City Project Status: City Administrator Staples updated the status of three projects that would be going out to bid in the next week. The three projects were the Grandridge Neighborhood Improvement Project, Pathway Improvements at County Park Event Center, and the Euclid Road Resurfacing Project.

Downtown Revitalization Project: City Administrator Staples, Public Works Director Arteaga, Code Enforcement/Building Inspector Taylor met with Sheri Brockway this week to discuss six suggested changes that would clarify the downtown design standards. The changes would be a part of the May 18th Council Agenda. A meeting with property owners would be held Thursday, May 28th at 6:30 p.m. at the Carl L. Stevens Senior Center.

Yakima Valley Conference of Governments: The YVCOG general membership meeting was scheduled for May 20th. Mayor Childress would be attending.

Open Public Meetings Act: Mayor Childress reminded Council that recent e-mails were subpoenaed in another City. Council was cautioned to follow the guidelines for sending e-mails.

8. EXECUTIVE SESSION – Collective Bargaining

Mayor Childress adjourned the meeting to an executive session at 8:30 p.m., for approximately 30 minutes to discuss collective bargaining with the aforementioned Mayor, Councilmembers, City Attorney and City Administrator present. The meeting was continued an additional 40 minutes at 9:00 p.m. The meeting resumed at 9:40 p.m., with the aforementioned Mayor, Council and staff present.

9. ADJOURNMENT

On motion by Councilmember Moore, second by Councilmember Horner, Council unanimously adjourned the regular meeting at 9:43 p.m.

Mayor Norm Childress

Elizabeth Alba, Deputy City Clerk-Treasurer