

**GRANDVIEW CITY COUNCIL
REGULAR MEETING MINUTES
MARCH 27, 2012**

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, Diana Jennings, Bill Moore, Jesse Palacios, Javier Rodriguez and Joan Souders. Councilmember Pam Horner was absent.

Staff present were: City Administrator/Public Works Director Cus Arteaga, City Attorney Quinn Plant, City Treasurer John Myers, Parks & Recreation Director Mike Carpenter, Library Director Elizabeth Jahnke, Assistant Public Works Director Santos Trevino, and City Clerk Anita Palacios.

2. PLEDGE OF ALLEGIANCE

Parks & Recreation Director Carpenter led the pledge of allegiance.

3. PUBLIC COMMENT

Eagle Scout Project – Emilio Orozco, Eagle Scout Candidate, requested Council's support for his Eagle Scout project to replace the flag pole at the Country Park Events Center. Council concurred.

Sage Rat Run – Terri and Mike Akins requested the City's support for the annual Sage Rat Run to be held on May 19th. In addition, Mrs. Akins particularly thanked the City of Grandview Police Department, Parks & Recreation Department and Public Works Department for their support at last year's run. Council concurred.

City Clerk Award – Mayor Childress recognized City Clerk Palacios who received the honorary "President's Award of Distinction" from the Washington Municipal Clerks Association.

4. CONSENT AGENDA

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

- A. Minutes of the February 28, 2012 regular meeting
- B. Minutes of the March 13, 2012 regular meeting
- C. Electronic Payroll Fund Transfers (EFT) in the amount of \$130,559.73
- D. Claim and Payroll Check Nos. 100789-101027 in the amount of \$750,049.11 and Payroll Check Nos. 6000-6014 in the amount of \$87,325.06
- E. Payroll Direct Deposit 2/16/12 - 2/29/12 in the amount of \$94,628.73 and Payroll Direct Deposit 3/01/12 - 3/15/12 in the amount of \$92,484.70
- F. 2012 Fuel Bid Award - Bleyhl Farm Service
- G. Resolution No. 2012-18 authorizing the Mayor to sign a Recreational Use Permit by and between the City of Grandview and Lower Valley Cal Ripken Youth Baseball Club
- H. Resolution No. 2012-19 authorizing the Mayor to sign a Recreational Use Permit by and between the City of Grandview and the Grandview Neptune Rotary Swim

- I. Team for the Use of the Swimming Pool - 2012 Swim Team Program
Resolution No. 2012-20 declaring certain property as surplus and authorizing its sale or disposition

5. ACTIVE AGENDA

A. Public Hearing – Community Development Block Grant Close-Out Community Center

Mayor Norm Childress opened the public hearing to review the final project performance on the Community Center funded by a Community Development Block Grant (CDBG).

Parks and Recreation Director Carpenter presented the staff report. He explained that the City was in the process of closing out the Community Development Block Grant contract #10-64100-020 in the amount of \$1 million. The grant was the main funding source to help establish a nearly 10,000 square foot Community Center at 812 Wallace Way. The project placed an emphasis on meeting recreational, educational and social needs of our low to moderate income level households within Grandview. City staff was working on the required CDBG Grantee Closeout Report and planned to submit this document to the Department of Commerce within the next week. Once the public hearing was concluded and the Closeout Report was submitted and reviewed, the Department of Commerce would be able to release the 5% or \$50,000 retainage on the project grant back to the City. In closing, he expressed his appreciation for the work that the project contractor and architect displayed during each phase of the construction of this facility. The contractor had been on site to take care of a few pending items that should be completed very soon. In addition, he was delighted to see the strong support in terms of donations from the many organizations and individuals from the community during this process which would go far in greatly enhancing the facility and programs.

No public comments were received during the meeting or by mail.

The public testimony portion of the hearing was declared closed.

B. Ordinance No. 2012-5 amending the 2012 Annual Budget

City Treasurer Myers explained that staff monitoring and review of fund and department budgets during the first two months of 2012 identified numerous budget accounts to be amended. Ordinance No. 2012-5 provided for the amendment of the 2012 Annual Budget to accommodate the changes in sources and uses. By fund the highlights of the budget changes were:

CURRENT EXPENSE FUND: Increased estimated Beginning Fund Balance and added FEMA Grant funds. Appropriations for Fire Department equipment, offset the grant funds received. A small increase to Library wages and benefits to accommodate an end of probation period wage adjustment. Increased appropriations for transfer of funds for interim financing of the Community Center (pending CDBG grant 5% retainage held until project acceptance). Increase in the estimated Ending Fund Balance.

E.M.S. Fund: Increased estimated Beginning Fund Balance with equal change in estimated Ending Fund Balance.

YAKIMA CO. LAW & JUSTICE TAX FUND: Increased estimated Beginning Fund Balance with equal change in estimated Ending Fund Balance.

STREET FUND: Reduction of estimated Beginning Fund Balance. Added receipt of STP and TIB Grants and a contribution from the Transportation Benefit District for Second Street project. Added the East Second Street construction project appropriation. Decreased estimated Ending Fund Balance.

CEMETERY FUND: Reduced estimated Beginning Fund Balance with equal reduction in estimated Ending Fund Balance.

CAPITAL IMPROVEMENTS FUND: Increased estimated Beginning Fund Balance. Appropriated funds to transfer to the Community Center construction fund. This covers the "supplements" added at the construction bid acceptance last fall. Reduction in estimated Ending Fund Balance.

COMMUNITY CENTER CONSTRUCTION FUND: Decreased Beginning Fund Balance and CDBG construction grant estimates with a corresponding decrease in construction appropriations. Anticipated increase in contributions. There would be transfers-in from the Current Expense and Capital Improvements Funds. These would provide for interim financing and additional funds for the bid supplements. When the project was accepted and grant closed, residual funds would be transferred back to the Current Expense fund. It was estimated the Current Expense fund would provide approximately \$20,000 to the construction.

WATER/SEWER FUND: Increased Beginning Fund Balance. Increased Estimated Ending Fund Balance.

SOLID WASTE FUND: Reduced Beginning Fund Balance. Decreased Ending Fund Balance.

EQUIPMENT RENTAL FUND: Reduced Beginning Fund Balance. Decreased Ending Fund Balance.

On motion by Councilmember Palacios, second by Councilmember Moore, Council unanimously approved Ordinance No. 2012-5 amending the 2012 Annual Budget.

C. Ordinance No. 2012-6 amending GMC Chapter 2.44 Public Library

The Library Coordinating Council recommended changes to Grandview Municipal Code (GMC) Chapter 2.44 Public Library. The changes recommended simplify, clarify and update GMC Chapter 2.44 regarding the Grandview Library to reflect current practices. New fees for library card replacement was in line with other like-sized libraries in the state and reflected the wholesale cost per card. Library cards were now required for each user, rather than one card issued per household.

On motion by Councilmember Jennings, second by Councilmember Souders, Council unanimously approved Recommend adoption of Ordinance No. 2012-6 amending Grandview Municipal Code Chapter 2.44 Public Library.

D. Ordinance No. 2012-7 granting to LightSpeed Networks, Inc., DBA "LS Networks" an Oregon Corporation, a franchise to construct, operate and maintain a telecommunications network within the City of Grandview, Washington

Robin Smith with LightSpeed Networks, Inc., dba "LS Networks" explained that LS Networks was one of the fastest growing telecommunications companies in the Pacific Northwest. LS Networks was a privately-held inter-exchange network services provider and competitive local exchange carrier, with their headquarters in Portland, Oregon. LS Networks was owned by upwards of 60,000 Oregonians (consisting of rural electric power cooperatives' members and a tribal nation), which focused on providing benefit and value-added services to rural communities in Oregon and now into several rural communities of Washington. LS Networks was working with U.S. Cellular to increase their 4G network which would facilitate their network expansion further into Washington State. LS Networks currently operated a fiber optic backbone throughout Oregon and had focused on bringing state-of-the-art connectivity to State and Local governmental agencies, schools, hospitals, wholesale opportunities and businesses. They have designed their network using the latest in resilient broadband technologies that effectively level the playing field of service delivery capabilities between rural and metropolitan areas around the Pacific Northwest. This expansion to the 4G wireless network would provide world class technology with their neighborly attention to services and provide the community an additional resource to high speed broadband connectivity.

On motion by Councilmember Souders, second by Councilmember Jennings, Council unanimously approved Ordinance No. 2012-7 granting to LightSpeed Networks, Inc., DBA "LS Networks" an Oregon Corporation, a franchise to construct, operate and maintain a telecommunications network within the City of Grandview, Washington.

E. Resolution No. 2012-21 authorizing the Mayor to sign an Agreement concerning payments in lieu of taxes between the City of Grandview and Grandview Family Housing Limited Partnership

Bryan Ketcham, General Partner with Grandview Family Housing Limited Partnership, presented a revised Agreement regarding property taxes between the City and the Grandview Family Housing Limited Partnership related to 26 units of affordable housing at 129 Pleasant Avenue, Grandview. He explained that in connection with the development of a low income housing apartments located in the City, to be owned by the Partnership, the Partnership executed a letter agreement to the City dated August 2, 2004 in which the Partnership agreed that so long as the Development was entitled to a property tax exemption, the Partnership would make an annual payment of \$405 annually to the City and an annual donation of \$4,595 to the City. To attract an equity investment for the development of the Partnership, Catholic Charities Housing Services, as general partner executed an Amended and Restated Agreement of Limited Partnership admitting Homestead Western Communities Fund Limited Partnership as a limited partner (the "Partnership Agreement"). The amended and restated Partnership Agreement does not at present contemplate the payments and donations outlined in August 2004 letter agreement between the City and the Partnership. The Partnership made the initial \$50,000 donations and made a payment of \$2,430 in 2011 which constituted the payment owed from 2006 through 2011, but had not made any annual donations, as contemplated by the letter agreement.

On motion by Councilmember Bren, second by Councilmember Moore, Council unanimously approved Resolution No. 2012-21 authorizing the Mayor to sign an Agreement concerning payments in lieu of taxes between the City of Grandview and Grandview Family Housing Limited Partnership.

F. Wild River Foods Industrial Wastewater Facility Capacity Allocation Termination

On June 13, 2007, Wild River Foods was provided with a Schedule "A" Capacity Allocation with the understanding that they had a one-year trial period to modify the allocation if necessary. GMC Section 13.12.130 provided that each new large user had a one-year trial period in order to finalize their loading capacity request. On April 21, 2008, Council approved a revised Schedule "A" Capacity Allocation for Wild River Foods as recommended by the City Engineer. The request included an increase in capacity and at that time, the City had the capacity to handle the additional loadings request on an annual basis. On July 1, 2008, Wild River Foods potato processing plant burnt to the ground and was declared a total loss. Since Wild River Foods was in their one-year trial period, the City and Wild River Foods never officially entered into an Industrial User Contract. In January 2012, the City Engineer provided an updated report on the Wastewater Treatment Plant capacity for industrial users. He identified that Wild River Foods was still holding industrial capacity (BOD, TSS and flow) without having a facility to support the industrial loading allocation. To date, the Wild River Foods processing plant had not been rebuilt and staff recommended that the City terminate the Schedule "A" Capacity Allocation with Wild River Foods. In turn, the City could allocate additional industrial capacity to other industries.

On motion by Councilmember Bren, second by Councilmember Rodriguez, Council unanimously terminated the Schedule "A" Capacity Allocation with Wild River Foods effective April 1, 2012.

G. Resolution No. 2012-22 authorizing the Mayor to sign an Agreement between the City of Grandview and Natural Selection Farms, Inc., for the beneficial use of biosolids

The City's Wastewater Treatment Plant produced approximately 1,200 tons of biosolids each year. The Department of Ecology recommended bio-solids be utilized for beneficial use. One beneficial use was as a fertilizer for farming practices. Locating adequate farm land to accommodate the amount the treatment plant produces had been very challenging and using Natural Selection Farms (NSF) had been the best resource for managing bio-solids. In years past, the City had not been required to enter into an agreement with NSF, however, this year they were making a provision and/or payment for available nitrogen in the amount of 20-cents per pound which would require an agreement. The City would see an increase of \$8 per ton from last year, however, the City would also see a reduction in the cost of manpower and trucking which would help offset the increase.

On motion by Councilmember Jennings, second by Councilmember Moore, Council unanimously approved Resolution No. 2012-22 authorizing the Mayor to sign an Agreement between the City of Grandview and Natural Selection Farms, Inc., for the beneficial use of biosolids.

6. UNFINISHED AND NEW BUSINESS - None

7. CITY ADMINISTRATOR AND/OR STAFF REPORT

2006-2012 City Projects – City Administrator Arteaga distributed maps that provided a snapshot of a six-year project history for the City. The map identified 14 different projects that totaled \$11,614,300 with a City match of \$2,447,000 which was a 4.75:1 ratio.

Irrigation Water – Asst. Public Works Director Trevino reported that irrigation water would be turned on April 1st.

North Birch Irrigation – Asst. Public Works Director Trevino reported that the North Birch irrigation project would be completed by Friday, March 30th.

8. MAYOR & COUNCILMEMBER MEETING REPORTS

DRYVE Meeting – Councilmember Palacios and Asst. Public Works Director Trevino attended the DRYVE meeting on March 22nd in Toppenish.

New Vision YCDA Annual Meeting – Mayor Childress, Councilmember Moore and City Administrator Arteaga attended the New Vision Yakima County Development Association (YCDA) Annual Meeting on March 21st in Yakima.

YVCOG General Membership Meeting – Mayor Childress, Councilmember Moore and City Administrator Arteaga attended the Yakima Valley Conference of Governments (YVCOG) General Membership Meeting on March 21st in Union Gap. The City of Grandview would be hosting the YVCOG General Membership meeting on May 16th at the new Community Center.

WCIA Hearing Procedures Training – Councilmember Jennings and City Clerk Palacios attended land use training sponsored by the Washington Cities Insurance Authority on March 21st in Richland.

Rotary Presentation – Mayor Childress and City Administrator Arteaga would be making a presentation at Rotary on March 28th regarding City projects.

Library Funding Site Visit – Mayor Childress, City Administrator Arteaga, City Clerk Palacios and Library Director Jahnke would be participating in the library site visit with the Office of University Partnerships (OUP) on March 28th. The OUP within the U.S. Department of Housing and Urban Development was conducting a site visit to determine the community impact of various OUP funded projects across the country. YVCC received a \$600,000 grant from an OUP program that helped fund the construction of the Grandview Library.

Community Center Grand Opening – The Community Center grand opening took place on March 14th.

Eagle Scout Ceremony – Councilmember Jennings and City Administrator Arteaga attended the Eagle Scout Award Ceremony on March 24th.

9. ADJOURNMENT

On motion by Councilmember Moore, second by Councilmember Rodriguez, Council unanimously adjourned the regular meeting at 8:30 p.m.

Mayor Norm Childress

Anita Palacios, City Clerk