

**GRANDVIEW CITY COUNCIL
MEETING AGENDA
TUESDAY, OCTOBER 27, 2015**



STUDY SESSION – 5:30 PM

PAGE

1. 2016 Preliminary Budget

1

REGULAR MEETING – 7:00 PM

1. **CALL TO ORDER & ROLL CALL**

2. **PLEDGE OF ALLEGIANCE**

3. **PRESENTATIONS**

- | | | |
|----|--|-----|
| A. | Eagle Scout Project Design Approval – Matthew Humpherys | 2-7 |
| B. | Volunteer Appreciation – Community Rose Garden – Ray Vining, John Myers, Kay Myers and Sue Johnson | 8 |
| C. | Volunteer Appreciation – Home of the Month Program – Mary Barrett | |

4. **PUBLIC COMMENT**

5. **CONSENT AGENDA**

- | | | |
|----|---|-------|
| A. | Minutes of the October 13, 2015 study session | 9-13 |
| B. | Minutes of the October 13, 2015 regular meeting | 14-18 |
| C. | Payroll Electronic Fund Transfers (EFT) Nos. 5456-5460 in the amount of \$68,267.99 | |
| D. | Payroll Check Nos. 8415-8434 in the amount of \$84,256.55 | |
| E. | Payroll Direct Deposit 10/1/15-10/15/15 in the amount of \$88,685.42 | |
| F. | Claim Check Nos. 109123-109226 in the amount of \$253,203.58 | |

6. **ACTIVE AGENDA**

- | | | |
|----|---|-------|
| A. | Public Hearing – 2016 Current Expense Fund Revenue Sources | 19-20 |
| B. | Ordinance No. 2015-15 levying the 2016 ad valorem property taxes and excess levy taxes | 21-23 |
| C. | Ordinance No. 2015-16 increasing the 2016 property tax levy for the City of Grandview above the “limit factor”, up to 101 percent | 24 |
| D. | 2016 Water and Sewer Rate Analysis | 25-28 |
| E. | Ordinance No. 2015-17 amending Grandview Municipal Code Section 13.28.060(B) setting irrigation water rates | 29-30 |
| F. | Ordinance No. 2015-18 amending Grandview Municipal Code Section 13.28.085 setting garbage rates | 31-33 |
| G. | Yakima Valley Natural Hazard Mitigation Plan Update 2015 | 34-84 |

7. **UNFINISHED AND NEW BUSINESS**

8. **CITY ADMINISTRATOR AND/OR STAFF REPORTS**

9. **MAYOR & COUNCILMEMBER MEETING REPORTS**

10. **EXECUTIVE SESSION – Public Works Union Negotiations (20 minutes)**

11. **ADJOURNMENT**



207 W. 2nd Street • Grandview, Washington 98930 • Tel: (509) 882-9200 • Fax: (509) 882-3099 • www.grandview.wa.us

**REVISED NOTICE OF SPECIAL MEETINGS
2016 PRELIMINARY BUDGET
GRANDVIEW CITY COUNCIL**

You are hereby notified, pursuant to RCW 42.30.080, that the **GRANDVIEW CITY COUNCIL** will conduct Special Meetings on **Tuesday, October 27, 2015, Monday, November 9, 2015 and Tuesday, November 24, 2015 at 5:30 p.m.**, in the Council Chambers at City Hall, 207 West Second Street, Grandview, Washington, to consider the 2016 Preliminary Budget.

CITY OF GRANDVIEW

Anita G. Palacios, MMC, City Clerk

NOTIFICATION:

Mayor & Council
City Administrator
Department Heads
News Media

Anita Palacios

From: Mike Carpenter
Sent: Monday, October 19, 2015 10:03 AM
To: Matthew Humphreys; Anita Palacios
Cc: Cus Arteaga; 'brycehumpherys@yahoo.com'
Subject: Re: Eagle project

Good morning Matthew,

Thank you for the e-mail. If possible, please submit the final design to Anita by Wednesday, October 21st so she can place it on the City Council agenda for Tuesday, October 27th. The meeting begins at 7 pm @ City Hall (207 West 2nd Street) on this date.

Thank you!

Mike Carpenter
Parks and Recreation Director
City of Grandview
Grandview, WA 98930
Phone: (509) 882-9219
Fax: (509) 882-3099
Visit our Website: [http:// www.grandview.wa.us](http://www.grandview.wa.us)

This message may contain confidential and/ or proprietary information and is intended for the person/ entity to whom it was originally addressed. Any use by others is strictly prohibited.

From: Matthew Humphreys <mattlum13@gmail.com>
Sent: Monday, October 19, 2015 9:26 AM
To: Anita Palacios; Mike Carpenter
Subject: Eagle project

This is Matthew Humpherys. I have met with Mike Tinsley, a local who runs a welding shop and drawn up a final design. I am hoping that you can have me put on the agenda for the next city meeting. I will forward the design to you later today later today. Thank you.

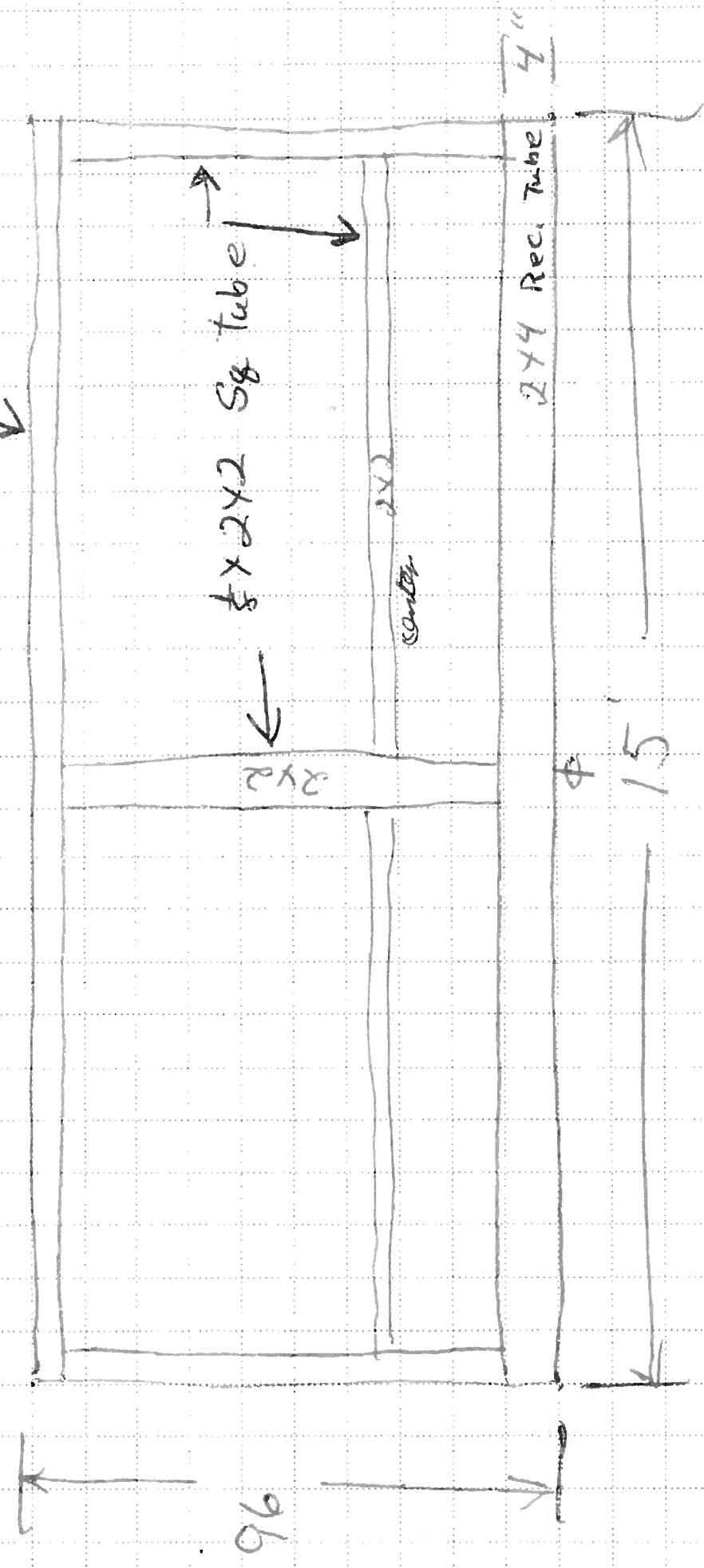
Anita Palacios

From: Matthew Humphreys <matthum13@gmail.com>
Sent: Tuesday, October 20, 2015 9:30 AM
To: Anita Palacios
Cc: Mike Carpenter
Subject: Eagle plans
Attachments: Back.pdf; Bottom.pdf; Front.pdf; Side.pdf

The Fair Board wanted the shelter to be portable. Thus the frame needs to be metal. This is the design for the metal frame. I will explain the rest of the design at the city meeting. Thank You.

Back

1/2" 2x2 Angle



96

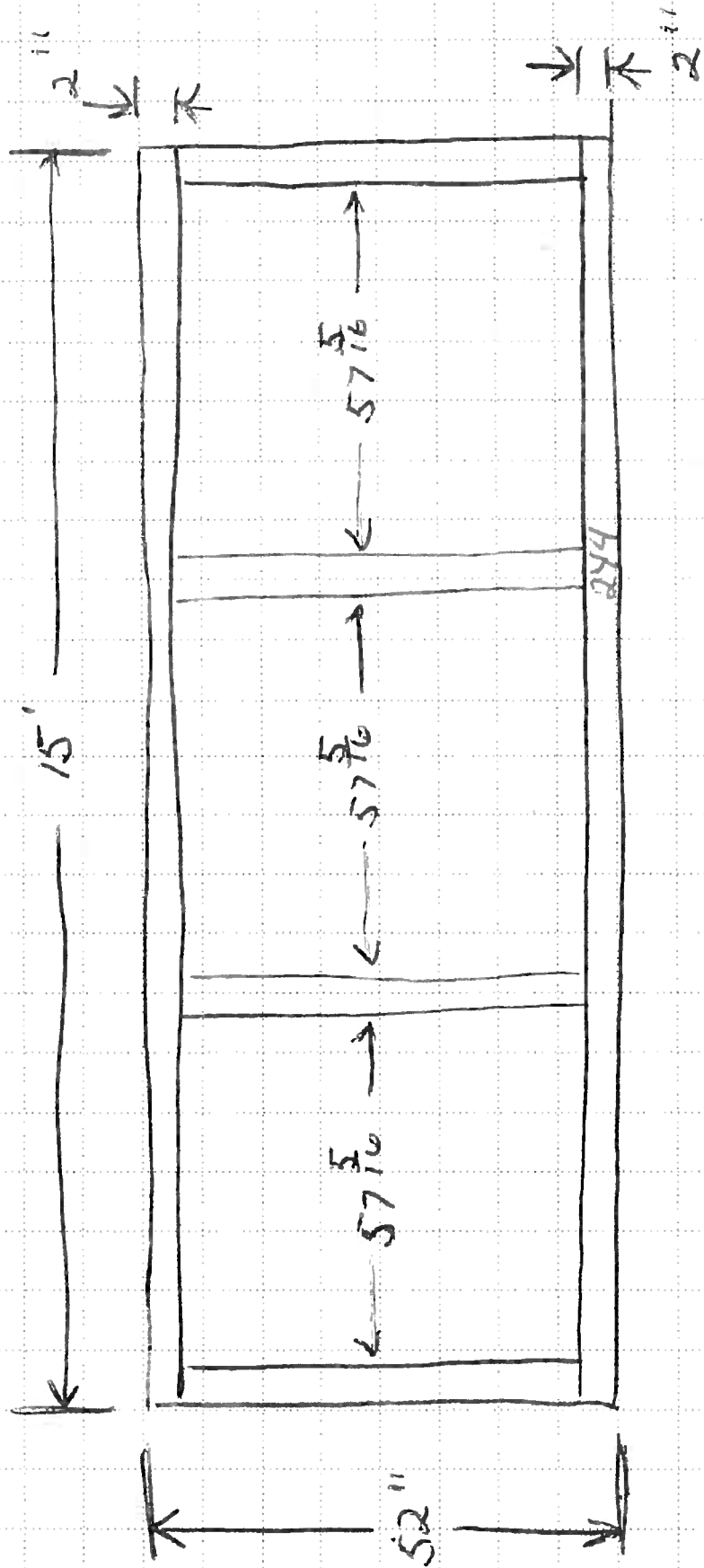
2x2 Rec. Tube 4"

15

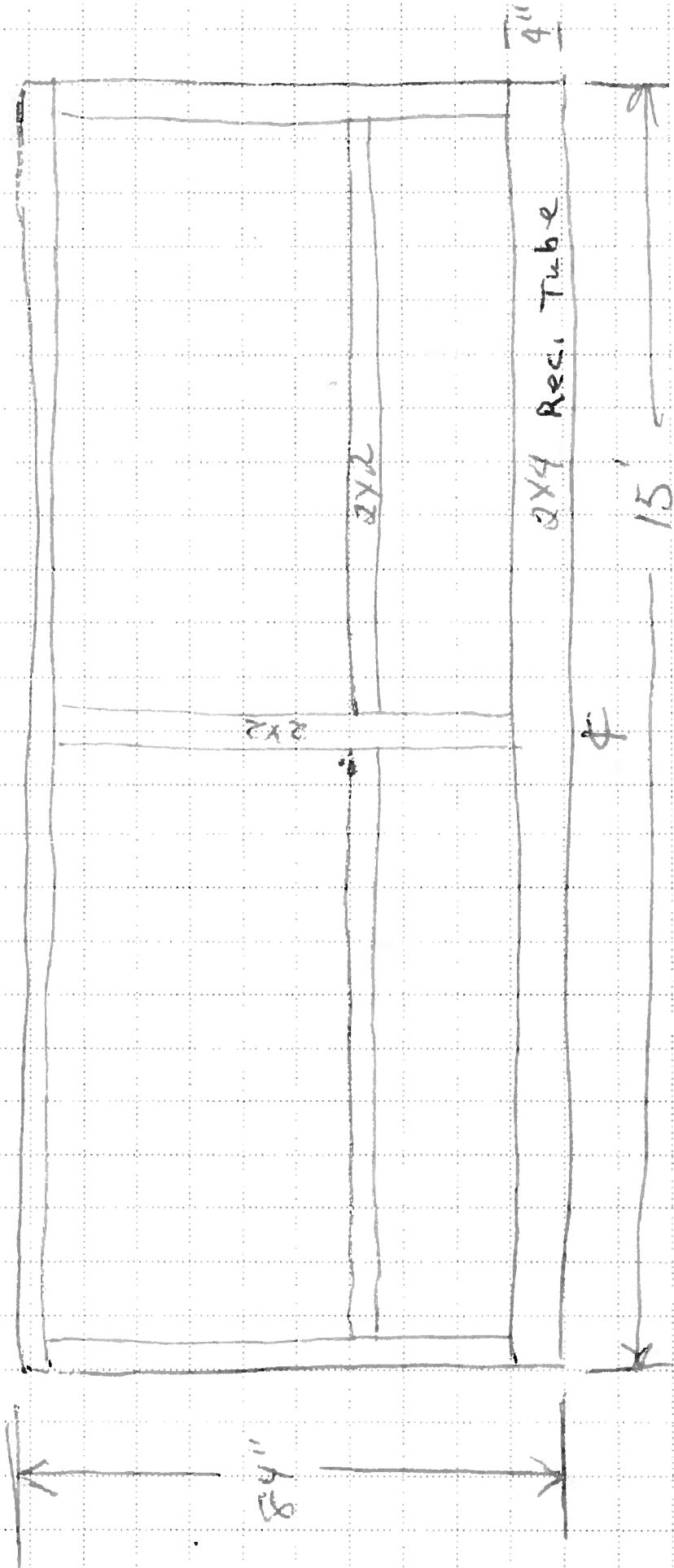
4

2- $\frac{1}{8}$ " x 2 x 4 x 180" Rec. tube
4- $\frac{1}{8}$ " x 2 x 4 x 48" Rec. tube

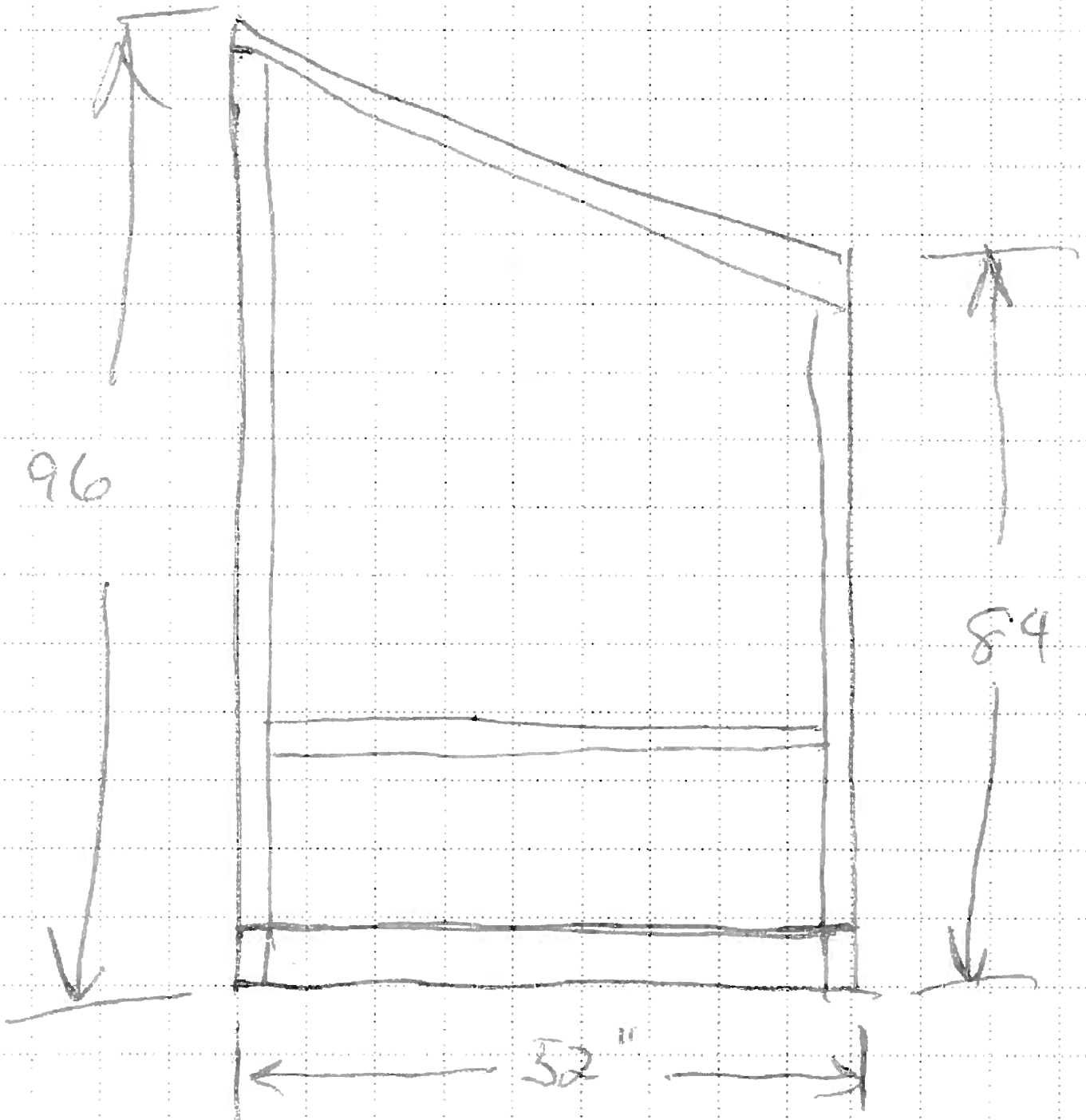
Top View of Bottom Frame



Front



side



Anita Palacios

From: Mike Carpenter
Sent: Thursday, October 08, 2015 9:43 AM
To: Anita Palacios
Cc: Cus Arteaga
Subject: Volunteer Appreciation Plaques

Good morning,

I am have ordered 5 plaques for Mayor Norm to present to some key volunteers at the October 27th City Council meeting under presentations within the agenda.

Theses are: Ray Vining, John Myers, Kay Myers and Sue Johnson for volunteer efforts @ the Community Rose Garden. Plus, Mary Bennett for her work to keep our Home of the Month Program going.

I will notify the individuals of the date, time and location.

Thanks!

Mike.Carpenter
Parks and Recreation Director
City of Grandview
Grandview, WA 98930
Phone: (509) 882-9219
Fax: (509) 882-3099
Visit our Website: [http:// www.grandview.wa.us](http://www.grandview.wa.us)

This message may contain confidential and/ or proprietary information and is intended for the person/ entity to whom it was originally addressed. Any use by others is strictly prohibited.

**GRANDVIEW CITY COUNCIL
SPECIAL MEETING MINUTES – BUDGET
OCTOBER 13, 2015**

1. CALL TO ORDER

Mayor Norm Childress called the special meeting to order at 5:30 p.m. in the Council Chambers at City Hall.

Present were: Mayor Childress and Councilmembers Mike Everett, Gloria Mendoza, Jesse Palacios, Javier Rodriguez and Joan Souders. Excused from the meeting were Councilmembers Dennis McDonald and Bill Moore.

Staff present were: City Administrator/Public Works Director Cus Arteaga, City Treasurer Matt Cordray, Police Chief Kal Fuller, Fire Chief Pat Mason, Parks & Recreation Director Mike Carpenter, Assistant Public Works Director Santos Trevino, Librarian Elizabeth Jahnke and City Clerk Anita Palacios.

2. 2016 PRELIMINARY BUDGET & 2016 COUNCIL GOALS

City Administrator Arteaga explained that following the retreat, the goal was to prepare a balanced budget that maintained the recommended 15% reserves. At the retreat, there were items that Councilmembers placed on the table for discussion with the understanding that should funding be available, Council would consider adding the items to the preliminary budget. At this point, none of the items were included in the preliminary budget. He provided an overview of the 2016 Council Goals from the retreat, copies attached hereto and incorporated herein as part of these minutes.

City Treasurer Cordray presented the 2016 preliminary budget, as follows:

2016 REVENUE ESTIMATES

Current Expense Fund

Taxes

2015 Budget \$4,007,550

2016 Estimate \$4,165,500

Licenses and Permits

2015 Budget \$139,500

2016 Estimate \$138,500

Intergovernmental Revenues

2015 Budget \$310,700

2016 Estimate \$341,250

Charges for Goods and Services

2015 Budget \$134,480

2016 Estimate \$159,500

Fines and Penalties

2015 Budget \$189,200

2016 Estimate \$188,700

Miscellaneous Revenues

2015 Budget \$101,970

2016 Estimate \$101,940

Total Current Expense Fund

2015 Budget \$6,741,545

2016 Estimate \$6,618,415

2016 EXPENDITURE ESTIMATES

Current Expense Fund

Legislative Services

2015 Budget \$63,470

2016 Estimate \$64,360

Notable Changes in 2016 – None

Community Support Services

2015 Budget \$36,095

2016 Estimate \$36,090

Notable Changes in 2016 – None

Municipal Court Services

2015 Budget \$267,250

2016 Estimate \$253,250

Notable Changes in 2016 – Yakima County District Court costs decreased from \$190,000 in 2015 to \$176,000 in 2016. District Court costs were based on filings over a four year period. Annual public defender costs with the Law Firm of Beck and Phillips, PLLC was \$69,000 in 2016 payable in equal monthly installments. In addition, the Public Defender Agreement reflected a caseload limit, the reimbursement of costs for investigators and experts, warranty of public defender and quarterly reporting requirements.

Executive Services – Mayor/City Administrator

2015 Budget \$89,580

2016 Estimate \$91,640

Notable Changes in 2016 – None

Clerk Services – City Clerk

2015 Budget \$48,210

2016 Estimate \$48,900

Notable Changes in 2016 – None

Accounting Services – City Treasurer

2015 Budget \$101,340

2016 Estimate \$104,855

Notable Changes in 2016 – None

Risk Management Services

2015 Budget \$171,750

2016 Estimate \$170,500

Notable Changes in 2016 – The City's liability assessment with WCIA decreased from \$159,911 in 2015 to \$153,509 in 2016. The assessment formula was based on two factors: worker hours multiplied by the assessment rate. The assessment rate was determined by an actuarial review of the City's last five years loss history and successful completion of WCIA's COMPACT requirements. Property rates remained the same for 2016. Boiler and machinery, and crime/fidelity rates increased 7.5% or \$163 for 2016.

Legal Services

2015 Budget \$190,800

2016 Estimate \$155,700

Notable Changes in 2016 – None

Human Resource Services

2015 Budget \$54,680

2016 Estimate \$57,400

Notable Changes in 2016 – None

General Facilities Services

2015 Budget \$37,190

2016 Estimate \$31,095

Notable Changes in 2016 – None

Police Administration Services

2015 Budget \$346,550

2016 Estimate \$281,900

Notable Changes in 2016 – Increase in "Misc" for ammunition \$500 and increase in travel/training (Administration Force Science training) \$1,000.

Police Investigation Services

2015 Budget \$277,350

2016 Estimate \$276,950

Notable Changes in 2016 – Create a new "Special Investigations Unit" (YVSIU) line and fund at \$1,000.

Police Patrol Services

2015 Budget \$1,471,320

2016 Estimate \$1,602,700

Notable Changes in 2016 – Replace one patrol vehicle (equipment rental fund); mobile data terminals \$2,500 (Capital Replacement item); vests \$1,000 (Capital Replacement item); TASER \$1,000 (Capital Replacement item); increase "Range Maintenance" (weed control) \$1,500; increase Travel Training (academy costs) \$7,500; increase Misc Training for Ammunition \$3,000 (5k total); fill one vacant supervisor position \$6,000; fill one vacant police officer position \$82,000.

Police Community Programs

2015 Budget \$15,640

2016 Estimate \$15,400

Notable Changes in 2016 – Increase professional services \$400 for an equipment maintenance agreement.

Police Correction Services - Jail

2015 Budget \$151,330

2016 Estimate \$165,030

Notable Changes in 2016 – Increase professional services reserve by \$5,000 (medical bills, if needed); increase van repair and maintenance by \$1,000 (repairs on aging vehicle, if needed); purchase a commercial freezer for jail food \$3,500; purchase video conference system \$5,000 (prisoner visitations).

Police Communication Services

2015 Budget \$556,500

2016 Estimate \$549,900

Notable Changes in 2016 – Computer replacements \$3,000 (Capital Replacement item); increase overtime \$4,000; increase in "communications" (licenses) \$3,000; increase in "professional services" (cleaning) \$2,500; increase in travel/training (new dispatchers) \$1,000.

Graffiti Removal Services

2015 Budget \$8,250

2016 Estimate \$7,360

Notable Changes in 2016 – None

Fire Administration Services

2015 Budget \$144,720

2016 Estimate \$149,130

Notable Changes in 2016 – There were notable changes in this budget this year. Salaries and associated line items were slightly increased and medical insurance was decreased to reflect changes that would be made in 2016. Public Education had a slight cost of living increase. Communications line item increased a small amount, mostly due to internet access costs and an increase in YAKCORP annual dues. Operating Rentals & Leases and Miscellaneous up slightly.

Fire Suppression Services

2015 Budget \$230,620

2016 Estimate \$238,330

Notable Changes in 2016 – Salaries and associated line items were slightly increased to reflect changes coming in 2016; increase of \$0.85 per call dispatch fees as reflected in "Communications." Dispatch fees were split between Fire Suppression (25%) and EMS (75%); increase in "Public Utility Services" to reflect possible rate increases; increase of \$300 to Uniform and Clothing to cover increases in turnout gear costs; increase of \$3,000 to Repairs and Maintenance to cover increased maintenance costs occurring as equipment ages; increase of \$500 to Travel to provide for personnel to attend state fire training academy.

Fire Chief Mason presented the Fire Department vehicle replacement schedule, copy attached hereto and incorporated herein as part of these minutes.

City Administrator Arteaga recommended the SCBA replacement plan be incorporated in the 2016 budget in the amount of \$33,000 and vehicle replacement in the amount of \$20,000.

Council concurred.

Code Enforcement Services

2015 Budget \$69,460

2016 Estimate \$70,410

Notable Changes in 2016 – None

Animal Control Services

2015 Budget \$29,280

2016 Estimate \$31,000

Notable Changes in 2016 – Contract for services with the Humane Society of Central Washington for animal control (15 hours a week) coverage. Rates for the next 2 years of 3 year contract were: 2016 rate \$29,484 and 2017 rate \$30,960.

Senior Citizen Services

2015 Budget \$12,190

2016 Estimate \$12,400

Notable Changes in 2016 – None

Recreation Services

2015 Budget \$131,810

2016 Estimate \$133,500

Notable Changes in 2016 – None

Aquatics Services

2015 Budget \$88,325

2016 Estimate \$112,200

Notable Changes in 2016 – This budget included provisions to extend the seasonal swim pool season for an additional two weeks. There was \$10,500 included in the capital line item for the replacement of 35 filter grids within the mechanical building.

3. ADJOURNMENT

The study session adjourned at 6:55 p.m.

Mayor Norm Childress

Anita Palacios, City Clerk

**GRANDVIEW CITY COUNCIL
REGULAR MEETING MINUTES
OCTOBER 13, 2015**

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 Everett, Gloria Mendoza, Jesse Palacios, Javier Rodriguez and Joan Souders. Excused from the meeting were Councilmembers Dennis McDonald and Bill Moore.

Staff present were: City Administrator/Public Works Director Cus Arteaga, City Attorney Quinn Plant, City Treasurer Matt Cordray, Assistant Public Works Director Santos Trevino and City Clerk Anita Palacios.

2. PLEDGE OF ALLEGIANCE

Miss Grandview Amanda Oliver led the pledge of allegiance.

3. PRESENTATIONS

A. Proclamation – National SIDS, Pregnancy and Infant Loss Awareness Month

Mayor Childress proclaimed October as National SIDS, Pregnancy and Infant Loss Awareness Month.

4. PUBLIC COMMENT

Randy Hecker, plant manager of the J.M. Smucker Company, requested that Council consider approval of the SIED application for the improvements on Forsell Road/Euclid Road and Euclid Road/Wine Country Road to improve traffic congestion in that area. He noted that due to the temporary closure of Bonnieview Road, the cost of operating at the Smucker Company increased \$10,000 for transportation of the puree to Kenyon Cold Storage. He extended an invitation to Council to visit the Smucker plant to discuss the impacts of the street vacation.

City Attorney Plant stated that he would not recommend Councilmembers meeting with parties who were interested in expressing strong opinions on the street vacation petition. He explained that although the petition was not a quasi-judicial matter and Council would not be in a strict sense dealing with appearance of fairness issues, he thought any discussions with opponents or proponents should be conducted at an open public meeting and not behind closed doors.

5. CONSENT AGENDA

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

- A. Minutes of the September 22, 2015 regular meeting**
- B. Payroll Electronic Fund Transfers (EFT) Nos. 5448-5453 in the amount of \$79,820.07**

14

- C. Payroll Check Nos. 8374-8414 in the amount of \$24,948.47**
- D. Payroll Direct Deposit 9/16/15–9/30/15 in the amount of \$91,756.17**
- E. Claim Check Nos. 108981-109122 in the amount of \$456,643.40**
- F. Resolution No. 2015-40 amending the Council Procedures Manual to reflect a new Laptop Usage Policy**
- G. Street Closure Request – Approve street closure for the 100 block of Division Street on October 30 & 31, 2015 for the 11th Annual Haunted House and Halloween Carnival sponsored by the Miss Grandview Program and Grandview Float Committee**

6. ACTIVE AGENDA

A. Short Plat Development Regulations for Terri Court

On December 17, 2001, the Council passed Resolution No. 2001-50 approving an amendment to the residential planned unit development submitted by Sorensen Farms for eight lots on Terri Court located off of Hickory Road (Parcel Nos. 230922-43435, 43436, 43437, 43438, 43461, 43462, 43463 and 44367). The subject parcels have changed ownership three times since that date and the properties remained undeveloped. Mr. Juan Ozuna purchased the eight parcels in August 2015 and would like to develop the lots for single-family residential. He submitted a Short Plat Application to reconfigure the eight lots into nine lots and requested the City confirm and update the development regulations previously approved, as follows:

1. The City to provide materials for looping the eight-inch water main from Terri Court north to the alley behind Cherry Lane. Currently, the City had an undersized water main (two-inch) servicing homes on Cherry Lane. The Public Works Director was considering upgrading this water main in 2017. The upgraded water main could be connected to the future water main on Terri Court by the installation of an inline water main valve as recommended by the Public Works Director. These improvements would benefit and increase fire flow quantities to the residents on Cherry Lane, the Princeville apartments and the Terri Court subdivision.

2. The City to share half the cost of a new fire hydrant to be located on the northwest corner of Hillcrest and Hickory Road.

3. At the time of development, the City would consider a Class "A" BST surface to Hickory Road from Hillcrest west to Cherry Lane in lieu of asphalt concrete, provided the owner agreed to participate in an L.I.D. for the paving of Hickory Road at a later date. The developer would install curb, gutter and sidewalk on the north side of Hickory Road from Hillcrest west to Cherry Lane.

4. At the time of development, curb, gutter, sidewalk and asphalt concrete would be required for the construction of the cul-de-sac.

5. The developer may use the previously approved engineered plans and specifications for water, sewer, storm drainage, irrigation and street improvements. The developer would provide a copy of the plans and specifications for review and may be required to upgrade any changes recommended by the Public Works Director.

On motion by Councilmember Souders, second by Councilmember Palacios, Council approved the short plat development regulations for Terri Court (to be known as Escondido Court) as requested by property owner Juan Ozuna.

B. Resolution No. 2015-41 in support of Proposition No. 1 Yakima County Local Sales and Use Tax for Criminal Justice Services

On motion by Councilmember Palacios, second by Councilmember Souders, Council approved Resolution No. 2015-41 in support of Proposition No. 1 Yakima County Local Sales and Use Tax for Criminal Justice Services.

C. Resolution No. 2015-42 authorizing the Mayor to sign the Master Interlocal Agreement for Growth Management Act Implementation in Yakima County

Over the last eight months, Yakima County and each of the 14 cities and towns worked on updating the Master Interlocal Agreement for Growth Management Act Implementation in Yakima County. The overall intent of the update was to make the Master Interlocal Agreement more user friendly, better reflect current Growth Management Act requirements and to establish clearer management structure for growth and development within the unincorporated Urban Growth Areas.

On motion by Councilmember Palacios, second by Councilmember Mendoza, Council approved Resolution No. 2015-42 authorizing the Mayor to sign the Master Interlocal Agreement for Growth Management Act Implementation in Yakima County.

D. Resolution No. 2015-43 setting the time and date for a public hearing to consider the vacation of that portion of Bonnieview Road as petitioned by FruitSmart, Inc.

Pursuant to RCW 35.79, the Council must conduct a public hearing upon a petition to vacate public right-of-way. FruitSmart, Inc., submitted a petition for vacation of right-of-way. The right-of-way in question was that portion of Bonnieview Road from Euclid east to the railroad right-of-way. A public hearing on the proposed right-of-way vacation of Bonnieview Road would be held on Tuesday, November 10, 2015, 7:00 p.m., at the Community Center, 812 Wallace Way, Grandview, Washington.

On motion by Councilmember Everett, second by Councilmember Mendoza, Council approved Resolution No. 2015-43 setting the time and date for a public hearing to consider the vacation of that portion of Bonnieview Road as petitioned by FruitSmart, Inc.

E. Resolution No. 2015-44 authorizing application to the Yakima County Supporting Investments in Economic Development (SIED) to help fund public street and infrastructure improvements on Euclid Road and Forsell Road

The City was considering applying for funding through the Yakima County SIED (Supporting Investments in Economic Development) Fund for two alternate projects. Estimated costs and figures showing the scope of improvements for Alternate 1 and Alternate 2 were provided. FruitSmart, Inc., and the Port of Grandview pledged financial support to the project. A funding

16

breakdown and a summary of the sources of funds for each of the alternates were provided as follows:

ALTERNATE 1

Euclid Road/Wine Country Road Intersection Improvements – Project A
Euclid Road/Forsell Road Intersection Improvements – Project B

- **Funding Breakdown**

Total Estimated Project Cost	\$158,700
20% Local Match	<u>\$ 31,740</u>
Total SIED Fund Request	\$126,960
50% SIED Loan Request	\$ 63,480
50% SIED Grant Request	\$ 63,480

- **Source of Funds**

City of Grandview Local Match	\$ 26,740
Port of Grandview Local Match	\$ 5,000
FruitSmart, Inc., SIED Loan Repayment	\$ 63,480
SIED Grant Funds	<u>\$ 63,480</u>
Total Project Funds	\$158,700

ALTERNATE 2

Euclid Road/Wine Country Road Intersection Improvements – Project A
Forsell Road South Side Improvements – Project C

- **Funding Breakdown**

Total Estimated Project Cost	\$518,250
20% Local Match	<u>\$103,650</u>
Total SIED Fund Request	\$414,600
50% SIED Loan Request	\$207,300
50% SIED Grant Request	\$207,300

- **Source of Funds**

City of Grandview Local Match	\$ 98,650
Port of Grandview Local Match	\$ 5,000
City of Grandview SIED Loan Repayment	\$143,300
FruitSmart, Inc., SIED Loan Repayment	\$ 64,000
SIED Grant Funds	<u>\$207,300</u>
Total Project Funds	\$518,250

City Administrator Arteaga recommended Council approve Alternate 2.

On motion by Councilmember Palacios, second by Councilmember Everett, Council approved Alternate 2 and Resolution No. 2015-44 authorizing application to the Yakima County Supporting Investments in Economic Development (SIED) to help fund public street and infrastructure improvements on Euclid Road and Forsell Road.

17

7. UNFINISHED AND NEW BUSINESS

November 10th Budget Study Session and Regular Meeting Rescheduled – Staff suggested that the Tuesday, November 10th budget study session and regular meeting of the Council be rescheduled to Monday, November 9th due to the street vacation public hearing that was scheduled for Tuesday, November 10th.

On motion by Councilmember Everett, second by Councilmember Souders, Council approved rescheduling the November 10th budget study session and regular meeting to Monday, November 9th.

8. CITY ADMINISTRATOR AND/OR STAFF REPORTS

YVCOG General Membership Meeting – The City of Grandview would be hosting the YVCOG General Membership meeting on Wednesday, October 21st, 6:30 p.m., at the Grandview Community Center.

9. MAYOR & COUNCILMEMBER MEETING REPORTS – None

10. EXECUTIVE SESSION – None

11. ADJOURNMENT

The regular meeting adjourned at 7:55 p.m.

Mayor Norm Childress

Anita Palacios, City Clerk



207 W. 2nd Street • Grandview, Washington 98930 • Tel: (509) 882-9200 • Fax: (509) 882-3099 • www.grandview.wa.us

**CITY OF GRANDVIEW
NOTICE OF PUBLIC HEARING
2016 CURRENT EXPENSE FUND REVENUE SOURCES**

NOTICE IS HEREBY GIVEN that the City Council of the City of Grandview, Washington will conduct a public hearing on Wednesday, October 27, 2015, 7:00 p.m., at Grandview City Hall, 207 West Second Street, Grandview, WA, to consider the revenue sources for the 2016 Current Expense Fund budget which will include consideration of possible increases in property tax revenues together with the proposed ordinance levying taxes in the amount of \$1,479,000 for the regular levy and the proposed Operating Revenue for the Current Expense Fund is \$5,095,390.

The public is invited to attend this hearing and provide written and oral comments on the proposed revenue sources, to include property tax revenues for the 2016 Current Expense Fund budget. If you are unable to attend this public hearing, written comments will be received until 5:00 p.m. the day of the hearing.

If you have a disability for which you will need reasonable accommodations, please contact the City Clerk, at the preceding address or telephone (509) 882-9208 one week prior to the meeting.

CITY OF GRANDVIEW

Anita G. Palacios, MMC
City Clerk

Publish: Grandview Herald - Wednesday, October 14 & 21, 2015

**CITY OF GRANDVIEW
CITY COUNCIL**

PUBLIC HEARING PROCEDURE

THE FOLLOWING PROCEDURE IS USED BY THE GRANDVIEW CITY COUNCIL TO MEET APPEARANCE OF FAIRNESS REQUIREMENTS:

MAYOR

1. The public hearing for the purpose of receiving comments on the **2016 Current Expense Fund Revenue Sources** is now open.
2. Before hearing from the public, City Treasurer Matt Cordray will present the staff report.
3. Public comments will now be received. When you address the Council, begin by stating your name and address for the record.
4. Comments received by mail will now be entered in the record. The City Clerk will read any received.
5. The public testimony portion of this hearing is now closed. No further comments will be received.



BOARD OF YAKIMA COUNTY COMMISSIONERS

★ District One
Michael D. Leita

★ District Two
Kevin J. Bouchey

★ District Three
Rand Elliott

September 4, 2015

Anita Palacios
City of Grandview
207 W 2nd Street
Grandview WA 98930



Pursuant to legislation RCW 84.52.020, your Certification for the purpose of levying 2016 property taxes is to be filed with the Board of Yakima County Commissioners on or before November 30, 2015 or you will receive no funding from this source.

To meet this objective you need to complete the following:

1. As a result of Referendum 47, in a public hearing or forum you will need to pass the following:
 - **ALL TAXING DISTRICT-**
Will need to pass one resolution for the levy amount up to the full 101% (see sample #1).
 - **TAXING DISTRICTS WITH OVER 10,000 POPULATION -**
Will need to pass a second resolution increasing the property tax levy to the Implicit Price Deflator (IPD) (see sample #2).
2. Complete a Tax Levy Certification form (see sample #3). On November 24, 2015 the Board of Yakima County Commissioners will, by resolution certify the requested tax amounts to be levied upon property for each taxing district, per RCW 84.52.070.
3. Include an estimate of your cash balance at the beginning and ending of your budget period, per RCW 84.52.025.

Please return each of the above items to me in the County Commissioners Office and a copy of the resolution(s) or ordinance(s) to the Yakima County Department of Assessment on or before November 20, 2015.

If you have any questions you may contact me at 574-1316 or by e-mail at forrest.smith@co.yakima.wa.us.

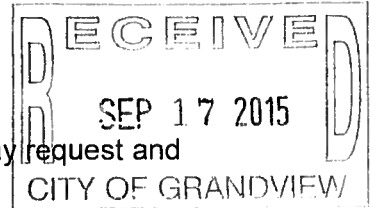
Thank you for your cooperation.

Sincerely,

Forrest A. Smith
Assistant Budget Director, Yakima County Commissioners

Cc: Jacob Tate, Department of Property Assessment

21



District Name Grandview City

Levy Calculations have changed in the last few years. To get to what you may request and how you should word your request we are supplying the below information.

Current Tax Base* **\$451,206,298**

**This includes estimated state assessed and personal property amounts.*

Current Levy Max Amount Calculations

2015 Max Lawful \$1,450,872.77

Times 1.01 (if you certify a resolution adopting an increase) = **\$1,465,381.50**

Additional Request Monies For NC = NC amount * last years certified Rate.

\$4,083,315 Times 3.35675841 = **\$13,706.70**

To calculate additional funds for annexations you take the above two numbers summed and multiply by what the current rate would be using the above estimated tax base minus the annexation amount.

Multiplied by Rate of. 3.2761 = **\$0.00**

Final Before State Rate Limit: **\$1,479,088.20**

Maximum Levy Request is lesser of above or Maximum Statutory Rate * Tax base.

Maximum State Limit
Max Current Request Allowed **\$1,479,088.20**

*The Resolutions/Ordinances must reference a % increase over last years levy, and a \$ amount increase over last years levy. You must also certify a total budget request amount. The % increase over last year *does not* include added funds for New construction, State Assessed or Annexations. The budget request must include those as it certifies the total amount you request. You are still limited to the above Maximum Current Request Allowed.*

Previous Amount Levied \$1,463,906.70

Funds for New Construction \$13,706.70

Funds for Annexations \$0.00

Starting Point \$1,477,613.40

Plus 1% of Previous Amount (\$ increase) \$14,639.07

Plus 1% of Previous Amount (total) \$1,492,252.47

\$ increase over previous year if you take maximum: \$1,474.80

% increase over previous if you take maximum: 0.1007%

If you have any questions please call Jacob Tate at (509) 574-1112.

22

ORDINANCE NO. 2015-15

**AN ORDINANCE OF THE CITY OF GRANDVIEW, WASHINGTON,
LEVYING THE 2016 AD VALOR PROPERTY TAXES AND EXCESS LEVY TAXES**

WHEREAS, the City Council has met and considered its budget for the calendar year 2016; and

WHEREAS, the City Council, in the course of considering the budget for 2016, has reviewed all sources of revenue and examined all anticipated expenses and obligations; and

WHEREAS, the City Council has determined that it is in the best interest of and necessary to meet the expenses and obligations of the City of Grandview and a substantial need exists for the property tax revenue to be increased in 2016;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF GRANDVIEW,
WASHINGTON DO ORDAIN AS FOLLOWS:**

Section 1. The regular levy request in the amount of \$1,479,000, which is a \$27,000.00 increase from 2015 levy amount and a 1.9% increase of that same 2015 levy amount, plus any amount allowed for new construction and increase in state assessed values.

Section 2. This Ordinance shall be in full force and effect five (5) days after its passage and publication as required by law.

PASSED by the **CITY COUNCIL** and **APPROVED** by the **MAYOR** at its regular meeting on October 27, 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLISHED: 10/28/15

EFFECTIVE: 11/2/15

ORDINANCE NO. 2015-16

**AN ORDINANCE OF THE CITY OF GRANDVIEW, WASHINGTON,
INCREASING THE 2016 PROPERTY TAX LEVY FOR THE CITY OF GRANDVIEW
ABOVE THE "LIMIT FACTOR" UP TO 101 PERCENT**

WHEREAS, the Grandview City Council has met and considered its budget for the calendar year 2016; and

WHEREAS, the City Council, in the course of considering the budget for 2016, has reviewed all sources of revenue and examined all anticipated expenses and obligations; and

WHEREAS, the City Council has determined that it is in the best interest of and necessary to meet the expenses and obligations of the City of Grandview and a substantial need exists to increase the regular property tax levy rate above the rate of inflation;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF GRANDVIEW,
WASHINGTON DO ORDAIN AS FOLLOWS:**

Section 1. The limit factor for the regular levy for the calendar year of 2016 shall be 101% of the highest amount of regular property taxes that could have been lawfully levied in the City of Grandview in any year.

Section 2. This Ordinance shall be in full force and effect five (5) days after its passage and publication as required by law.

PASSED by the **CITY COUNCIL** and **APPROVED** by the **MAYOR** at its regular meeting on October 27, 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLISHED: 10/28/15
EFFECTIVE: 11/2/15

24

City of Grandview
2016 Water and Sewer Rate Analysis

RATE ANALYSIS REVIEW

October 9, 2015

Project Background

In October 2008, Huibregtse, Louman Associates, Inc. (HLA), examined the projected 2009 revenues and expenditures for Grandview's water and sewer fund. That analysis considered the loss of revenue caused by the Wild River Foods fire. Had Wild River Foods remained in operation, they would have generated an estimated \$130,000 in annual water charge revenue and \$750,000 in annual sewer charge revenue. As a result of this significant loss of revenue, a 5-year plan was developed to bring water and sewer revenues back to the level where each department is self-sufficient.

Annual updates have since been performed during the budget planning process. In October 2011, a more detailed update was completed and the long-term plan to increase rates was revised because revenues were falling behind projections. Additional rate increases would need to extend farther into the future. The Council adopted the recommended 2012 water rate increase of 6%, but elected to raise 2012 sewer rates 7% instead of the recommended 6% in an effort to offset the sewer department deficit and potentially reduce future sewer rate increases.

When revenues were again reviewed in October 2012, water department revenues were returning to typical amounts and Council adopted a 2% water rate increase rather than the previously recommended 6% water rate increase for 2013, but a 6% increase for sewer was still necessary and was adopted by Council. The revenue picture continued to improve in 2013 and expenses were tracking behind projections. Therefore, 2014 increases of 2% for water and 4% for sewer were recommended by HLA and adopted by Council. This trend continued in 2014, so 2015 increases of 2% for water and 1% for sewer were recommended by HLA and adopted by Council. Currently, the original plan to bring water and sewer revenues back to the level where each department is self-sufficient is ahead of past projections, and the 2014 sewer department balance was positive. The sewer department is no longer being supported by the water department.

September 2015 Analysis

Our recent analysis included the following major work items:

- A review of 2015 revenues and expenses;
- Projection of 2015 year-end revenues and expenses using historical seasonal distribution of water consumption, sewer discharges, and expenditures;
- Examination of current and proposed capital improvements; and
- Preparation of a cash flow analysis to review projected revenue needs.

The cash flow analysis relies on reasonable revenue projections. Fortunately, both year-end 2014 revenues and 2015 revenues to date (as well as estimated 2015 year-end revenues) are tracking ahead of previous projections. Therefore, the cash flow analysis was updated to reflect

25

the revised revenue projections and to account for adjustments in planned capital improvements. A few key items in the analysis are worth noting:

- The sewer department balance was negative through 2013, but in 2014 the year-end balance in the sewer department was positive for the first time since 2007. Furthermore, projected revenues continue to exceed expenses in 2015, and the 2016 budget shows a positive balance. Therefore, no sewer rate increase is proposed in 2016. The primary difference from past projections is the increased revenue generated by the industrial customers.
- Upgrades to the wastewater pumping stations (Euclid Road and Primary Clarifier Pump Stations) are included as a sewer expenses in 2014 and 2015 (project construction). Debt service for this improvements is included in 2015 (interim financing interest) with principal and interest payments beginning in 2016.
- The Department of Ecology requested an analysis and report to address groundwater concerns at the wastewater treatment facility. A draft report was prepared recommending improvements at the facility in 2020. The estimated cost of those improvements, \$14 million and the associated debt service, is included in the cash flow analysis.
- The sewer department pays off the PWTF portion of the sewer debt in 2016, reducing annual expenses by about \$240,000. The revenue bond portion of the sewer debt is paid off in 2019, further reducing sewer expenses by \$540,750 per year.
- Water department expenses include the Department of Health required update of the Water System Plan in 2014 and 2015. In 2015, expenses are included for the East 4th Street and Birch Street project, as well as design of the water system elements of Old Inland Empire (OIE) Road. In 2016, capital expenditures are considered for the construction of the OIE improvements, including \$140,000 in water fund related overlay costs.
- Future improvements outlined in the Water System Plan are considered in the future cash flow analysis. Major improvements in 2018 (\$1,425,000), 2020 (\$1,773,000), and 2021 (\$6,200,000) are proposed to be funded by DWSRF loans, with associated debt service in the following years.
- Ending fund balances are adequate to provide a typical minimum balance of at least 50% of annual expenditures, which provides more than six months of reserve.

Results

A table showing projected water and sewer rate increases is attached. The table compares the October 2011 recommendations with the revised results developed from the September 2014 and September 2015 analyses.

Water Department

- The cash flow analysis includes the 2016 water department expense of \$946,000 for replacement of water pipelines within OIE Road, including pavement overlay costs due to the extent of pavement damage caused by water line construction. This work will be partially funded by a DWSRF loan that is already in place.
- Other future water system capital improvements are consistent with the recommendations found in the City's Water System Plan. Capital improvements should be re-examined each year as part of the budget process, and the long-term financial plan should be updated accordingly.

- Since projected water revenues are above, and expenditures below, previous projections, no water rate increase is recommended for 2016. Based on the current timing of future capital improvements, rate increases may not be needed for several years.

Sewer Department

- Our cash flow analysis includes the Wastewater Pumping Improvements, which are now complete. Improvements consisted of upgrading the pumping equipment at the Euclid Road pump station and building a new primary clarifier pump station at the wastewater treatment plant. This project is funded through a \$3,256,422 USDA Rural Development loan. Interim financing costs are considered a 2015 expense, and debt service for the loan is included in the analysis beginning in 2016.
- Our rate analysis includes future improvements to the wastewater treatment plant needed to address potential groundwater contamination. The report, required by the City's NPDES permit and outlining recommended improvements, has not been approved by the Department of Ecology, so timing of the future improvements may change. The current plan is to construct the future improvements after the existing debt is retired to minimize the impact to customers. The financing plan also includes building reserves to pay for a portion of the project cost to reduce debt.
- When sewer revenues were lagging, we previously recommended sewer rates include successive years of 6% increases to all users through 2016. Fortunately, sewer revenues are significantly ahead of past projections. Revised revenue and expenditure projections show no increase is needed in 2016, followed by no increase in 2017, and a possible 2% increases in 2018.

PROJECTED RATE INCREASES - SEPTEMBER 2015 ANALYSIS

Rate Increase at Beginning of Year

	2011	2012	2013	2014	2015	2016	2017
Water Department							
October 2011 Presentation	As Recommended	6%	6%	2%	2%	2%	2%
Monthly Charge for "Typical" Residential User (8,200 gal/month)	\$31.90	\$33.82	\$35.85	\$36.56	\$37.30	\$38.04	\$38.80
Increase Over Previous Year		\$1.91	\$2.03	\$0.72	\$0.73	\$0.75	\$0.76
Proposed Rates September 2014 Review	As Recommended	6% Adopted by Council	2% Revised and Adopted	2% Adopted by Council	2% Adopted by Council	2%	2%
Monthly Charge for "Typical" Residential User (8,200 gal/month)	\$31.90	\$33.82	\$34.49	\$35.18	\$35.89	\$36.61	\$37.34
Increase Over Previous Year		\$1.91	\$0.68	\$0.69	\$0.70	\$0.72	\$0.73
Proposed Rates September 2015 Review	As Recommended	6% Adopted by Council	2% Revised and Adopted	2% Adopted by Council	2% Adopted by Council	0% Recommended	0%
Monthly Charge for "Typical" Residential User (8,200 gal/month)	\$31.90	\$33.82	\$34.49	\$35.18	\$35.89	\$35.89	\$35.89
Increase Over Previous Year		\$1.91	\$0.68	\$0.69	\$0.70	\$0.00	\$0.00
Sewer Department							
October 2011 Presentation	As Recommended	6% 7% Adopted by Council	6%	6%	6%	6%	2%
Monthly Charge for "Typical" Residential User (8,200 gal/month)	\$40.49	\$42.91	\$45.49	\$48.22	\$51.11	\$54.18	\$55.26
Increase Over Previous Year		\$2.43	\$2.57	\$2.73	\$2.89	\$3.07	\$1.08
Proposed Rates September 2014 Review	As Recommended	7% Adopted by Council	6% Adopted by Council	4% Adopted by Council	1% Adopted by Council	2%	2%
Monthly Charge for "Typical" Residential User (8,200 gal/month)	\$40.49	\$43.32	\$45.92	\$47.75	\$48.23	\$49.20	\$50.18
Increase Over Previous Year		\$2.83	\$2.60	\$1.84	\$0.48	\$0.96	\$0.98
Proposed Rates September 2015 Review	As Recommended	7% Adopted by Council	6% Adopted by Council	4% Adopted by Council	1% Adopted by Council	0% Recommended	0%
Monthly Charge for "Typical" Residential User (8,200 gal/month)	\$40.49	\$43.32	\$45.92	\$47.75	\$48.23	\$48.23	\$48.23
Increase Over Previous Year		\$2.83	\$2.60	\$1.84	\$0.48	\$0.00	\$0.00

28

ORDINANCE NO. 2015-17

**AN ORDINANCE OF THE CITY OF GRANDVIEW, WASHINGTON,
AMENDING GRANDVIEW MUNICIPAL CODE SECTION 13.28.060(B)
SETTING IRRIGATION WATER RATES**

WHEREAS, irrigation water service provided by the City of Grandview ("City") is critical to the health and welfare of the citizens of the City; and,

WHEREAS, rate adjustments are necessary from time to time to ensure that sufficient revenues exist in the Irrigation Fund to properly maintain the citizens' utilities and provide adequate services to City residents and businesses; and,

WHEREAS, Grandview Municipal Code subsection 13.28.060(B) provides for irrigation water rates;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRANDVIEW, as follows:

Section 1. Grandview Municipal Code subsection 13.28.060(B), which reads as follows:

13.28.060(B) Irrigation Rates.

2015 irrigation rates shall become effective commencing January 1, 2015, as follows:

1. For land serviced by pressure irrigation, the service rate shall be \$0.017135 per square foot and the minimum charge per property shall be the sum of \$102.89 per year.

2. For land served by gravity flow where the city is responsible for maintenance, the service rate shall be \$0.003896 per square foot or \$169.69 per acre, and the minimum charge per property shall be the sum of \$68.14 per year.

3. For lands served by gravity flow, where the city is not responsible for maintenance or where no water is delivered, the service rate shall be \$0.001982 per square foot or \$86.31 per acre per year or \$36.08 minimum charge per year per property owner.

is hereby amended to read as follows:

13.28.060(B) Irrigation Rates.

2016 irrigation rates shall become effective commencing January 1, 2016, as follows:

1. For land serviced by pressure irrigation, the service rate shall be \$0.017306 per square foot and the minimum charge per property shall be the sum of \$103.92 per year.

2. For land served by gravity flow where the city is responsible for maintenance, the service rate shall be \$0.003935 per square foot or \$171.37 per acre, and the minimum charge per property shall be the sum of \$68.82 per year.

3. For lands served by gravity flow, where the city is not responsible for maintenance or where no water is delivered, the service rate shall be \$0.002002 per square foot or \$87.17 per acre per year or \$36.44 minimum charge per year per property owner.

Section 2. This Ordinance shall be in full force and effect five (5) day after its passage and publication as required by law.

PASSED by the **CITY COUNCIL** and **APPROVED** by the **MAYOR** at its regular meeting on October 27, 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLICATION: 10/28/15
EFFECTIVE: 11/2/15

ORDINANCE NO. 2015-18

**AN ORDINANCE OF THE CITY OF GRANDVIEW, WASHINGTON,
AMENDING GRANDVIEW MUNICIPAL CODE SECTION 13.28.085
SETTING GARBAGE RATES**

WHEREAS, garbage collection service provided by the City of Grandview ("City") is critical to the health and welfare of the citizens of the City; and,

WHEREAS, rate adjustments are necessary from time to time to ensure that sufficient revenues exist in the Garbage Fund to properly adequate services to City residents and businesses; and,

WHEREAS, Grandview Municipal Code subsection 13.28.085 provides for garbage rates;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRANDVIEW, as follows:

Section 1. Grandview Municipal Code subsection 13.28.085, which reads as follows:

13.28.085 Garbage Rates. Rates for solid waste are hereby set as follows:

A. The monthly solid waste charge for the different-sized containers picked up one time per week shall be as follows:

90-Gallon Containers

1 can	\$13.50
2 cans	\$27.00
3 cans	\$40.50
4 cans	\$54.00

300-Gallon Containers

1 can	\$44.50
2 cans	\$89.00
3 cans	\$134.00
4 cans	\$178.00

B. All users sharing one-third of a 300-gallon container shall be charged at the rate of \$13.50 per monthly billing period for one pick-up per week.

C. Multiple-family residences using 300-gallon containers shall be charged at the rate of \$13.50 per billing period per dwelling unit.

D. All users who have multiple pick-ups per week shall be charged per month by multiplying the number of pick-ups per week by the number of containers picked up.

31

E. Other service charges are as follows:

Return call-out all size containers, per container	\$28.35
Overfilled container charge	\$3.50
Replace damaged/destroyed container	\$142.00
Dumpster drop-off at public works shop per pickup size load	\$8.50

is hereby amended to read as follows:

13.28.085 Garbage Rates. Rates for solid waste are hereby set as follows:

A. The monthly solid waste charge for the different-sized containers picked up one time per week shall be as follows:

90-Gallon Containers

1 can	\$13.65
2 cans	\$27.30
3 cans	\$40.95
4 cans	\$54.60

300-Gallon Containers

1 can	\$45.00
2 cans	\$90.00
3 cans	\$135.00
4 cans	\$180.00

B. All users sharing one-third of a 300-gallon container shall be charged at the rate of \$13.65 per monthly billing period for one pick-up per week.

C. Multiple-family residences using 300-gallon containers shall be charged at the rate of \$13.65 per billing period per dwelling unit.

D. All users who have multiple pick-ups per week shall be charged per month by multiplying the number of pick-ups per week by the number of containers picked up.

E. Other service charges are as follows:

Return call-out all size containers, per container	\$28.65
Overfilled container charge	\$3.55
Replace damaged/destroyed container	\$143.50
Dumpster drop-off at public works shop per pickup size load	\$8.60

Section 2. This Ordinance shall be in full force and effect five (5) day after its passage and publication as required by law.

PASSED by the **CITY COUNCIL** and **APPROVED** by the **MAYOR** at its regular meeting on October 27, 2015.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLICATION: 10/28/15

EFFECTIVE: 11/2/15