

**GRANDVIEW CITY COUNCIL
COMMITTEE-OF-THE-WHOLE MEETING MINUTES
MARCH 27, 2018**

1. CALL TO ORDER

Mayor Norm Childress called the Committee-of-the-Whole meeting to order at 6:00 p.m., in the Council Chambers at City Hall.

2. ROLL CALL

Present were: Mayor Childress and Councilmembers Gay Brewer, Mike Everett, Dennis McDonald, Gloria Mendoza, Bill Moore and Joan Souders.

Absent was: Councilmember Javier Rodriguez.

Staff present were: City Administrator/Public Works Director Cus Arteaga, City Treasurer Matt Cordray, Assistant Public Works Director Marty Groom and City Clerk Anita Palacios.

Also present were City Engineers Mike Battle and Justin Bellamy with HLA Engineering and Land Surveying, Inc.

3. PUBLIC COMMENT – None

4. NEW BUSINESS

A. Sewer Trunk Main Replacement – Community Development Block Grant – City Engineer Justin Bellamy

City Administrator Arteaga explained a grant funding opportunity through the 2018 General Purpose Grant from the State Community Development Block Grant (CDBG) program for the sewer trunk main replacement project. He advised that staff attended a grant application workshop on March 20th wherein application materials were made available.

City Engineer Bellamy provided an update on the sewer trunk main replacement project. He explained that \$601,000 of the \$5.2 million replacement project was currently funded through the Department of Ecology SFY19 Water Quality Financial Assistance Clean Water State Revolving Fund (CWSRF) program. 50% of this amount was a grant in the form of loan principal forgiveness, and 50% was a low-interest loan (2%, 20-yr term). The City would have to reapply in October 2018 for construction loan funding in the amount of \$4.6 million for the balance of the project costs. The City would not be eligible for construction hardship grant funding through the Ecology CWSRF program as sewer rates would have to almost double. The CDBG program was a state administered federal grant program that funds community improvement projects principally benefitting low- and moderate-income (LMI) persons. Projects could include water/sewer infrastructure, housing, community facilities, streets/transportation, economic development, and planning-only. Primary eligibility was to demonstrate the project benefits at least 51% LMI persons. CDBG program staff has already listed Grandview as having a LMI population of 67% and the sewer trunk main project serves the entire community. CDBG was a competitive grant program. The maximum grant available would be \$750,000 for a construction project. The estimated CDBG application preparation cost was \$5,000. Typical CDBG application costs would be higher, but a majority of background information was already

prepared from Ecology CWSRF application. CDBG application costs were not reimbursable through the program, but the available grant amount would significantly reduce the total loan amount required to complete the project. If the City were awarded a \$750,000 CDBG, the construction loan amount could be reduced to \$3.85 million, thus reducing the annual loan payment by approximately \$40,000. Applications were due by June 1, 2018. There were significant application preparation tasks to complete, including holding a public hearing, so work needed to begin right away. If selected for funding, award would be made in early September 2018. Spending of funds could begin late fall after contract execution.

City Administrator Arteaga recommended that the City submit an application for grant funding to the CDBG General Purpose Grant program for the sewer trunk main replacement project and requested that staff be authorized to schedule a public hearing to receive comments on the selected project.

Discussion took place.

On motion by Councilmember Everett, second by Councilmember Moore, the C.O.W. moved the authorization of staff to proceed with the CDBG General Purpose Grant application to tonight's regular Council meeting for consideration.

B. Resolution accepting the bid for the Wine Country Road Resurfacing and authorizing the Mayor to sign all contract documents with Central Washington Asphalt, Inc.

City Administrator Arteaga explained that bids for the Wine Country Road Resurfacing from the SVID canal crossing to east City limits were opened on March 22, 2018. A total of three (3) bids were received with Central Washington Asphalt, Inc., of Moses Lake, Washington, submitting the low bid in the amount of \$180,000.00. The low bid was approximately 33 percent below the City Engineer's estimate of \$271,125.00.

Discussion took place.

On motion by Councilmember Mendoza, second by Councilmember Souders, the C.O.W. moved a resolution accepting the bid for the Wine Country Road Resurfacing and authorizing the Mayor to sign all contract documents with Central Washington Asphalt, Inc., to tonight's regular Council meeting for consideration.

Councilmember Everett voted in opposition.

C. Ordinance amending the 2018 Annual Budget

City Treasurer Cordray explained that staff monitoring and review of fund and department budgets identified budget accounts to be amended. An ordinance was prepared to provide for the amending of the 2018 Annual Budget to accommodate the changes in sources and uses. By fund the highlights of the budget changes were as follows:

Current Expense Fund: Increased revenues for USDA loan on fire truck. Increased appropriations for fire truck. Net effect was no change in estimated ending fund balance.

Yakima Co. Law & Justice Tax Fund: Increased appropriations for the replacement officer. Net effect was a decrease in estimated ending fund balance.

Capital Improvement Fund: Increased revenues for donations from private organizations. Increased appropriations for pool amenities. Net effect was a decrease in estimated ending fund balance.

Water/Sewer Fund: Increased appropriations for engineering services on sewer trunk main. Net effect was a decrease in estimated ending fund balance.

Discussion took place.

On motion by Councilmember Souders, second by Councilmember McDonald, the C.O.W. moved an ordinance amending the 2018 Annual Budget to the April 10, 2018 regular Council meeting for consideration.

5. **OTHER BUSINESS** – None

6. **ADJOURNMENT**

The C.O.W. meeting adjourned at 6:55 p.m.

Mayor Norm Childress

Anita Palacios, City Clerk