

**TOPPENISH CITY COUNCIL**  
**Regular Meeting Minutes**  
**October 13, 2014**

Mayor Belton called the meeting to order at 7:00 p.m.

**ROLL CALL**

Present: Mayor Loren Belton and Councilmembers Clara Jiménez, Mark Oaks, Derald Ortloff, Randy Taylor, and Blaine Thorington.

Absent: Councilmember Zachary Dorr.

Staff Present: City Manager William C. Murphy, Finance Director/City Clerk Linda B. Mead, MidValley Television Manager Judy Devall, and Executive Assistant/Deputy City Clerk Heidi Riojas.

Councilmember Thorington moved, seconded by Councilmember Taylor to excuse Councilmember Dorr from the October 13, 2014 Regular Meeting. Motion carried unanimously.

**PUBLIC COMMENT**

None.

**CONSENT AGENDA**

Councilmember Jiménez moved, seconded by Councilmember Oaks to approve Consent Agenda items a through g:

- a. Approve Minutes of the September 22, 2014 Regular Council Meeting.
- b. Approve Minutes of the October 6, 2014 Study Session.
- c. Receive August 2014 Budget Report and Update Memorandum Submitted by Finance Director/City Clerk Linda B. Mead.
- d. Approve Pay Estimate #11 to T. Bailey, Inc. in the amount of \$92,866.49 with retainage held in the amount of \$4,374.84 for the 1.7 MG Standpipe Water Reservoir No. 5 Project.
- e. Approve Pay Estimate #1 and Final Payment to Leslie & Campbell, Inc. in the amount of \$41,191.77 with retainage held in the amount of \$1,940.50 for the Fire Station Reroof Project.
- f. Approve Payroll Checks Number 32800 through 32818 and EFTPR399-405 in the total amount of \$172,275.52 dated October 3, 2014.
- g. Approve Claims Checks Number 80378 through 80504, NR74824, NR80003, NR80186 in the total amount of \$541,912.86 dated October 13, 2014 and void Check Numbers 80447, 80463, and 80475.

Motion carried unanimously.

**NEW BUSINESS**

**Declare the Fire Station Reroof Project Complete and Start the 60-Day Lien Process.**

Councilmember Thorington moved, seconded by Councilmember Taylor to Declare the Fire Station Reroof Project Complete and Start the 60-Day Lien Process. Motion carried unanimously.

**Resolution 2014-20:**

**A Resolution of the City Council of the City of Toppenish, Washington, Canceling Claims Checks.**

Councilmember Thorington moved, seconded by Councilmember Jiménez to adopt Resolution 2014-20, a Resolution of the City Council of the City of Toppenish, Washington, Canceling Claims Checks. Motion carried unanimously.

**EXECUTIVE SESSION**

Mayor Belton called for an executive session to be held at 7:08 p.m. The Mayor stated that the purpose of the executive session was to receive an update from the City Manager regarding labor negotiations with collective bargaining units. Mayor Belton also stated that the executive session would convene for 15 minutes or less and it was anticipated no action would be taken when the Regular Session reconvened.

Mayor Belton called the regular session back to order at 7:19 p.m. (No audience was present before or after the executive session.)

**Presentations by City Manager and Finance Director/City Clerk Regarding 2015 Preliminary Budget.**

City Manager Murphy (CM Murphy) reported that Finance Director/City Clerk Mead (FD Mead) would be discussing the revisions to the 2015 Preliminary Budget. FD Mead stated that the changes would be with the real and personal property taxes, and the water, sewer and garbage revenues. CM Murphy reported that with a prior Ordinance the City built in rate increases for the water, sewer, and garbage funds that are set to be implemented in 2015. The City requested the City's Engineer, Huibregtse, Louman Associates, Inc. (HLA), to update the rate study for the water, sewer, and garbage funds. CM Murphy stated that Ted Pooler, a Professional Engineer with HLA, reported that the City does not need to implement the scheduled rate increases for sewer and garbage, and a reduced rate increase for water. The new rate increase for water will be 2% rather than 6%; a zero rate increase for sewer instead of 6%; and a zero rate increase for garbage instead of 4%.

CM Murphy quoted comments written and published by the Chief Executive Officer of the Association of Washington Cities that "State Budget gaps continue to be filled through unprecedented raids or swipes on revenues that have historically been used by Cities to help build infrastructure and support critical General Fund services", which is the reason why the City is having difficulties to maintain the same level of services and personnel for the upcoming year. The Enterprise Funds for water, sewer, and garbage are doing well. The General Fund, which is experiencing increases that the City has no control for the proposed 5.6% rate increase for Cascade Natural Gas, the increases for medical, dental and vision insurance premiums, a 19% increase for liability insurance, the mandated increases for employer contributions to retirement plans, and the built-in increases required by the current Collective Bargaining Agreements. CM Murphy reported that the City is currently bargaining with the three Collective Bargaining Units representing Police, Fire, Public Works and others.

For the benefit of the viewing public, CM Murphy reported that for the past several years he has been warning Council that the City would be seriously impacted by the ongoing decline of state-shared revenues, and that it would cause the City to be unable to maintain services and staff levels. It is unfortunate that this year in order to balance the proposed 2015 Preliminary Budget several departments will have staff reductions. CM Murphy stated that the personnel reductions would be in the Fire Department, the Police Department, and the Parks and Recreation Department as reflected in the 2015 Preliminary Budget. The City Council has the opportunity to draw on funds that are not in the revenue projections and are funds that have accumulated within Fund 150 – Special Projects and Fund 002 – Capital Reserve in the General Fund. CM Murphy stated that there are funds available in those two funds to cover the negative impacts in the preliminary budget; however, it could only be a onetime fix for an ongoing problem facing the City in future years.

CM Murphy stated that it might be appropriate for Council to consider disposing of City assets that are more of a drain on the finances than a source of revenue. The three City assets consist of the Safe Haven property that is leased for a nominal fee to the Yakima Valley Farm Workers Clinic and the Northwest Community Action Center for activities sponsored for youth and families; the Railroad Depot building that requires payment of lease and taxes; and for Elmwood Cemetery, which does not have sufficient interments each year to cover the costs for personnel and services. CM Murphy explained that disposing of those assets would not help with the current budget shortfall.

Councilmember Ortloff moved, seconded by Councilmember Thorington to authorize the City Manager to contact potentially interested parties for the purchase of the Safe Haven property, the Railroad Depot building, and for Elmwood Cemetery. Motion carried unanimously.

### **Set Agenda for the November 3, 2014 Study Session.**

It was the consensus of Council to discuss the 2015 Budget during the November 3, 2014 Study Session.

## **COUNCIL MEETING REPORTS/COMMUNITY ANNOUNCEMENTS**

Councilmember Jiménez announced that Community Safety Network will be sponsoring a community clean up on October 18, 2014 from 9:00 a.m. to noon. All volunteers will gather at the Toppenish Middle School.

## **CITY MANAGER REPORTS**

CM Murphy reported that the City received a request from People for People for a letter of support to submit with its Washington State Department of Transportation grant application.

Councilmember Jiménez moved, seconded by Councilmember Oaks to authorize City Manager Murphy to write People for People a letter of support. Motion carried unanimously.

CM Murphy acknowledged the death of George Colby. Mr. Colby volunteered to serve on the City's Downtown Revitalization Committee and was a strong supporter of the program, and served as a backup Public Defender for Toppenish Municipal Court.

**ADJOURNMENT**

There being no further business to come before the Council, the meeting was adjourned at 7:38 p.m.

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LOREN BELTON, MAYOR

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HEIDI RIOJAS, CMC  
EXECUTIVE ASSISTANT/DEPUTY CITY CLERK