

CITY OF *Yakima*
Washington

2006 POLICY ISSUES



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FUTURES INITIATIVE

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CITY OF *Yakima*
Washington

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Sam Granato	Police Chief
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City of Yakima
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M E M O R A N D U M

November 1, 2005

To: The Honorable Mayor and
Members of the City Council

FROM: Dick Zais, City Manager
Rita M. Anson, Finance Director
Cindy Epperson, Financial Services Manager

SUBJECT: 2006 Policy Issues Report

We are pleased to transmit to the City Council the enclosed 2006 Budget Policy Issue Report. The proposed 2006 budget is designed to meet the Council's Priorities and Strategic Issues and to achieve the City's overall Mission and Vision. The Policy Issues Report is designed to address proposed changes in policy, staffing and/or significant service levels and thus are of a nature that call for the Council's specific review and consideration.

The Policy Issues Report, although a separate and distinct document from the Comprehensive Preliminary Budget — which encompasses financial information and narrative analysis for all departments and funds — is included as the last section in Council's Preliminary Budget Binder for Council's reading and referral convenience.

Note: Due to the size of the budget documents, a limited number of three-ring binder documents will be printed. Additional copies of the 2006 Comprehensive Preliminary Budget Report will be printed in three separate soft-bound covers:

Volume I — Budget Forecast, distributed October 14, 2005
Volume II — Preliminary Budget Detail by Operating Departments and
Volume III — Policy Issues Report

The last tab in the Policy Issue Document is the Contingency Budget Reduction Plan. The Contingency Budget Reduction Plan (CBRP) is a dynamic document in that it is constantly being utilized and/or updated. Several proposed reductions noted in the plan have been implemented either during 2005 or in the 2006 proposed budget. Additionally, the Budget Strategy Team (appointed by the City Council during 2005 to review and comment on the CBRP) is currently reviewing the City's budget, services and the CBRP and will provide Council with their comments and recommendations in mid-2006. Therefore, the enclosed CBRP is as proposed in early 2005 and submitted to the Budget Strategy Team in mid-2005. However, since the majority of this plan remains intact, it is being included in this report for your information. Additionally, notes have been made in the document to identify those items that have been fully or partially implemented.

CITY OF *Yakima*
2006 POLICY ISSUE DOCUMENT

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CITY OF *Yakima*
2006 Budget Preparation

POLICY ISSUE SUMMARY

* NOTE: Policy proposal figures may be rounded.

I. OUTSIDE AGENCY AND INTERGOVERNMENTAL REQUESTS

OUTSIDE AGENCY REQUESTS

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Yakima County Development Association ⁽¹⁾	General Fund	\$19,913	Budgeted
—	Yakima Chamber of Commerce ⁽¹⁾	General Fund	\$5,900	Budgeted
—	Fourth of July Committee ⁽¹⁾	General Fund (Fire)	\$5,000	Budgeted
—	Sunfair Association ⁽¹⁾	General Fund	\$1,000	Budgeted
—	Allied Arts ArtsVan ⁽¹⁾	General Fund	\$5,333	Budgeted
—	Retired Senior Volunteer Program (RSVP) ⁽¹⁾	Parks and Recreation Fund	\$3,000	Budgeted
—	Continue to support study of the proposal to construct a reservoir in the Black Rock region.	Water Reserves (60%) Irrigation Reserves (40%)	\$36,000 <u>\$24,000</u> \$60,000	Unbudgeted
—	Hispanic Chamber of Commerce (new request)	General Fund	\$10,000	Unbudgeted
—	Yakima-Morelia Sister City Association (new request)	General Fund	\$1,000	Unbudgeted
—	Answers from Heaven (new request)	General Fund	\$50,000	Unbudgeted

⁽¹⁾ These Outside Agency Requests are included in the 2006 Preliminary Budget at the same levels as approved in the 2005 budget.

INTERGOVERNMENTAL AGENCIES

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Clean Air Authority	General Fund	\$12,622	Budgeted
—	Yakima County Emergency Management	General Fund	\$42,000	Budgeted
—	Yakima Valley Conference of Governments (COG) Membership Assessment	General Fund	\$39,130	Budgeted (Approved by Council at the October 18, 2005 meeting)
—	Yakima Valley Regional Library — Vote to annex to Regional System (BST Recommendation)	General Fund	2006 — no change 2007 — net revenue gain of \$88,000	Budgeted

II. CITY MANAGEMENT

CITY MANAGER

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Increase City Manager car allowance from \$250 to \$300 per month	General Fund		\$600	Budgeted

RECORDS/CITY CLERK

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Add one Public Records Officer position in response to statutory amendments to the Public Disclosure Act	Risk Mgmt — 60% General Fund — 40%	\$33,800 <u>22,500</u> 56,300		Budgeted
—	Eliminate the Pension Records Clerk position and reinstate and upgrade the Deputy City Clerk position	General Fund	\$9,400		Budgeted

HUMAN RESOURCES

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Implement a City-wide compensation study — (BST) recommendation	To be determined		Unknown — Up to \$75,000	Unbudgeted

WASTEWATER/PRE-TREATMENT

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Add one Pretreatment Technician position to implement activities associated with the Fat, Oil and Grease (FOG) Program.	Wastewater Operating Fund — Wastewater rates	\$52,900		Budgeted

WATER/IRRIGATION

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Add one full-time Cross Connection Control/Water Meter Crew leader position to meet increasing Cross Connection rules and requirements for tracking water loss	Water Operating Fund — Domestic Water Rates	\$56,800		Budgeted

III. MUNICIPAL COURT

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Change Municipal Court Judges salary structure in response to a new state law (Breaks even in the first year. Could gain as much as \$30,000 annually in future years.)	General Fund (new state filing fee)	\$19,200	<i>Revenue</i> \$19,200	Budgeted

IV. FINANCE

FINANCIAL SERVICES

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	<p>Raise cap on outside utility taxes (i.e., electric, natural gas and telephone) currently at \$4,000 per account per month to reduce dependency on cash reserves and/or contribute to capital funding (BST option)</p> <p>Phase in over three years 2006 to \$5,000 2007 to \$7,500 2008 cap removed</p> <p>Options for use: a) First \$130,000 dedicated to Parks Capital, balance to General Fund b) General Fund receives 100% — research other dedicated Parks Capital Revenue stream (see Parks Policy Issue — BST Option)</p>	General Fund — major utility customers		<p><i>Revenue</i> 2006 \$57,600 2007 \$130,000 2008 \$510,000</p>	Unbudgeted

INFORMATION SYSTEMS

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Replace Patrol Car computers to increase reliability of computer performance on patrol cars.	Law and Justice Capital Fund (50% new Criminal Justice (CJ) Sales Tax, 50% CJ dedicated Utility Tax)		\$210,000 (Approximately \$6,000 per patrol car for thirty-five cars)	Budgeted
—	Continue to implement an integrated Utility and Permitting Management System	Centralized in Cumulative Reserve for Capital Improvement Fund — 392 <u>2006 Utility Cont.</u> a) Wastewater b) Water c) Irrigation		a) \$120,000 b) 75,000 c) <u>15,000</u> \$210,000	Budgeted

UTILITY SERVICES

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Add one ¾-time Utility Service Specialist (office) position to handle projects previously completed with temporary staffing.	General Fund (Utility Services) — Reimbursed by Utility funds	\$36,000 permanent (\$13,800) reduction in <u>temporary</u> \$22,000 net increase		Budgeted

V. COMMUNITY AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Upgrade the Economic and Community Affairs Specialist to Deputy Director of Economic Development, and Intergovernmental Relations. Change funding allocation	2006 funding allocation: ONDS — 60% Water — 5% Wastewater — 5% Ec. Dev. — 30%	\$14,500		Budgeted

PLANNING

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Increase Land Development Fees to match the County fee structure	General Fund revenue		<u>Revenue</u> \$13,000	Unbudgeted

CODE ADMINISTRATION

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Increase of 2% in the Humane Society annual contract	General Fund		\$1,100	Budgeted
—	Implement a \$25 annual Fire Inspection Fee for all Commercial Businesses in the City of Yakima (BST recommendation)	General Fund — reduce subsidy		<u>Revenue</u> \$100,000	Unbudgeted
—	Upgrade Department Assistant III position to Permit Technician	General Fund	\$3,000		Budgeted

YAKIMA CONVENTION CENTER

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Continue funding for the Visitor Information Center to enhance and stimulate positive economic growth through tourism.	Tourism Promotion Fund — Hotel/ Motel Tax		\$40,000	Budgeted

CAPITOL THEATRE

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Increase Annual Management Fee from \$76,000 to \$146,000	Capitol Theatre Operating Fund — Cable Utility Tax		\$70,000	Budgeted

ENGINEERING

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Increase Professional Services to assist with design and development of capital infrastructure projects	General Fund — (to be reimbursed by project budgets)		<i>Expenditure</i> \$30,000 <i>Revenue</i> (\$30,000) <i>Net \$0</i>	Budgeted

VI. POLICE

PARKING SERVICES

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Increase overtime parking fines from \$10 to \$20 (BST recommendation)	General Fund — Revenue		<i>Revenue</i> \$55,000	Unbudgeted

DETENTION SERVICES

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Accommodate 24.5% or \$206,000 increase in Yakima County Jail rates — from \$840,000 to \$1,046,000. An increase of 10.7% or \$90,000 is budgeted. Increases greater than this will need to be funded by other expenditure reductions.	General Fund — a) New .3% Criminal Justice Sales Tax b) Other expenditure reductions		a) \$90,000 b) <u>116,000</u> \$206,000	Budgeted/ Unbudgeted

VII. FIRE

OPERATIONS

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Add three entry-level Firefighter positions to provide more emergency personnel available for response and emergency call-back.	General Fund (Possible SAFER Grant cost-sharing)	\$200,000 new positions (\$200,000) overtime <u>savings</u> net change \$0		Budgeted
—	Increase the EMS Property Tax Levy by .10¢ per \$1,000 Assessed Valuation (AV) to fund Capital Replacement/ Reserve for Fire and EMS (BST recommendation)	Voted increase to EMS Property Tax Levy (\$10 per year per \$100,000 AV)		Revenue \$400,000	Unbudgeted — refer to Council Public Safety Committee to develop an expenditure plan and ballot proposal in collaboration with Fire Management and union leadership

VIII. PUBLIC WORKS

PARKS AND RECREATION, STREET AND TRAFFIC OPERATIONS, TRANSIT

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Funding for County Department of Corrections Crew (DOC) contract price increase	a) Parks and Recreation Fund b) Street and Traffic Operations Fund c) Transit Fund		Increase a) \$31,000 b) 17,750 c) <u>2,420</u> \$51,170	Budgeted

STREET AND TRAFFIC OPERATIONS

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Funding for Arterial Maintenance Program to be phased in as revenue becomes available \$400,000 in 2006 to \$600,000 in 2008	REET 2 and Property Tax		\$400,000	Budgeted

TRANSIT

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Purchase six 35-foot heavy-duty replacement buses	Transit Capital Reserves —Transit Sales Tax		\$1,980,000	Budgeted

REFUSE

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	<p><u>Two alternatives offered:</u></p> <p>a) Refuse rate increase of 8%</p> <p>1) Operating cost increase of 5% (for fuel, landfill, equipment costs, etc.)</p> <p>2) Increase of 3% to add one new Code Compliance Officer position to enforce Refuse Division ordinance violations.</p>	Refuse Rates	\$51,900	<p><i>Revenue first year</i> \$230,000 <i>annualized</i> \$260,000</p> <p>Equipment \$15,000</p>	Budgeted
—	<p><u>OR:</u></p> <p>b) Refuse Rate increase of 5% for operating cost increases</p>	Refuse Rates		<p><i>Revenue first year</i> \$130,000 <i>annualized</i> \$175,500</p>	Unbudgeted

PARKS AND RECREATION

	DEPT./DIV. POLICY ISSUE REQUEST/JUSTIFICATION	PROPOSED FUNDING SOURCE	PERSONNEL	NON-PERSONNEL	BUDGETED/ UNBUDGETED
—	Funding for Central Business District Landscaping to support downtown beautification	a) PBIA Fund Transfer b) Parks Fund — Property Tax subsidy		a) \$7,500 b) 43,300 \$50,800	Budgeted
—	Increase of Parks Utility Taxes on Water, Wastewater and Refuse of .5% (from 3.5% to 4.0%) — (BST option) — also see Policy Issue raising the Utility Tax Cap	Parks and Recreation Fund		<i>Revenue</i> \$130,000	Unbudgeted
—	Study formation of regional park authority — to be done by staff in cooperation with the Parks Commission (BST recommendation)	Parks and Recreation (existing resources)			N/A (no additional cost anticipated)

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Yakima County Development Association — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support in the amount of \$19,913 to the Yakima County Development Association (YCDA). In 2003 City Council entered into a 5-year contract with YCDA to provide Economic Development services from 2004 - 2008. (Even though there is a contract in place, there is a stipulation that funding is tied to the annual budget/allocation approval by City Council.)
2.
 - a. **Fiscal Impact** — Non-personnel — \$19,913.
This is the same amount approved by Council in 2005.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — Economic Development Benefits per contract.
 - d. **Personnel Impact** — Contract administration.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Yakima Chamber of Commerce — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support to the Yakima Chamber of Commerce for their Leadership Yakima; Clean up, Green up; and Economic Development survey programs.

We have graduated over 400 people from Leadership Yakima who are now serving more than 300 organizations as part of their leadership teams.

The Clean up, Green up program promotes the health and welfare of Yakima and fosters community pride through refuse removal.

The Economic Development Survey program deal with pursuing projects and issues to create a sound business climate for the Yakima area.

2.
 - a. **Fiscal Impact** — Non-personnel — \$5,900.
This is the same amount approved by City Council in the 2005 budget.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — These efforts give stronger leadership resources for our community and help clean the City to gain citizen pride and visitor appreciation for a clean City.
 - d. **Personnel Impact** — None, with the exception of those who may be in or assist with the programs.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Cut back on cleaning up the City and reducing knowledge and future leadership skills available to the City and local organizations. We may have to raise our tuition beyond the ability of those presently participating and future participants.

3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Fourth of July Committee — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support in the amount of \$5,000 to the Fourth of July Committee. Each year the Yakima Fourth of July Committee creates a family-oriented event at the Central Washington State Fairgrounds. The event attracts tens of thousands of people to a safe and controlled celebration. The Fourth of July fireworks and the festivities at the fairgrounds continue to grow each year. This event is free to the public, and gives people a safe and sane alternative to “backyard fireworks displays.”

2.
 - a. **Fiscal Impact** — Non-personnel - \$5,000
This is the same amount approved by City Council in the 2005 budget. The City of Yakima will see a reduction in the number of fire department calls related to fireworks. It’s logical to assume that fewer people will be using fireworks because they will be attending the Fourth of July event. In addition, local businesses will see an increase in store traffic. This event draws from other communities that don’t offer such a celebration. When the people from those other areas travel into Yakima, they purchase goods and service from our local businesses.

 - b. **Proposed Funding Source** — General Fund.

 - c. **Public Impact** — The Fourth of July Celebration builds a sense of community and civic pride. It does so by bringing a large number of our neighbors together to celebrate in a safe and controlled fashion. It presents positive activities focused on families.

 - d. **Personnel Impact** — None.

 - e. **Required Changes in City Regulations or Policies** — None.

 - f. **Legal Constraints, if applicable** — None.

 - g. **Viable Alternatives** — None.

3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Sunfair Association — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide \$1,000 to the Sunfair Association in 2006.
2.
 - a. **Fiscal Impact** — Non-personnel - \$1,000.
This is the same amount approved by Council in the 2005 budget.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — None.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Allied Arts ArtsVan — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support in the amount of \$5,333 to the Allied Arts ArtsVan in 2006.
2.
 - a. **Fiscal Impact** — Non-personnel - \$5,333.
This is the same amount approved by Council in the 2005 budget.
 - b. **Proposed Funding Source** — General Fund
 - c. **Public Impact** — Encourages children to enlarge their ability to visualize, create and communicate through the arts.
 - d. **Personnel Impact** — Contract administration.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: RSVP (Retired Senior Volunteer Program) — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support in the amount of \$3,000 to RSVP in 2006.
2.
 - a. **Fiscal Impact** — Non-personnel - \$3,000.
This is the same amount approved by Council in the 2005 budget.
 - b. **Proposed Funding Source** — Parks and Recreation fund, Senior Center.
 - c. **Public Impact** — Supports volunteers in the community.
 - d. **Personnel Impact** — Contract administration.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Yakima Basin Storage Alliance, Black Rock Reservoir — Unbudgeted

1. **Proposal** — Financial contribution to promote Black Rock Reservoir (see attached for additional information).
2. **a. Fiscal Impact** —

Water Reserves, 60%	\$36,000
Irrigation Reserves, 40%	<u>\$24,000</u>
	\$60,000
- b. Proposed Funding Source** — Water Utility: Operating and/or Capital Fund.
- c. Public Impact** — May require a Water Utility rate increase in future for continued support. To generate an additional \$60,000 annually, rates would require an adjustment of slightly more than 1%.
- d. Personnel Impact** — Contract administration.
- e. Required Changes in City Regulations or Policies** — None.
- f. Legal Constraints, if applicable** — None.
- g. Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

YAKIMA BASIN STORAGE ALLIANCE

RECEIVED
CITY OF YAKIMA

SEP 27 2005

OFFICE OF CITY COUNCIL

*Multi-Purpose
Benefits For All*

September 22, 2005

Chairman

Sid Morrison

Directors

Wendy Aguilar

David Bowen

Tom Carpenter

Warren Dickman

Arron Eickmeyer

John Gavin

Steve George

Martin Gregg

Bob Hall

Wally Hall

Dan Hernandez

Mike Hogue

Chuck Klarich

Charlie de La Chapelle

Bill Lampson

Mike Lettig

Gary Lukehart

Rocky Marshall

Corky Mattingly

Bill Mc Curley

Peter Optekar

Ethan Raup

Diehl Rettig

Bud Russell

Craig Schultz

Hank Stamschror

Mel Wagner

Jim Watts

Paul Larson, legal counsel

Mayor Paul George

City of Yakima

129 N 2nd St

Yakima, WA 98901

Dear Mayor George:

As Finance Chair of the Yakima Basin Storage Alliance (YBSA), I am writing to thank you and the City of Yakima for your on-going support for YBSA. Your financial support in 2005 has made a real difference. I am also writing to request that the City of Yakima maintain its financial commitment of \$60,000 in 2006.

As you know, the need for additional storage in the Yakima Basin has never been more urgent. This year's drought is expected to cost our region roughly \$1 billion. It's the third \$1 billion drought to hit us in the past 12 years. And by 2040, this year's conditions are expected to be the norm. **We need a solution now.**

We have been talking about this problem for decades. There are studies sitting on the shelf with a lot of dust to prove it. This year's drought is expected to cost our economy around \$1 billion. That's not just a number. It hits real people hard. The impacts ripple through families and across our communities. We need to step up and face this challenge right now. We can't afford to wait any longer.

YBSA has been pushing for a lasting solution. It's time to take a page from past generations and make a little sacrifice. We feel we have a basic responsibility to set a solid foundation – one that will last for generations. And we aren't afraid of a significant one-time cost. That's the sort of risk our kids will appreciate. That's the sort of risk our forefathers took. That's what real leadership is all about.

Last February, the Bureau of Reclamation (BOR) released an initial assessment of Black Rock, which is the only option in the Yakima Basin Storage Study that we feel is a real solution. It concluded that Black Rock was technically viable and that it met the goals of the Study. It did not

P.O. Box 30 Prosser, WA. 99350

Mayor Paul George
September 22, 2005
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address the benefits of Black Rock, but it did outline the costs. It concluded that Black Rock would cost \$4 billion.

At that time, BOR also suggested it was time to drop Black Rock from consideration due to the cost, and to settle for one of the cheaper alternatives. YBSA has been concerned that each of the other existing alternatives would further degrade Yakima River fisheries. And we were worried that these other options would merely postpone our water supply problem for a decade or two.

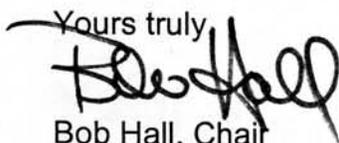
BOR recently announced that they are not going to eliminate Black Rock based on cost. We are very pleased that BOR listened and responded to our concerns. We want to thank all the folks in our Basin who helped give voice to those concerns. And we want to thank the Governor and the State Legislature for having the guts to stand up and insist that Black Rock remain on the list.

We don't know what Mother Nature has in store for us next year, but 2006 will be a critical year for the Study. Whether it is made public or not, next year will set the stage for identifying a preferred alternative. BOR will also release their benefit analysis of Black Rock, which will guide federal and state funding. We will work hard to make sure BOR's work is as accurate as humanly possible.

We know that the City of Yakima is under difficult budget constraints and that you are facing some tough choices. But we believe that Black Rock offers Yakima and the entire region our best hope for long-term economic prosperity. For that reason, we hope that Yakima will maintain its support for YBSA for the next year.

We are working to maintain and significantly expand our funding base from area businesses and individuals. YBSA's strength has always been based on the breadth and depth of our grass roots support. We have taken important steps this spring and summer to expand on that. This will continue into 2006.

Thanks in advance for your time and consideration.

Yours truly,

Bob Hall, Chair
YBSA Finance Committee

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Hispanic Chamber of Commerce — Unbudgeted

1. **Proposal** — This is a new proposal to provide financial support to the Hispanic Chamber of Commerce in 2006, as outlined in the attached application.
2.
 - a. **Fiscal Impact** — \$10,000.
 - b. **Proposed Funding Source** — Choose from expenditure reduction options as set forth by the Budget Strategy Team (BST) report.
 - c. **Public Impact** — See Attached.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

5. Has applicant entered into a contract with the State of Washington, Yakima County or the City of Yakima, pursuant to which applicant performs a function on behalf of the state, county or city?

Yes No

If answer is "yes", enclose with this application a copy of that contract.

6. Has applicant previously received a grant or other financing from the State of Washington, Yakima County, or the City of Yakima to finance applicant's operation?

Yes No

If answer is "yes", indicate the source of funds and the fiscal period for which such grant or other financing was or is applicable.

Was approved in the past and required matching funds.

7. Geographical area served:

The geographical are served is within the City of Yakima and Yakima Count; however, about 70% of the membership is within the City of Yakima and the offices are located in the City of Yakima.

8. Total number of citizens served by your agency:

	Actual		Projected	
	2003	2004	2005	2006
Within Yakima	<u> </u>	<u> </u>	<u>65</u>	<u>125</u>
Outside Yakima	<u> </u>	<u> </u>	<u>45</u>	<u>55</u>
Total	<u> </u>	<u> </u>	<u>100</u>	<u>150</u>

Requesting Funding Information

9. **Specific program or project** you are requesting to be funded through general funds:

Based on a Hispanic business survey it was determined the need for technical assistace and computer training for the businesses in Spanish. Over 65% of the businesses surveyed responded in Spanish to the business survey. The project will assist 35 established businesses to become computer literate within the next year and provide long term sustainablity and help them grow of their business and therefore create more revenue for the City of Yakima. The project will also identify potential leadership to serve on board and committees within the City of Yakima.

10. Description of above program or project:
Please address these areas of concern in detail:

- A. Program or project objective
- B. Program or project scope
- C. Justification - necessity of program
- D. Program or project activities
- E. Results expected from programs or projects
- F. Rank projects in order of priority

A. The objective is to help strenghten Latino businesses so that they can become computer literate and grow to become bigger businesses to create jobs and pay their taxes on a regular basis. Small businesses are the pulse of the community. They know how the economy is doing based on how their business is doing. The are the best souce of economic indicators. B. The scope of the program is within the City of Yakima and it will deal mainly with small business development, growth of small businesses and leadership development. C. The program is needed because no other agency is working specifically with Latino/hispanic businesses and they are the fastest growing business. D.The program activities are directly related to businesses becoming more sophisticated. Most of the taxing entities are pushing businesses to file electronically. In addition, the HCC wants to be able to identify leadership to increase participation on city boards and commissions. E. The results are that more businesses will be expanded and/or created and more tax revenue will be collected for the city. F. Computer training and leadership development in partnership with the Yakima Chamber of Commerce. Two persons will be selected to be part of the Leadership Yakima for 2006.

11. Number of citizens served in the above program(s):

Fifty small businesses will served by the above project.

	Actual		Projected	
	2003	2004	2005	2006
Within Yakima	_____	_____	<u>75</u>	<u>50</u>
Outside Yakima	_____	_____	<u>25</u>	<u>10</u>
Total	_____	_____	<u>100</u>	<u>60</u>

12. Is this program: New Continuation from 20____.

13. Specific allocation requested for 2006: \$ 10,000

(If this is a multiple year request, please identify the following:

Year	Total Amount of City:		Other Sources of Funds for Project:	
	Project Cost	Funds Request	Source	Amount
20__	\$ _____	\$ _____	_____	\$ _____
20__	_____	_____	_____	_____
20__	_____	_____	_____	_____
20__	_____	_____	_____	_____
Total	\$ _____	\$ _____		\$ _____

14. If your request should be approved for 2006, how would you operate your program in 2007 without it?

The grant dollars will provide the beginning of the business resource center and based on the demand it will grow. Businesses will become more "sophisticated" and increase their revenue therefore gladly pay their Chamber dues. The businesses will also be linded to the Chamber web site.

15. Detail the total expense budget for the program(s) projects in 2005, or calendar period of request as follows:

I. Operating & Maintenance Expenses	Amount
Salaries and Wages	\$ <u>5,000</u>
Personnel Benefits	_____
Supplies	<u>1,000</u>
Capital Outlay	_____
Other Services	<u>4,000</u>
Total	\$ <u>10,000</u>

Operating Revenue

Identify Primary Source:

	Amount
1.	\$ _____
2.	_____
3.	_____
4.	_____
Total	\$ _____

18. What other agencies or programs might be affected if your request is **not** approved and in what manner would they be affected. How do you coordinate your programs with other agencies:

Loss of sales, tax revenue and job creation.

19. Please attach any additional information you feel would be helpful in reviewing your request.

20. Please submit this form, together with any attachments to:

Rita M. Anson
Director of Finance
City of Yakima
129 No. 2nd Street
Yakima, WA 98901

21. **Deadline for Submission: AUGUST 29, 2005**

I certify the above information to be true and factual to the best of my knowledge.

Signed: Ernesto Gonzalez 453-2050

Title: President

Date: 10/07/05

If your funding is approved, a quarterly on-site audit and inspection of your financial records may be made by the City of Yakima Finance Department.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Yakima, Morelia Sister City Association — Unbudgeted

1. **Proposal** — This is a new proposal is to provide financial support to the Yakima - Morelia Sister City Association in 2006, as outlined in the attached application.
2.
 - a. **Fiscal Impact** — \$1,000.
 - b. **Proposed Funding Source** — General Fund cash reserves.
 - c. **Public Impact** — See attached.
 - d. **Personnel Impact** — See attached.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.



Yakima-Morelia Sister City Association

PO Box 1048 * Yakima, Wa 98907

October 6, 2005

Yakima City Council
City of Yakima
Yakima, WA 98902

RE: Funding Request (\$1,0000.00)
Delegation to Morelia
Yakima-Morelia Sister City Association

Dear Council Members,

The Yakima-Morelia Sister City Association respectfully requests your review and consideration of our application for funds in the amount of \$1,000.00 annually. We have attached an application for funds and included information of proposed expenditures for supporting the delegation exchanges between the two cities consistent with the emphasis on developing and enhancing trade and commerce between our two cities.

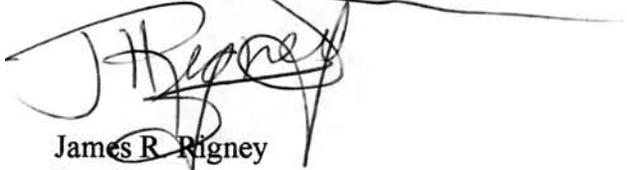
The Yakima – Morelia Sister City Association has a stated mission to promote trade, economic development, education, cultural exchange, and tourism between our two cities. The Association hosted a delegation from the City of Morelia from September 24, 2005 through September 30, 2005, and the visit was a great success. We were able to facilitate contact and networking with many private and public agencies in the City of Yakima and Yakima County. The communication that has been started will continue and we will be able to move forward with our mission. It is already bearing fruit in the serious planning between Heritage University and the Latin University of America, the offices of economic development in Yakima and Morelia and several wine producers. More is to come.

The Yakima-Morelia Sister City Association plans to send a delegation to the City of Morelia in November order to continue our networking towards the mutual expansion

and enhancement of trade, economic development, education, cultural exchange, and tourism. During this mini delegation the wine producers of Yakima have been offered space in a major trade expo and work will concentrate on laying plans for a major trade delegation to Morelia before next summer to focus on economic development, trade and cultural tourism

Please let me know if you require any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'James R. Rigney', with a long horizontal line extending to the right.

James R. Rigney
President

Yakima-Morelia Sister City Association
Home: (509) 966-0139

CITY OF YAKIMA

2006 Budget Requests

For Agencies Requesting Funding Through General Funds

General Background

1. Requesting Agency:

Name Yakima-Morelia Sister City Association

Address P.O. Box 1048, Yakima, WA 98907

Contact Person James R. Rigney, President - Home: 966-0139

2. Agency's Primary Service:

The primary service and mission of the Yakama-Morelia Sister City Association is to promote trade, economic development, education, cultural exchanges, and tourism between the cities of Yakima and the City of Morelia, State of Michoacan, Mexico. This is consistent with the Sister City International mission and we are fully engaged in citizen diplomacy, building, crossing and maintaining bridges between our two communities.

3. Is Applicant organization a governmental agency created by statute, by Yakima County or City legislation?

Yes No

If answer is "yes", cite the applicable RCW Section or Chapter, or enclose with this application for a copy of the County or City legislation which created the agency.

The Yakima - Morelia Sister City Association was established and recognized by the City of Yakima as the result of a resolution by the City Council and Mayor.

If answer to #3 above is "no", answer questions #4 and #5 below:

4. Describe the legal organization of applicant, such as nonprofit corporation, etc.

The Yakima-Morelia Sister City Association is a non-profit licensed in the State of Washington and a non-profit with the IRS as a 501(c)(3).

5. Has applicant entered into a contract with the State of Washington, Yakima County or the City of Yakima, pursuant to which applicant performs a function on behalf of the state, county or city?

Yes No

If answer is "yes", enclose with this application a copy of that contract.

6. Has applicant previously received a grant or other financing from the State of Washington, Yakima County, or the City of Yakima to finance applicant's operation?

Yes No

If answer is "yes", indicate the source of funds and the fiscal period for which such grant or other financing was or is applicable.

7. Geographical area served:

The Yakima-Morelia Sister City Association focuses on serving the citizens within the City of Yakima and reaches out into include Yakima county..

8. Total number of citizens served by your agency:

	Actual		Projected	
	2003	2004	2005	2006
Within Yakima	city wide - Yakima			
Outside Yakima	_____	_____	_____	_____
Total	_____	_____	_____	_____

Requesting Funding Information

9. Specific program or project you are requesting to be funded through general funds:

The Yakima-Morelia Sister City Association is requesting funds in order to assist with the activities involved with delegation exchanges to continue facilitating, maintaining communications and contacts related to economic development, trade and cultural tourism. No funds will be used for travel expenses, equipment or salaries. All funds will be used for administrative costs to support the goals in the areas mentioned.

10. Description of above program or project:

Please address these areas of concern in detail:

- A. Program or project objective
- B. Program or project scope
- C. Justification - necessity of program
- D. Program or project activities
- E. Results expected from programs or projects
- F. Rank projects in order of priority

A: The objective is to establish and facilitate trade relationships between the citizens of Yakima and citizens in the City of Morelia on a person to person basis of citizen diplomacy

B: The scope is to consider trade in agricultural produce/products, and Yakima wine producers

C: The program is necessary to fulfill our mission and goals for the next years via the Association mission and objectives

D: Developing person to person relationships, establishing and facilitating communications in promoting trade and entrepreneurship between our respective cities: this via delegation exchange visits, trade mission and continual telephone and electronic communication.

E: This will result in a person to person network of contacts for further negotiations and contact, opening doors for future economic enhancements between both communities.

F: Now that the donation of the fire trucks to the Fire Department of Morelia is completed the Association is turning its focus energetically to the development of trade and economic issues of benefit to both Cities. This is the primary project for the Association for the immediate future. This is followed by efforts and activities in pursuit of closer coordination of the Latin University of America in Morelia and Heritage University in Toppenish not only focusing on eventual student/faculty exchanges but research in the business departments on economic and trade issues of interest to our binational relationships.

(Attach additional sheets of same size if more space is necessary)

11. Number of citizens served in the above program(s):

The long range effects of increased business, commerce and other contacts between our two cities will be for the benefit of the entire community through trade, education, travel, cultural exchanges and social services.

	Actual		Projected	
	2003	2004	2005	2006
Within Yakima	City wide every year			
Outside Yakima	_____	_____	_____	_____
Total	_____	_____	_____	_____

12. Is this program: ___ New X Continuation from 20_05_.

Last year after the fire trucks were delivered to Morelia, we began to turn our attention to the facilitation of introducing delegates and others from Morelia to the world of Yakima products and technology. During the last delegation from Morelia we facilitated meetings between wine producers and the city officials of Morelia who are eagerly pursuing the activity on their end in Mexico.

13. Specific allocation requested for 2006: \$ 1,000.00.

(If this is a multiple year request, please identify the following:

Year	Total Amount of City:		Other Sources of Funds for Project:	
	Project Cost	Funds Request	Source	Amount
20_06	\$ <u>3,700.00</u>	\$ <u>1,000.00</u>	MembershipsDonations, Grants	\$ <u>2,700/00</u>
20_07	<u>3,700.00</u>	<u>1,000.00</u>	MembershipsDonations, Grants	<u>2,700.00</u>
20_08	<u>3,700.00</u>	<u>1,000.00</u>	MembershipsDonations, Grants	<u>2,700.00</u>
20_09	<u>3,700.00</u>	<u>1,000.00</u>	MembershipsDonations, Grants	<u>2,700.00</u>
Total	\$ <u>14,800.00</u>	\$ <u>4,000.00</u>		\$ <u>10,800.00</u>

14. If your request should be approved for 2006, how would you operate your program in 2007 without it?

The primary funding base is generated from Membership fees which are not consistent nor assured as they are dependent on individual and corporate support in the community.

The secondary funding bas is derived by seeking volunteer efforts, donations of funds, goods, and services to support activities.

The other funding is derived from submitting applications for grants as we become aware of the opportunities..

15. Detail the total expense budget for the program(s) projects in 2005, or calendar period of request as follows:

I. Operating & Maintenance Expenses	Amount
Salaries and Wages	\$ <u> N/A </u>
Personnel Benefits	<u> N/A </u>
Supplies	<u> 3,700.00 </u>
Capital Outlay	<u> N/A </u>
Debt Service	<u> N/A </u>
Total	\$ <u> 3,700.00 </u>

Operating Revenue

Identify Primary Source:

	Amount
1. City of Yakima	\$ <u> 1,000.00 </u>
2. Membership Fees	<u> 1,000.00 </u>
3. Donated Good and Services	<u> 1,000.00 </u>
4. Grants	<u> 700.00 </u>
Total	\$ <u> 3,700.00 </u>

II. Capital Improvement Expenses

Identify each individual project and cost: NONE

	Amount
1.	\$ _____
2.	_____
3.	_____
4.	_____
Total	\$ <u>0</u>

III. Resources/Grants

Identify source of all existing and proposed primary sources, matching funds available, etc:

	Amount
1. Membership Fees	\$ <u>1,000.00</u>
2. Donated Goods and Services	<u>1,000.00</u>
3. Grants	<u>700.00</u>
4.	_____
Total	\$ <u>2,700.00</u>

16. What other agencies (to your knowledge) are providing similar services:

There are federal, state, and local government agencies encouraging trade within Washington. There other groups or organizations encouraging trade and we coordinate and collaborate with them.

The Yakima-Morelia Sister City Association is the only entity focusing specifically on trade with the City of Morelia and the State of Michoacan, Mexico.

17. If your funding request is **not** approved, what alternative programs and/or funding have been considered:

The Yakima-Morelia Sister City Association will continue to actively seek new Members to generate membership fees and pursue donations and grants to fund our project. From time to time we will conduct special fundraising activities such as raffles. We have had wide acceptance from a broad range of individuals, business and agencies in Yakima which allows

us to move forward, but financial support is a very serious concern and a need for a solid base from which to plan activities in the business and trade area is essential for continuity and consistency. So far the Yakima – Morelia Sister City Association has been very positive influence on the community and will continue to do what can be done within our resources to promote and work toward the goals outlined. We will continue to seek donations and apply for appropriate grants as they become known to us and for which we qualify.

18. What other agencies or programs might be affected if your request is **not** approved and in what manner would they be affected. How do you coordinate your programs with other agencies:

There will not be any direct impact upon any other agency or organizations at this time. We form partnerships and coordinate our efforts for each delegation coming to Yakima or going to Morelia. Everyone shares the costs with existing resources. The effect of not approving this request will be missed opportunities and limiting the range of benefits to the community that the Association facilitates and can continue to facilitate.

19. Please attach any additional information you feel would be helpful in reviewing your request.

20. Please submit this form, together with any attachments to:

Rita M. Anson
Director of Finance
City of Yakima
129 No. 2nd Street
Yakima, WA 98901

21. **Deadline for Submission: AUGUST 29, 2005**

I certify the above information to be true and factual to the best of my knowledge.

Signed: _____

Title: President Yakima – Morelia Sister City Association

Date: October 7, 2005

If your funding is approved, a quarterly on-site audit and inspection of your financial records may be made by the City of Yakima Finance Department.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Answers from Heaven, Application for Funding — Unbudgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support in the amount of \$50,000 to Answers from Heaven. With this money, they will set up an office and start writing grants for first projects to achieve three separate objectives in order of priority: 1) A Wagon Wheel Industry for worldwide distribution; 2) Farm worker housing for broad distribution; 3) A cultural entertainment center.
2.
 - a. **Fiscal Impact** — \$50,000.
 - b. **Proposed Funding Source** — Choose from expenditure reduction options as set forth by the Budget Strategy Team (BST) report.
 - c. **Public Impact** — 1) Create jobs by promoting worldwide distribution of wagon wheel manufacturing and broadening product lines to stimulate the economy of the City of Yakima; 2) Create 4,000 affordable houses for farm workers to stimulate the economy; 3) Create a sense of “community” through a cultural entertainment center to educate the community about different cultures and keep the youth out of gangs.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Achieve funding through other sources.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

ANSWERS FROM HEAVEN INC
4702 Bristol Way #B, Yakima, WA 98908
(509) 575-1776

August 22, 2005

Cindy Epperson
Department of Finance & Budget
City of Yakima
129 North Second Street
Yakima, WA 98901

Re: Application for funding

Dear Cindy Epperson:

Thank you for sending the Request for Funding application. As you or someone else looks at this application, give me a call if there is any questions. I guarantee that every detail is worked out on everything you see. This has taken over a decade and the ideas have come from various people. Due to inflationary costs, I do not presently have detailed budgets on factory buildings. What we need is some seed money so we can set up an office and start writing grants for these first projects. We will detail each project during this process and these cost figures will be current to the grant requests.

The City and the County could use some good PR about now, so at our first news release with completed architectural drawings we will applaud you for your enthusiasm to bring jobs into this Valley! Thank you!

In Service to citizens, businesses, and Government.



Dennis Hawkins, CEO

CITY OF YAKIMA

2006 Budget Requests

For Agencies Requesting Funding Through General Funds

General Background

1. Requesting Agency:

Name ANSWERS FROM HEAVEN, INC
Address P.O. Box 1776, Yakima, WA 98907
Contact Person Dennis M. Hawkins, CEO

2. Agency's Primary Service:

Through creative grant writing, this organization will establish two industries (See enclosed pictures and plans) through a grant company located in New York.

3. Is Applicant organization a governmental agency created by statute, by Yakima County or City legislation?

Yes No

If answer is "yes", cite the applicable RCW Section or Chapter, or enclose with this application for a copy of the County or City legislation which created the agency.

If answer to #3 above is "no", answer questions #4 and #5 below:

4. Describe the legal organization of applicant, such as nonprofit corporation, etc.

"Answers" is a Yakima City business License #14084, UBI # 602 461 092, the non-profit license will be secured when this organization receives funding.

5. Has applicant entered into a contract with the State of Washington, Yakima County or the City of Yakima, pursuant to which applicant performs a function on behalf of the state, county or city?

Yes No

If answer is "yes", enclose with this application a copy of that contract.

6. Has applicant previously received a grant or other financing from the State of Washington, Yakima County, or the City of Yakima to finance applicant's operation?

Yes No

If answer is "yes", indicate the source of funds and the fiscal period for which such grant or other financing was or is applicable.

7. Geographical area served:

City of Yakima - Yakima County

8. Total number of citizens served by your agency:

	Actual		Projected	
	2003	2004	2005	2006
Within Yakima	_____	_____	60,000	80,000
Outside Yakima	_____	_____	140,000	120,000
Total	_____	_____	200,000	200,000

Requesting Funding Information

9. Specific program or project you are requesting to be funded through general funds:

1. A wagon wheel product industry for world-wide distribution
See the pictures of 2 products.

2. Farm worker housing for broad distribution. See drawings
and planned manufacturing plant.

3. A Cultural Entertainment Center. See preliminary
drawing.

10. Description of above program or project:

Please address these areas of concern in detail: Refer to numbering in #9

- A. Program or project objective
- B. Program or project scope
- C. Justification - necessity of program
- D. Program or project activities
- E. Results expected from programs or projects
- F. Rank projects in order of priority

A. 1. Jobs 2. Jobs and decent affordable housing 3. "Community"
 B. 1. World-wide dist. and broadening product lines 2. Marketing parameters will be determined. We will begin in Yakima County. The need is 4000 homes.
 3. Dimensions, seating capacity, and type of stage will be determined by the ethnic groups
 C. 1. Our economy is lower than the State & Nation 2. Same 3. Education
 D. Manufacturing 2. Same 3. Specialized ethnic entertainment
 E. 1. & 2. Jobs + construction 3. The value of each ethnic group will be learned!
 F. They are already ranked

(Attach additional sheets of same size if more space is necessary)

11. Number of citizens served in the above program(s):

The entire community is always encouraged when new jobs are created!
 We will all see how gangs and youth will respond to the Ent. Ctr.

	Actual		Projected	
	2003	2004	2005	2006
Within Yakima	_____	_____	Same as above, perhaps more!	
Outside Yakima	_____	_____	_____	_____
Total	_____	_____	_____	_____

12. Is this program: New ___ Continuation from 20___.

13. Specific allocation requested for 2006: \$ - 0 - .

(If this is a multiple year request, please identify the following:

Year	Total Amount of City:		Other Sources of Funds for Project:	
	Project Cost	Funds Request	Source	Amount
20 <u>05</u>	\$ <u>100,000</u>	\$ <u>50,000</u>	<u>Yakima County</u>	\$ <u>25,000</u>
20__	_____	_____	<u>Citizens of Yakima</u>	<u>25,000</u>
20__	_____	_____	_____	_____
20__	_____	_____	_____	_____
Total	\$ <u>100,000</u>	\$ <u>50,000</u>		\$ <u>50,000</u>

14. If your request should be approved for 2006, how would you operate your program in 2007 without it?

Independent grant-writers charge a fee or receive a percentage of grant proceeds. It is no different than any other business.

15. Detail the total expense budget for the program(s) projects in 2005, or calendar period of request as follows: Sept. - Oct. - Nov. - Dec. 2005

I. Operating & Maintenance Expenses	Amount
Salaries and Wages	\$ <u>46,400</u>
Personnel Benefits	<u>15,200</u>
Supplies	<u>950</u>
Capital Outlay <u>Secure Mfg. facility, lobby for funds in Olympia and D.C.</u>	<u>37,450</u>
Debt Service	_____
Total	\$ <u>100,000</u>

Operating Revenue

Identify Primary Source:

	Amount
1. Fund Drive - Seed Money - City of Yakima	\$ <u>50,000</u>
2. Fund Drive - Seed Money - Yakima County	<u>25,000[†]</u>
3. Fund Drive - Citizens of Yakima County	<u>25,000[†]</u>
4. Operating Income from Lobbying 2005	<u>?</u>
Total	\$ <u>100,000</u>

II. Capital Improvement Expenses

Identify each individual project and cost:

	Amount
1. GRANTS + Bank loans will fund	\$ _____
2. each project. See # III.	_____
3.	_____
4.	_____
Total	\$ _____

III. Resources/Grants

Identify source of all existing and proposed primary sources, matching funds available, etc:

National Grant Conference of New York will send "Answers" two notebooks full of qualified grant sources.

	Amount
We have documentation of this County's	\$ _____
1. needs from Northwest Area Foundation.	_____
2. We are well prepared to write grants!	_____
3.	_____
4.	_____
Total	\$ _____

16. What other agencies (to your knowledge) are providing similar services:

Human problems have grown beyond the abilities of said services. 'Answers' will organize a 'conference of services' so we can help coordinate and facilitate incoming funds. An underlying purpose of this process is to reduce waste and duplication.

17. If your funding request is not approved, what alternative programs and/or funding have been considered:

a. This city has an opportunity to help itself, its image, and its citizens!
b. I appreciate your help to initiate this hope for the people of the City of Yakima! Thank you!

18. What other agencies or programs might be affected if your request is **not** approved and in what manner would they be affected. How do you coordinate your programs with other agencies:

See #16 and decide for yourself. Also, you think about
the richness of our diversity which will be displayed in
the Cultural Entertainment Center. You think about the psychological
ripple that will extend through this City and County!

19. Please attach any additional information you feel would be helpful in reviewing your request.
20. Please submit this form, together with any attachments to:

Rita M. Anson
Director of Finance
City of Yakima
129 No. 2nd Street
Yakima, WA 98901

21. **Deadline for Submission: AUGUST 29, 2005**

I certify the above information to be true and factual to the best of my knowledge.

Signed: Dennis M. Hawkins

Title: CEO

Date: 8-

If your funding is approved, a quarterly on-site audit and inspection of your financial records may be made by the City of Yakima Finance Department.

I will provide an accounting of these funds to you. I thoroughly believe in accountability!

ANSWERS FROM HEAVEN INC
Presents
WAGON WHEEL PRODUCTS

WAGON

WHEEL

PRODUCTS

ANSWERS FROM HEAVEN INC
Presents
WAGON WHEEL PRODUCTS

Fact: The cowboy profession is world-wide!

Start-up Products:

WAGON WHEELS – VARIOUS SIZES

PATIO TABLES

OCCASIONAL TABLES

COWBOY ‘COLLECTABLE’ TABLE

COWBOY ‘COLLECTABLE’ WALL MOUNTED WHEEL

STANDARD WALL MOUNTED WHEEL

COMPONENTIZED WHEEL FOR DO-IT-YOURSELFERS

BOARD ROOM ‘WHEEL’ TABLES

COUNTER TOP DISPLAYERS FOR WESTERN STORES

WALL HUNG ‘PLANTER’ WHEELS

+ R & R will develop many more products in the future! See
the pictures on the following page.

ANSWERS FROM HEAVEN INC
Presents
WAGON WHEEL PRODUCTS

Pictures of actual products:



ANSWERS FROM HEAVEN INC
Presents
FARM WORKERS HOUSING

FARM

WORKERS'

HOUSING

ANSWERS FROM HEAVEN INC
Presents
FARM WORKERS HOUSING

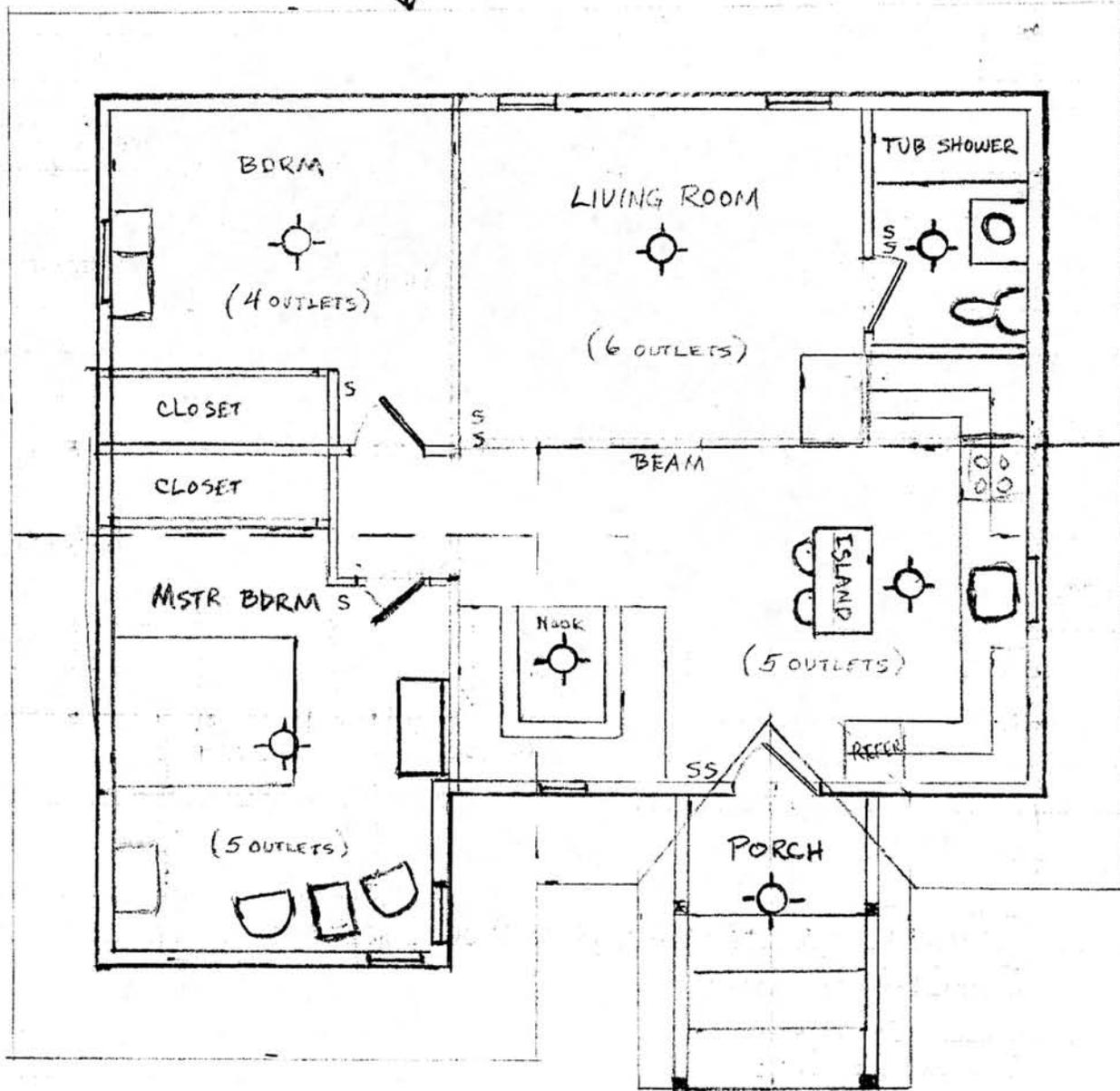
I am not satisfied that human beings live in the open by the river, even though they are out of sight. I am not satisfied that human beings live in sub-standard housing that profits slum landlords. The hardships endured here produce the drug culture this Valley now possesses. I believe in healthy environments for families!

At a farm housing meeting held at the Catholic Church and conducted by Dixie Kracht of Creative Housing Solutions, it was stated that this State lacks over 4,000 housing units. It was also obvious that present systems fall short of supplying these units.

The 'answer' is a well- managed versatile pre-manufactured house factory. The units will have about 800 sq. ft of efficiently used space. See the photo of Gary Lukehart's facility near Trail Wagons. In this factory the 4,000 units are doable under strict management. Quick to manufacture and quick to assemble! By combining elements of the R. V. industry these units can literally be placed anywhere!

"Answers" will train and overview each enterprise that it initiates. These projects are just the front end of a larger new marketing plan for Yakima County. Can this and other projects become reality? Yes, because of unbridled ambition, preparation, and the fact that there are billions of dollars available in grant money in both the government and private industry!

ROOF LINE (36" overhang)



FARM HOUSE 816 ^{sq}'

BEDS INCL

BDRM CHESTS OF DRAWERS INCL

L.R. DRAWER UNIT 24" X 36" INCL

MEAL NOOK INCL

KITCHEN APPLIANCES INCL.

OUTSIDE PICNIC TABLE INCL.

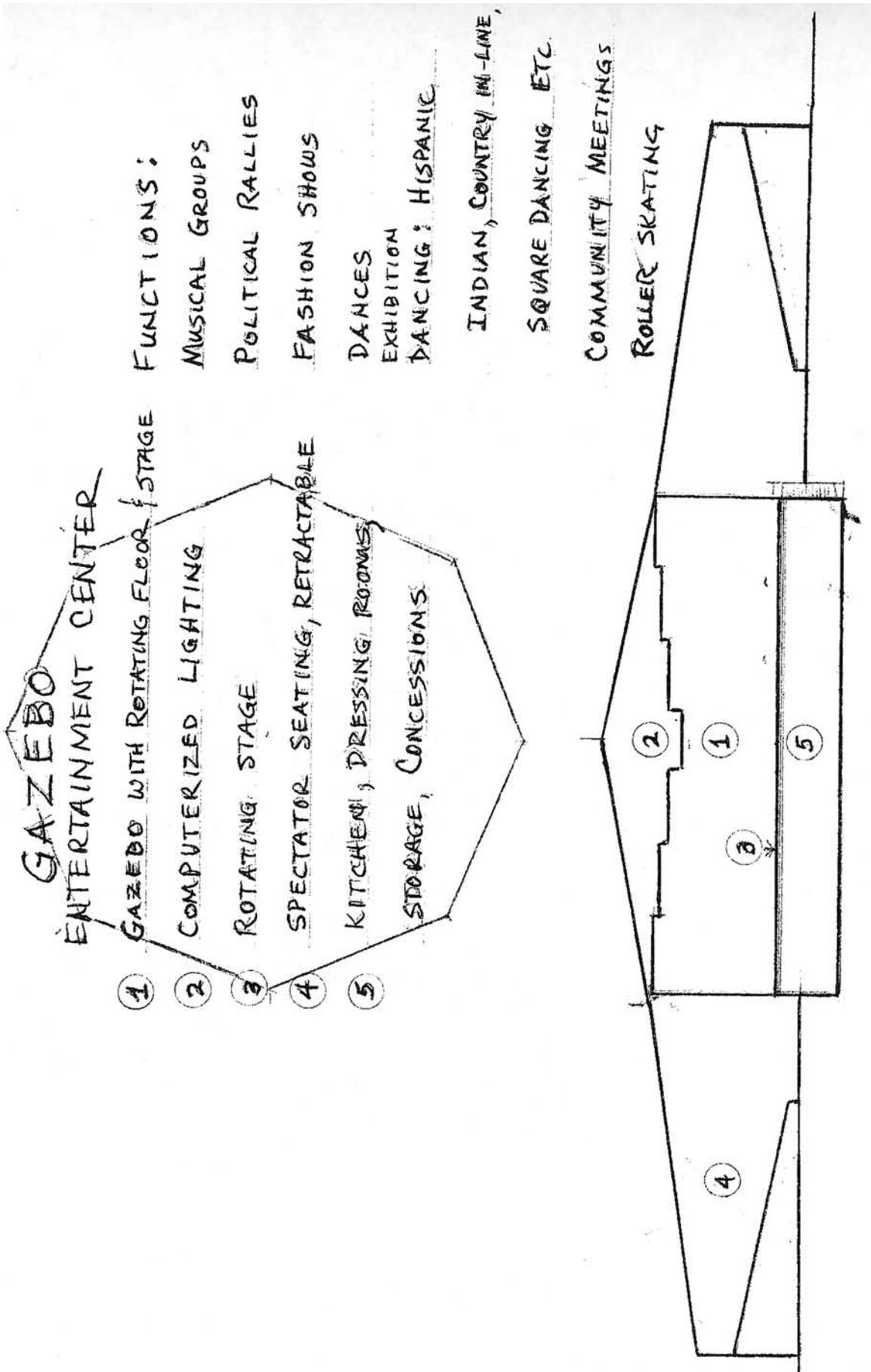


ANSWERS FROM HEAVEN INC
Presents
ALL CULTURES ENTERTAINMENT CENTER

ALL CULTURES
ENTERTAINMENT
CENTER

ANSWERS FROM HEAVEN INC
Presents
ALL CULTURES ENTERTAINMENT CENTER

This facility will help to bring focus to each culture when it is built. For people without prejudice it will serve to be educational as well.



ANSWERS FROM HEAVEN INC
Presents
THE BIGGER PICTURE AT A GLANCE!

You have seen the start up phase, now

**TAKE A
LOOK AT
THE BIGGER
PICTURE!**

**THE YAKIMA VALLEY
A STORY ABOUT PEOPLE!**

**GOOD PEOPLE CREATED THIS UTOPIAN VALLEY
TREASURE
NOW THROUGH CHANGING EVENTS, WE ARE A
PEOPLE SEPARATED
WITH CLOSED FARMS AND BUSINESSES DO WE
MEASURE?
WE ARE IN TRANSITION, BUT WHAT DIRECTION
HAVE WE CREATED?**

**ALL PEOPLE WITHIN NEED TO HAVE A BOOST IN
HOPE
FARMS RESTORED, BUSINESSES OPENED AND
PEOPLE WITH A FUTURE
GOALS BECOME REALITY AND TO NAYSAYERS WE
SAY, "NOPE"
THEN AS WE WORK SIDE BY SIDE, WE BECOME A
GREAT OVERTURE!**

**THE ANSWER IS "YAKIMA, HOST OF THE
NORTHWEST"
THE FARMER, BUSINESSMEN, AND WORKERS WILL
HAVE MOTIVATION
TO WORK FOR COMMON SUCCESS IS TRULY THE
TEST
AFTER WHICH THE PEOPLE OF THIS VALLEY WILL
JOIN IN JUBILATION**

Dennis Hawkins

ANSWERS FROM HEAVEN INC
Presents
A synoptic look at a big Plan

FAMILIES

- WATER SLIDE PARK
- NORTHWEST ZOO
- PROFESSIONAL ENTERTAINMENT

YOUTH

- SPORTS CHALLENGES
- PROFESSIONAL ENTERTAINMENT
- GRASS SKIING

SENIORS

- PROFESSIONAL ENTERTAINMENT
- HORSEBACK RIDING EVENTS
- BOATING EVENTS

ANSWERS FROM HEAVEN INC

Presents

A synoptic look at a big Plan

FARMERS

- ALTERNATIVE CROPS
- SOIL MANAGEMENT SEMINARS
- NEW MARKETING PLAN

EDUCATION

- GOAL DRIVEN SCHOOL ASSEMBLIES
- GOAL DRIVEN GRANT BASED SCHOOL
- A CHRISTIAN SCHOOL PATTERNED AFTER A SUCCESSFUL ISRAELI SCHOOL

BUSINESSES

- HELP FOR STRUGGLING BUSINESSES
- MANAGEMENT COUNSELING
- NEW INDUSTRIES

ANSWERS FROM HEAVEN INC
Presents
A synoptic look at a big Plan

COMMUNITIES

- CLEANUP AND BEAUTIFICATION
- SMALL COMMUNITY THEMES
- BRING COMMUNITY OUT OF DIVERSITY

TOURISM PLAN

- EXCITING VACATION PACKAGES IN THE NW
- WORLDWIDE MARKETING
- PROSPERITY FOR THE LAND AND PEOPLE!

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

INTERGOVERNMENTAL REQUEST

POLICY ISSUE TITLE: Yakima Regional Clean Air Authority — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support in the amount of \$12,622 to the Yakima Regional Clean Air Authority. This request represents the same per capita assessment as the 2005 budget, and so results in a slight increase of \$42.
2.
 - a. **Fiscal Impact** — Non-personnel — Intergovernmental Program — \$12,622.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — See Attached.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.



Six South 2nd Street, Suite 1016, Yakima, WA 98901

(509) 834-2050 • Fax: (509) 834-2060

web site: <http://www.co.yakima.wa.us/cleanair>

June 8, 2005

TO: City Councils, All Incorporated Cities & Towns, and Yakima County
FROM:  Les Ornelas, APCO
SUBJECT: Certification - 2006 Pro Rata Share, Supplemental Income
Yakima Regional Clean Air Authority

As provided under Sections 70.94.092 and 70.94.093 (RCW), the Yakima Regional Clean Air Authority must certify, prior to the fourth Monday of June, to each component city, town, or county, the amount of supplemental income to be paid by such component city, town, or county, for each following calendar year. The assessments for calendar year 2006 are shown on the reverse of this notice.

The Board of Directors for the Yakima Regional Clean Air Authority, on June 8, 2005, established that the supplemental income needed for operation in 2006. The assessment is held at \$.1588 per capita based on the 2000 Federal Census, corrected October 3, 2003 estimated for 2004. All entities are being notified of the assessment for inclusion in their budgets for 2006, per RCW 70.94.093(3).

Please budget the assessment for Yakima Regional Clean Air Authority the amount that is invoiced to your city, town, or county. ***Per RCW 70.94.093(3), the local assessment should be paid, "...in equal quarterly installments, the amount of its supplemental share."***
Payment in-full within the first quarter of the year is allowed.

Thank you.

cc: Tom Gasseling, YRCAA Board Chair
Corky Mattingley, Auditor
Lyne Monroe, Administrative Officer

/chasm/wpfiles/local_assessments/2006/per_capita_letter8june05

BOARD OF THE YAKIMA REGIONAL CLEAN AIR AUTHORITY

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE YAKIMA REGIONAL CLEAN AIR AUTHORITY **CONTINUING A LOCAL ASSESSMENT RATE OF \$0.1588 PER CAPITA FOR THE CALENDAR YEAR 2006, AND THEREAFTER**

**RESOLUTION
NO. 2005-04**

RECITALS:

BE IT RESOLVED by the Board of Directors of the Yakima Regional Clean Air Authority (YRCAA) that, on this 11th day of May, 2005, that:

WHEREAS, Sections 70.94.092 and 70.94.093(1)(b) and (2)(b) RCW provide for an activated local authority to adopt, prior to the fourth Monday in June, a local assessment on a per capita basis to each component city, town and county; and

WHEREAS, the YRCAA Board of Directors finds that certain ongoing program costs are not otherwise funded as described in Section 70.94.092, RCW; and now therefore

WHEREAS, the YRCAA Board of Directors hereby adopted the Local Assessment of \$0.1588 per capita by Resolution 05-2002, which assessment shall continue until amended by Board Resolution; and now therefore

BE IT RESOLVED, the YRCAA Board of Directors accepts the 2000 Census, corrected to 06/03/04, for purposes of assessing proportional supplemental income from the component cities and county; and

BE IT FURTHER RESOLVED, the Executive Director is instructed, prior to the fourth Monday in June, to certify to each city, town or county, per §70.94.093 (3), that their portion of the supplemental income shall be \$0.1588 per capita for the calendar year 2006; and now

ADOPTED at a regular meeting of the YRCAA Board of Directors on this 11th day of May, 2005.

APPROVED:


Board Chairman

Board Member

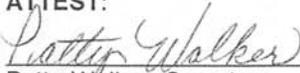
Board Member


Board Member

Board Member

Board Member

ATTEST:


Patty Walker, Secretary

**YAKIMA REGIONAL CLEAN AIR AUTHORITY
YEAR 2006 ASSESSMENT**

To be assessed calendar year 2006 (estimated census for 2004)

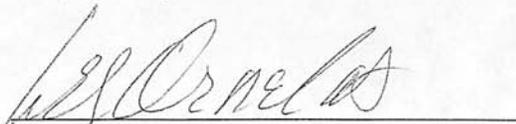
Notification of certified share of supplemental income per § 70.94.093(3) RCW:

CITY/TOWN	POPULATION ⁽¹⁾ (2004 Census) <i>Estimated</i> (06-30-03)	AMOUNT ⁽²⁾ (\$.1588 per Capita)
Grandview	8,540	\$1,356
Granger	2,760	\$438
Harrah	630	\$100
Mabton	2,065	\$328
Moxee	895	\$142
Naches	758	\$120
Selah	6,625	\$1,052
Sunnyside	14,520	\$2,306
Tieton	1,185	\$188
Toppenish	9,000	\$1,429
Union Gap	5,675	\$901
Wapato	4,525	\$719
Yakima, County of	88,317	\$14,025
Yakima, City of	79,480	\$12,622
Zillah	2,525	\$401
TOTALS	227,500	\$36,127

1. Based on corrected population (06/30/04) 2000 Census, approved by YRCAA Board Resolution No. 2005-04, May 11, 2005.
2. Per Capita rate of \$.1588 set by Board Resolution 05-2002, on June 5, 2002, and Resolution 2005-04, adopted May 11, 2005.

Signed:


Tom Gasseling, Board Chairman *acting*
Yakima Regional Clean Air Authority


Les Ornelas, Director/APCO
Yakima Regional Clean Air Authority

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

INTERGOVERNMENTAL REQUEST

POLICY ISSUE TITLE: Yakima Valley Office of Emergency Management Request — Enhanced Agency Services — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support in the amount of \$42,244 to the Yakima Valley Office of Emergency Management. For 2006, the per capita assessment is \$.5315, compared to \$.5135 in 2005. This results in an increase of \$1,431 or 3.5% from the 2005 assessment of \$40,813.
2.
 - a. **Fiscal Impact** — Non-personnel — \$42,244 — Intergovernmental Program.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — Coordinated regional Emergency Management services.
 - d. **Personnel Impact** — Unknown.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

Yakima Valley
Office of Emergency Management
ROOM B-10 COUNTY COURTHOUSE YAKIMA WASHINGTON 98901
PHONE: (509) 574-1900 FAX: (509) 574-1901

MEMORANDUM

DATE: October 27, 2005

TO: Richard Zais, City Manager
City of Yakima

FROM: Jim Hall, Director
Yakima Valley Office of Emergency Management

SUBJECT: 2006 Preliminary Budget

Yakima Valley Office of Emergency Management's preliminary budget for 2006 is attached. The assessment per agreement for your jurisdiction is \$42,244. The assessment is based on population. The population for your jurisdiction is 79,480 remaining the same as the year before. The assessment for this year is \$.5315 per person a 3.5% increase. The assessment for your city increased by \$1,431 because of the assessment increase.

The Emergency Services Executive Board has recommended this budget for approval.

Should you have questions regarding this information, or would like a presentation on the budget, please contact me at 574-1904 or e-mail jim.hall@co.yakima.wa.us

Thank you for your continued support.

Attachments:

Yakima Valley Office of Emergency Management 2006 Preliminary Budget and supporting documentation

Yakima Valley
Office of Emergency Management
ROOM B-10 COUNTY COURTHOUSE YAKIMA WASHINGTON 98901
PHONE: (509) 574-1900 FAX: (509) 574-1901

2006 Budget Overview;

The Yakima Valley Office of Emergency Management (YVOEM) represents and serves the 14 cities, towns and the unincorporated area of Yakima County. YVOEM provides consolidated and coordinated emergency management services to these communities through the Agreement for Emergency Management first signed in 1984 and updated in 2000. YVOEM works with over 70 different jurisdictions, agencies, organizations, and private businesses to provide this service.

Preparing our community for the unthinkable, either from weapons of mass destruction or natural disaster continues to increase demands on the office. The recent events of Hurricanes Katrina and Rita clearly point to the need for local preparedness and capability in managing a catastrophic event. No one jurisdiction can withstand a disaster alone. The number of requirements from the Department of Homeland Security (DHS) and the State of Washington to update contingency plans, examine our capabilities, provide assessments of threat, and train for a potential event continues to grow.

In 2006 the DHS grant funding will continue, as will the requirements it brings. As we get into the fourth and fifth years of these grants DHS is becoming more specific on the deliverables, expectations, and accountability. The funding we receive from DHS is for wages and salaries only. The down side to this grant is there are no administrative or operational funds available in the grants. To continue to use these grant we must absorb the administration and operation costs from our normal operating funds.

In 2006 we intent to continue the two DHS planning positions hired in 2004. One position has been assigned to the Training and Exercise program (Michelle). The additional planner will assist with the implementation of CEMS/NIMS. Additionally we will continue the two part time on call positions to complete a list of planning projects.

The Yakima Valley Office of Emergency Management increased its local assessment to its members by 3% last year. This was the first time in three years it had increased. To maintain our current normal reduced level of operation we are requesting to increase the annual assessment by 3.5%. This increase along with population increases will generate \$5,052 in revenue. The increase in personnel costs for the two normal FTE's (Charles and Jim) alone is \$6,021. There is over \$5,500 in increases in fixed operating costs caused by the increased number of staff requiring computer service. Additional increases not covered by the increased assessment will be taken from reserves, as we have in the past.

As before, we intend to hold the line whenever possible and be responsible partners with the Cities, Towns and Unincorporated areas of Yakima County. If there are any concerns or questions about this budget please contact Jim Hall by e-mail jim.hall@co.yakima.wa.us or call 574-1904 office, 728-1895 cell

Yakima Valley
Office of Emergency Management
 ROOM B-10 COUNTY COURTHOUSE YAKIMA WASHINGTON 98901
 PHONE: (509) 574-1900 FAX: (509) 574-1901

REVENUE BUDGET

	2006	Totals
Beginning Fund Balance		
Reserves	\$25,000	
Beginning Balance Emergency Management (Carry Over)	46,459	
Total Revenue Beginning Balance		\$71,459
Washington State Local Program Assistance Emergency Management Planning Grant (EMPG) (Federal Grant)	25,000	
Columbia Generating Station (CGS) Department of Homeland Security 04 and 05 Planning Grant	20,988 120,000	
Total State and Federal Grants		165,988
Local Government		
Unincorporated	47,335	
Incorporated	\$74,538	
Total Local Revenue		121,873
Total Projected Revenue Budget 2006		\$359,320

Yakima Valley
Office of Emergency Management

ROOM B-10 COUNTY COURTHOUSE YAKIMA WASHINGTON 98901

PHONE: (509) 574-1900 FAX: (509) 574-1901

EMPLOYEES

Position		Benefits	Salary	Total Cost
Manager	Salary		\$57,780.00	
	Benefits	Retirement	0.00	
		Medical	6,036.00	
		Workers Comp	480.00	
		Statutory	4,716.00	
		Total Benefits		11,232.00
		Total Cost of Employee		
Sr. Program Analyst	Salary		\$48,081.00	
	Benefits	Retirement	1,476.00	
		Medical	6,036.00	
		Workers Comp	480.00	
		Statutory	3,924.00	
		Total Benefits		11,916.00
		Total Cost of Employee		
Program Representative	Salary		\$30,564.00	
	Benefits	Retirement	936.00	
		Medical	6,036.00	
		Workers Comp	480.00	
		Statutory	2,496.00	
		Total Benefits		9,948.00
		Total Cost of Employee		
Program Representative	Salary		\$30,564.00	
	Benefits	Retirement	936.00	
		Medical	6,036.00	
		Workers Comp	480.00	
		Statutory	2,496.00	
		Total Benefits		9,948.00
		Total Cost of Employee		
1) ea Part Time On Call Help Employee			\$13,504	
1) ea Part Time On Call Help Employee			13,504	
Total Part Time Help				\$27,008
Total Budgeted Employee Costs				\$237,041

OPERATIONS

Fund 612	Operations	Budgeted
6123101	Office/Operating Supplies	\$6,000
6123201	Fuel	\$350
6123501	Small Tools/Minor Equipment	\$2,500
6123502	Software	\$1,000
6123590	Small Attractive Tracked Inventory	\$1,500
6124101	Professional Services	\$3,500
6124191	Purchasing Services	\$851
6124192	Information Services	\$12,461
6124201	Communications Telephone	\$1,500
6124202	Communications Postage	\$500
6124301	Travel	\$2,000
6124401	Advertising	\$500
6124501	Operating Rental/Lease	\$6,000
6124590	Facility Maintenance	\$12,925
6124690	Liability Insurance	\$1,218
6124801	Repairs and Maintenance	\$1,000
6124901	Miscellaneous	\$2,000
6126401	Capital Expense (move to new Facility)	\$30,000
Total Operating Expenditures		\$85,805
Total 2005 Employee Cost		\$237,041
Total Expenditures Emergency Management 2005 Budget		\$322,846
Total Emergency Management 2005 Revenue		\$359,320
Ending Fund Balance (Reserve Fund)		\$36,474

Yakima Valley
Office of Emergency Management
 ROOM B-10 COUNTY COURTHOUSE YAKIMA WASHINGTON 98901
 PHONE: (509) 574-1900 FAX: (509) 574-1901

2006 ASSESSMENTS FOR JURISDICTIONS

Jurisdiction City/Town	Population 2005	Share \$0.532
Grandview	8,705	\$4,627
Granger	2,835	1,507
Harrah	630	335
Mabton	2,065	1,098
Moxee	1,310	696
Naches	755	401
Selah	6,740	3,582
Sunnyside	14,710	7,818
Tieton	1,185	630
Toppenish	9,000	4,784
Union Gap	5,695	3,027
Wapato	4,535	2,410
Yakima	79,480	42,244
Yakima County	89,060	47,335
Zillah	2,595	1,379
Total Unincorporated	89,060	47,335
Total Incorporated	140,240	74,538
Total Local Population and Revenue	229,300	\$121,873

Population Source: Washington State Office of Financial Management, Forecasting Division

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

INTERGOVERNMENTAL REQUEST

POLICY ISSUE TITLE: Yakima Valley Conference of Governments (COG) Membership Assessment — Budgeted

1. **Proposal** — This proposal is an outside agency request to provide financial support in the amount of \$39,130 to the Yakima Valley Conference of Governments (COG) membership assessment. The General Assessment remained level, however, the Metropolitan/Regional Transportation Planning portion increased by \$598 in order to provide local match for regional planning grants.
2.
 - a. **Fiscal Impact** — Non-personnel — \$39,130; Intergovernmental Program.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — Unknown.
 - d. **Personnel Impact** — Unknown.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — Council approved this assessment at their October 4, 2005 meeting.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

OUTSIDE AGENCY REQUEST

POLICY ISSUE TITLE: Vote to Annex to the Yakima Valley Regional Library — Budgeted

1. **Proposal** — During the 2005 budget development process, Council approved a Policy Issue to conduct analysis/research on alternative funding sources for sustaining future library services. To fulfill this directive, staff reviewed the viability of annexing to the regional library system with the Budget Strategy Team (BST).

The BST has recommended that the City divest itself of the current relationship/contract with the Library, and ask the citizens to vote to annex to the regional library system. This would not require a change in the 2006 budget, as the vote will likely be in 2006, and therefore not effective until 2007. In subsequent years, the City would experience a slight net gain in revenue from this action.

2.
 - a. **Fiscal Impact** — No change in 2006. If the annexation would have happened in 2005, the City would have experienced a net gain in revenue in 2007 of about \$88,000 -- the Library would also experience an increase in revenue from City residents.
 - b. **Proposed Funding Source** — Direct Property Tax levy.
 - c. **Public Impact** — Additional Property Tax levy of at least .15 cents per \$1,000 of assessed valuation (bringing the rate paid by City residents up to the rate paid by all other members of the regional library system.) This would amount to an additional \$15 per \$100,000 assessed value per year.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — this would require City Council to draft a ballot measure to be voted on in 2006.
 - f. **Legal Constraints, if applicable** — Dissolution of the current contract.
 - g. **Viable Alternatives** — To keep the Library in the City's General Fund, which puts the Library at risk to continue current service levels.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: CITY MANAGEMENT

DIVISION: CITY MANAGER

POLICY ISSUE TITLE: Increase City Manager car allowance from \$250 to \$300 per month — Budgeted

1. **Proposal** — It is proposed that the City Manager's vehicle allowance for City business transportation be increased from \$250 per month to \$300 per month, effective January 2006.

Background — The City Manager's vehicle allowance was approved by the City Council in January 1997 and set at \$250 per month for reimbursement of City business transportation expenses using a personal vehicle. *This amount has not been changed for the past eight years.* The allowance was authorized in-lieu of providing a car for the City Manager and helping to save the City the cost of purchasing, maintaining, operating and replacing a vehicle for the Manager. In the years since the allowance was approved, the City has realized a significant savings in not purchasing or maintaining a City vehicle for the Manager's business travel, as well as maintaining the fixed monthly reimbursement at the same rate. According to the City Equipment Rental Division estimates, the current cost of purchasing a new staff sedan is \$24,000. Additionally, based upon average annual use for business transportation, and assuming ten-year service life, the maintenance, operation and replacement cost per month of a vehicle would be \$350 — or \$4,200 per year.

The Manager's monthly allowance was intended to cover the *maintenance, operation, insurance and depreciation cost* of the in and out-of-town City business use of a personal vehicle for the Manager. Over the years, the average annual business use of the Manager's personal vehicle has equaled 45%, or approximately 6,500 miles annually. The current, fixed reimbursement of \$250 per month has failed to keep pace with escalating fuel and other maintenance/insurance costs, and the Manager has been subsidizing these expenses personally. The Manager does not claim a separate mileage reimbursement for this from the City since the allowance was approved for this purpose.

The Manager maintains a record of business use of his personal vehicle in and out of town for IRS reporting purposes. The City allowance is reported to the IRS, together with the maintenance, operation and depreciation cost of the business use mileage annually.

There has been a trend in executive compensation packages for City Administrators in Washington State to eliminate the cost of providing City-owned vehicles and to offer a vehicle allowance instead. By way of comparison, following is a summary of vehicle allowance for the City Administrators and Managers in several nearly comparable cities in Washington State.

CITY	POPULATION 2005	ADMIN./MANAGERS 2005 MOTOR VEHICLE ALLOWANCE
Kent	84,920	\$350
Kennewick	60,410	\$250
Pasco	44,190	\$350
Kirkland	45,630	\$325
Richland	41,650	\$500
Longview	35,430	\$500
Shoreline	53,000	\$450
Bellingham	72,320	\$500
AVERAGE	55,011	\$403
Yakima	81,000	\$250
Variance from Average (%)		(61%)
Variance from Average (\$)		(\$153.00)

Based upon the above, a \$400 per month vehicle allowance would be justified. However, the Manager is proposing a \$300 per month amount, based upon actual records of business use of a personal vehicle over the past several years.

2. **a. Fiscal Impact** — The annual fiscal impact of the proposed vehicle allowance adjustment is \$600. This proposal has been budgeted in the City Manager’s transportation budget for 2006.
 - b. Proposed Funding Source** — Fund source for this proposal is the General Fund.
 - c. Public Impact** — None.
 - d. Personnel Impact** — None.
 - e. Required Changes in City Regulations or Policies** — The vehicle allowance for the Manager is set by an ordinance approved by the City Council. Accordingly, if the proposed increase is accepted, legislation will need to be submitted for formal Council action to approve this adjustment.
 - f. Legal Constraints, if applicable** — None.
 - g. Viable Alternatives** — None.

3. **Conclusion and/or Staff Recommendation** — Accordingly, based upon the above, it is respectfully recommended that the City Manager’s monthly vehicle allowance be increased from \$250 per month to \$300 per month, effective January 2006. This adjustment has been budgeted for 2006.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: CITY MANAGEMENT

DIVISION: CITY CLERK

POLICY ISSUE TITLE: **Add One Public Records Officer Position in Response to Statutory Amendments to Public Disclosure Act — Budgeted**

1. **Proposal** — The Public Records Officer position would be established to implement a centralized records management program and would be designated as the City’s official Public Records Officer. Under a new state law mandate, the City is required to appoint a Public Records Officer. The position would oversee the City’s compliance with the public records disclosure requirements for all public records requests. Currently, the policy relating to public records requests directs the citizens to submit their request primarily to the City Clerk for offices at City Hall or to the division manager at various other city locations, i.e. police, fire, public works. This practice does not fully comply with the new Amendment and will require an increasing portion of the clerks’ time to process and follow up on these requests. The City is receiving an increasing number of PDA requests. From 2001 to 2005, there has been an increase of 248%. Some of these requests are fairly simple while others are vague or are broad in scope and require a significant investment of time from at least one department, if not more. This position would consolidate the efforts of City employees responding to PDAs to ensure minimal impact on time and resources of the City.

In addition, there is a need for a citywide records management program, including centralizing records storage. This position would be responsible to ensure that City information, in all the various formats, is maintained, processed, retained, disposed of, and/or recovered in accordance with federal, state, and local laws and City policies, and for the maintenance of vital and historical records. The new position would analyze City records, create a records index, create a records retention schedule, act as a liaison in public relation matters involving PDA requests, handle incoming PDA requests, coordinate responses from various departments, track due dates and response dates, and coordinate with the Legal Department when necessary. This position would also receive and index damage claims filed against the City.

2. **a. Fiscal Impact** — Total Salary and Benefits is approximately \$56,300.

b. Proposed Funding Source:

Risk Management (60%)	\$33,800
General Funds (40%)	<u>\$22,500</u>
	\$56,300

2. **c. Public Impact** — The citizens of the City of Yakima would receive a central location for directing questions or making PDA requests. The City would minimize its exposure to citizen complaints regarding the PDA process, and reduce liability with regard to lawsuits arising from the PDA process, while promoting a positive relationship with the public.

- d. **Personnel Impact** — Departments would be able to provide information to a designated Public Records Officer. They would still have to provide information to the Public Records Officer, but would not have to coordinate with other departments or follow up on responses. The City records filing and retrieval would be coordinated by one position.
 - e. **Required Changes in City Regulation or Policies** — Policy would need to reflect the designation of the Public Records Officer so that employees from all departments refer all PDA requests to that Officer. Administrative Code Section 1500 should be revised to name one employee as the Public Records Officer.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternative** — a) Assign the public disclosure request duty to an existing position. This alternative would involve a substantial increase in workload for an existing employee, thus reducing time available for current job duties. b) Consider hiring consultant for records management analysis and system design.
3. **Conclusion and/or Staff Recommendation** — Approve new position for Public Records Officer.

**SUPPLEMENTAL BACKGROUND INFORMATION
2006 BUDGET POLICY ISSUES**

M E M O R A N D U M

August 3, 2005

To: Dick Zais, City Manager

FROM: Paul T. McMurray, Assistant City Attorney

SUBJECT: Recent Changes to the Public Disclosure Act

Second Substitute House Bill 1758 was passed by the Washington State Legislature on April 21, 2005, and signed by Governor Gregoire on May 16, 2005. The law contains several significant changes to the Washington State Public Disclosure Act (“PDA”) that are reviewed herein. A copy of the bill is attached for your reference.

First, a sentence was added to RCW 42.17.270 providing that “Agencies shall not deny a request for identifiable public records solely on the basis that the request is overbroad.” This essentially overturns the “overbroad record request exemption” that was recognized by the Washington State Supreme Court in *Hangartner v. Seattle*, 151 Wn.2d 439, 447-449 (2004). An agency is still permitted to request clarification from a requester when a record request is vague.

This particular change will not have a significant impact upon the manner in which the City responds to PDA requests. To my knowledge, the City has not denied any public record request simply on the basis that the request was too broad. Rather, clarification has been sought from the requester. Only when clarification has not been provided has the request been denied.

Second, another amendment to RCW 42.17.270 obligates a public agency to provide records “on a partial or installment basis [when the records] are part of a larger set of requested records.” In other words, when a record request requires the production of a large set of documents (i.e., hundreds of pages), a public agency should not wait until all of the records are gathered together before copying or producing for inspection a smaller subset of documents. This change is significant but is also relatively consistent with the manner in which Yakima has responded to large record requests in the past (e.g., responses to the numerous PDA requests regarding the wastewater odor case).

Third, the bill added a new section to RCW Chapter 42.17 that requires each public agency to “appoint and publicly identify a public records officer whose responsibility is to serve as a point of contact for members of the public in requesting disclosure of public records and to oversee the agency’s compliance with the public records disclosure requirements of this chapter.” Thus, the new law appears to require that a single individual be identified as the agency’s public records officer and that officer is responsible for overseeing compliance with the law. The name and contact information of the public records officer must also be provided “in a way reasonably

calculated to provide notice to the public, including posting at the local agency's place of business, posting on its internet site, or including in its publications."

While this was not previously required, many public agencies already have a public records officer. In fact, Yakima Administrative Code Section 1500 identifies the City Clerk as the public records officer regarding records maintained at City Hall. For records maintained at other locations, Section 1500 provides that "the division head in charge of the division having custody of the records or any staff member designated by the division head shall be the public records officer."

In effect, Administrative Code Section 1500 authorizes multiple public records officers within the structure of the City of Yakima government. This is inconsistent with the new statutory language that appears to require the naming of a single person to be the public records officer. Accordingly, it appears that this part of Section 1500 should be revised (or replaced entirely) to name one employee as the public records officer. This officer shall not only be the initial point of contact but shall also be responsible for ensuring that all PDA requests are responded to in an appropriate manner. This person will need to have a thorough knowledge of the PDA and may need to provide PDA training to City employees.

Fourth, RCW 42.17.340 was amended to provide that the statute of limitations for bringing a PDA action against a public agency is "one year [from] the agency's claim of exemption or last production of a record on a partial or installment basis." Previously, the statute of limitations for bringing a PDA action was five years, an unreasonably long period of time.

cc: Ray Paoella, City Attorney
Karen Roberts, City Clerk

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE HOUSE BILL 1758

Chapter 483, Laws of 2005

59th Legislature
2005 Regular Session

PUBLIC DISCLOSURE

EFFECTIVE DATE: 7/24/05

Passed by the House April 21, 2005
Yeas 97 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 21, 2005
Yeas 47 Nays 0

BRAD OWEN

President of the Senate

Approved May 16, 2005.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 1758** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

May 16, 2005 - 10:50 a.m.

**Secretary of State
State of Washington**

SECOND SUBSTITUTE HOUSE BILL 1758

AS AMENDED BY THE SENATE

Passed Legislature - 2005 Regular Session

State of Washington 59th Legislature 2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Kessler, Nixon, Haigh, Chandler, Clements, Schindler, Hunt, Hunter, Hinkle, Takko, B. Sullivan, Miloscia, Buck and Shabro; by request of Attorney General)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to public disclosure; amending RCW 42.17.270,
2 42.17.348, and 42.17.340; reenacting and amending RCW 42.17.300; and
3 adding a new section to chapter 42.17 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 42.17.270 and 1987 c 403 s 4 are each amended to read
6 as follows:

7 Public records shall be available for inspection and copying, and
8 agencies shall, upon request for identifiable public records, make them
9 promptly available to any person including, if applicable, on a partial
10 or installment basis as records that are part of a larger set of
11 requested records are assembled or made ready for inspection or
12 disclosure. Agencies shall not deny a request for identifiable public
13 records solely on the basis that the request is overbroad. Agencies
14 shall not distinguish among persons requesting records, and such
15 persons shall not be required to provide information as to the purpose
16 for the request except to establish whether inspection and copying
17 would violate RCW 42.17.260(~~(+5)~~) (9) or other statute which exempts
18 or prohibits disclosure of specific information or records to certain
19 persons. Agency facilities shall be made available to any person for

1 the copying of public records except when and to the extent that this
2 would unreasonably disrupt the operations of the agency. Agencies
3 shall honor requests received by mail for identifiable public records
4 unless exempted by provisions of this chapter.

5 **Sec. 2.** RCW 42.17.300 and 1995 c 397 s 14 and 1995 c 341 s 2 are
6 each reenacted and amended to read as follows:

7 No fee shall be charged for the inspection of public records. No
8 fee shall be charged for locating public documents and making them
9 available for copying. A reasonable charge may be imposed for
10 providing copies of public records and for the use by any person of
11 agency equipment or equipment of the office of the secretary of the
12 senate or the office of the chief clerk of the house of representatives
13 to copy public records, which charges shall not exceed the amount
14 necessary to reimburse the agency, the office of the secretary of the
15 senate, or the office of the chief clerk of the house of
16 representatives for its actual costs directly incident to such copying.
17 Agency charges for photocopies shall be imposed in accordance with the
18 actual per page cost or other costs established and published by the
19 agency. In no event may an agency charge a per page cost greater than
20 the actual per page cost as established and published by the agency.
21 To the extent the agency has not determined the actual per page cost
22 for photocopies of public records, the agency may not charge in excess
23 of fifteen cents per page. An agency may require a deposit in an
24 amount not to exceed ten percent of the estimated cost of providing
25 copies for a request. If an agency makes a request available on a
26 partial or installment basis, the agency may charge for each part of
27 the request as it is provided. If an installment of a records request
28 is not claimed or reviewed, the agency is not obligated to fulfill the
29 balance of the request.

30 NEW SECTION. **Sec. 3.** A new section is added to chapter 42.17 RCW
31 to read as follows:

32 (1) Each state and local agency shall appoint and publicly identify
33 a public records officer whose responsibility is to serve as a point of
34 contact for members of the public in requesting disclosure of public
35 records and to oversee the agency's compliance with the public records

1 disclosure requirements of this chapter. A state or local agency's
2 public records officer may appoint an employee or official of another
3 agency as its public records officer.

4 (2) For state agencies, the name and contact information of the
5 agency's public records officer to whom members of the public may
6 direct requests for disclosure of public records and who will oversee
7 the agency's compliance with the public records disclosure requirements
8 of this chapter shall be published in the state register at the time of
9 designation and annually every year thereafter.

10 (3) For local agencies, the name and contact information of the
11 agency's public records officer to whom members of the public may
12 direct requests for disclosure of public records and who will oversee
13 the agency's compliance within the public records disclosure
14 requirements of this chapter shall be made in a way reasonably
15 calculated to provide notice to the public, including posting at the
16 local agency's place of business, posting on its internet site, or
17 including in its publications.

18 **Sec. 4.** RCW 42.17.348 and 1992 c 139 s 9 are each amended to read
19 as follows:

20 (1) The attorney general's office shall publish, and update when
21 appropriate, a pamphlet, written in plain language, explaining the
22 provisions of the public records subdivision of this chapter.

23 (2) The attorney general, by February 1, 2006, shall adopt by rule
24 an advisory model rule for state and local agencies, as defined in RCW
25 42.17.020, addressing the following subjects:

26 (a) Providing fullest assistance to requestors;

27 (b) Fulfilling large requests in the most efficient manner;

28 (c) Fulfilling requests for electronic records; and

29 (d) Any other issues pertaining to public disclosure as determined
30 by the attorney general.

31 (3) The attorney general, in his or her discretion, may from time
32 to time revise the model rule.

33 **Sec. 5.** RCW 42.17.340 and 1992 c 139 s 8 are each amended to read
34 as follows:

35 (1) Upon the motion of any person having been denied an opportunity
36 to inspect or copy a public record by an agency, the superior court in

1 the county in which a record is maintained may require the responsible
2 agency to show cause why it has refused to allow inspection or copying
3 of a specific public record or class of records. The burden of proof
4 shall be on the agency to establish that refusal to permit public
5 inspection and copying is in accordance with a statute that exempts or
6 prohibits disclosure in whole or in part of specific information or
7 records.

8 (2) Upon the motion of any person who believes that an agency has
9 not made a reasonable estimate of the time that the agency requires to
10 respond to a public record request, the superior court in the county in
11 which a record is maintained may require the responsible agency to show
12 that the estimate it provided is reasonable. The burden of proof shall
13 be on the agency to show that the estimate it provided is reasonable.

14 (3) Judicial review of all agency actions taken or challenged under
15 RCW 42.17.250 through 42.17.320 shall be de novo. Courts shall take
16 into account the policy of this chapter that free and open examination
17 of public records is in the public interest, even though such
18 examination may cause inconvenience or embarrassment to public
19 officials or others. Courts may examine any record in camera in any
20 proceeding brought under this section. The court may conduct a hearing
21 based solely on affidavits.

22 (4) Any person who prevails against an agency in any action in the
23 courts seeking the right to inspect or copy any public record or the
24 right to receive a response to a public record request within a
25 reasonable amount of time shall be awarded all costs, including
26 reasonable attorney fees, incurred in connection with such legal
27 action. In addition, it shall be within the discretion of the court to
28 award such person an amount not less than five dollars and not to
29 exceed one hundred dollars for each day that he or she was denied the
30 right to inspect or copy said public record.

31 (5) For actions under this section against counties, the venue
32 provisions of RCW 36.01.050 apply.

33 (6) Actions under this section must be filed within one year of the
34 agency's claim of exemption or the last production of a record on a
35 partial or installment basis.

Passed by the House April 21, 2005.

Passed by the Senate April 21, 2005.

Approved by the Governor May 16, 2005.

Filed in Office of Secretary of State May 16, 2005.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: CITY MANAGEMENT

DIVISION: CITY CLERK

POLICY ISSUE TITLE: Upgrade of Pension Records Clerk Position to Deputy City Clerk — Budgeted

1. **Proposal** — The proposal is to upgrade the pension records clerk position to deputy city clerk and combine the duties of the two positions into one position. In 2000, the deputy city clerk position was eliminated due to budget constraints; however, the responsibilities and duties of the deputy remained and were to be absorbed by the other positions in the office. The pension records clerk absorbed many of the responsibilities, such as taking and transcribing the minutes of the city council meetings. After additional training, the city clerk relied on the pension records clerk to fulfill the duties relating to city council meetings and meeting preparations during her absence. In the absence of the city clerk, other duties were scheduled around her availability and delayed until her return. The deputy city clerk will supervise the office staff in the absence of the city clerk and be responsible for fulfilling all the city clerk duties in the city clerk's absence. With the impending retirement of the city clerk and the pension records clerk, it became apparent that a trained deputy city clerk who can do the functions of the pension records clerk and acting city clerk is needed. This will also provide a trained candidate for replacing the city clerk in the future.
2.
 - a. **Fiscal Impact** — Approximately \$9,400 annually, including salary and benefits (difference between the two positions).
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — None.
 - d. **Personnel Impact** — Designates a staff member as acting city clerk in the absence of the city clerk and creates job ladder for the city clerk position.
 - e. **Required Changes in City Regulations or Policies** — Job classification would need to be approved by the Civil Service Commission.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — A trained deputy city clerk is needed to perform all the duties of city clerk when necessary. Staff recommends approval of this policy issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: CITY MANAGEMENT

DIVISION: HUMAN RESOURCES

POLICY ISSUE TITLE: Employee Compensation and Benefits Study — Unbudgeted

1. **Proposal** — The Budget Strategy Team recommended that a compensation and benefits study be conducted in order to better assess the City's compensation and benefits in relation to other public and private employers for our unionized and non-unionized employees. The BST recommends the City's compensation package be compared to that of (a) both public and private local employers – for comparable positions and (b) comparable positions of public and private employers doing business in the area where recruitment for these positions is likely to be focused, if different than (a) above.
2.
 - a. **Fiscal Impact** — Up to \$75,000 as determined by the scope of the project.
(This includes external costs only)
 - b. **Proposed Funding Source** — To be determined.
 - c. **Public Impact** — To determine if the City's overall compensation package is reasonable in comparison to the local/regional market from which employees are expected to be recruited.
 - d. **Personnel Impact** — Staff would need to coordinate and support the consultant to provide underlying information such as job descriptions, comparable businesses, etc.
 - e. **Required Changes in City Regulation or Policies** — None to complete the study.
 - f. **Legal Constraints, if applicable** — Changes in compensation and benefits for certain employee groups may be subject to collective bargaining.
 - g. **Viable Alternative** — Do a smaller scale study or perform in phases over several years.
3. **Conclusion and/or Staff Recommendation** — This was a recommendation by the Budget Strategy Team (BST) and is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: CITY MANAGEMENT

DIVISION: WASTEWATER/PRETREATMENT

POLICY ISSUE TITLE: Add One Pretreatment Technician Position for the Fat, Oil, and Grease Program — Budgeted

1. **Proposal** — To add one permanent full-time Pretreatment Technician position to implement activities associated with the Fat, Oil, and Grease (FOG) Program. Activities include, but not limited to:
 - 1) Monitoring and sampling food establishments for FOGs;
 - 2) Educating managers of food establishments of best management practices (BMPs) for reducing FOG concentrations from being discharged to the City's wastewater collection system;
 - 3) Fill in for other Pretreatment Technicians as needed.
2.
 - a. **Fiscal Impact** — \$52,900 (1.0 FTE additional personnel)
Use of an existing vehicle
 - b. **Proposed Funding Source** — Wastewater Operating Fund -- Pretreatment Account 340 (existing Wastewater rates.)
 - c. **Public Impact** — Increase visibility with the business sector of the Pretreatment Program, and to educate and control the level of FOGs being discharged to the City's wastewater collection system.
 - d. **Personnel Impact** — Redirect 20% of an existing Lab Tech to support the FOG program.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — Authorize additional permanent full-time Pretreatment Technician position to fully implement the FOG Program. The additional position would allow the Pretreatment Program to monitor food establishments more frequently, thus reducing the amount of FOG concentration impacting the wastewater collection system, and increase the Pretreatment Program's visibility with the business sector of Yakima.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: CITY MANAGEMENT

DIVISION: WATER/IRRIGATION

POLICY ISSUE TITLE: Add One Cross Connection Control/Water Meter Crew Leader Position — Budgeted

1. **Proposal** — This proposal is to add one full time Cross Connection Control/Water Meter Crew leader position. The ever-increasing Cross Connection rules and the increasing requirement for tracking water loss have eroded the utility's capacity to meet these requirements. (See the attached supplemental report for additional information.)
2.
 - a. **Fiscal Impact** — Add \$56,800 for one full-time employee.
 - b. **Proposed Funding Source** — Water Operating Fund - domestic water rates.
 - c. **Public Impact** — More accurate meters resulting in better customer satisfaction, prompt response to concern about cross connections.
 - d. **Personnel Impact** — Add one full-time employee.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Leave Staffing as is or add one additional full time Water Device Technician.
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

SUPPLEMENTAL BACKGROUND INFORMATION

2006 BUDGET POLICY ISSUES

PROPOSED CROSS CONNECTION CONTROL / WATER METER CREW LEADER

Supervise daily operations of the cross connection program and the large water meter testing and repair program.

To include but not limited to:

SUPERVISION OF CROSS CONNECTION CONTROL AND WATER METER REPAIR TECHNICIANS

Safety Programs And Safety Training

Confined Spaces Program

Air Quality Monitoring

Ladder usage

Traffic Control

Rescue Procedures

Cross Connection Control Testing Equipment

Repair

Calibration

Replacement needs

Provide Answers To Daily Inquiries From General Public And Field Staff About Regulations, Policies And Guidelines

Scheduling Cross Connection Control Device Testing

Initial Inspections

Testing of devices

Follow-up Inspections

Follow-up Testing

Scheduling Water Meter Testing And Repair

Assist Field Staff

Fill-in for vacations and sick leave

Testing

Inspections

Confined Space

TRAINING OF OTHER WATER DISTRIBUTION STAFF

Water Meter Reading

Water Meter Testing

Water Meter Repair

Cross Connection Control Requirements

COORDINATION

- Water Meter Repair With Utility Billing
- Water Meter Reading With Utility Billing
- Meter Reading Equipment Needs With Utility Billing
- Cross Connection Control Program With Codes Division

WASHINGTON STATE DEPARTMENT OF HEALTH MANDATES

- Complete Annual Cross Connection Control Reports
- Monitor State And Federal Rules For New Requirements And Write Reports
- Insure Technicians Meet The State Requirements For Certifications
- Maintain Inspection And Testing Report Records
- Water Use Efficiency Program
 - Water Consumption Monitoring
 - Water Loss Monitoring and Calculation
 - Coordinate Use Efficiencies — Conservation Measures with Water Quality Technician
 - Insure Meter Accuracy Testing Program meeting new requirements
 - Develop new installation procedures to insure meter accuracy

CUSTOMER SERVICE

- Provide Information To Customers
- Develop Letters And Written Information About The Cross Connection Control Program
- Develop Letters And Written Information About Water Meters And Meter Reading
- Develop Methods To Improve Customer Relations
- Provide Customers With Information About Water Consumption And Water Meter Accuracy

COMPUTER DATA ENTRY

- Establish New Accounts
- Tracking Old Accounts
- Initial And Follow-up Inspections
- Initial, Follow-up And Annual Device Testing

(This page intentionally contains no information.)

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: MUNICIPAL COURT

DIVISION: MUNICIPAL COURT

POLICY ISSUE TITLE: Change Municipal Court Judge Salary Structure in Response to a New State Law — Budgeted

1. **Proposal** — During the 2005 State Legislative Session, 2ESSB 5454 was passed. The underlying purpose of this legislation was to provide a dedicated revenue source to meet the state's commitment to improve trial courts around the state. One of the goals identified for municipalities was to encourage the election of Municipal Court judges by distributing state funds if certain criteria were met.

The revenue stream identified is a new \$43 filing fee which is assessed against a criminal defendant upon conviction or plea of guilty in a court of limited jurisdiction. It should be noted that every court must assess this new filing fee regardless of whether they take advantage of the salary offset by the State. In order for a City to receive any of the new revenue, the following criteria must be met:

- The judge is serving in an elected position,
- The city has established by ordinance the compensation of a full time judge at between 95% and 100% of a district court judge salary (determined annually by the state Board for Judicial Administration), and
- The city has certified to the Administrative Office of the Courts (AOC) that the prior two conditions have been met.

The AOC estimate of revenue available for distribution is about \$9,600 per judge for the first year, which is expected to rise to about \$25,000 per judge in future years.

Currently, the two Municipal Court judges are elected, but their salary is currently below the compensation criteria set forth. Therefore, the proposal is to set the base wage for judges at 95% of a district court judge salary, maintain deferred compensation at 3%, and eliminate longevity. In the first year, this amounted to a total increase of about \$19,200 (2006 vs. 2005), with the total revenue estimated to be \$19,200—no net impact to General Fund in the first year, with a potential to have the state increase its contribution in future years.

2. **a. Fiscal Impact** — Fiscal Impact --

\$19,200 Increase in Judges' salary and benefits

\$19,200 Increase in Revenue—State Distribution of New Filing Fee

-0- Net impact to General Fund in 2006

- b. Proposed Funding Source** — General Fund-New revenue allocation from State.

- c. Public Impact** — New \$43 filing fee as described above.

- d. **Personnel Impact** — Establish uniformity of compensation with other courts of limited jurisdiction. Quarterly reporting of salaries prior to revenue distribution.
 - e. **Required Changes in City Regulation or Policies** — Ordinances affecting Judge’s compensation will need to be amended.
 - f. **Legal Constraints, if applicable** — Salary certification is required prior to receiving a revenue distribution.
 - g. **Viable Alternative** — Continue in our current status, and forego participating in the State’s distribution of the new filing fee.
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: FINANCE AND BUDGET

DIVISION: FINANCIAL SERVICES

POLICY ISSUE TITLE: Raise Cap on Outside Utility Taxes — Unbudgeted

1. **Proposal** — The Budget Strategy Team (BST) was appointed by City Council in June of 2004 to review the City's Contingency Budget Reduction Plan and provide Council with suggestions and recommendations regarding general government services provided by the city and their related costs. The BST recently completed its study, and submitted their report/recommendations to City Council at a study session held on September 30, 2005. In their final report, the BST stated that, to meet the fiscal challenges that are facing the City in the future through budget reductions alone would likely require too severe of a reduction in City services, and that revenue enhancements should also be considered.

One of the revenue enhancement options included in the report is to raise the "cap" on outside utility taxes (i.e. electric, natural gas, and telephone) to reduce dependency on cash reserves and/or contribute to capital funding. Currently, customers only pay tax on the first \$4,000 per account per month on 4% of the utility tax (the remaining 2% is already unlimited.) Therefore, the monthly tax is limited to \$160 per account (\$4,000 at 4%). This proposal is to phase in the change in the cap over three years, going to \$5,000 in 2006 (monthly maximum--\$200, annual increase--\$480 per account); \$7,500 in 2007 (monthly maximum--\$300, annual increase--\$1,680 per account); and complete removal in 2008 (no maximum, annual increase dependent on volume).

Two options for the use of additional revenue has been identified:

- a) Dedicate the first \$130,000 to Parks Capital, with the balance going to the General Fund—Since the Parks Capital reserves are virtually depleted, a new revenue stream dedicated to Parks Capital needs would be desirable.
 - b) Use the entire amount for service delivery from the General Fund. Note: There is also an unbudgeted policy issue for an increase on the City-owned utilities (Water, Wastewater, and Refuse) by 0.5%, to raise the \$130,000 needed for Parks Capital.
2. **a. Fiscal Impact** — Additional Revenue:
 - 2006-- \$57,600 (Assumes 120 customers at \$480 annual increase)
 - 2007--\$130,000 (Assumes 75-80 customers at \$1,680 annual increase)
 - 2008--\$510,000 (Per utility tax returns)
 - b. Proposed Funding Source** — Major Utility Customers.
 - c. Public Impact** — More secure funding for critical Parks Capital and/or General Fund services.
 - d. Personnel Impact** — None.
 - e. Required Changes in City Regulations or Policies** — Approve an Ordinance to update the Yakima Municipal Code for the change.
 - f. Legal Constraints, if applicable** — None.

- g. Viable Alternatives** — Leave the cap at the \$4,000 level.
- 3. Conclusion and/or Staff Recommendation** — This was included on the list of viable revenue options by the Budget Strategy Team, and is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: FINANCE AND BUDGET

DIVISION: INFORMATION SYSTEMS

POLICY ISSUE TITLE: Patrol Car Computer Replacement — Budgeted

1. **Proposal** — This Policy Issue proposes that we replace the existing Digital Video Recorder system in the police patrol cars with a new model and that we install new and separate Mobile Data Computers to eliminate the interdependencies and limit the possibility of total system failures.

The Yakima patrol cars are an extremely technology intensive environment. We have been running Mobile Data Computers (MDCs) using the Hitech Mobile Client software for several years. We implemented the COBAN Patrol Car Video system in June 2003. The COBAN system was selected after approximately one year of research and testing because it is a digital system that enables pre-event recording, cross-indexing for easy retrieval, manageable storage, and integration with other systems. Approximately one year later, AT&T eliminated the cellular digital data communications service the City had been using. After thorough research and testing, the City implemented a private wireless data communications system provided by the Dataradio Corporation.

The mobile environment has always been difficult to support. With the addition of the new technology the patrol cars began experiencing significantly more problems. Generally these problems can be classified as: patrol car electrical problems; training problems; new-technology “teething” problems; and technology interface problems. The organizational structure also caused some delay in addressing these problems. At this point all the problems have been mitigated or resolved except one hardware problem that this Policy Issue is designed to address.

Organizational structure — The Police Department has had their own technical support position for several years. This caused an uneven distribution of the workload and effected communications. Early in 2005, that position was moved to Information Systems. As a result we were better able to address the problems and assign additional technicians to the task. This has proven extremely beneficial.

Patrol car electrical problems — With the addition of the COBAN video system to the voice radios, data transmitters, computers, light bars etc., we began experiencing electrical failures. COBAN modified their system to reduce electrical requirements and to shut down when experiencing low voltage. This solved the problem in the Ford patrol cars. The City staff had to add an additional battery and a heavy-duty alternator to solve the problem in the Chevrolet patrol cars.

Training Problems/Mobile Client — After assigning technicians to ride along with the patrol officers, we discovered that there were both operational errors and a couple “bugs” in the client software that had evidently existed for some time. Both sets of problems were solved within a couple weeks.

New technology teething problems — The patrol officers experienced several problems related to new technology. Most were minor such as requiring new latches for the removable hard drives to keep them secure during high-speed maneuvers modifying the wiring. Because we had introduced so much new technology at the same time, some of the problems were difficult to identify resulting in turning off different parts of the systems to isolate the cause of a specific problem and thereby resulting in some temporary disruption of service. However, we were able to resolve these problems within a few weeks.

Technology interface problems — These were the most difficult to resolve because it required coordination and cooperation with and between the three vendors. These were also the most serious problems resulting in the shut down of all data communications at critical times. We finally gathered all the vendors and the City staff together for a week and were able to resolve all the problems except one. That remaining problem has been isolated to a COBAN hardware interface problem that causes the computer to slow down and eventually halt.

In order to complete acceptance testing of the remaining systems, we completely shut down the COBAN software in mid-September. We believe that the only solution to the hardware interface problem is implementing a new model of the COBAN computer and a new release of the software. COBAN is shipping us a new model of their computer and software. We will thoroughly test this unit before we commit to implementing throughout the fleet. We have negotiated an agreement with COBAN to provide these computers at 50% of their cost. Because we will have used their computers for three years by the time the current computers are replaced, we believe this is a satisfactory agreement.

We currently use a single computer for both the video controller/recorder and for the mobile data computer. We are also recommending that we separate the functions and install new mobile data computers in the cars. Information Systems has communicated with other agencies that use similar systems. The agencies that have experienced the greatest success utilize two computers. They use an overhead computer for the digital video recorders and a standard, ruggedized laptop for the mobile data computer. Note: the new COBAN computer is smaller than the current system and is divided into two units. The control unit and removable hard drive will be mounted overhead. The CPU will be mounted between the seats underneath the new MDC. As a result, the new equipment will have a minimal impact on the officer's space within the car.

This information and proposal has been presented to and accepted by the Public Safety Committee.

2. **a. Fiscal Impact** — Approximately \$6,000 per patrol car for thirty-five cars for a total of \$210,000.
- b. Proposed Funding Source** — Police Capital Fund - 50% from the 0.3% Public Safety Sales Tax and 50% from the Criminal Justice dedicated utility tax.
- c. Public Impact** — Improved public safety.
- d. Personnel Impact** — More effective use of police patrol time. Less computer technician support time.

- e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Continue with a single computer system and continue to experience system problems and computer downtimes. Additionally, the existing computers are nearly three years old and are beginning to require replacement. Replacement cost is estimated at approximately 50% of this Policy Issue or \$100,000.
3. **Conclusion and/or Staff Recommendation** — Accept Policy Issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: FINANCE AND BUDGET

DIVISION: INFORMATION SYSTEMS

POLICY ISSUE TITLE: Implement a New Utility and Permitting Management System

1. **Proposal** — Implement an integrated Utility and Permitting Management System to include Utility Billing, Customer Service, Permitting, Inspections & Code Administration, and Accounts Receivable/Cash Receipting modules. This is a continuation of a 2005 Policy Issue.

Project Background:

Over the last couple years, the Utility, Customer Service, Code Administration, Financial, and Information Systems Divisions have performed a needs analysis, documented requirements and prepared a Request For Proposal (RFP) for a new Utility and Permitting Management System. While this effort originally focused primarily on the replacement only of the utility billing system, early in the process it became evident that many of the problems the City had encountered with the utility system resulted from a lack of system integration and inter-divisional communications/coordination. As a result, we selected the modules that most directly affect the utility management function of the City, as listed in paragraph 1, above. Additionally, the scope of this systems project is intended to include the implementation of a City-wide Customer database that will maintain information on all customers of the City (e.g.: utility customers, business license, dog license, parks programs, parking tickets, etc.) It is intended that, once this database is implemented, all city customer data would be maintained on one database and all City systems would eventually migrate to the utilization of this database.

While we are limiting this phase of the project to the listed modules, the Request for Proposal (RFP) also asks the vendors to provide information and to demonstrate other modules they have that would complete the City's Municipal Management System should we choose to implement them in future phases of our application system replacement effort.

Current Project Status:

The RFP has been released and we have received letters of interest from ten vendors. The deadline for Vemdors to submit their proposal is early December 2005. Staff anticipates the vendor review process taking approximately three months with a vendor selection made by late March 2006. At that time, staff will submit to Council their vendor recommendation, which will include a more definite cost, scope and schedule for this project than is currently available. If this time line holds, and if Council approves the project vendor, cost, scope and schedule in late March, staff will then negotiate the vendor contract and target early June 2006 for beginning the implementation phase of the project.

While we do not expect to have a firm project cost until late in the first quarter of 2006, we have had several "ball park" estimates from interested vendors. They have ranged from \$500,000 to over \$2,000,000. We believe that \$1,500,000 is a reasonable estimate for this project (no change from the project estimate in the 2005 policy issue). Additionally, Council should be aware that vendors generally charge 15% to 20% of the purchase price of the

software for on-going maintenance. Therefore, future annual system costs may be in the \$225,000 to \$300,000 range.

The funds that are anticipated to benefit from, and thus contribute to, a new Utility Customer Service System project include the Water, Irrigation, Wastewater, and Refuse utilities and, to a lesser degree, the General Fund (for engineering, permitting, codes and finance divisions). Because this is a major system replacement to be funded from several funds, the project will be accounted for in the Cumulative Reserve for Capital Improvement Fund. The utilities have contributed \$65,000 for this project in 2005 and are scheduled to contribute \$210,000 in 2006. As the project costs and schedules are identified, a more comprehensive plan for funding will be developed and brought to the City Council for approval.

2. a. **Fiscal Impact** — Purchase cost — \$1,500,000 (preliminary estimate)
2006 Budget Costs — \$210,000

Note: once the vendor has been selected, staff will be better able to project the total project cost and the staff effort required for the system implementation. Both of these elements will factor into the recommended implementation time frame (i.e.: it may be beneficial / necessary to phase the project in over a longer period of time.)

- b. **Proposed Funding Source** — Utility Funds/Cumulative Reserve for Capital Improvement Fund. 2006 contributions by the Water, Wastewater and Irrigation utilities:

Wastewater	\$120,000
Water	75,000
Irrigation	<u>15,000</u>
	\$210,000

In 2005 and 2006, the Refuse utility has dedicated \$90,000 for system improvements to purchase and implement a route analysis system to be installed in refuse collection vehicles (a 2005 budgeted policy issue). This is currently under review, and it is intended for this new system to interface with the new utility billing system. The allocation of project costs will be reviewed and adjusted as necessary once a final project cost and scope have been identified (i.e. first or second quarter, 2006).

- c. **Public Impact** — Improved and more efficient delivery of services (e.g.: improved functionality for customers, which may include bill payment options such as automated payment plans, budget payment plans and internet access to billing information; better communications between departments resulting in faster service to the customer and fewer mistakes; better controls and monitoring capabilities, etc.)
- d. **Personnel Impact** — The implementation of the new systems will significantly increase the workload for employees in the Information Systems, Utility Customer Services and the various end-user divisions to the extent that additional staff support may be required during implementation phase of the project. A better assessment of this will be available after a vendor package has been selected and a project plan has been prepared. After implementation, staff utilization will become more effective and efficient.
- e. **Required Changes in City Regulations or Policies** — None (However, it should be

noted that, as a result of the needs analysis and system requirements work performed by staff in preparing the system RFP, changes to many operating practices and policies have already been made and/or submitted to Council for consideration. Those changes made have already resulted in significant improvements in customer service.)

f. **Legal Constraints, if applicable** — None.

g. **Viable Alternatives** — Continue using existing systems and being impeded by its constraints.

3. **Conclusion and/or Staff Recommendation** — Accept Policy Issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: FINANCE AND BUDGET

DIVISION: UTILITY SERVICES

POLICY ISSUE TITLE: Add a ¾-Time Utility Service Specialist Position — Budgeted

Introduction — Over the past several years, a strong focus has been placed on improving customer service through improved practices and procedures and enhanced employee efficiency. Significant progress has been made in these areas through a combination of enhancements to our computer system, improved communications between personnel in various divisions, increased management oversight and through a concerted effort to review all of our major business operating practices and procedures within all of the divisions that support the utility customer. This effort took the commitment of employees from a number of divisions, including Utility Customer Services, Water/Irrigation, Wastewater, Refuse, Engineering, Codes/Permitting, Finance and Information Systems and covered nearly two years. However, through these efforts significant improvements have been made in customer records, accounting and mapping data. Additionally, significant procedural changes have been made which, for example, will better integrate new construction permits to customer billing data, better coordinate hand billings between the utility operating divisions and Utility Customer Service division and provide for smoother implementation of future rate changes and annexations. We have also seen a reduction in our utility bad debt account write-offs.

We have identified and analyzed issues and implemented changes, thereby, making significant improvements to the quality and timeliness of our services and we have done this without adding any regular staff. Now, with the knowledge of what we've learned through this process, staff believes that in order to maintain accurate customer data (including account records, field inspections, maps, intra-divisional coordination, etc.) that additional staffing is necessary. During the past two years, we have fully utilized the services of two temporary staff; one in the office and one in the field, to assist us with our customer service improvement efforts. While we believe that both of these positions may need to be full-time, regular positions on an on-going basis, we are only requesting one, ¾ time regular position – the office position – be added at this time. (Note: the Utility Customer Service project will add considerable workload to this division, should Council approve the continuation of this 2005 policy issue (see Information Systems policy issues). This was another consideration in focusing on filling the office position at this time.) We will continue to utilize temporary staffing in the field to assist in meeting the workload until further analysis of this position is done and to smooth out the fiscal impact of any additional staffing on the utility divisions.

1. **Proposal** — Add one ¾ time office position; partially offset by a reduction in the temporary staff budget.
2. **a. Fiscal Impact** — \$36,000 .75 permanent FTE including salary and benefits.
 \$13,800 Reduction in temporary salary and benefits.
 \$22,000 Net increase.

- b. **Proposed Funding Source** — General Fund (Utility Services Division). Reimbursed by Water, Irrigation, Wastewater and Refuse Utility funds.
 - c. **Public Impact** — More accurate and timely customer records/service.
 - d. **Personnel Impact** — Substitute ¾-time permanent position for a temporary position. This will add continuity to the operational workflow, reduce time needed to train temporary employees and allow staff to continue to focus on quality customer service.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None (going back to the way business was previously done is not a viable option.)
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

**DEPARTMENT: COMMUNITY AND
ECONOMIC DEVELOPMENT**

DIVISION: ECONOMIC DEVELOPMENT

**POLICY ISSUE TITLE: Upgrade Current Economic and Community Affairs
Specialist position to Deputy Director / Economic
Development and Intergovernmental Affairs — Budgeted**

1. **Proposal** — Economic Development is often a case of seizing the moment. As such, the Department of Community and Economic Development currently lacks the depth of organizational structure to maximize such opportunities; opportunities that have increased in recent years as a result of recovering state and national economies and as a result of the significant commitment this community has made to provide incentives to grow local businesses and attract new private investment. In this policy issue we are requesting Council approval to reclassify the existing position of Economic Development and Community Affairs Specialist to a new position: Deputy Director for Economic Development and Intergovernmental Affairs. The incumbent in this position is Michael Morales who I believe is extremely well qualified for this new assignment.

We specifically request this position be elevated to a Deputy Director position for several reasons:

- 1) To reflect the critical importance that Council's Economic Improvement Strategic Priority represents within the City's organizational structure, and
 - 2) To establish a key high level contact point for the development community within the Department of Community and Economic Development, and
 - 3) To create a deputy position within the department to assist the Director and to assume responsibility during his or her absence in overseeing the day to day responsibilities of a very complex and very critical City department, and
 - 4) To actively lead staff level efforts, throughout City government, to carry out Council's commitment to regionalization, and
 - 5) To coordinate City-State and City-Federal policy analysis and communications.
2. **a. Fiscal Impact** — \$14,500 net increase (salary and benefits).
 - b. Proposed Funding Source** — 2006 funding allocation: 5% Water, 5% Wastewater, 30% Economic Development (Fund 123) and 60% Community Development Block Grant (CDBG).
 - c. Public Impact** — Improved access to and coordination of City economic development programs.

- d. **Personnel Impact** — Upgrade existing position.
 - e. **Required Changes in City Regulations or Policies** — Create new job classification.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Continue the existing CED organizational structure which does not reflect the importance City Council has placed on economic development and regionalism.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

**DEPARTMENT: COMMUNITY AND
ECONOMIC DEVELOPMENT**

DIVISION: CODE ADMINISTRATION AND PLANNING

POLICY ISSUE TITLE: Land Development Fee Increase — Unbudgeted

1. **Proposal** — Staff has been asked to prepare a proposed policy issue amending City application fees for land development proposals (zoning, subdivision, environmental review, shorelines and comprehensive plan). If approved, this policy issue would reduce the general fund subsidy of the cost of land development application review. Currently, on average application fees recover approximately 22 percent of the actual cost of processing and development proposals. The suggested amendment would help recover some additional percentage of the actual costs, would establish an annual adjustment to the City's land development fees tied to the Seattle CPI, but would also establish a fee schedule that was consistent with Yakima County.

Background — The last time the Land Development fees were increased was in the 1990 Budget. Staff presented a recommendation to increase Land Development Fees to recover 50 percent of the actual processing costs. This proposal was reduced by Council to recover approximately 30 percent of the actual processing costs.

The proposed target of a 50 percent recovery of costs from fees was based upon the recognition that new development benefits the property owner/developer, the public and city government. However, this percentage would be a Council decision and not a mandated standard. It is understood that if percentage was increased then the amount of additional revenue would also increase.

During the 1999 Budget Policy Issue process the City Planning Division submitted a detailed report, which presented various options regarding increases in Land Development Fees. The City Council did not choose to implement any policy changes at that time. However, City Council has indicated an interest in reconsidering the City's land development fees and has requested a comparison of similar City and County fees.

2.
 - a. **Fiscal Impact** — estimated \$13,000 of additional revenue.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — The policy issue would establish an additional cost for the land development application that has not been modified significantly since 1990. Estimated additional annual revenue to the City would be \$13,000.

Staff estimates that the actual processing cost of Land Development Applications in 2004 was approximately \$180,000 for the 214 applications that were processed. The fees collected for these applications were approximately \$40,000. The \$180,000 estimate for expenses is based on the estimated average number of hours an application takes to process and the associated costs of notices, public hearings, hearing examiner, etc. if required.

Fees collected in 2004 were only 22 percent of the estimated actual cost to process the applications. Additionally, if the Administrative official “elevates” an application to the Hearing Examiner, no fees are collected from the developer to cover the cost of the hearing before the Hearing Examiner. Although only a few applications are forwarded to the Hearing Examiner each year in this manner, the City, for these cases, absorbs the extra costs.

- d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — Establish an ordinance amending the land development application fees and providing an annual adjustment to these fees based on the Seattle CPI.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Leave the land development application fees at their present level.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

Projected Costs — The City of Yakima experienced a very busy year in 2004. Based upon 2005 levels, staff expects the number of applications to remain fairly constant for the rest of the year and into 2006. Due to the 2006 Comprehensive Plan Update and expected development regulation changes, staff anticipates a significant workload for the next few years.

Revenue Projections — The projections noted in the attached table are estimates based upon historical trends and applications filed in 2005.

Recommendations — The current fee rate structure represents a compromise made by the City Council some 16 years ago. The need to recover a greater percentage of cost from fees may be more significant now than almost two decades ago. This is a policy issue for the Council. The following options are available to the City Council.

1. **Implement Fee Increases.** This option would provide the same land development application fees as presently adopted by Yakima County. Staff would also recommend that if this option were selected, the Council include a provision for an annual fee adjustments based upon the Seattle-Tacoma Consumer Price Index as currently used to annually adjust building permit fees. The following table includes staff recommendations, which would generate an estimated \$13,137. (See attached Fee Schedule).
2. **No Action.** Under this scenario, Council would continue to accept an estimated 22 percent of processing costs through application fees. Staff would respectfully recommend that if Council chooses the “no action” option, that at a minimum you adopt an annual fee adjustments based upon the Seattle-Tacoma Consumer Price Index.

Table 3: Fee Recommendations and Revenue Projections

APPLICATION TYPE	PROJECTED 2006 FILES	2005 FEE	PROPOSED 2006 FEE	2006 vs. 2005	PROJECTED 2006 WITH-OUT INCREASE	PROJECTED 2006 WITH INCREASE
Adm. Adjustments	43	\$66	\$80	21%	\$2,838	\$3,440
Class 2	44	\$281	\$295	5%	\$12,364	\$12,980
Class 3	20	\$448	\$505	13%	\$8,960	\$10,100
Rezoning	10	\$533	\$505	-5%	\$5,330	\$5,050
Right of Way Vac	6	\$303	\$311	3%	\$1,818	\$1,866
Adm. Modifications	33	\$66	\$80	21%	\$2,178	\$2,640
Interpretations	2	\$168	\$375	123%	\$336	\$750
Appeals	10	\$505	\$505	0%	\$5,050	\$5,050
Expand Non-Conform	2	\$448	\$505	13%	\$896	\$1,010
SEPA checklist	39	\$138	\$225	63%	\$5,382	\$8,775
Shoreline	3	\$169	\$213	26%	\$507	\$639
Short Plat Exempts	47	\$31	\$120	287%	\$1,457	\$5,640
Short Plats	15	\$177	\$295	67%	\$2,655	\$4,425
Long Plats	5	\$303	\$383	26%	\$1,515	\$1,915
Easement Releases/ Others	3	\$151	\$155	3%	\$453	\$465
Transportation Concurrency	20	\$250	\$257	3%	\$5,000	\$5,132
Comp Plan Text or Map Amendment	5	\$500	\$500	0%	\$2,500	\$2,500
NOTE: The Comp Plan Amendment and SEPA MDNS and DS would collect a minimum fee, but would require 100% of the processing cost for staff and hearing examiner's time.						
				Difference		
Projected 2006 Revenue Difference				\$13,138	\$59,239	\$72,377
NOTE: The increases mentioned above would increase annually, using the Seattle CPI, if Council approved the cost of living with the increases.						

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

**DEPARTMENT: COMMUNITY AND
ECONOMIC DEVELOPMENT**

DIVISION: CODE ADMINISTRATION AND PLANNING

POLICY ISSUE TITLE: An increase of 2% in the 2006 Service Contract with the Humane Society of Central Washington — Budgeted

1. **Proposal** — The Humane Society of Central Washington has requested a 2% increase in their annual contract for 2006 with the City of Yakima for the following reasons:

- Anticipated increase of animals brought to the Shelter by City staff as a result of the hiring of a third Animal Control Officer.
- Extended Animal Control coverage that will include evening and weekend hours.
- Increase in the City's size as a result of annexations.

In addition, the Humane Society has also requested the following modifications to the 2006 contract:

Section 1.G be revised to state the Shelter shall submit license fees, fines and other amounts to the City once a month with billing, rather than these monies be submitted on Monday, Wednesday and Friday of each week as indicated in the 2005 contract.

Section 1.G be revised to state that the Shelter shall provide fidelity bond insurance coverage for theft in the amount of \$25,000 to cover all employees, rather than the Shelter be required to submit a bond in the amount of \$5,000 for each employee who perform the collection of license fees, fines and other monies on behalf of the City.

Section 2 be revised to reflect a \$3.00 agent fee for the sale of each dog license sold at the shelter, rather than the \$2.00 agent fee as outlined in the 2005 contract.

In addition, the Humane Society has indicated they will be changing a long-standing policy. In the past, the Humane Society Shelter has accepted dogs over the counter at no charge for City of Yakima residents. They will now charge \$10 to accept a dog from City residents, in addition to other agencies they contract with. When Yakima County reduced their contractual annual fee the Humane Society started charging \$25 for dogs that were dropped off at the shelter.

2. a. **Fiscal Impact** — \$1,100 net annual increase to the City budget and a potential \$1,188 (396 licenses sold in 2004 x \$3) collected annually for the agent fee imposed on City residents licensing dogs at the Shelter.

b. **Proposed Funding Source** — General Fund.

c. **Public Impact** — The imposition of a \$10 fee for animals brought into the Shelter may cause an increase in abandoned or stray dogs running loose and/or failure to bring found dogs to the Shelter.

d. **Personnel Impact** — None.

- e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

**DEPARTMENT: COMMUNITY AND
ECONOMIC DEVELOPMENT**

DIVISION: CODE ADMINISTRATION AND PLANNING

POLICY ISSUE TITLE: Implement a \$25 annual Fire Inspection Fee for all Commercial Businesses in the City of Yakima — Unbudgeted

1. **Proposal** — This policy issue would reduce the general fund subsidy of the City's Fire Inspection program by establishing a fire inspection fee for annual commercial fire inspections. The Yakima Budget Strategy Team has recommended this fee. With approximately 4,000 annual fire inspections, revenue of approximately \$100,000 will be generated. These funds would be used to offset a portion of the total cost of the city's fire inspection program. As the City has increased in size the number of inspections has increased as well. This annual fire inspection has been free since the fire inspection program was established in the 1970's. The fire inspection program assists in reducing the number, size and loss from fires in the City, along with helping provide fire fighters with additional knowledge and safety.
2.
 - a. **Fiscal Impact** — \$100,000 estimated annual revenue.
 - b. **Proposed Funding Source** — General Fund - Commercial businesses that have Fire inspections.
 - c. **Public Impact** — The policy issue would establish an annual fee for commercial fire inspections within the City. The fire inspection fee is proposed to be the same for all properties inspected and not based upon size, type or location of the business. By comparison, Yakima County assesses a fee based on square footage with a minimum of \$43.62 and a maximum of \$646.19.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — Establish an ordinance creating the fire inspection annual fee.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Continue a no fee policy for the City's annual commercial fire inspection program.
3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

**DEPARTMENT: COMMUNITY AND
ECONOMIC DEVELOPMENT**

DIVISION: CODE ADMINISTRATION AND PLANNING

POLICY ISSUE TITLE: Upgrade current Department Assistant III position to Permit Technician — Budgeted

1. **Proposal** — This proposal is to upgrade the existing permanent full-time Department Assistant III to a permanent full-time Permit Technician. In 2000, existing full-time Department Assistant III positions were reclassified to full-time Permit Technicians, however since this Department Assistant III position was part-time, it was not included in the reclassification. The part-time Department Assistant III position was upgraded to full-time in 2004, however due to budget constraints it was not upgraded to a Permit Tech classification.

The Dept. Asst. III responsibilities presently are identical in every way to those of the Permit Technicians, yet it is ranked as a lower position classification. Any time a Permit Technician is on vacation, sick leave or other types of absences, this position provides coverage. In addition, to provide consistency within the Division this position should be the same as a Permit Technician.

2.
 - a. **Fiscal Impact** — \$3,000 Net Annual Increase.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — None.
 - d. **Personnel Impact** — Upgrade of this position will ensure consistency of all counter staff and that counter staff is recognized equally for their performance.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Maintain this position as a Department Assistant III.
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

**DEPARTMENT: COMMUNITY AND
ECONOMIC DEVELOPMENT**

DIVISION: YAKIMA CONVENTION CENTER

POLICY ISSUE TITLE: Fund Visitor Information Center — Budgeted

1. **Proposal** — The City of Yakima through their vision and hard work saw the economic impact of tourism and successfully won a grant to build a Visitor Information Center (VIC) located off of I-82 near Yakima Avenue. Through a partnership, the Yakima Valley Visitors and Convention Bureau (YVVCB) opened and operates the facility. In order to raise the funds necessary to operate and maintain the facility, the YVVCB developed the initial operating budget for the VIC by creating a sponsorship and brochure fee based program. However, the policies related to the fee based brochure distribution created hard feelings in the community. It was impossible to offer comprehensive visitor information when it was tied to a fee-based program. This fee based policy was discontinued in 2004 with the additional funding made available through the Tourist Promotion Fund. Therefore, we ask for the continuation of this funding. Further development of sponsorships from private organizations that support tourism will assist in these efforts. The VIC will continue to enhance and stimulate positive economic growth through tourism. The Yakima Valley Visitors and Convention Bureau will operate and manage the program of work at the VIC.
2.
 - a. **Fiscal Impact** — \$40,000.
 - b. **Proposed Funding Source** — Tourist Promotion Fund #170 - Hotel/Motel Tax.
 - c. **Public Impact** — The VIC provides an opportunity for businesses of all sizes to distribute information to travelers. Sustainable funding will open the door for more community involvement in tourism.
 - d. **Personnel Impact** — Assist in retaining staff.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

**DEPARTMENT: COMMUNITY AND
ECONOMIC DEVELOPMENT**

DIVISION: CAPITOL THEATRE

POLICY ISSUE TITLE: Increase of Annual Management Fee — Budgeted

1. **Proposal** — For the fiscal year ending June 30, 2005, the Capitol Theatre Committee (CTC) lost \$51,372 in operations.

For FY 2006 (beginning 7/1), CTC had to budget for the \$15,000 elimination of all County funding, a \$36,000 increase in the cost of the Best of Broadway Series and an anticipated \$28,000 decrease in Theatre rentals. Budget adjustments totaled \$130,000 (folding in FY 2005's \$51,000 loss.)

A balanced budget was presented to the Board. This required freezing salaries, eliminating CTC funded retirement, reducing overhead expenses by 27%, eliminating community service and outreach activities, eliminating audience development initiatives (\$35,000 of FY 2005's loss resulted from CTC's effort to build a younger (Gen-X) audience with the presentation of "Tony 'n Tina's Wedding") and increasing fund raising goals by 12.5%. The CTC maintained its staffing level including re-configuring the organization chart so a new position could be created (responsible for community outreach, volunteer services and new program development — specifically a children's program initiative utilizing the resources of the Kennedy Center) for the cost of an entry level receptionist.

The flagship of the CTC's programming initiatives is the "Best of Broadway Series". Last year, this five-event series generated \$668,777 in ticket sales, \$48,000 in program ad sales and \$50,000 in underwriting. Combined, this represents 40% of CTC's \$1.9 million operating budget. Annual subscriptions have averaged 3,300 for the past two years. (This is counter to national trends of increasingly weak subscription bases.) This year, however, CTC experienced a 16% drop in subscription sales totaling \$73,000 in lost, and budgeted, revenues. The reason for the dramatic loss was CTC's inability to generate sufficient new subscription sales to offset natural attrition (the rate of which has held steady for the past five-years.) While too early to complete a detailed statistical analysis, anecdotal feedback centers on three key areas: An aging audience, series line-up (lack of available product is affecting the entire industry) and new prospects that are reluctant to commit to a season that runs through April, 2006.

To compensate, CTC is not filling the Receptionist position and limiting the Stage Manager to billable hours. This is a retraction to baseline operations with no resources for community service and, more importantly, the development of new programs that diversify and expand CTC's support base and financial stability. Even with the reduction of these positions, CTC still faces a \$55,000 short-fall in operations (assuming single ticket sales continue to track at historical averages.)

2. **a. Fiscal Impact** — A \$69,790 increase in the management fee (from \$76,210 to \$146,000). This will serve to stabilize baseline CTC operations. Parallel to this request, CTC is aggressively pursuing grant applications and expanded service areas that will be used to invest new programs, services and their associated revenue streams.

It is important to note that The Capitol Theatre continues to pursue a commitment to its fiduciary responsibility for the facility and its role in contributing to the prosperity of downtown Yakima. Within the past year, CTC has invested nearly \$600,000 in the building and its equipment through State (\$500,000) and private (\$75,000) funding secured through CTC initiative. In addition, CTC has raised an additional \$310,000 in support of the creation of an entertainment district. \$288,000 has been allocated for the purchase of the YMCA lot directly behind the Theatre. This parcel will be used to build the planned loading bay and dance studio (see attached progress report and Fed case statement) and will ultimately be donated to the City. These funds were secured outside and in addition to operating revenues.

- b. Proposed Funding Source** — The current fee is supported by the Hotel/Motel Room Tax while the increase would be supported by the Capitol Theatre's dedicated revenues from the Cable TV utility tax.
 - c. Public Impact** — Continue programming options at the City's premier performing arts facility.
 - d. Personnel Impact** — None.
 - e. Required Changes in City Regulations or Policies** — None.
 - f. Legal Constraints, if applicable** — None.
 - g. Viable Alternatives** — Reduce funding and limit programming options.
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

**DEPARTMENT: COMMUNITY AND
ECONOMIC DEVELOPMENT**

DIVISION: ENGINEERING

POLICY ISSUE TITLE: Engineering Division Professional Services Contract — Budgeted

1. **Proposal** — The Engineering Division proposes entering into a professional service contract for computer aided design (CAD) services to assist with the development of Capital and Economic Development Improvements to the City's public infrastructure. The past few years have been an indication of rising development investments from both the private and public sector. The Engineering Division has successfully accomplished/completed over \$25,000,000 in public projects since the year 2000. There are over \$60,000,000 in public projects remaining on the City's Six-Year Transportation Improvement Plan (STIP). In order to be successful at completing Council approved projects, the need for additional technical assistance in the Engineering Division should be addressed. If additional assistance is not available, the probability of delays and cost increases may undermine the efficiency of our capital improvement efforts.

The workload of each Engineering Division employee has increased and become more complex. Our ability to respond to the needs of the public becomes more challenging each year. Added to our scheduled construction activities is a significant renewed interest in Local Improvement Districts (L.I.D.'s)

2.
 - a. **Fiscal Impact** — \$30,000 that will be reimbursed from the active projects that are being developed.
 - b. **Proposed Funding Source** — General Fund - to be reimbursed from eligible projects.
 - c. **Public Impact** — By contracting for CAD services, the public will see a quicker response to the infrastructure needs of the City as well as a more timely completion of the projects that are being developed.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — None at this time.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — To continue to hire temporary employees to carry out this work with the understanding that the timeliness and continuity of the projects will be hindered.
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

(This page intentionally contains no information.)

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: POLICE

DIVISION: PARKING ENFORCEMENT

POLICY ISSUE TITLE: Increase Overtime Parking Fines from \$10 to \$20 — Unbudgeted

1. **Proposal** — The Budget Strategy Team (BST) appointed by City Council to review the fiscal condition of the City's tax-supported funds recently completed its study, and submitted their report/recommendations to City Council at a study session held on September 30, 2005. The BST was charged with the task of reviewing expenditures for potential reduction or proposing new revenue sources if the City's economic condition does not improve.

One of the revenue enhancements recommended to be implemented as soon as possible was to increase overtime parking fines from \$10 to \$20. Assuming the current level of parking tickets, this is estimated to generate approximately \$55,000, although the volume of tickets may be reduced if the fines are increased. (Other parking fines for violations such as illegal parking or handicapped parking are not proposed to be changed.)

2.
 - a. **Fiscal Impact** — \$55,000 General Fund Revenue.
 - b. **Proposed Funding Source** — Overtime parking violation fines
 - c. **Public Impact** — \$10 increase in overtime parking violation fines.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — Approve an Ordinance to update the Yakima Municipal Code for the increased fine.
 - f. **Legal Constraints, if applicable** — None.

Viable Alternatives — Continue overtime parking fines at the same level, and risk further erosion of tax-supported services.

3. **Conclusion and/or Staff Recommendation** — This was a recommendation made by the Budget Strategy Team, and is a Council policy decision.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: POLICE

DIVISION: DETENTION SERVICES

POLICY ISSUE TITLE: Accomodate 24.5% Proposed Increase in Yakima County Jail Rates — Budgeted/Unbudgeted

- 1. Proposal** — The City of Yakima currently has a contract with Yakima County Department of Corrections for housing inmates. The 2005 daily rate for housing has been \$52.23. The County is proposing a rate increase of 24.5%, which will result in a daily rate of \$65.05. During the 2006 budget process, \$840,000 was allocated from existing General Fund resources for the 2006 contract with the County (the same as the 2005 budget). Additionally, there is \$90,000 allocated from Criminal Justice sales tax to offset the projected increase, which would support a 10.7% increase. Consequently, this leaves \$116,000 that has not been budgeted for 2006.

If the County's actual contract rate remains as initially proposed, there will need to be additional cost cutting measures selected from the Contingency Budget Reduction Plan/Budget Strategy Team recommendations. Since the new criminal justice tax is being used as originally set forth by City Council to enhance criminal justice programs, and General Fund reserves are at minimum levels, an increase over the \$90,000 currently included in the 2006 budget would not readily be absorbed by General Fund.

- 2. a. Fiscal Impact** — \$1,046,000 Proposed Budget based on increased rates
 \$840,000 Less: 2005 current Yakima County Jail budget
 \$206,000 Proposed Increase (24.5%)
 Whereof: \$90,000 Budgeted (10.7%)
 \$116,000 Unbudgeted (13.8%)
 - b. Proposed Funding Source** — General Fund:
 \$90,000 New 0.3% Criminal Justice Sales Tax;
 \$116,000 Other expenditure reductions
 - c. Public Impact** — Potential staff reductions, which could result in delayed police response.
 - d. Personnel Impact** — Potential reduction in police staffing to offset jail costs.
 - e. Required Changes in City Regulations or Policies** — None
 - f. Legal Constraints, if applicable** — None
 - g. Viable Alternatives** — Consider alternative incarceration options such as Electronic Home Monitoring for non-violent felons.
- 3. Conclusion and/or Staff Recommendation** — The Chief and Command Staff of the Yakima Police Department do not recommend approval of this policy issue, and are still attempting to negotiate the cost down to within the budgeted range. If the final rate remains above the budgeted amount, then City Council would be asked to decide the next action steps.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: FIRE

DIVISION: OPERATIONS

POLICY ISSUE TITLE: Add three entry-level Firefighter Positions — Budgeted

1. **Proposal** — This proposal is to add three (3) full time employees at the entry-level firefighter rank. This proposal increases authorized positions in the Fire Department by three FTE's. Preliminary estimates indicate that adding 3 additional personnel will completely pay for itself by the corresponding reduction in overtime. The Fire Department experienced several long term injuries and absences that had a significant impact on overtime. The proposed positions will result in fewer shifts that require filling positions with overtime personnel.

The Fire Department has applied for a Department of Homeland Security SAFER (Staffing for Adequate Fire and Emergency Response) grant to help cover some of the cost of the additional three people, however, it is extremely competitive and the grant revenue is not definite at this time.

This proposal was endorsed by the Public Safety Committee of the City Council and is recommended by staff.

2.
 - a. **Fiscal Impact** — \$200,000 expenditure/\$200,000 overtime savings/Possible SAFER Grant cost sharing, if approved, would add \$300,000 in revenue over the next 4 years to offset some of the salary and benefit costs.
 - b. **Proposed Funding Source** — General Fund.
 - c. **Public Impact** — The addition of personnel will provide more emergency personnel available for emergency response and call back.
 - d. **Personnel Impact** — Increases authorized staffing.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Continue to provide minimum staffing through overtime hiring.
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: FIRE

DIVISION: OPERATIONS

POLICY ISSUE TITLE: Increase the EMS Levy to fund Capital Equipment for Fire and EMS — Unbudgeted

1. **Proposal** — This proposal is the recommendation of the Budget Strategy Team to increase the EMS Levy rate from 25 cents / \$1,000 to 35 cents / \$1,000 of assessed valuation (AV). This is a 10 cent / \$1,000 increase to City residents above the existing county wide EMS Levy. This increase will require a vote of the people. This funding will be utilized for purchasing emergency response vehicles and equipment that currently cannot be purchased within the depleted existing Capital Reserves Budget.
2.
 - a. **Fiscal Impact** — \$400,000 annual revenue.
 - b. **Proposed Funding Source** — Voted increase to EMS Levy - from .25 cents/\$1,000 to /35 cents/\$1,000 AV (or \$10 per year on each \$100,000 of AV).
 - c. **Public Impact** — This will provide the public and the Fire Department with a dedicated and dependable revenue source for the purchase of emergency vehicles and equipment.
 - d. **Personnel Impact** — Provides funding for emergency vehicles and equipment that will be utilized by emergency responders.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — Council would need to approve the ballot measure to put this out for a vote.
 - g. **Viable Alternatives** — Voted bond issues for capital needs of Emergency services.
3. **Conclusion and/or Staff Recommendation** — Refer to Council Public Safety Committee to develop an expenditure plan and ballot proposal, in collaboration with Fire Management and Union leadership.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: PUBLIC WORKS

**DIVISION: PARKS AND RECREATION
STREET AND TRAFFIC OPERATIONS
TRANSIT**

POLICY ISSUE TITLE: Department of Corrections Crew (DOC) — Contract Price Increase — Budgeted

1. **Proposal** — City Council, at their August 2, 2005 Business meeting, approved an Interlocal Agreement with Yakima County Department of Corrections for Inmate Work Crews for the Parks and Recreation Division, Streets and Traffic Operations, and the Transit Division. Yakima County Department of Corrections inmate work crews are now billed at full cost-recovery of \$71,000 per work crew. This Policy Issue is to approve an additional \$51,170 to fund the full cost recovery for two DOC crews: one crew for Parks and Recreation and one crew to be shared by Street and Traffic Operations and the Transit Division.

 2. **a. Fiscal Impact** —

\$31,000	Increase Parks and Recreation
\$17,750	Increase Street and Traffic Operations
<u>\$2,420</u>	Increase Transit Division
\$51,170	Total

 - b. Proposed Funding Source** — Parks and Recreation Reserve Fund
Street and Traffic Operations Fund
Transit Fund

 - c. Public Impact** — Early in 2005, the County discontinued their work crew program. This lack of service created a big impact on the ability of Parks Maintenance and Streets and Traffic Operations to keep up with graffiti removal, park clean up, litter control and weed abatement along street rights-of-way. The public quickly noticed this difference and requested an improvement in the appearance of parks and streets rights-of-way.

 - d. Personnel Impact** — These dollars paid to the County would cover a supervisor, mileage, vehicle, and insurance for two crews. This requires no additional city personnel.

 - e. Required Changes in City Regulations or Policies** — None.

 - f. Legal Constraints, if applicable** — None.

 - g. Viable Alternatives** — 1) Not utilize a DOC crew in the Park System, using these dollars instead to hire two Park Maintenance Workers to perform these tasks for City parks; and 2) Revise existing Yakima Municipal Code requiring adjacent property owner to maintain rights of way adjacent to their property in a weed and litter free condition — reducing the need of a DOC crew to maintain rights-of-way.
3. **Conclusion and/or Staff Recommendation** — To approve this budgeted policy issue to fund the full-cost recovery for the DOC work crew for Parks and Recreation, Streets and Traffic.

Operations, and Transit Divisions and revise existing Yakima Municipal Code requiring adjacent property owner to maintain rights of way adjacent to their property in a weed and litter free condition — reducing the need of a DOC crew to maintain rights-of-way. City Council may wish to schedule a study session regarding this matter in 2006.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: PUBLIC WORKS

DIVISION: STREET AND TRAFFIC OPERATIONS

POLICY ISSUE TITLE: Arterial Maintenance Program — Budgeted

1. **Proposal** — Provide an annual preventative maintenance program for all arterial streets. The goal is an 11-year cycle. The arterial maintenance program will consist of pavement surface preparation of patching, wheel path grinding, crack filling followed by a one to three- shot chip seal. Maintenance treatments will be based on the Pavement Condition Rating of the section. The maintenance program will ramp up, as funds are available. Some pavement preparation work will occur in 2006 with the first applications of arterial chip seal in 2007. This will allow property tax revenues from newly annexed areas to assist in funding the program and provide the street division an opportunity to complete the BST program for unpaved streets.

2. **a. Fiscal Impact** — \$500,000 to \$600,000 (\$400,000 budgeted in 2006 - to be phased in as revenue becomes available.)

- b. Proposed Funding Source** — Program funds would be generated by combining available funds from sources such as: REET2 -(\$200,000 in 2006) and Property tax from future annexations (\$200,000 in 2006) or the retirement of existing debt (\$122,000 in 2008). Note: A portion of the New Gas Tax funds could be used for this program. However, these are not included at this time due to the uncertainty of the outcome of Initiative 912.

REET2 FIVE-YEAR EXPENDITURE PLAN

Funds may be used for alley improvement program elements in addition to uses noted below

	2004	2005	2006	2007	2008
BST Class A Supplies for unpaved streets	\$200,000	\$200,000	\$200,000		
Chip-Seal Supplies for unclassified streets		\$35,000	\$200,000	\$200,000	\$200,000
Classified Street Repairs or Grind and Overlay — consistent with six-year TIP	\$150,000	\$150,000 + \$100,000 Apropriation	\$200,000		
Chip-Seal Supplies for Classified Street System and two FTE's				\$200,000	\$200,000
Reserve for Classified street Capacity match (as included in six-year TIP)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Equipment contribution to REET2	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Eligible projects (chip seal BST)					
TOTAL EXPENSE	\$500,000	\$635,000	\$750,000	\$550,000	\$550,000
Actual/Estimated Revenue	\$706,670	\$750,000*	\$600,000	\$550,000	\$550,000
Funds collected beyond estimate (cumulative)	\$206,670	\$321,670	\$171,670	\$171,670	\$171,670

* \$602,000 through November 30, 2005.

In 2005 Engineering to use \$103,000 for Lincoln Avenue sidewalk (near Robertson School).

In 2005 Engineering to appropriate additional \$100,000 for Grind and Overlay of 40th Avenue in addition to using 2004 and 2005 funds for classified street repairs. 2006 Grind and Overlay is Englewood from 56th to 66th Avenues .

- c. **Public Impact** — Maintains the surface of the City’s arterial street system, protecting the community’s investment in its classified streets. Economic health of any community is dependent on the available transportation system.
 - d. **Personnel Impact** — One FTE would be allocated for this purpose. This policy issue completes the focus of the street division on the core function of maintaining the city’s street system. The personnel and equipment resources necessary to complete this level of street maintenance exist within the division. Funds to purchase supplies (asphalt, rock and oil) are the missing component of the program.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Fund the program at a lower level, decreasing the annual number of miles maintained. This will increase the number of years in the maintenance cycle.
3. **Conclusion and/or Staff Recommendation** — Work toward dedicating a secure funding source that provides \$500,000 to \$600,000 annually for an arterial street maintenance program.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: PUBLIC WORKS

DIVISION: TRANSIT

POLICY ISSUE TITLE: Yakima Transit's 2006 Bus Replacement Plan — Budgeted

1. **Proposal** — This proposal is to purchase six 35-foot heavy-duty replacement buses. The purchase price of each bus is \$330,000. That is a total of \$1,980,000.

Bus replacement strategies are based upon age, condition, ADA compliance, and life cycle cost analysis. Other considerations include technological obsolescence, fuel consumption and exhaust emissions increases, and maintenance cost increases. Buses that remain in the fleet are those that are in the best condition aesthetically and functionally, operating at the lowest cost per mile in terms of maintenance and operating costs.

This plan calls for replacing six 16-year-old Gillig buses with six (6) heavy-duty low floor buses. This replacement proposal follows the bus replacement plan developed by City Staff and is in accord with the direction recommended to the full Council by the City Council Transit Committee after their review and discussion of the replacement proposal at the Committee's August 17, 2005 meeting.

2.
 - a. **Fiscal Impact** — \$1,980,000.
 - b. **Proposed Funding Source** — Transit Capital Reserves - Transit Sales tax allocated for Capital purposes.
 - c. **Public Impact** — Improved image of the transit system and considerably fewer breakdowns, which translates into less delays for the patrons. The new buses also have much better climate control than the current 15-year buses.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — None.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
3. **Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: PUBLIC WORKS

DIVISION: REFUSE

POLICY ISSUE TITLE: Refuse Rate Increase — Budgeted/Unbudgeted

Two alternatives are offered:

- a) Rate increase of 8% to cover operating cost increases and to fund a new Code Compliance Officer,
- b) Rate increase of 5% to cover operating cost increases.

Each of these options is outlined below.

a) Refuse Rate Increase to Cover Operating Cost Increases and to Fund One New Code Compliance Officer Position — Budgeted

1. **Proposal** — In order to keep on track with the transition to automated refuse service and cover other operating cost increases (such as fuel, landfill, equipment, etc.) a rate adjustment is being proposed. The budgeted proposal of an 8% increase provides funding for these operating costs and the addition of one new Code Compliance officer position to enforce Refuse Division ordinance violations.

This position will enforce Refuse Division ordinances concerning scattered litter, illegal dumping, container placement, overflowing containers, and service levels. This position will respond to violations received from citizen complaints and through field investigation. This position will work directly with volunteer groups who will assist in educating the public through the use of door hangers.

This proposal is the result of recommendations from the Litter Committee formed in January 2005. The committee determined that there are adequate Refuse codes in place to address violations, however due to Refuse Division staff workload, timely enforcement has been a challenge.

2.
 - a. **Fiscal Impact** — The Refuse rate increase will generate approximately, \$221,000 in 2006. The fully annualized revenue increase would be \$253,500. The salary and benefits for the Code Compliance Officer will be approximately \$51,900 for 2006 and will be reviewed annually. Equipment for the new officer of \$15,000 is also included in the 2006 budget.
 - b. **Proposed Funding Source** — Refuse Division Operating Fund - Rates.
 - c. **Public Impact** — This proposal will impact the public through Refuse rates increases. However, violations of Refuse Division ordinances will be addressed promptly. The public will realize a cleaner community in which to live.
 - d. **Personnel Impact** — This policy issue would add one full-time Code Compliance Officer.

- e. **Required Changes in City Regulations or Policies** — City ordinance revising the Refuse rate schedule will be required.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — Continue enforcing Refuse codes at current levels.
3. **Conclusion and/or Staff Recommendation** — Staff respectfully recommends approval of this policy issue.

b) Rate Increase of 5% to Cover Operating Cost Increases — Unbudgeted

- 1. **Proposal** — This policy issue proposes a 5% increase in Refuse rates for 2006.
- 2.
 - a. **Fiscal Impact** — The Refuse rate increase will generate approximately \$138,000 in 2006, and fully annualized increase of \$158,500.
 - b. **Proposed Funding Source** — Refuse Division Operating Fund - Rates.
 - c. **Public Impact** — This proposal will impact the public through Refuse rate increases.
 - d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — City ordinance revising the Refuse rate schedule will be required.
 - f. **Legal Constraints, if applicable** — None.
 - g. **Viable Alternatives** — None.
- 3. **Conclusion and/or Staff Recommendation** — This is a Council policy decision.

SUPPLEMENTAL REPORT

2006 BUDGETED POLICY ISSUE

The Refuse Division has submitted two Policy Issues for separate rates increases in 2006. The 8% rate increase is proposed to cover anticipated 2006 operating expenses including the funding for a Code Compliance Officer position intended to address litter and refuse code violations. An alternative 5% rate increase is included to cover only the anticipated operating expenses without the Code Compliance Officer position. The 8% rate increase would generate approximately \$221,000 in revenue in 2006 and the 5% increase would generate approximately \$138,000.

The following chart provides a comparison of 2005 refuse rates to the 8% and 5% proposed rates.

Description	2005 Rates	8% Proposed 2006 Rates	2005 vs. 8% Increase	5% Proposed 2006 Rates	2005 vs. 5% Increase	2006 Number of Accounts
1 Can – Curb or Alley	\$9.89	\$10.68	\$.79	\$10.38	\$.49	2,750
Additional. Subscribed Can	\$5.19	\$5.61	\$.42	\$5.45	\$.26	1,500*
1 32-gallon Cart	\$8.20	\$8.86	\$.66	\$8.61	\$.41	3,800
1 96-gallon Cart	\$13.93	\$15.04	\$1.11	\$14.63	\$.70	10,700
1 Can – Carry-out	\$19.15	\$20.68	\$1.53	\$20.11	\$.96	35
Additional Subscribed Can	\$5.75	\$6.21	\$.46	\$6.04	\$.29	33*
Call Back Fee	\$9.89	\$10.68	\$.79	\$10.38	\$.49	Per Occurrence
Extra Charge – Per Can	\$2.61	\$2.82	\$.21	\$2.74	\$.13	Per Occurrence
Extra Charge – Per Bag, etc.	\$1.93	\$2.08	\$.15	\$2.03	\$.10	Per Occurrence
Yard Service-96-gallon cart	\$10.50	\$11.34	\$.84	\$11.03	\$.53	4,100
Bin Service	\$66.95	\$72.31	\$5.36	\$70.30	\$3.35	430

* Each account varies in the number of additional subscribed cans.

BACKGROUND

The purpose of the Refuse Division is to collect and dispose of garbage and yard waste generated from City-owned facilities and residential customers within the City of Yakima. It is the goal of the Refuse Division to provide these essential services to the citizens of Yakima as efficiently and economically as possible.

Mandatory refuse service is required for all city residents. Therefore, Yakima offers a variety of services from which citizens may select those that best suit their needs. Manual collection has historically been the method used to collect residential refuse. The citizens have had choices regarding the placement and quantity of 32-gallon garbage cans collected from their residence. Yard waste collected from 96-gallon wheeled carts is available March 1 through November 30. City facilities, multi-family residential complexes and households generating large quantities of garbage may choose to use city owned metal dumpsters, in lieu of using garbage cans. Litter

abatement and special hauls are also services provided by the Refuse Division.

In 2001 City Council approved implementation of automated refuse collection. A number of objectives have been achieved through this program. There has been a significant reduction in employee injuries due to decreased lifting, twisting, slips and falls. As a result workers' compensation costs have also decreased. The employment of temporary workers has been nearly eliminated. The use of the carts has also resulted in cleaner neighborhoods, since the capacity and uniformity of the carts have reduced scattering of garbage from plastic bags and overturned garbage cans. By year-end 2005, approximately 12,000 residential customers will have their service changed from manual to automated collection. An additional 2,500 customers will receive automated service in 2006. It is our goal to complete the automation process by year-end 2007.

2006 EXPENDITURE IMPACTS

The 2006 proposed budget expenditure detail of \$3,723,456 is \$220,169 above the 2005 year-end estimate of \$3,503,287. Operating expenses have resulted in increased costs and a proportionate reduction in reserves. Listed below are the key areas that have driven the increases.

- Yakima County Landfill charges show an increase of \$26,000. This increase is due to anticipated increases in the amount of garage collected and taken to the landfill for disposal.
- Salaries, Overtime and Benefits for 2006 show an increase of \$111,021 from the 2005 year-end estimate. The 2005 year-end estimate is approximately \$25,000 less than the 2005 Budget due to position remaining unfilled in 2005 and a reduction in the use of temporary employees. The 2006 budget includes increases due to employee wage settlement, longevity and merit adjustments. Approximately \$51,000 of the increase is for funding a proposed Code Compliance Officer position to address litter and refuse code violations. (See Budgeted 8% Rate Increase Policy Issue.)
- Professional Services charges show an increase of \$70,000 for 2006. This was a budgeted policy issue for 2005 to purchase a route analysis system to be installed in refuse collection vehicles. This system installation has been carried over to 2006.
- Small Tools and Equipment charges show a decrease of \$94,000 from the 2005 year-end estimate of \$204,000. This decrease is due to the reduction in the number of automated refuse carts to be purchased in 2006.
- Fuel charges for 2006 have increased \$3,000 from the 2005 year-end estimate of \$127,000.
- Maintenance and Operation charges show an increase of \$34,659. This increase is due to additional costs for work performed on refuse equipment.
- State and County taxes and assessments are based on revenue from charges for service. The increase for 2006 is approximately \$15,750.
- In Lieu of Tax is levied against the total gross revenue of the refuse fund derived from refuse collection and disposal service charges. The current rate is 9% on the total gross revenue. For 2006 the In Lieu of Tax shows an increase of \$26,800 from the 2005 year-end estimate.
- City Services and Customer Service charges show an increase of \$9,480.

- Public Works Administrative charges show an increase of \$4,416.
- Vehicle Insurance charges show an increase of \$10,251 from the 2005 year-end estimate.

2006 REVENUE REQUIREMENTS

The proposed 8% rate increase for 2006 is estimated to generate an additional \$221,000 in revenue. The increase will provide a 2006 ending fund balance of \$114,606, which is less than a one-month operating reserve. Below is a summary of the Refuse Division expenditures and resources from 2002 through 2006.

	2002 <u>ACTUAL</u>	2003 <u>ACTUAL</u>	2004 <u>ACTUAL</u>	2005 YEAR-END <u>ESTIMATE</u>	2006 PROPOSED <u>BUDGET</u>
Total Expenditures	\$2,886,968	\$3,090,617	\$3,278,596	\$3,503,287	\$3,723,456
Resources					
Charge For Service	2,928,993	3,061,430	3,282,672	3,485,500	3,749,500
Interest/misc.	1,073	1,280	3,495	3,000	3,000
Beginning Fund Balance	77,588	120,686	92,778	100,349	85,562
Total Resources	<u>3,007,654</u>	<u>3,183,396</u>	<u>3,378,945</u>	<u>3,588,849</u>	<u>3,838,062</u>
Ending Fund Balance	\$120,686	\$92,778	\$100,349	\$85,562	\$114,606

RECOMMENDATIONS

Staff respectfully recommends Council approval of the Refuse Policy Issue for 2006 to increase refuse rates 8% on residential can services, automated refuse cart service; extra refuse charges, bin service and yard waste cart service.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: PUBLIC WORKS

**DIVISION: PARKS AND RECREATION, OR
CENTRAL BUSINESS DISTRICT,**

POLICY ISSUE TITLE: Funding for Central Business District Landscaping — Budgeted (\$7,500)

1. **Proposal** — The Parks and Recreation Division provides maintenance and landscaping services in the 16-block Central Business District. Fee box parking revenues are used to offset the cost of this service. However, revenue received from the fee box parking does not fully cover operational costs. Expenditures and revenues are shown below:

	2003	2004	2005	2006
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Proposed</u>
Expenditures	\$53,724	\$49,559	\$51,284	\$50,786
Fee Box Rev.	24,171	19,179	10,000	10,000
YDA Support	<u>37,700</u>	<u>20,000</u>	<u>15,000</u>	<u>7,500</u>
Parks Property Tax Revenue (Subsidy)	\$8,147	(\$10,380)	(\$26,284)	(\$33,286)

This policy issue is to request Council determination of the contribution from YDA to the operational maintenance costs in the Central Business District. Three “levels” are presented for review:

- Level 1 — to fully fund, YDA support in 2006 would need to be \$42,786
- Level 2 — to fund the same level as 2004 at \$20,000
- Level 3 — to fund the same level as 2005 at \$15,000
- Level 4 — to fund at a reduced amount of \$7,500 (budgeted)

2. **a. Fiscal Impact** — As the above spreadsheet indicates, unless expenditures (and services) are reduced or fee box revenues increased, the city will subsidize the downtown maintenance by \$33,286. Note: the expenditures shown do not include garbage pick-up, street sweeping or wintertime maintenance (except contracted snow removal in the downtown parking lots) in the 16-block CBD.
- b. Proposed Funding Source** — PBI Fund.
- c. Public Impact** — This would allow the Parks and Recreation Division the ability to focus existing resources toward other park maintenance tasks.
- d. Personnel Impact** — None.
- e. Required Changes in City Regulations or Policies** — Unknown.
- f. Legal Constraints, if applicable** — None.

- g. Viable Alternatives** — To continue to subsidize the maintenance of the Central Business District at some different level, to contract with a private vendor at a lesser cost if possible for those activities not currently being done by the City, or to reduce services in the Central Business District.

In a broader context, it may be appropriate for the “greater” downtown area to consider participation and support in maintenance activities by a level of “self-assessment.” These Downtown Futures Initiative projects will significantly upgrade the quality and aesthetic values of a “larger downtown” area — outside of the traditional PBIA/CBD area. Parks will not be able to accommodate maintenance of these improvements without reducing services elsewhere or receiving new revenue.

- 3. Conclusion and/or Staff Recommendation** — Staff recommends approval of this policy issue to assist with funding the Central Business District maintenance. It is a Council decision on what level of support to approve. Option 1 is to fully support maintenance efforts utilizing PBIA Funds. Option 2 and 3 utilize a portion of PBIA funds (\$20,000 and \$15,000, respectively) with the remaining support from Parks Property Tax allocation. Option 4 is the option currently budgeted (\$7,500.)

The Yakima Downtown Association (YDA) has discussed “contracting out” this work over the last several years. If it is ultimately their recommendation to Council, and Council directs that the CBD maintenance work be placed for bid, then City staff shall clearly identify what tasks in the CBD are to be done in the Request for Bids with the understanding that Parks staff will not be doing those tasks. Further, supervision of the work, from the Division’s perspective, should be the responsibility of YDA’s downtown manager (as yet not hired). Finally, YDA may find it constructive to their position to participate in the Collective Bargaining process as outlined in the AFSCME Contract, Article VIII, “Contracting Out.” This is a 45-day process of discussions with the Union over the potential for contracting out followed by another 45-day process to bargain the effects of the contracting-out decision — a total of three months.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: PUBLIC WORKS

DIVISION: PARKS AND RECREATION

POLICY ISSUE TITLE: Increase of .5% in lieu of Tax on Private and Public Utilities (water, sewer and refuse) to secure additional, stable funding for the City's Park System — Unbudgeted

- 1. Proposal** — This policy issue proposes to increase the in lieu tax on public and private utilities to provide additional, stable funding for the City's Parks system. Currently, the Parks Division receives 3.5 percentage points of the 14% utility tax. For 2006, this equals to \$951,000 "in lieu of tax" revenue for the Parks and Recreation Division. The Parks Division currently uses this revenue to offset maintenance costs and Tahoma Cemetery operations. The proposed new increase would be for future Parks Capital projects. The .5% increase would generate approximately \$130,000 per year at current utility rate levels.

Currently, the Parks Division does not have a revenue stream to make capital improvements in the parks, purchase future park property or match for future grants. The dollars generated from this policy issue would be dedicated to future Park Capital needs.

As a point of fact, the total water, sewer and refuse costs for 2006 are estimated to be \$186,000 for the Parks Division. The increased cost of fuel, power, fertilizer, other supplies, equipment, minimum wage impacts, and City labor have all combined to overwhelm the small increase in general revenues granted the Parks Division. Since the Year 2000, with the first of several major tax reduction initiatives combined with regional economic challenges, the Parks Division has reduced its Full Time Equivalency's (FTE's) by 4.75. Notwithstanding, the unprecedented capital program and park development activities over the last several years (funded by grants, donations and property sales) have greatly impacted the demand for the Parks Division's limited resources. Operating funds have not kept pace with increased costs or additional acreage that has been developed. The subsidy of Tahoma Cemetery continues with yearly contributions approaching \$150,000. Without new, stable revenue sources or some other significant governance change, the trend in reducing Park services will continue its slide downward.

- 2. a. Fiscal Impact** — An increase of .5 % equals approximately \$130,000 per year additional funding to the Parks Capital Budget.
- b. Proposed Funding Source** — In lieu Utility Tax Funds for Public and Private Water, Wastewater and Refuse.
- c. Public Impact** — While this will generate an increase in the average homeowners bill for water, sewer and refuse of approximately \$0.88 per month, it will assist in the preservation of Yakima's Public Parks. A far-reaching public impact would be that by setting aside this revenue for grant match and property acquisition efforts, future generations of residents could benefit from new recreational opportunities and satisfy "quality of life" expectations which are so broadly touted in the area.

- d. **Personnel Impact** — None.
 - e. **Required Changes in City Regulations or Policies** — Change in City’s Public Utility In lieu tax ordinance. Ordinance amendments will also be required to adjust tax for Nob Hill Water and Yakima Waste Systems for service within City of Yakima corporate limits.
 - f. **Legal Constraints, if applicable** — None.
 - j. **Viable Alternatives** — 1) One option would be to increase a lesser amount, .25%, which would generate \$62,500 at current revenue levels for the Parks Capital Fund on a yearly basis. 2) The second option, in the longer-term movement toward a Metropolitan Parks District may provide a solution to the service/financial gap dilemma. The financial tool for such a district would be a multi-year operational levy voted on by the citizens of the district. This concept would be consistent with the City Council’s desire to explore and implement consolidation of local government services.
3. **Conclusion and/or Staff Recommendation** — At its meeting on October 10, 2005, the Parks and Recreation Commission voted to support staff’s recommendation to the City Council to approve this policy issue for a .5% increase in lieu of tax on private and public utilities (Water, Wastewater and Refuse) to secure additional, stable funding for the City’s Park system.

2006 MAJOR POLICY ISSUES/SUPPLEMENTAL BUDGET REQUESTS

DEPARTMENT: PUBLIC WORKS

DIVISION: PARKS AND RECREATION

POLICY ISSUE TITLE: Study the Feasibility of the formation of a Metropolitan Park District — Unbudgeted

- 1. Proposal** — A metropolitan park district is an independent, regional unit of government similar to a fire district, hospital district or school district. Chapter 98, Laws of 1907 authorize cities of the first class to create Metropolitan Park Districts (MPD). The Metropolitan Park District Statutes were reenacted in 1943, when, according to an AWC legislative bulletin, the previous Statutes had been inadvertently repealed by one of the state highway acts. The Statutes were amended by Chapter 88, Laws of 2002.

In 1907 legislation was effective immediately and Tacoma voters approved the formation of a Metropolitan Park District a month after the law was passed. (*Tacoma Metropolitan Park District*). A second Metropolitan Park District was formed in Yakima around 1945 and functioned until 1969. In September 2002, Pullman voters approved the creation of a Metropolitan Park District and in February 2003 voters around North Bend approved the creation of the Si View Metropolitan Park District. These are the first new districts to be created since the legislature amended the Metropolitan Park Districts statutes in 2002 (*Chapter 88, Laws of 2002 [SHB 2557]*).

In December 2001, the Legislative Task Force on Local Parks and Recreation Maintenance and Operations recommended that the statutes be amended to make it practical for cities and counties, or a combination of them, to create Metropolitan Park Districts (See Report, MPD discussion on page 23 of file.) Prior to 2002, cities under 5,000 and counties could not create metropolitan park districts.

Parks in Yakima were under a Metropolitan Park District until 1969. As a junior taxing district, financing the program apparently become a significant challenge and the City Council acted to preserve the system by bringing it formally into the City. This proposal requests direction from City Council with regards to approving the formation of a broader Metropolitan Parks District. The Budget Strategy Team recommended this approach in their final report (October 2005).

- 2. History (Excerpted from the Parks Comprehensive Plan)** — Yakima was a rumble tumble town. Its early residents exercised caution as they walked the streets for they never knew when they would find themselves in the middle of a horse race. It seems that, while they were refreshing themselves in one of the local saloons along East Yakima Avenue, cowboys would often fall into disagreement over the quality of horseflesh. They would usually settle the argument by dashing out, jumping on their mounts, and racing down Naches Avenue and back.

Naches Avenue, in fact, became the oldest parcel on the Yakima's Park Property Listing when its fifteen landscaped blocks were platted in 1885. South 2nd Street Park, a half-acre

at the intersection of South 2nd and Race Streets, was established in 1908. By the 1920's, Lions, Miller and Portia Parks were on the books and, in 1933, the City established a Parks Department to oversee the maintenance and operation of its parks. A decade later, in 1943, alert to funding advantages available to independent park districts, the citizens of Yakima petitioned and subsequently voted to establish an independent Metropolitan Park District. An adequately funded parks system flourished and grew by leaps and bounds.

In 1951, however, the State Legislature readjusted the rate of taxation to the detriment of park districts. Although the City supported the District with a two-mill contribution, the District now had to submit special levies to the voters every two years in order to raise the necessary revenue for maintenance and operations. Obligated to maintain and operate the system at an adequate level and to acquire and develop new areas and facilities for its growing population, the District now found itself in a constant funding crisis. Finally in 1968, the maintenance and operations levy failed. Dissolution of the District became an increasingly logical solution.

Within a year the new Metropolitan Park Director did just that — dissolved the Park District — but he also managed to convince the City Council that the City should assume responsibility for the Park System. The security and direction that accompanied the new relationship not only raised staff morale and effectiveness but also increased public appreciation and participation in the park system. Although a bond issue in 1970 barely failed with a vote of 59% (60% needed), the department staff and Park Board rallied back, and the issue passed in 1971.

Parks and Recreation continued operations as a City *Department* until 1982 when, responding to budget short falls, the City Council voted to override the recommendation of the Park Commission and made Parks and Recreation a Division of the Public Works Department. The following year the division moved its operations from an old trolley barn location on south Fourth Avenue to the Public Works complex on Fruitvale Boulevard in north central Yakima.

Voters again supported their parks with a 1987 \$2.25 million bond issue that resulted in expansion of the North Sixth Street Senior Citizen's Center, installation of new irrigation systems in several parks, Chesterly Park's Phase I development and renovation of both Franklin and Washington Pools, work that was all completed in 1990.

Purpose — A metropolitan park district may be created for the management, control, improvement, maintenance, and acquisition of parks, parkways, boulevards, and recreational facilities.

Government Type: Municipal Corporation

Function and Powers of Metropolitan Park District:

- May purchase, acquire and condemn lands within or without the boundaries of park district
- May issue and sell warrants, short-term obligations, or general obligation bonds
- May issue revenue bonds

- Can petition for the creation of local improvement districts
- May employ counsel, provide for park police officers, secretary of the board, and all necessary employees
- May establish civil service for employees
- Has power to regulate, manage and control, improve, acquire, extend and maintain, open and lay out, parks, parkways, boulevards, avenues, aviation landings and playgrounds, within or without the park district
- The management and conduct of such forms of recreation or business as it shall judge desirable or beneficial for the public, or for the production of revenue for expenditure for park purposes

Formation of Metropolitan Park District — A metropolitan park district may include territory located in portions or all of one or more cities or counties, or one or more cities and counties, when created or enlarged. There are two ways to initiate the formation of a park district: by petition and by a resolution of the governing body or bodies within which the district is to be located. (RCW 35.61.020)

3. **a. Fiscal Impact** — Unknown at this time.
 - b. Proposed Funding Source** — The normal method of funding such a district is through voted property tax levies presented to citizens every 2 — 4 years.
 - c. Public Impact** — The public would vote on an operation and maintenance levy and a parks capital levy on a frequent basis. The results of such votes would determine the scope of the Park's program regionally.
 - d. Personnel Impact** — All or most of the current Parks employees would move to this Metropolitan Parks District and *not* be City employees.
 - e. Required Changes in City Regulations or Policies** — Regional vote on Metropolitan Parks District and funding required.
 - f. Legal Constraints, if applicable** — None.
 - j. Viable Alternatives** — None.
4. **Conclusion and Staff Recommendation** — This policy issue directs staff to begin the study and researching the formation of a Metropolitan Park District in concert with other Upper Valley parks' service providers and/or those entities who are desirous of participating.

(This page intentionally contains no information.)