

Mayor Dave Anderson called the regularly scheduled council meeting of July 1, 2008 to order at 5:30 p.m. Present for the meeting were Mayor Anderson, Council President John Langs, Council Members Dave Sims, Connie Wells, and Dave Gray, Clerk Kris Larson, City Administrator Stephen Boorman, Deputy Police Chief Rick Alonzo, Mike Normandeau from Bonneville Power Administration, and Marcia Cossette.

The group discussed the budget and budget process.

Joining the meeting were Brent Brown, Mike Sloan, Jay Cohn, Lee Harris, Sarah Thomas from the Bonners Ferry Herald, Amy Cowley, Robert Hanover, Carolyn Testa, Jack Douglas, and Attorney Tim Wilson.

Robert Hanover spoke to council regarding ingress and egress to an alley near Riverside Auto. He asked if there have been any updates. Mayor Anderson told Robert that there have been no updates since Robert was at the last meeting but the wheels are in motion.

Jay Cohn spoke regarding the clock tower. He said the B.F. Builders bill came in at \$7,200.00 rather than \$2,500.00 as was projected. Jay said he was successful in raising about \$2,400.00 in donations to go toward the increased bill and asked if the city could pay the remainder of the bill.

Amy Cowley inquired about using the visitor center for CPR training classes. She said she feels called to do something out of the ordinary and referred to volunteer work her father performed. She said she would be required under our guidelines to have liability insurance and pay a fee for a profit business. She will have to buy manikins and the participants will have to pay a \$25.00 fee. She said there is new information out regarding CPR and this will give opportunities to someone that finds it necessary to help someone in need. She asked to use the visitor center, waive the fee for the classes, and waive the liability insurance. The start date would be July 28, 2008 or August 4, 2008. She said her schedule is flexible but wants to use the visitor center continuously until she can find another place. The use of the fire hall was briefly discussed. Stephen said it is only used by non-profit organizations. John Langs thinks she has a great idea but is concerned about tying up the visitor center each Monday. He asked what her flexibility would be. She likes the centralized area but said some groups don't want to use a church for the classes. She is looking at the second and fourth Mondays of each month. Mayor Anderson asked that Amy list out her request in writing and bring it to council for the next meeting.

Brent Brown spoke about the upcoming Swish Tournament. He said good progress has been made concerning the tournament. He said about \$20,000 has been raised for the event. The entry deadline is July 15, 2008 for \$80.00 and then the entry fee goes up after that date to \$100.00. The final deadline is July 21, 2008. The tournament is being advertised on the radio, on website, and Spokane papers. The hoops are here. There are twenty back to back. He said the streets are mapped out for council review. Brent discussed the area needed for the tournament and said the other streets will remain open for traffic. He asked if they could cone off the areas needed for the tournament. There are a couple large tents that will be available for

beverage sales and to keep track of the brackets and a first aid station. Brent asked about permits for other organizations that may want to be active during the Swish tournament event. He said porta potties will be in the Safeway or Mountain West Bank parking lot. He is considering food services to be located behind city hall at the Mike Neumann property. He asked if the fire department could clean off the parking lot areas. Stephen said the porta potties have been located behind the Georgia Mae Plaza for other events. There are 84 volunteers available now. Marking off the courts will be done with sidewalk chalk, stencils, and paint tape. The sheriff's work crew will be available for cleanup. He asked that the fees be waived for the Swish tournament and also for the vendors who want to join the event. Parking will be available on Sunday in the city parking lot but probably not on Saturday. Hoops will be identified by the sponsor of the hoop. Waivers will be signed by the players on the day of the event. Dave Gray thanked Brent for his work. Mayor Anderson asked about the prior expectations. Brent said there are only 10 teams signed up at this time and he is hopeful to get about sixty. Mayor Anderson asked that Brent bring in the certificate of insurance and to let the city know of the vendors.

Lee Harris said she would like to build a sculpture and needs a ten foot diameter area of space for the sculpture. The sculpture would include logging, the river, and a silo shape for farming. She said the sculpture would be 12 feet tall plus the roof. She requested a visible area for the placement of the sculpture. She said there is a nice space between the lamp posts south of the visitor center and also near the chain link fence. She said various artists have offered to assist in creating the sculpture. The fish would be made of granite, metal, or marble. She said the structure would need to be weather resistant. Lee said a copper or metal roof would work. The wood structure would match the Bonnerport building or Quality Farm. John Langs suggested that Lee speak with Stephen Boorman so it can be agendaized at the next meeting.

Mike Normandeau from Bonneville Power Administration (BPA) spoke about the regional dialogue. Mike said the regional rate case should be settled soon. BPA is offering 20 year contracts beginning in fiscal year 2012. The deadline for contract signatures is December 1st, 2008.

He spoke about wholesale power sold by BPA. A contract high water mark will be the dividing line between tier 1 and tier 2 rates. Part of the tier rates will be constructed to position BPA as a neutral provider of power needed to meet utility load above the high water mark. He said BPA needs the ability to adjust the high water mark as needs arise. Tier 2 is the flat contracted amount and it is on the bottom of the load. Tire 1 from BPA is used to meet the needs as they come about. BPA is shifting to load shaping. Stephen said our generation pretty much mirrors BPA as to when we generate the most power. When we have good generation generally BPA does too.

A final template for the BPA contract is scheduled to be received at the city by mid September to give us time if there are corrections to be made and the contract executed by December 1, 2008.

Our power plant will be noted in the contract. The contract will commence October 1, 2011 and continue for 17 years, expiring in September, 2028. Other deadlines to meet for recurring choices will be September 30, 2016 and 2021. Mike said there will be a one-time choice to change the purchase obligation by the city. He spoke about vintage rates that will be established during a rate case. He said the federal based system is at capacity and new sources need to be determined. Mike said there will be language to help cities deal with the Frazier case so they can sign a long-term contract. Dave Gray spoke of educating the public. Council thanked Mike for attending the meeting.

Deputy Police Chief Rick Alonzo gave the police report. He said there were a few DUI arrests during the rodeo event and the parade went well. Rick said the police chief was in briefly this morning.

Doug Ladely thanked council for allowing the fire department to use the fire hall for Larry Owsley's funeral service. The group commented on the nice service that was held.

Stephen said the AIC conference was very good. He said there is some draft work being done by Idaho Falls and the power cities may be asked to help participate financially to get a judicial review to address power supply contracts. Municipalities are requesting language in the contracts to help them deal with the signature of the long-term contract. Mayor Anderson said the group thought they would get the issue before the Supreme Court by February. Stephen said it is estimated to cost the city about \$6,000.

Stephen said the cleanup was done at the dam and it looks good. Stephen said John Kastelic has resigned from the fire department and the city will miss him greatly as he did a lot of administrative work. The sewer lagoon dredging is scheduled for tomorrow. The golf course handicapped parking place has been completed. The extension policy was rewritten for review at this evening's meeting. He briefly spoke regarding nuclear power plants. John Langs asked about Tamarack Lane. Stephen said the piping for the project is in the yard.

Dave Sims moved to approve the consent agenda. Connie Wells seconded the motion. The motion passed, all in favor. The consent agenda contained the following: roll call; approval of July 1, 2008 accounts payable and payrolls dated June 20, 2008 and July 3, 2008; approval of June 5, 2008 special council meeting minutes and June 17, 2008 regular council meeting minutes.

The next agenda item was the clock tower discussion. Dave Gray moved to pay the B.F. Builders bill. John Langs seconded the motion. Dave Sims abstained from the discussion due to him having a conflict of interest. The motion passed – John Langs “yes”, Dave Sims “abstained”, Connie Wells “yes”, Dave Gray “yes”.

The impact fee study contract was briefly discussed. Tim Wilson said he had not reviewed the contract. John Langs said he would like to suspend the impact fee study until we see growth

potential where we could recover the funding. Mayor Anderson said we can discuss this issue again at the first meeting in August.

There was no action or comment on annexation.

The resort tax issue was discussed. Dave Sims asked about the percentage. Dave Gray moved to propose a five percent resort tax. Dave Sims seconded the motion. The motion passed, all in favor. The group wants the first reading of the resort tax ordinance to be at the July 15, 2008 meeting.

The extension policy was discussed. David Sims said he would like to see the policy worded so that the city does not provide water and sewer services outside the city limits with the exceptions out to the golf course. This would avoid the arbitrary decision of where water and sewer is provided outside the city limits. Dave Gray agreed. Dave Sims said he does not know how to describe the area. Tim Wilson suggested drawing on a map and attaching it as an exhibit. David Sims said the service area would not be past the golf course. Stephen said we do serve Kelson that is beyond the golf course. David had no objection to including the Kelson property. The policy will be changed to meet these parameters and come back before council.

Mike Klaus spoke regarding the clarifier project. He said the meeting with DEQ went well when he and Doug Ladely attended in Coeur d'Alene. The clarifier project is going well.

Mike said the sewer lagoon dredging should begin tomorrow by the contractor.

Dave Sims asked when the clarifier project will be completed. Mike said it is his primary objective and the goal is to get the sheets to DEQ next week so it can go out to bid at the same time.

Dave Sims moved based on legal advice that we do not have the authority to trade city right of way for private property as requested by Galbraiths so we deny their request. Dave Gray seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

John Langs moved to approve the special event permit and waive the fees for the Concert in the Park for July 5, 2008. Connie Wells seconded the motion. The motion passed, all in favor.

The Riverside property lease was discussed. Stephen said he sent Riverside a letter explaining the lease and he had requested that they attend the meeting tonight. Dave Gray moved to table the issue and move it to executive session. Dave Sims seconded the motion. The motion passed, all in favor.

John Langs moved to authorize the Mayor to sign the contract amendment for phase 2 of the water project block grant with Idaho Department of Commerce. Dave Sims seconded the

motion. The motion passed – Dave Sims “yes”, John Langs “yes”, Connie Wells “yes”, Dave Gray “yes”.

John Langs moved to authorize the Mayor to sign pay request #1 for water project phase 2 block grant in the amount of \$46, 928.75. Dave Sims seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

John Langs moved to authorize the Mayor to sign the snow storage agreement with Idaho Transportation Department. Dave Sims seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”. The group thanked John Youngwirth for finding the space to store the snow.

Dave Gray moved to approve the amended plat in Marx Estates 1st Addition for Ron Smith. Dave Sims seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”.

Doug Ladely showed city council the self contained breathing apparatus’ (SCBAs) that are used at the fire department. Mayor Anderson put the new breathing apparatus on to demonstrate how it is used for the group. Doug explained to the group that the new apparatus models have a GPS unit and they cost \$5,000 with the bottle at a cost of \$1,000 plus the pack. There are lights that show in the corner of a person’s eye that tell what the air pressure is. The old models have a hose that the air comes through. The new model has an alarm that is activated if a person should go down or if it gets too hot. On the old apparatus there are many more problems. The new model is easy to put on and is safer. The model demonstrated is offered to the city at \$4,000. We had budgeted for two apparatus’ at a cost of \$10,000 but we can get three of them for \$12,000 and that is what the fire department is requesting. The GPS unit costs an additional \$1,000. Doug said the cost savings outweighs the need for the GPS because we could get more SCBAs for our money. Doug said we would have to have a mapping system for the city to use the GPS properly. There are a total of six SCBAs that we can get. The fire department would get three of them, water department would get two of them, and the sewer department would get one of them. He explained that due to chlorine that SCBAs must be housed at the sewer lagoon and the water department to meet industry standards. Doug said the old fire department SCBAs would be housed at the sewer lagoon and the water department and the new SCBAs would be held at the fire department. John Langs moved to authorize the purchase of the SCBAs for \$24,000. Dave Sims seconded the motion. The motion passed, all in favor. The weight differential is about 20 pounds between the old and new SCBAs.

The sewer master plan was discussed. The plan is coming in significantly higher than what we had anticipated. The cost was anticipated to be \$50,000 and it is coming in at \$100,000. Stephen said there will be two sides of the master plan – one for collection and the other for treatment. He said there will be considerable drafting and mapping of the system involved. Stephen said we can work on the task orders and stop at any time. David Sims asked where we

are at capacity at the lagoons. Stephen said we had about a 25 percent capacity when the Kootenai Tribe paid for the last study. He said the discharge permits are getting stricter. He said a leak test will need to be done at the lagoons in the future. David asked which tasks Stephen would recommend. The tasks one through four would be the first ones to consider. John Langs spoke about the studies the city is currently having done and asked what results we are seeing. He said the swimming pool is sitting there and the studies are not buying police cars or fixing the fire hall roof. Stephen spoke of the Hudson Study and the water master plan. Mike Klaus said a lot of applications that are submitted for projects must be backed up by the study to prove the need for the projects. Mike said the planning documents are necessary. John spoke about the profit and loss statement of the sewer fund. He questioned where the study will be paid from. Stephen said rates would have to be increased. John is concerned about the broadband study and what will become of the information. Mayor Anderson said an ounce of prevention is worth a pound of cure. He also spoke of DEQ fining the city and the prevention of regulations being violated and also grant applications and funding that we may be able to obtain by this type of study. John is not opposed to the study but he is at this time. Stephen suggested writing this cost into our rate study and speaking to JUB Engineering about upgrading the lift stations. Dave Sims inquired about the cost of building a new lift station. Mike Klaus estimated it to be about \$50,000 to \$200,000 depending on the type of lift station. North Water had a gravity feed system that fed into the city's system. South Hill Water's system has to be pumped. Doug said the main lift station that was used by South Hill near the railroad tracks needs some controls and a monitoring system. The other lift stations need to be upgraded according to Doug. Connie would like to spend the money to fix up our needs rather than using the funds for the study. Dave Sims and Dave Gray would like to use the funding on infrastructure. The sewer master plan was tabled by motion of John Langs. Connie Wells seconded the motion. The motion passed, all in favor. Mike Klaus said we have some compliance issues at the sewer lagoons and asked if in the future we could come back to council with suggestions. Mike said he would like to glean some benefits from JUB to help the city. Stephen said the cost was concerning on the sewer master plan proposal. John Langs said the master plan study proposal was too nebulous.

The group discussed a city/county joint meeting to be held. Mayor Anderson suggested inviting the Commissioners to a city council meeting and then to possibly meet with the Commissioners at one of their meetings. Stephen asked who should author the letter of invitation. Council would like the Mayor to send the letter. The group discussed the agenda format.

Stephen will speak to Jerry Mason and Nancy Stricklin about the alternate water source and an agreement to drill a test well. He will bring this back to the council for review.

The group discussed the utility billing. The billing is projected to be in-house beginning with the month of September. There will be data available to the city to use to practice with in mid-July but the actual billings will not be issued until September. We received four quotes for outsourcing the billings and those will be brought forth at the next meeting for council's review. The toll free phone number will also be transferred to the city. Dave Sims commented that the

toll free phone number will be phased out. There will also be a bill stuffer sent out to the customers.

Dave Sims moved to go into executive session per Idaho Code 67-2345 (c), (e), (f) to discuss negotiations, legal, and personnel. Connie Wells seconded the motion. The motion passed – John Langs “yes”, Dave Sims “yes”, Connie Wells “yes”, Dave Gray “yes”. At 10:06 p.m. executive session ended. No action was taken.

There being no further business the meeting adjourned at 10:06 p.m.

David K. Anderson, Mayor

Attest:

Kris Larson, City Clerk