

Mayor David Sims called the regularly scheduled council meeting of April 18, 2017 to order at 7:00 p.m. Present for the meeting were Mayor Sims, Council President Rick Alonzo, Council Members Ron Smith, Ken Toline, and Adam Arthur, Clerk Kris Larson, City Administrator Mike Klaus, City Attorney Andrakay Pluid, Police Chief Vic Watson, Fire Chief Dave Winey, and Economic Development Coordinator Dennis Weed. Also present were Dave Gray, Marty Martinez, Marcia Cossette, Ben Harris, Sheila Harris, Mike Listman, Rita Pensmith, and Owen Plato.

Michael Keith from Piper Jaffray spoke to the group regarding bond refinancing for the City. Piper Jaffray was the underwriter for the bonds. Interest rates have been volatile since 2007, but Michael said a big spike in interest rates took place after the Presidential Election. Bonners Ferry refinanced three USDA Rural Development bonds and also the electric revenue bond. The old bond interest rates were over four percent. We could not exceed the maturity of the old bonds so there was structuring that took place to make this work. A bond refinancing must show a positive savings and we cannot exceed the amount outstanding. The water refinancing present value savings was \$155,445. The electric refinancing present value savings were \$72,008. The City now has loan agreements with the Idaho Bond Bank Authority. The Bond Bank pledges sales tax to get the Aa1 bond rating. If the City should default on the loan payments the Bond Bank would take the City's sales tax. Michael said a positive change occurred during this bond issuance, and the City showed a good case for refinancing federal debt so it was approved. He said we now have parity debt so if we need to take on more debt in the future we must consider the covenants associated with the Bond Bank loans. The water loans require a reserve of \$17,705 per year but should be fully funded by the end of 2021. The electric fund reserve requirements are waived as long as the coverage requirement is maintained above 1.5 times. Michael said there are penalties associated with the requirements not being met. The annual audit is due by the end of March each year.

Michael left the meeting.

Mike Listman spoke to council. He said there are no cameras here because shortly after the last council meeting the Translator Board repossessed the equipment and shut the program down. He said they have been given no reason why this has taken place. They don't know if their intent is to bring it back or abandon it altogether. Mike has no idea if the filming will be continuing. Owen said they will not be filming the Distinguished Women of the Year event.

Police Chief Vic Watson said for the period of April 5 through April 18, 2017 there have been four DUI arrests, on trafficking heroin and meth, one petit theft, two driving without privileges, one medical assist, two disturbing the peace, two mental subjects, three agency assists, one unlawful entry, one civil standby, one vehicle accident, one abandoned vehicle, one hit and run, one battery, one attended death, one unattended death, and one fuel drive off. Yesterday Michael Martinez started as School Resource Officer.

Fire Chief Dave Winey said since the last council meeting there have been five calls consisting of two medical assists, one suspected hazmat call at the Post Office, one odor call, and one false alarm at the Hospital.

City Administrator Mike Klaus gave his report. He presented a power point for the group. Mike said the new water well was tested. It was found after 20 hour of pumping that the water was clear, iron detect was low, no detect of arsenic, and calcium was low. Mike thinks the well water is better than other locations in the county. Council sampled the well water. Mike said there are other tests that will be done. The water is coming from 100 feet down, and no bacteria was found nor was there coliforms. Our purchase agreement is up in May. Mike said there is a list of things that need to be done before the well is online, estimating the cost of about \$200,000. Mike said there is some sloughing and cracking on the bank of the river just north of the parking lot on the dike. He sees that we need some help from with dike repair before hitting flood stage. Mayor Sims said our dikes are in the PL84 99 Program. We cover routine maintenance and the Corps covers maintenance if we are not in a flood at a cost share of 70 to 30. If the Corps has to come out and flood fight there is no match. He is not sure if we will qualify for advanced measure funding. Mike said we filled out FEMA paperwork for the mudslides. Mayor Sims said the County had quite a few claims to submit to FEMA. Mike said the well is the best source he has seen in the County. Mayor Sims thanked Mike for his work on the well.

Dennis Weed spoke about the County regional sewer plan. He said Department of Environmental Quality (DEQ) is funding the study 50 percent, and Dennis is working with Panhandle Area Council (PAC) on USDA funding for another 30 percent. A GEM Grant will be applied for the remaining 20 percent of the cost. Dennis said the study should commence after July 1st. He said Boise State University (BSU) will have a report within the next week or so regarding the Visitor Center Capstone Project. Students were here for a day meeting with the stakeholders and went back to Boise and updated their plan. They are trying to get a student from North Idaho College to intern for us during the summer to update the visitor center tourism website and sync it with the economic development website. He said 90 percent of travelers either use their phone, iPad, or laptop to get travel information. The Business Center will open in the June/July timeframe. Dennis said a couple bought the old First Security Bank building where the optometrist was and turned it into a business center. It will have video conferencing capabilities and eight or nine offices for either full-time tenants or part-time tenants. The renovations are top notch. The Far North Deli is shutting down the end of the month, and Soulshine has sold so it will change hands for the tourist season.

Mike Listman, Rita Pensmith and Owen Plato left the meeting.

Mike showed a power point of the dike north of City Hall. He said there is cracking on the top of the dike. He said the Corps recommends getting the grass off the dikes to help keep the dike from sloughing when the water rises and lowers. The next slide was of the test well on Dakota Street.

Rick Alonzo moved to add the late agenda item to hire Jake Leuty for Mapper/Meter Reader position. Ken Toline seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

Ron Smith moved to approve the consent agenda. Adam seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”. The

consent agenda contained the following: roll call; approval of accounts payable and payroll; approval of March 21, 2017 council meeting minutes; approval of April 4, 2017 council meeting minutes; and approval of April 11, 2017 special council meeting minutes.

Mayor Sims said the revised Farmers Market Space rental agreement has the fee corrected to be \$500 per year including \$100 for signs and the clarification of electricity use. Adam Arthur moved to authorize the Mayor to sign the Farmers Market revised space rental agreement. Ken Toline seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

Andrakay spoke regarding the Fixed Asset Policy amendment concerning bidding requirements so that the policy follows Idaho Code. Rick Alonzo moved to adopt the fixed asset policy as amended. Adam Arthur seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

The group reviewed the new zoning map on the power point. Adam Arthur moved to suspend the rules and have the second and third reading of the ordinance adopting the official zoning map by title only. Rick Alonzo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”. Andrakay read the title of the ordinance adopting the official zoning map. Rick Alonzo moved to adopt Ordinance 563 Official Zoning Map. Ron Smith seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

Ron Smith moved to suspend the rules and have the second and third reading by title only of the ordinance adopting an amendment to City Code for nonconforming structures and daycares. Rick Alonzo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”. Andrakay read the title of the ordinance amending City Code for nonconforming structures and daycares. Adam Arthur moved to adopt Ordinance 564 Amending City Code Chapter 11 for Nonconforming Structures and Daycares. Ron Smith seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

Mike spoke to council regarding the surveying equipment needed at the Dam. He would like to see some survey monuments put on the Dam as well as two off the Dam so we can measure and reference any potential movement to the rest of the world. He is proposing to buy a total station survey equipment so he or someone else, if necessary, can get horizontal and vertical movement of the Dam. Mike drew a sample on the white board for the group to review the plan he has. The material below the current surveying monument has changed so our monument has settled. FERC has approved Mike’s plan. He is asking to spend up to \$5,000 for surveying equipment. This equipment will be much more precise according to the Mayor. The previous instruments used did not belong to the City. Rick Alonzo moved to approve the purchase of surveying equipment at a cost up to \$5,000. Ken Toline seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

Mike said the scope of work in the Retriever Services contract has changed to include training of City staff to complete meter reading and training time will be paid at an hourly rate shown in the

contract. The contract amendment goes through August 31, 2016. Adam Arthur moved to authorize the Mayor to sign the Addendum to the Retriever Services Contract. Rick Alonzo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

The City Code regarding the Traffic Safety Committee was reviewed. Mayor Sims told council to review the Code and give suggested changes to Mike or Vic and we will come forth with a policy change. Vic said many traffic safety committee meetings are related to planning and zoning issues. He likes having Lisa at the meetings for her expertise. Mayor Sims said he had to sit out of the last committee meeting as they were discussing a quasi-judicial matter.

The group discussed advertising for the summer parks employee. The estimated budget for this is \$8,000. Mike thinks we will be spending more in the future due to the Highway 95 project. Mayor Sims is thinking of asking the Urban Renewal Agency to help pay the maintenance costs for the sidewalks. Rick Alonzo moved to advertise for a summer parks employee. Ken Toline seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

Mike said we interviewed for the mapper/meter reader position yesterday and had two very competent, qualified people. The person we are considering is Jake Leuty. He has experience working for a city in North Dakota and is a proficient drafter and mapper. Mayor Sims said he has family here and wants to move back to the area. The group reviewed some of the maps Jake brought to the interview. Mayor Sims said Jake is the go to person where he works now for computer issues. Ken Toline moved to approve the hire of Jake Leuty for mapper/meter reader at \$23 per hour. Adam Arthur seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Ken Toline “yes”, Adam Arthur “yes”.

The meeting adjourned at 8:21 p.m.

David Sims, Mayor

Attest:

Kris Larson, City Clerk