

Welcome to tonight's City Council meeting!

The elected officials of the City of Bonners Ferry are appreciative of an involved constituency. Testimony from the public is encouraged concerning issues when addressed under the Public Hearing portion of the agenda. Any individual who wishes may address the council on any issue, whether on the agenda or not, during the Public Comments period. Normal business will preclude public participation during the business portion of the meeting with the discretion left to the Mayor and Council.

Vision Statement

Bonners Ferry, "The Friendliest City", strives to achieve balanced growth, builds on community strengths, respects natural resources, promotes excellence in Government, and values quality of life.

AGENDA CITY COUNCIL MEETING Bonners Ferry City Hall 7232 Main Street 267-3105 October 4, 2016 7:00 p.m.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Each speaker will be allowed a maximum of five minutes, unless repeat testimony is requested by the Mayor/Council

GUESTS

Necia Maiani—Cassia Water Tank Discussion and Project Close Out
Boundary Community Hospital – Levy Discussion

REPORTS

Police/Fire/City Administrator/Economic Development Coordinator/Urban Renewal District

CONSENT AGENDA

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Treasurer's Report

OLD BUSINESS

NEW BUSINESS

4. Water – Approve Final Pay Request to S&L Underground for Cassia Tank Project (attachment)
5. City – First Reading of Ordinance Repealing Ordinance Number 369 (attachment)
6. City – Consider Waiving of Reading Rules and Adoption of Ordinance Repealing Ordinance Number 369
7. Fire – Consider Hiring Tyson Bennett, Jake Porter, Andre Rosengrant, and Jesse Williams as Firefighters
8. Water/Sewer/Electric – Discuss Amendments to Billing Policy and Facility Extension Policy (attachment)
9. Water/Sewer/Electric – Consider Adoption of Amendments to Billing Policy and Facility Extension Policy by Resolution (attachment)
10. Planning and Zoning—Discuss Minor Subdivision Ordinance (attachment)
11. City – Authorize Mayor to Sign Contract Amendment for Contract with Lisa Airport (attachment)
12. City – Authorize City Administration to Solicit Proposals for IT Work
13. City – Discuss Avista Natural Gas Franchise (attachment)

EXECUTIVE SESSION PURSUANT TO IDAHO CODE 74-206, SUBSECTION 1

- (a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general;
- (b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against a public officer, employee, staff member or individual agent, or public school student;
- (c) To acquire an interest in real property which is not owned by a public agency;
- (d) To consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code;
- (e) To consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations;
- (f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. The mere presence of legal counsel at an executive session does not satisfy this requirement;
- (g) By the commission of pardons and parole, as provided by law;
- (h) By the custody review board of the Idaho department of juvenile corrections, as provided by law;
- (i) To engage in communications with a representative of the public agency's risk manager or insurance provider to discuss the adjustment of a pending claim or prevention of a claim imminently likely to be filed. The mere presence of a representative of the public agency's risk manager or insurance provider at an executive session does not satisfy this requirement; or
- (j) To consider labor contract matters authorized under section 67-2345A [74-206A] (1) (a) and (b), Idaho Code.

ADJOURNMENT

INFORMATION


**CITY OF BONNERS FERRY
BONNERS FERRY CASSIA STORAGE TANK
CONTRACTOR PARTIAL PAYMENT REQUEST**

Owner: City of Bonners Ferry				Contractor: S&L Underground Inc.	
Period of Request:		06/16/16 to 07/11/16	Pay Request Number:		7
			Date of Pay Request:		6/16/2016
CHANGE ORDER SUMMARY				PAYMENT REQUEST SUMMARY*	
No.	Approved	Additions	Deductions	1. Original Contract	\$ 1,088,020.00
				2. Change Orders	\$ -
				3. Revised Contract Amount	\$ 1,088,020.00
				4. Work Completed	\$ 1,086,500.00
				5. Stockpiled Materials	N/A
				6. Retainage (5%)	\$ (54,325.00)
				7. Previous Payments	\$ (1,016,215.00)
				8. Amount Due (4+5-6-7)	\$ 15,960.00
Totals		\$ -	\$ -	*Detailed breakdown attached.	
Net Change		\$ -	\$ -	% of Contract Amount Earned	100%
CONTRACT TIMES					
Calendar Dates			Number of Calendar Days		
Starting Date	10/26/15	Substantial Completion	249		
Substantial Completion Date	07/01/16	Ready for Final Payment	10		
Ready For Final Payment	07/11/16	Change Order Days			
% of Contract Days Expired	100%	Total Calendar Days	259		


CONTRACTOR's Certification

The undersigned CONTRACTOR certifies that: (1) all previous progress payments received from OWNER on account of Work done under this Contract have been applied to discharge in full all obligations of CONTRACTOR incurred in connection with Work covered by prior Contractor Partial Payment Requests numbered 1 through 5 inclusive; (2) title to all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Partial Payment Request will pass to OWNER at time of payment free and clear of all liens, claims, security interest and encumbrances (except such as are covered by Bond acceptable to OWNER indemnifying OWNER against any such lien, claim, security interest or encumbrance); and (3) all Work covered by the Partial Payment Request is in accordance with the Contract Documents and not defective as that term is defined in the Contract Documents.

PROPOSED BY CONTRACTOR:
S&L Underground Inc.

By: 
Date: 9-28-16

RECOMMENDED BY ENGINEER
Welch, Comer & Associates, Inc.

By: 
Date: 9/27/16

APPROVED BY OWNER:
City of Bonners Ferry

By: _____
Date: _____

CHANGE ORDER NO. 1

PROJECT: Bonners Ferry Cassia Storage Tank
DATE OF ISSUANCE: 09/27/2016

STATE: Idaho
EFFECTIVE DATE: 09/27/2016

OWNER: City of Bonners Ferry, PO Box 149, Bonners Ferry, ID 83805
CONTRACTOR: S&L Underground Inc., PO Box 1952, Bonners Ferry, ID 83805
ENGINEER: Welch, Comer & Associates, Inc. 350 E. Kathleen Avenue, Coeur d'Alene, Idaho 83815

You are directed to make the following changes in the Contract Documents:

(supplemental plans and specifications attached)

Item Description	Change in Price	Change in Time
Item #1 - Adjusted Balancing contract amount to actual in-place quantities	(\$1,520.00)	0

JUSTIFICATION:

SEE ATTACHED CHANGE SUPPORT SHEET

CHANGE IN CONTRACT PRICE:		CHANGE IN CONTRACT TIMES (days or dates):	
Original Contract Price:		Original Contract Times	
Base Bid	\$ 797,020.00	Substantial Completion:	07/01/16
Add Alternates	\$ 291,000.00	Ready for Final Payment:	07/11/16
Total Original Contract Price			
	\$ 1,088,020.00		
Previous Change Orders		Previous Change Orders	
Change Order No. ____	\$ -	Change Order No. ____	_____
Change Order No. ____	\$ -	Change Order No. ____	_____
Change Order No. ____	\$ -	Change Order No. ____	_____
Net Changes from Previous Change Orders		Net Changes from Previous Change Orders	
	\$ -		0
Contract Price prior to this Change Order		Contract Times prior to this Change Order	
	\$ 1,088,020.00	Substantial Completion:	07/01/16
		Ready for Final Payment:	07/11/16
Net Increase/Decrease of Alternates		Net Increase/Decrease of this Change Order	
	\$ -		0
Net Increase/Decrease of Change Order Items			
	\$ (1,520.00)		
Net Total Change Order Amount			
	\$ (1,520.00)		
Contract Price with all approved Change Orders		Contract Times with all approved Change Orders	
	\$ 1,086,500.00	Substantial Completion:	07/01/16
		Ready for Final Payment:	07/11/16

This document will become a supplement to the contract and all provisions will apply hereto.

RECOMMENDED (Engineer):

By: 

Name/Title: Necia Malani, P.E., Project Engineer

Date: 9/27/16

APPROVED (Owner):

By: _____

Name/Title: Mike Klaus, City Administrator

Date: _____

ACCEPTED (Contractor):

By: 

Name/Title: Shem Johnson, President

Date: 9/27/16

CONTRACT CHANGE ORDER NO. 1

TO

BONNERS FERRY CASSIA STORAGE TANK

Item #1 - Adjusted Balancing contract amount to actual in-place quantities

Description

The purpose of this change order item is to adjust the contract amount to reflect the actual documented installed quantities by the Contractor. The original contract amount is the bid quantities plus any change order quantities that were added during the course of the contract.

To determine the amount of this change order item, subtract the contract quantities from the actual in-place quantities. Please refer to the spreadsheet below.

Certification

The parties to the contract do hereby agree that the actual in-place quantities and contract amount shown below represents a full and final accounting for all work and materials provided by the Contractor to the Owner during the course of the project.

TOTAL NET CHANGE (\$1,520.00)

BALANCING CONTRACT CHANGE ORDER

TO DOCUMENT ACTUAL IN-PLACE QUANTITIES

Pay Item	Description	Pay Unit	Unit Price	CONTRACT AMOUNT			ACTUAL IN-PLACE		DIFFERENCE		
				Orig. Qty	CO Qty	Total Qty	Total	Quantity	Total	Quantity	Total
015050.01	Mobilization	LS	\$ 110,000.00	1.00	-	1.00	\$110,000.00	1.00	\$110,000.00	0.00	\$0.00
015713.04	Site Control	LS	\$ 10,000.00	1.00	-	1.00	\$10,000.00	1.00	\$10,000.00	0.00	\$0.00
015713.05	Silt Fence	LF	\$ 6.00	170.00	-	170.00	\$1,020.00	170.00	\$1,020.00	0.00	\$0.00
015713.2	Erosion Control Blanket	SY	\$ 8.00	700.00	-	700.00	\$5,600.00	700.00	\$5,600.00	0.00	\$0.00
015813.01	Signage	LS	\$ 1,400.00	1.00	-	1.00	\$1,400.00	1.00	\$1,400.00	0.00	\$0.00
24100.23	Remove Existing Tank Structure	LS	\$ 25,000.00	1.00	-	1.00	\$25,000.00	1.00	\$25,000.00	0.00	\$0.00
310916.21	Pile Load Tests	EA	\$ 25,000.00	1.00	-	1.00	\$25,000.00	1.00	\$25,000.00	0.00	\$0.00
311000.01	Clearing and Grubbing	LS	\$ 15,000.00	1.00	-	1.00	\$15,000.00	1.00	\$15,000.00	0.00	\$0.00
312200.01	Site Restoration	LS	\$ 10,000.00	1.00	-	1.00	\$10,000.00	1.00	\$10,000.00	0.00	\$0.00
31231613.03	Exploratory Excavation	HR	\$ 200.00	8.00	-	8.00	\$1,600.00	6.00	\$1,200.00	(2.00)	(\$400.00)
312323.08	Type A3 - 3/4" minus Crushed Aggregate	CY	\$ 36.00	50.00	-	50.00	\$1,800.00	50.00	\$1,800.00	0.00	\$0.00
323113.01	Fence	LS	\$ 5,000.00	1.00	-	1.00	\$5,000.00	1.00	\$5,000.00	0.00	\$0.00
329219.02	Hydroseeding	SY	\$ 3.00	1,100.00	-	1,100.00	\$3,300.00	1,100.00	\$3,300.00	0.00	\$0.00
331116.09	8-inch AWWA C900 DR-18 Water Line	LF	\$ 110.00	40.00	-	40.00	\$4,400.00	64.00	\$7,040.00	24.00	\$2,640.00
331116.14	8-Inch Drain Line Extension to Daylight	LS	\$ 5,000.00	1.00	-	1.00	\$5,000.00	1.00	\$5,000.00	0.00	\$0.00
331116.15	16-Inch Ductile Iron Water Line	LF	\$ 180.00	420.00	-	420.00	\$75,600.00	424.00	\$76,320.00	4.00	\$720.00
331116.16	12-Inch Ductile Iron Water Line	LF	\$ 160.00	40.00	-	40.00	\$6,400.00	12.00	\$1,920.00	(28.00)	(\$4,480.00)
331116.3	12-Inch AWWA C515 Resilient Seated Gate Valve	EA	\$ 2,800.00	1.00	-	1.00	\$2,800.00	1.00	\$2,800.00	0.00	\$0.00
331116.23	16-Inch AWWA Butterfly Valve	EA	\$ 3,500.00	3.00	-	3.00	\$10,500.00	3.00	\$10,500.00	0.00	\$0.00
331116.27	Relocate Existing 16" Butterfly Valve	EA	\$ 1,500.00	1.00	-	1.00	\$1,500.00	1.00	\$1,500.00	0.00	\$0.00
331116.32	8-inch AWWA C515 Resilient Seated Gate Valve	EA	\$ 1,600.00	1.00	-	1.00	\$1,600.00	1.00	\$1,600.00	0.00	\$0.00
331116.46	Tie Into 8" Waterline (Tie in 3)	EA	\$ 2,500.00	1.00	-	1.00	\$2,500.00	1.00	\$2,500.00	0.00	\$0.00
331116.48	Tie Into 12" Waterline (Tie in 2)	EA	\$ 4,000.00	1.00	-	1.00	\$4,000.00	1.00	\$4,000.00	0.00	\$0.00

TOTAL PROJECT

Welch, Corner & Associates, Inc.

Page 3

Item	Description	Unit	Price	Orig. Qty	CO Qty	Total Qty	Total	Quantity	Total	Quantity	Total
331116.49	Tie Into 16" Waterline (Tie in 1)	EA	\$ 15,000.00	1.00	-	1.00	\$15,000.00	1.00	\$15,000.00	0.00	\$0.00
331116.55	Cap and Abandon Existing Waterline	EA	\$ 1,000.00	3.00	-	3.00	\$3,000.00	3.00	\$3,000.00	0.00	\$0.00
331613.01	Cast-in-Place Concrete Storage Tank	LS	\$ 450,000.00	1.00	-	1.00	\$450,000.00	1.00	\$450,000.00	0.00	\$0.00
ADD ALT NO. 1 CHECK VALVE VAULT											
33 1116.90	Check Valve Station	LS	\$ 12,000.00	1.00	-	1.00	\$12,000.00	1.00	\$12,000.00	0.00	\$0.00
ADD ALT NO. 2 CAST IN PLACE ROOF SYSTEM											
331613.02	Cast-in-Place Roof System	LS	\$ 90,000.00	1.00	-	1.00	\$90,000.00	1.00	\$90,000.00	0.00	\$0.00
316316	Auguer Cast Grout Piles	LF	\$ 150.00	1,260.00	-	1260.00	\$189,000.00	1260.00	\$189,000.00	0.00	\$0.00
							\$1,088,020.00		\$1,088,020.00		(\$1,520.00)

**CITY OF BONNERS FERRY
BONNERS FERRY CASSIA STORAGE TANK
CONTRACTOR FINAL PAYMENT REQUEST**

Owner: City of Bonners Ferry				Contractor: S&L Underground Inc.	
Period of Request:		06/16/16	Pay Request Number:		8
		to 07/11/16	Date of Pay Request:		9/28/2016
CHANGE ORDER SUMMARY				PAYMENT REQUEST SUMMARY*	
No.	Approved	Additions	Deductions	1. Original Contract	\$ 1,088,020.00
CO-1	Yes		\$(1,520.00)	2. Change Orders	\$ (1,520.00)
				3. Revised Contract Amount	\$ 1,086,500.00
				4. Work Completed	\$ 1,086,500.00
				5. Stockpiled Materials	N/A
				6. Retainage (5%)	\$ -
				7. Previous Payments	\$ (1,032,175.00)
				8. Amount Due (4+5-6-7)	\$ 54,325.00
Totals		\$ -	\$(1,520.00)	*Detailed breakdown attached.	
Net Change			\$(1,520.00)	% of Contract Amount Earned	100%
CONTRACT TIMES					
Calendar Dates			Number of Calendar Days		
Starting Date		10/26/15	Substantial Completion		249
Substantial Completion Date		07/01/16	Ready for Final Payment		10
Ready For Final Payment		07/11/16	Change Order Days		
% of Contract Days Expired		100%	Total Calendar Days		259

CONTRACTOR'S Certification

The Parties to the contract do hereby agree that the quantities and contract amount shown represents a full and final accounting for all work and materials provided by the Contractor to the Owner during the course of the project.

PROPOSED BY CONTRACTOR:

S&L Underground Inc.

By: 

Date: 9-28-16

RECOMMENDED BY ENGINEER

Welch, Comer & Associates, Inc.

By: 

Date: 9/28/16

APPROVED BY OWNER:

City of Bonners Ferry

By: _____

Date: _____

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BONNERS FERRY, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, REPEALING BONNERS FERRY CITY ORDINANCE NUMBER 369; PROVIDING THAT THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT FROM AND AFTER ITS PASSAGE, APPROVAL AND PUBLICATION ACCORDING TO LAW.

WHEREAS, the Mayor and City Council have determined that Ordinance Number 369 is invalid and thus should be repealed.

NOW THEREFORE, Be it ordained by the Mayor and the Council of the City of Bonners Ferry, Idaho, as follows:

Section 1: That Bonners Ferry City Ordinance Number 369 is hereby repealed.

Section 2: EFFECTIVE DATE: This ordinance shall be effective upon its passage and publication in the manner provided by law.

APPROVED by the Mayor and City Council of the City of Bonners Ferry this _____ day of _____, 2016.

CITY OF BONNERS FERRY, IDAHO

BY: _____
Mayor

Attest:

Clerk, City of Bonners Ferry

POLICY IV.B BILLING AND COLLECTIONS

A. NEW ACCOUNTS

1. NEW CUSTOMERS: Must request service by written application for utility service and pay required fees and deposits as identified in the Fee Resolution as adopted by the Bonners Ferry City Council and listed in Appendix A. Appendix A.
2. NEW SERVICES: If a service connection does not exist, the customer must request a facilities extension and also pay amounts as defined in the City's Facility Extension policy IV.C.

B. SECURITY DEPOSITS

1. REQUIREMENTS: Required for all new residential electrical accounts unless a letter of payment history is provided. Required for all new commercial and industrial accounts.
2. AMOUNT: See Fee Resolution as adopted by the Bonners Ferry City Council and listed in Appendix A. Appendix A.
3. LETTER OF PAYMENT HISTORY: The security deposit will be waived on residential accounts if the customer has the previous 12 months consistent on-time full payment history with the City or can document the previous 12 months consistent on-time full payment history with another utility by correspondence on utility letterhead. This letter must show historic payment obligation for like sized account.
4. DUE DATE: The deposit will be collected at the time of application. If payment arrangement is needed on the deposit, a minimum of fifty percent of the deposit amount will be collected at the time of application and the remaining amount by the due date of the first billing cycle on the account.
5. DEPOSIT REFUNDS: The City will credit the deposits to the customer's account only when requested after 12 months of consistent on-time full payment history or when the account is closed.
6. INTEREST: Will not be paid on security deposits.
7. BANKRUPTCY: If a customer has previously declared bankruptcy while a utility customer of the City of Bonners Ferry, the security deposit required shall double. Additionally, the deposit shall not be refunded to the account until there has been 24 months of consistent on-time full payment history or when the account is closed.

C. BILLING POLICY

1. DUE DATE: Payment shall be due and payable by the date printed on the bill.
2. RATES: Billing rates are as adopted by the Bonners Ferry City Council, and as defined in Appendix B for Electrical, Appendix C for Water, Appendix D for Sewer and Appendix E for Garbage. If billing rate discrepancies exist between this policy the latest City Fee Resolution, the latest Fee Resolution will be applied.
3. If an error is found in billing or a mechanical meter malfunction is found, the billing will be corrected retroactively for up to a three year period.

D. COLLECTION BILL PAYMENT PROCESS

1. Bill mailed and due 14 days later

POLICY IV.B
BILLING AND COLLECTIONS

2. On the 15th day a Reminder Letter is mailed if there is a past due (30 day) balance over \$100 letting the customer know it must be paid within five days or an satisfactory arrangement for payment is made.
3. ~~An collection~~ order to disconnect service is then generated if the balance is not paid or satisfactory arrangement for payment made within the five day period from the date the Reminder Letter is mailed. ~~and a A~~ door hanger fee will be charged.
4. A customer can delay termination of service for an additional thirty (30) days from scheduled disconnect date by obtaining a certificate from a doctor or public health official stating that a medical emergency would exist or a medical condition would be aggravated if the service is turned off. Payment arrangements must be made before the thirty day window expires. The certificate must be signed by the person diagnosing the medical condition and must name the person affected.

E. CONNECT AND DISCONNECT POLICY

1. CHARGES: Connect and disconnect charges will be made for all connects and disconnects at the rates shown in Appendix A.
2. DISCONNECT REASONS: The City will, with notice and reasonable time for compliance, disconnect services for the following reasons:
 - a. Violation of and/or noncompliance with any applicable Federal, State or other local laws, regulations and codes.
 - b. Discovery of meter tampering.
 - c. Any reason stated in E3.
 - d. Other appropriate circumstances.
3. IMMEDIATE DISCONNECT REASONS: The City may immediately and without notice disconnect services for the following reasons:
 - a. Nonpayment of City utility bills.
 - b. Diversion or unauthorized use of City utility services.
 - c. Discovery of a condition determined by the City to be hazardous.
 - d. Other appropriate circumstances.
4. DELINQUENT ACCOUNTS:
 - a. A “Door Hanger Charge” will be required each time City personnel are required to make a personal visit to the premises for the purposes of collections on a delinquent account. The customer will be charged as identified in the Fee Resolution as adopted by the Bonners Ferry City Council and listed in Appendix A. Appendix A.
 - b. Delinquent accounts shall be disconnected after receipt of disconnect notice unless suitable payment arrangements have been made with the City.
 - c. Account holder shall have the right to a hearing before the Utility Grievance Board in order to show cause why the service should not be disconnected. Account holder shall be responsible for scheduling and participating in the hearing prior to the scheduled date of disconnect. The Utility Grievance Board shall be composed of one staff member from the Utility Billing

POLICY IV.B BILLING AND COLLECTIONS

Department (typically the billing supervisor) and a staff member from City Administration (typically the City Administrator).

d. Accounts shall not be reconnected until the connect charges, disconnect charges, arrears, amount owed up through the reading taken on the day of disconnection, and any new required deposits have been paid in full or a ~~suitable~~ payment arrangement with the City has been made.

5. ~~FINANCE CHARGES: Finance charges of 12% per annum will be added to balances over 45 days old at the City's discretion.~~

5. RECONNECT REQUIREMENTS: After a service has been disconnected by customer request or for non-payment, the City, ~~may at its discretion,~~ shall require ~~any the~~ service to be brought up to ~~current State and National Code requirements and~~ City standards before reconnection.

#5 Alternate: REQUIREMENT TO MEET CITY ELECTRIC STANDARDS: Electric service must be brought to City Electric Department standards within 60 days of purchase of property.

a. DISCONNECT FOR MAINTENANCE AND CONVENIENCE: By request of the customer and when it is convenient to the City; the City will provide routine off-on service to its customers during normal working hours at no cost to the customer. If such service becomes excessive, generally more than two hours of labor per year or outside of normal working hours, the City may charge for such service. The charge will be the actual labor cost expended for such service.

F. CLOSED ACCOUNTS

1. PROCESS:

- a. Customer must complete a request to discontinue utility services form.
- b. The customer receives a closing bill that is due 14 days later. Customer continues to be billed until account is paid or turned over to collection agency.

G. COLLECTION POLICY FOR CLOSED ACCOUNTS

1. PROCESS:

- a. Closing bill mailed (due 14 days later)
- b. Final collection notice mailed 30 days before sending to Credit Bureau
- c. City of Bonners Ferry will file a lien for the unpaid balance. ~~has lien authority per Ordinance 369~~

H. RETIRED ACCOUNTS

1. AN ACCOUNT WILL BE RETIRED UNDER THE FOLLOWING CIRCUMSTANCES

- a. Written request by the property owner.
- ~~b. If there has not been usage or payment for more than one year.~~
- ~~c. If the service location is foreclosed on or bankruptcy is declared and there is an unpaid balance.~~

POLICY IV.B
BILLING AND COLLECTIONS

2. REQUEST FOR SERVICE AT A LOCATION FROM WHICH A SERVICE HAD BEEN RETIRED

- a. The new service will be installed per the Extension Policy 4C

I. PROJECT SHARE

- a. Funds remain in Boundary County to assist local customers.
- b. Boundary County Community Action Agency
PO Box 627
Bonners Ferry, ID 83805
(208)267-3663
- c. Any refund of \$2.50 or less will be donated to Project Share.

~~J. PAYMENT ARRANGEMENTS PROVISION~~

- ~~1. PAYMENT ARRANGEMENTS: Are made when extension of credit for a fixed time or arrangement for installation payment of the bill will not restrict the City from its ability for final collection of the bill.~~
- ~~2. APPROVAL: All payment arrangements must be approved by the City Clerk or the City Administrator.~~

K. NON-SUFFICIENT FUND (NSF) CHECK POLICY

- 1. When the City receives a bad check the receipt is cancelled from accounts receivable and the customer is charged a bad check fee. ~~If the check is for a deposit or connection fee it should be given to the City Clerk immediately.~~
- 2. NOTIFICATION: The Clerk will attempt to contact the party to inform them of the NSF check to make arrangements for alternate payment method or to redeposit the check.
- 3. NSF ACTION:
 - a. The customer will be charged a bad check fee each time a check is deemed NSF.
 - b. The City Clerk will advise the Police Department of the NSF check when appropriate.

L. COMFORT LEVEL BILLING PLAN OR BUDGET PLAN

- 1. CUSTOMER REQUIREMENTS: Customer must have 12 months of complete timely payment history with the City before they can participate in the comfort level billing plan or budget plan.
- 2. EXPLANATION: Comfort Level Billing charges are based on a rolling average of the previous 12 months usage. Budget Plan is an equalized payment method based on the prior 12 months billing history. Is a monthly billing plan that levelizes the customer's charges throughout the year. Payment is based on a rolling average of the previous 12 months usage.

M. LANDLORD/RENTAL DWELLING POLICY

- 1. PURPOSE: It is the City's goal with regard to rental dwelling units to avoid connects and disconnects to the greatest extent possible.
- 2. TRANSFER OF SERVICE: Upon receipt of written notice from tenant vacating a property, the utility accounts shall revert back to the landlord's name unless requested otherwise by landlord.

POLICY IV.B
BILLING AND COLLECTIONS

3. ~~LANDLORD OPTIONS: During the interim periods when a unit is not rented, electrical service can be continued at the landlord's expense at their written request if all accounts for that service are current. Water, sewer, and garbage are charged at all times.~~
4. ~~TENANT'S LIABILITY: If the service is placed in the landlord's name and the tenant has outstanding utility bills, the tenant may be subject to the collection process. The services will not be placed in the landlords name if the establishment is still occupied by a tenant who is delinquent in their utility bills.~~

N. METER READING

1. Meters are read monthly or when a final read is necessary.

O. ESTIMATED BILLING

1. When the City is unable to gain reasonable access to a meter, the City will estimate the reading for a billing period based on the historical usage of that service.
2. When a meter fails in service the City Department Superintendent will estimate the reading for that billing period based on the historical usage of that service.

P. WATER LEAKS

1. When a major water leak is discovered on the customer's lines the City will provide bill relief under the following conditions.
 - a. Only for the billing cycle in which the leak is detected.
 - b. The leak must be external to any structures.
 - c. Not greater than ½ of the amount in excess of the normal water usage, as estimated by the City
 - d. The consumer must notify City Hall within thirty days of the billing date.
 - e. The consumer must provide a detailed explanation, in writing, of the conditions.
 - f. If the leak is caused by negligence, the City will not absorb any of the loss.

POLICY IV.B
BILLING AND COLLECTIONS
Appendix A

Schedule of Security Deposits, Connect Charges, and Disconnect Charges

A. ELECTRIC

1. Security Deposit Rates:
 - Residential \$200.00
 - Commercial/Industrial
 - Existing Service Two month average of previous customer, \$200 minimum.
 - New Service Two month average estimated by City, \$200 minimum.
2. Connect and Disconnect Rates
 - Door hanger charge \$25.00
 - Connect and Disconnect
 - During Working Hours \$30.00
 - Outside of Working Hours \$90.00

B. GARBAGE

1. Security Deposit Rates:
 - None.
2. Connect and Disconnect Rates
 - None.

C. WATER

1. Security Deposit Rates:
 - None.
2. Connect and Disconnect Rates
 - Connect and Disconnect
 - During Working Hours \$30.00
 - Outside Working Hours \$90.00

D. SEWER

1. Security Deposit Rates:
 - None.
2. Connect and Disconnect Rates
 - None.

POLICY IV.B
BILLING AND COLLECTIONS
Appendix B

Schedule of Electric Rates
 Effective 10/1/09
 Large Industrial Rate 12/1/09

	Revenue Class	Rate Schedule	Monthly Base Rate	KWH Charge	KVA Demand Charge
Residential	01	ER1PB	\$ 10.47	\$ 0.0600	\$ -
Residential	01	ER1PX	\$ 14.91	\$ 0.0600	\$ -
Interdepartmental	07	ES1PB	\$ 10.47	\$ 0.0575	
Interdepartmental	07	ES1PX	\$ 14.91	\$ 0.0575	
Interdepartmental	07	ES3PB	\$ 32.83	\$ 0.0575	
Interdepartmental	07	ES3PX	\$ 41.80	\$ 0.0575	
Interdept. w/Demand	07	EC1PB	\$ 10.47	\$ 0.0420	\$ 6.00
Interdept. w/Demand	07	EC1PX	\$ 14.91	\$ 0.0420	\$ 6.00
Interdept. w/Demand	07	EC3PB	\$ 32.83	\$ 0.0420	\$ 6.00
Interdept. w/Demand	07	EC3PX	\$ 41.80	\$ 0.0420	\$ 6.00
Pumping & Drainage	09	ES3PX	\$ 41.80	\$ 0.0575	
Pumping & Drainage	09	EC1PB	\$ 10.47	\$ 0.0485	\$ 6.00
Pumping & Drainage	09	EC1PX	\$ 14.91	\$ 0.0485	\$ 6.00
Pumping & Drainage	09	EC3PB	\$ 32.83	\$ 0.0485	\$ 6.00
Pumping & Drainage	09	EC3PX	\$ 41.80	\$ 0.0485	\$ 6.00
Self Consumed	11	ES1PB	\$ 10.47	\$ 0.0575	\$ -
Self Consumed	11	ES1PX	\$ 14.91	\$ 0.0575	\$ -
Self Consumed	11	ES3PB	\$ 32.83	\$ 0.0575	\$ -
Self Consumed	11	ES3PX	\$ 41.80	\$ 0.0575	\$ -
Self Cons. w/ Demand	11	EC1PB	\$ 10.47	\$ 0.0420	\$ 6.00
Self Cons. w/ Demand	11	EC1PX	\$ 14.91	\$ 0.0420	\$ 6.00
Self Cons. w/ Demand	11	EC3PB	\$ 32.83	\$ 0.0420	\$ 6.00
Self Cons. w/ Demand	11	EC3PX	\$ 41.80	\$ 0.0420	\$ 6.00
Small Commercial	20	ES1PB	\$ 10.47	\$ 0.0575	\$ -
Small Commercial	20	ES1PX	\$ 14.91	\$ 0.0575	\$ -
Small Commercial	20	ES3PB	\$ 32.83	\$ 0.0575	\$ -
Small Commercial	20	ES3PX	\$ 41.80	\$ 0.0575	\$ -
Large Commercial	21	EC1PB	\$ 10.47	\$ 0.0420	\$ 6.00
Large Commercial	21	EC1PX	\$ 14.91	\$ 0.0420	\$ 6.00
Large Commercial	21	EC3PB	\$ 32.83	\$ 0.0420	\$ 6.00
Large Commercial	21	EC3PX	\$ 41.80	\$ 0.0420	\$ 6.00
Secondary Industrial	31	EC3PB	\$ 32.83	\$ 0.0440	\$ 5.15
Secondary Industrial	31	EC3PX	\$ 41.80	\$ 0.0440	\$ 5.15
Primary Industrial	31	EP3PB	\$ 32.83	\$ 0.0440	\$ 4.73
Primary Industrial	31	EP3PX	\$ 41.80	\$ 0.0440	\$ 4.73

**POLICY IV.B
BILLING AND COLLECTIONS**

Large Industrial	41	EL3PX ESTREE	\$ 12,000.00	\$ 0.0260	\$ 4.37
Street Light	51	T ESECUR	\$ 4.10		
Security Light	51	E EREMO	\$ 7.48		
Remote Read Device		TE	\$ 10.00		
No Meter Access		BELN	\$ 15.00		
Fiber Optics	21	FIBER	\$ 44.20		

B = inside customers
X = outside customers

A. DEFINITIONS

1. Inside and Outside rates are determined by City Boundaries
2. Electricity usage is measured in Kilowatt Hours (KW) and Kilovolt Amps (KVA).
3. Base Charge is the account service fee independent of usage.
4. No Meter Access is any meter point that is not accessible to the City Crews or Meter Reader due to locked or lockable physical barriers.
- 5.

POLICY IV.B
BILLING AND COLLECTIONS

Appendix C

Schedule of Water Rates

Water rates effective February 2013

TYPE	CODE	BASE CHARGE	USE IN CUBIC FEET	RATE	PER
RESIDENTIAL (Minimum)	WOFF01	\$ 34.02	OFF @ CURB	N/A	
Metered					
RESIDENTIAL <1" to 1"	WR101	\$ 40.14	1000	0.01613	Cubic Foot
RESIDENTIAL 1.5"	WR1.501	\$ 73.09	1000	0.01613	Cubic Foot
FIRE LINES	WFL		FIRE ONLY	\$ 9.49	Inch
CHECK METERS	WCH	\$ 40.14			
COMMERCIAL < 1"	WC1	\$ 40.14	0-1000	0.01613	Cubic Foot
COMMERCIAL 1"	WC1	\$ 40.14	0-1000	0.01613	Cubic Foot
COMMERCIAL 1.5"	WC1.5	\$ 97.37	0-200	0.01613	Cubic Foot
COMMERCIAL 2"	WC2	\$ 125.96	0-200	0.01613	Cubic Foot
COMMERCIAL 3"	WC3	\$ 162.86	0-200	0.01613	Cubic Foot
COMMERCIAL 4"	WC4	\$ 320.54	0-200	0.01613	Cubic Foot
INDUSTRIAL < 1"	WI1	\$ 40.14	0-1000	0.01613	Cubic Foot
INDUSTRIAL 1.5"	WI1.5	\$ 97.37	0-200	0.01613	Cubic Foot
INDUSTRIAL 2"	WI2	\$ 125.96	0-200	0.01613	Cubic Foot
INDUSTRIAL 3"	WI3	\$ 162.86	0-200	0.01613	Cubic Foot
WHOLESALE 4" Meter	WW4	\$ 1,666.75		0.01613	Cubic Foot
WHOLESALE 6" Meter	WW6	\$ 3,333.50		0.01613	Cubic Foot
UNUSED SERVICE	WOFF	\$ 34.02		N/A	
NON-METERED <1"	WN1	\$ 64.77	UNLIMITED	N/A	
NON-METERED 1"	WN 1	\$ 64.77	UNLIMITED	N/A	
NON-METERED 1.5"	WN 1.5	\$ 64.77	UNLIMITED	N/A	
NON-METERED 2"	WN 2	\$ 94.86	UNLIMITED	N/A	
NON-METERED 3"	WN 3	\$ 177.86	UNLIMITED	N/A	
NON-METERED 4"	WN 4	\$ 257.03	UNLIMITED	N/A	
NON-METERED 6"	WN 6	\$ 711.46	UNLIMITED	N/A	

POLICY IV.B BILLING AND COLLECTIONS

A. DEFINITIONS

1. Inside and Outside rates are determined by City Boundaries
2. Water usage is measured in Cubic Feet. One cubic foot approximately 7.48 gallons.
3. Base Charge is the account service fee independent of usage.

B. APARTMENT BUILDINGS AND MULTIPLEXES

1. When there is one meter for multiple residential units the commercial rates are applicable.
2. When each residential unit is metered residential rates apply.
3. Charges are applicable whether the unit is occupied or unoccupied.

C. COMMERCIAL BUSINESSES WITH RESIDENTIAL DWELLING UNITS

1. Charged on the normal commercial meter rate.
2. Charges are applicable whether the unit is occupied or unoccupied.

D. BULK SALES

1. At metered hydrant – Connect and Disconnect Charge plus water rate per Cubic Foot.
2. At coin-op - \$.25 per 100 gallons.
3. Unmetered - \$50 minimum plus \$.25 per 100 gallons and \$75 account deposit.

**POLICY IV.B
BILLING AND COLLECTIONS**

Appendix D

Schedule of Sewer Rates

Sewer rates effective 10-5-10

<u>TYPE</u>	<u>CODE</u>	<u>BASE CHARGE</u>	<u>USE</u>	<u>RATE</u>	<u>PER</u>
Residential	SR01	\$ 21.00	UNLIMITED		
Interdepartmental	SC07	\$ 21.00	UNLIMITED	\$ 21.00	EDU
Wholesale		BASED ON ANNUAL CONTRACT			
Wholesale		BASED ON ANNUAL CONTRACT			
Small Commercial	SC20	\$ 21.00	UNLIMITED	\$ 21.00	EDU
Commercial	SC21	\$ 21.00	UNLIMITED	\$ 21.00	EDU
Industrial	SI31	\$ 21.00	UNLIMITED	\$ 21.00	EDU

A. EDU DEFINITION

1. An EDU is an equivalent dwelling unit.
2. For single family residences there is one EDU per residence.
3. For apartments and multiplexes each unit is considered an EDU.
4. For commercial services each 6,000 gallons of water usage is considered one EDU.

B. MISCELLANEOUS

1. The minimum charge for any commercial service is one EDU.
2. Sewer charges are applicable whether the unit is occupied or unoccupied.

C. COMMERCIAL BUSINESSES WITH RESIDENTIAL DWELLING UNITS

1. Rate is one EDU per 6,000 gallons of water usage. Minimum charge is 1 EDU per dwelling unit plus 1 EDU per business.
2. Charges are applicable whether the unit is occupied or unoccupied.

D. BULK SEWER DUMPAGE

1. A connect charge plus \$.04 per gallon.

POLICY IV.B
BILLING AND COLLECTIONS

Appendix E

Schedule of Garbage Rates

Garbage Rates Effective 12-01-05

<u>TYPE</u>	<u>CODE</u>	<u>BASE CHARGE</u>	<u>USE</u>	<u>RATE</u>	<u>PER</u>
Residential	1BGB	\$		11.25	
Commercial	N/A				

A. UNOCCUPIED RESIDENCES

1. Charges are applicable whether the unit is occupied or unoccupied.

B. APARTMENT BUILDINGS AND MULTIPLEXES

1. Can either contract directly with the garbage company or pay the residential rate for each unit.

C. COMMERCIAL BUSINESSES

Contract directly with the garbage

POLICY IV.B
BILLING AND COLLECTIONS

Appendix F

Rate Class Definitions

A. Customer Class Codes

1.
 - 01 Residential
 - 07 Self Consumed
 - 09 Pumping & Drainage
 - 11 Self Consumed
 - 20 Small Commercial
 - 21 Commercial
 - 31 Industrial
 - 51 Street Lighting

B. Residential

1. Service provided to a single family premise or accessory structure used for dwelling.
2. Service provided for other non-commercial uses

C. Commercial

1. Service provided to a premise or facility used for commercial services.
2. Service for mixed commercial and residential uses.
3. Small / Large Commercial for electric billing
 - a) Small Commercial will be for services 200Amps or less
 - b) Large Commercial will be for services of greater than 200Amps

D. Industrial Services

1. Uses of an industrial nature.
 - a) For Electric Services this is an installed capacity of over 1,000 kva (1 mva).
2. Primary Metered Services.
 - a) When a customer has the meter installed at primary voltage.
 - b) For primary metered services the customer owns all facilities past the disconnecting point. The meter may be installed upstream or downstream of the disconnect.
3. Large Industrial for electric billing
 - a) Large industrial customers shall be primary metered services of greater than 2.5mva of installed capacity.

Interdepartmental

4. Services for the City of Bonners Ferry.
5. They will be billed at the appropriate commercial rate.

POLICY IV.B
BILLING AND COLLECTIONS

E. Pumping and Drainage

1. Agricultural pumping services.

F. Street Lights

1. Lights owned by a public entity, in the public rights-of-ways, and used for public safety.

G. Security Lights

1. Area lighting for private or public entities not in the public rights-of-ways.

H. Miscellaneous Charges

1. Remote Read Device.
 - a) Charge when the meter is not accessible and a remote read device is installed. In addition the property owner must pay for the cost of installing the device.
2. No Meter Access.
 - a) Charge when the meter is not accessible during normal meter reading hours. This can be due to, but not limited to, fences, meter location, and dangerous animals.

POLICY IV.C FACILITY EXTENSION POLICY

A. GENERAL REQUIREMENTS

1. SERVICE RELIABILITY: The City does not guarantee constant or uninterrupted delivery of utility services.
2. FACILITY EXTENSION REQUIREMENTS: It shall be the determination of the City whether an extension of the system backbone is required. This applies to the extension of Primary Electrical Power, Main Water Line, and/or Main Sewer Line. Generally only City owned facilities will be placed longitudinally in public rights-of-ways and all water and sewer lines placed longitudinally in public rights-of-ways will be main lines.

B. SERVICE AREA

1. ELECTRIC:
 - a) The City will only provide electric service in the service area as defined in the territorial agreement with Northern Lights Incorporated or where it is beneficial to all parties and documented by written approval of both Northern Lights Incorporated and the Bonners Ferry City Council
2. WATER AND SEWER:
 - a) The City provides service inside the City Limits of Bonners Ferry
 - b) To the extent possible it is the intention of this policy to:
 - (1) Limit new water service outside City limits to those properties that have a grandfathered/vested right to water service created by, monetary participation by the owner or a predecessor in interest, in construction of the main that would provide service to the property.
 - (2) Ensure the integrity of City boundaries.
 - (3) Minimize expenses for the City Water Dept. in upgrading facilities solely serving properties outside City limits.
 - (4) Ensure that the quality and quantity of City water service for City residents is not diminished by providing new water service outside City limits.
 - (5) Require qualifying properties to annex if possible or require the owner to consent to future annexation.
 - c) The City will provide service to individual services outside the City Limits under the following conditions:

POLICY IV.C
FACILITY EXTENSIONS

- (1) Where the property owner provides written consent to annexation and such consent is recorded at the court house.
 - (2) Where the residence being served can be provided pressures meeting DEQ's pressure requirements.
 - (3) The service is inside the service area shown Appendix A map.
 - (4) Where the service is not in the service area of another utility.
 - (5) The installation of additional main line is not required.
- d) The City at the discretion of the City Council may provide service to subdivisions outside of the City Limits only under a contract with the developer, the subdivision is not contiguous and annexation is not possible, and it meets the following minimum requirements:
- (1) It meets all of the conditions of B.2.b).
 - (2) The subdivision meets the standards of a subdivision inside the City of Bonners Ferry municipal boundaries.
 - (3) The developer pays all cost of for installation and system improvements required to serve the development without impact to existing City customers.
- e) Where water or sewer is a condition of easement.

C. NEW FACILITY EXTENSIONS

1. CUSTOMER REQUIREMENTS FOR FACILITY EXTENSIONS:

- a) APPLICATION: Complete and sign the New Utility Application form.
- b) PROPERTY DOCUMENTATION: Provide copies of all required plats and legal descriptions covering the property which is to be serviced and properties that must be crossed to service such property.
- c) EASEMENT: Secure written easements granting permission of the City to construct and maintain utility facilities on the properties involved. When easements are not available service shall not be considered available.
- d) RIGHT-OF-WAY CLEARING: Clearing right-of-way of trees and vegetation to the City's specifications so as to allow installation and safe operations of utilities facilities.
- e) PAYMENT OF COST: Pay the estimated cost of construction as estimated by the City. All fees and deposits must be paid prior to scheduling construction of the job.
 - (1) The customer pays the full cost associated with the facility extension unless otherwise specified. This cost to include but not limited to all

POLICY IV.C
FACILITY EXTENSIONS

permits, licenses, actual labor with overheads, material with a handling fee, and any cost for independent contractors retained by the City for construction of the facility extension.

(2) Capitalization Fees:

- (a) Residential: A Capitalization fee as determined by City resolution will be charged for any service connected to the City system per equivalent dwelling unit (EDU).
- (b) Commercial and Apartments: the Capitalization fee is prorated by the City based on the estimated EDUs, with a 1 EDU minimum.
- (c) Retired Services: No Capitalization fee will be charged for reactivated services ~~If a service has been requested to be retired by the property owner, facilities have not been removed, and then is requested to be reconnected. The Capitalization fees will be reduced to the amount the service would have been charged during the period it was retired at the minimum monthly rate for that utility service.~~

- f) PERMITS: Provide a copy of all permits as required by state law.
- g) SERVICE CONNECTION SPECIFICATIONS: Provide service connections per the City's requirements. Specifications for service equipment are defined in the City's Policy IV.D and in "Water and Sewer Service Requirements and Guidelines" for water and sewer services. These Requirements and Guidelines are available from City Hall.

2. CITY RESPONSIBILITIES FOR NEW FACILITY EXTENSIONS:

- a) ESTIMATES: The City will provide estimates of the construction cost and fees. These estimated cost and fees must be paid prior to the job being scheduled.
 - b) COST PAID BY THE CITY: The City pays the cost for the meter, if required. The City provides the first single phase transformer at no cost to the customer. The customer is responsible for two thirds of the cost of multi-phase transformer banks.
3. OWNERSHIP: The change of ownership is at the point where the City's facilities are joined to the customer owned equipment. For electrical services this is generally at the weather head on overhead services or at the bottom of the vertical conduit below the meter on underground services. For water services this is generally at the curb valve or meter. For sewer services this is generally at the mainline tap.

D. NEW LARGE SINGLE ELECTRIC LOAD

1. For the City of Bonners Ferry a New Large Single Load (NLSL) is defined as new load to the system having an anticipated usage of over One (1) Average Megawatt.
2. The City may set a new rate and class for any NLSL, which will be determined by the Bonners Ferry City Council. This rate will be based on the impact to the existing customer's rates, the price of Tier 2 power from BPA, and the economic impact of the new customer.

E. BILLING:

1. The monthly bill shall commence when the service is installed and available.
2. Garbage charges will commence with any other City utility service.

F. SERVICE UPGRADES:

1. EXISTING CITY FACILITIES: On services where the City's facilities are adequate to serve the upgraded service there is no charge.
2. UPGRADED CITY FACILITIES: On services where the City's facilities are inadequate to serve the upgraded service, the customer pays the full cost associated with the facility upgrade unless otherwise specified. This cost to include but not limited to all permits, licenses, actual labor with overheads, material with a handling fee, and any cost for independent contractors retained by the City for construction of the facility extension.

a) Exceptions:

- (1) For electrical service upgrades to multi-phase services the customer is responsible for the prorated cost difference between the existing transformer bank and the new bank with the same 2/3 split as in new extensions.

G. FACILITY MOVES:

1. DEFINITION: Any change to the City's facilities, requested by the customer or required due to the customer's action, which entails construction of new facilities or changes to existing facilities. This includes overhead/underground conversions of primary or secondary wire, changes to meet code required clearances, and/or structures built over City facilities, and/or changes degrading the operation of the water and sewer system.
2. COST: Cost will be the same as for new facility extensions.

H. TEMPORARY SERVICE:

1. DEFINITION: A temporary service is for a facility not expected to be in place for over 6 months, or is for construction purposes of a permanent facility and will be removed after construction of that permanent facility
2. CUSTOMER REQUIREMENTS: Customer to provide the service and all secondary wire and/or piping.
3. ESTIMATES: The City will provide an estimate of the in and out cost. This cost must be paid before the job is scheduled.
4. CUSTOMER COST: The customer pays the cost for actual labor with overheads, material with a handling fee, and any cost for independent contractors.

**CITY OF BONNERS FERRY
RESOLUTION NO. _____**

A RESOLUTION OF THE CITY OF BONNERS FERRY, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, ADOPTING AMENDMENTS TO THE BILLING AND FACILITY EXTENSION POLICIES AND PROVIDING AN EFFECTIVE DATE

WHEREAS the City Council of the City of Bonners Ferry desires to make amendments to its Utility Billing and Facility Extension Policies in order to continue to provide services to the citizens of Bonners Ferry in the most efficient and cost-effective manner possible, and to establish procedures for billing and utility services that shall be followed by staff,

WHEREAS the City Council and Mayor have reviewed the attached Billing and Facility Extension Policies and believe that the policies should be adopted and become effective immediately following their adoption and approval.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BONNERS FERRY AS FOLLOWS:

1. That the attached Billing Policy is hereby adopted and approved as policy of the City of Bonners Ferry, effective immediately.
2. That the attached Facility Extension Policy is hereby adopted and approved as policy of the City of Bonners Ferry, effective immediately.

ADOPTED AND APPROVED THIS 4TH DAY OF OCTOBER, 2016.

David Sims, Mayor

ATTEST:

Kris Larson, City Clerk

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BONNERS FERRY, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, REPEALING AND REPLACING BONNERS FERRY CITY CODE TITLE TWELVE, CHAPTER FIVE, CONCERNING MINOR SUBDIVISIONS IN ORDER TO PROVIDE APPLICABILITY LANGUAGE; PROVIDING FOR CLARITY IN EXMPTIONS STANDARDS; PROVIDING FOR ADMINISTRATIVE PROCEDURES FOR REVIEWING AND APPROVING MINOR SUDIVISIONS; PROVIDING FOR FINAL PLAT PROCEDURES; PROVIDING SEVERABILITY; PROVIDING THAT THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT FROM AND AFTER ITS PASSAGE, APPROVAL AND PUBLICATION ACCORDING TO LAW.

WHEREAS, the Planning and Zoning Commission held a duly noticed public hearing in accordance with Idaho Code 67-6509 and Idaho Code 67-6511 on September 15, 2016; and

WHEREAS, the City Council held a public hearing in accordance with Idaho Code 67-6509 and Idaho Code 67-6511 on _____; and

WHEREAS, the Mayor and City Council have deemed it in the public interest to enact new provisions within Bonners Ferry City Code Title Twelve, Chapter five, for the purpose of providing minor subdivision to be administratively reviewed and approved;

NOW THEREFORE, Be it ordained by the Mayor and the Council of the City of Bonners Ferry, Idaho, as follows:

Section 1: That Bonners Ferry City Code Chapter 5, Title 12 is hereby repealed in its entirety.

Section 2: That Chapter 5, Title 12, Bonners Ferry Code is herby replaced to read as follows:

12-5-1: APPLICABILITY

The division of land into four (4) or fewer contiguous lots, parcels, tracts or sites may be considered a minor subdivision provided it meets all criteria outlined in this section. If any one of the following criteria is not met, the developer must file a regular subdivision plat as outlined in this title. A minor subdivision shall be subject to all development standards established by this title. The proposed minor subdivision and all of the proposed development shall meet the following criteria:

A. Comply with all minimum standards and requirements of the zoning ordinance, and shall not require a zone change.

B. All lots shall maintain frontage on and access onto an existing public street meeting the city street standards and the standards contained herein. Dedication of additional right of way for future improvements may be required as a condition of approval. (Ord. 495, 12-20-2005)

C. At the time of preliminary plat submittal, all lots shall have adequate sewer and water services available to the subdivision,

D. The subdivision does not require extensions or improvements to sewer or water mains other than individual lateral connections to serve the future lots. Including installation of booster stations, pressure mains, and lift stations.

12-5-2: EXEMPTIONS:

The provisions of this chapter shall not apply to the following:

A. The transfer of land between two (2) adjacent property owners, which does not result in the creation of any additional lot or parcel.

B. Any division of land made by testamentary provision or the laws of descent. Parcels of land so created must comply with lot size, frontage, and other standards established by this code and other applicable laws to be eligible for a building permit or to qualify for establishment of a regulated land use

C. Any acquisition or division of land by a public agency for public right of way purposes. (Ord. 495, 12-20 2005)

12-5-3: APPLICATION:

An application for a minor subdivision must be submitted to the city with the following:

A. A fee if an amount is established by resolution of the council;

B. Proof of ownership and consent from any lien holder granting authorization to subdivide the property;

D. One full sized copy of the proposed plat, one eleven inch by seventeen inch (11" x 17") copy of the proposed plat, and one digital copy of the proposed minor subdivision, prepared by a surveyor licensed in the state of Idaho, and which shall contains all applicable items listed at section 12-3-4(A) of this Title and shall be prepared in accordance with Title 50, Chapter 13 of the Idaho Code as it now exists or is subsequently amended.

12-5-4: PROCEDURE FOR APPROVAL OF MINOR PRELIMINARY PLAT:

A. The applicant shall file an application for a preliminary minor plat with the city, pursuant to the procedures of this title.

B. Upon the determination of by the administrator that an application is complete, the city shall:

1. Provide copies of submitted documents, as necessary, by first class mail to agencies, departments and jurisdictions, which, in the judgment of staff, may be affected by the proposal, allowing not less than fourteen (14) days for response.
2. Provide notice of the proposed subdivision by first class mail to all property owners of record within three hundred feet (300') of the external boundaries of the land being considered. The notice shall, at a minimum, include the applicant's name, a description of the proposed subdivision and the general location of the property. The notice shall advise of a fourteen- (14) day written comment period beginning the day after notice is postmarked.

3. Provide notice to the official county newspaper of record. The notice shall provide a summary of the proposal and advise of the fourteen-(14) day comment period.

C. At the close of the comment and review period and upon a determination by the administrator that the agency review comments have been addressed by the applicant, the administrator shall issue a staff report containing, at a minimum, proposed findings, reasoned decision and conditions of approval and a recommendation for action. Any response to the staff report by the applicant or interested parties shall be received by the city not later than ten (10) days after the issuance of the report.

D. Following the ten (10) day response period, the administrator shall consider the application for the preliminary minor plat, any comments received, the facts on the record and the standards for considering the subdivision application and may:

1. Approve the preliminary minor plat, as presented;
2. Approve the preliminary minor plat, as modified;
3. Continue action on the minor plat, pending changes to be made in the application, the subdivision design or the receipt of additional information;
4. Deny the application for preliminary minor plat;
5. Recommend the council hold a public hearing pursuant to the public hearing noticing requirements and procedures set forth in Idaho Code 67-6509, based upon the extent of public comment or other contested factors in the case which warrant a full hearing before the council. This option may be selected at any time following the initiation of the review and comment period when evidence of the record supports it, to ensure prompt processing of the application for hearing.

E. The administrator shall render a written decision, setting forth the ordinance provisions and standards as provided for at section 12-3-4H, the facts of the application and such conclusions that support the decision. If the administrator denies the preliminary minor plat, the administrator shall specify in the decision the actions, if any, which the applicant could take to obtain approval.

F. As a part of the decision for approving an application for a preliminary plat, the administrator may stipulate conditions to be placed on the final plat provided evidence of record is sufficient, which may include:

1. Minimizing adverse impacts on adjacent properties.
2. Designating the exact location and nature of development.
3. Requiring the provision of on- or off-site public facilities or services.
4. Assuring the development is maintained properly.

G. The preliminary minor plat shall be valid for a period not to exceed two (2) calendar years from the date of approval. At any time prior to the expiration date of the preliminary minor plat, an applicant may make a written request to the administrator for an extension of the preliminary minor plat for a period up to two (2) years. The administrator shall consider such request for extension and the request must be approved or denied prior to the expiration date of the preliminary plat.

H. Any determination made by the administrator in the administration of this section may be appealed to the council by notifying the city in writing of the intent to appeal within ten (10) calendar days from the date of the written determination. Upon receipt of the appeal, the administrator shall schedule the application for a public hearing before the council, allowing sufficient time for notice. The council shall conduct a public hearing and consider the application, in accordance with the noticing procedures set forth in Idaho Code 67-6509.

12-5-5 MINOR PLAT, CONTENTS OF FINAL PLAT, PROCEDURE FOR APPROVAL OF FINAL PLAT:

A. The contents of the final plat for minor subdivisions processed under the minor plat procedure shall be as set forth in Chapter 4 of this title.

B. The procedure for processing final plats of minor subdivisions utilizing the minor plat procedure shall be as set forth in Chapter 4 of this title.

Section 3: PROVISIONS SEVERABLE: The provisions of this Ordinance are hereby declared to be severable and if any provision of this Ordinance or application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of remaining portions of this Ordinance.

Section 4: EFFECTIVE DATE: This ordinance shall be effective upon its passage and publication in the manner provided by law.

APPROVED by the Mayor and City Council of the City of Bonners Ferry this _____ day of _____, 201__.

CITY OF BONNERS FERRY, IDAHO

BY: _____
Mayor

Attest:

Clerk, City of Bonners Ferry

EMPLOYMENT AGREEMENT ADDENDUM

This Employment Agreement Addendum is entered into by and between the CITY OF BONNERS FERRY, (hereinafter "CITY"), a municipal corporation of the State of Idaho and LISA AILPORT, (hereinafter "EMPLOYEE").

The parties agree to amend the Employment Agreement entered into on August 1, 2016, by adding the following term to the existing Agreement:

CITY PAID HOLIDAYS: The CITY shall compensate EMPLOYEE for seven (7) paid holidays per fiscal year. EMPLOYEE shall designate which paid holidays she would like to be compensated for in consultation with the City Clerk and the City Administrator. Further, EMPLOYEE shall be permitted to work on other City paid holidays at her discretion, but shall be compensated for these hours at her regular hourly rate of pay.

All other terms and provisions of said contract shall remain in full force and effect.

DATED this ____ day of _____, 2016.

CITY OF BONNERS FERRY:

EMPLOYEE:

David Sims, Mayor

Lisa Ailport

Attest:

Kris Larson, City Clerk

TABLE OF CONTENTS
BONNERS FERRY, IDAHO

SECTION 1.0	DEFINITIONS	1
SECTION 2.0	GRANT OF FRANCHISE	3
2.1	Grant	3
2.2	Effective Date	3
2.3	Term	3
2.4	Non-Exclusive Franchise	3
2.5	Notice of City's Intent to Compete with Avista	3
2.6	Assignment of Franchise	3
2.7	Franchise Taxes, Fees and Costs	3
2.8	Franchise Fees	4
SECTION 3.0	AVISTA'S OPERATIONS AND MAINTENANCE	4
3.1	Compliance with Laws, Regulations, Codes and Standards	4
3.2	Facility Location by Avista and Non-Interference	4
3.3	Facility Location Information	5
3.4	Vegetation Management – Removal of Trees/Vegetation Encroachment	5
3.5	Right of Excavation	5
3.6	Emergency Work	5
SECTION 4.0	RESERVATION OF CITY'S RIGHTS AND POWERS	5
4.1	Reservation of Right	5
4.2	Necessary Construction/Maintenance by City	6
4.3	Expansion of Avista's Facilities	6
4.4	Change of Boundaries of the City	6
4.5	Removal of Abandoned Facilities	6
4.6	Vacation of Properties by City	6
SECTION 5.0	RELOCATION OF AVISTA'S FACILITIES	7
5.1	Relocation of Facilities Requested by City	7
5.2	Relocation of Facilities Requested by Third Parties	8
5.3	Availability of Other Funds	8
SECTION 6.0	INDEMNITY	8
6.1	Indemnification of City	8
6.2	Indemnification of Avista	8
SECTION 7.0	FRANCHISE DISPUTE RESOLUTION	9
7.1	Non-waiver	9
7.2	Dispute Resolution by the Parties	9
7.3	Right of Enforcement	9
7.4	Attorneys' Fees and Costs	9
SECTION 8.0	GENERAL PROVISIONS	10
8.1	Training Requirements	10
8.2	Franchise as Contract, No Third Party Beneficiaries	10
8.3	Force Majeure	10
8.4	Prior Franchises Superseded	10
8.5	Severability	10
8.6	Changes or Amendments	10
8.7	Supremacy and Governing Law	11
8.8	Headings	11
8.9	Acceptance of Franchise	11
8.10	Abandonment or Suspension of Franchise Rights and Obligations	11
8.11	Franchise Effective Date	11
8.12	Subdivision Plat Notification	11
	City's Language Attesting to Approval and Passage of the Ordinance	12
	Letter of Acceptance by Avista	13
	Gas Franchise Ordinance Summary for Publication	14

CITY OF BONNERS FERRY, IDAHO
ORDINANCE NO. _____

AN ORDINANCE GRANTING AVISTA CORPORATION, d/b/a AVISTA UTILITIES, A WASHINGTON CORPORATION, ITS SUCCESSORS AND ASSIGNS, THE NONEXCLUSIVE RIGHT, PRIVILEGE, AUTHORITY AND FRANCHISE TO LOCATE, CONSTRUCT, INSTALL, OWN, MAINTAIN, REPAIR, REPLACE, EXTEND, OPERATE AND USE FACILITIES IN, UPON, OVER, UNDER, ALONG, AND ACROSS THE FRANCHISE AREA FOR PURPOSES OF THE TRANSMISSION, DISTRIBUTION AND SALE OF GAS.

Avista Corporation dba Avista Utilities ("Avista"), a Washington Corporation, which is authorized to do business within the state of Idaho, has filed with the City of Bonners Ferry, State of Idaho (the "City") a written application for a renewal of its Franchise to locate, construct, operate, maintain and use such plants, works, underground pipelines, equipment and appurtenances over, under, along and across all of City's rights of way and public property in the City for the purposes of the transmission, distribution and sale of Gas; and the City has determined it is in the interest of persons and businesses in this jurisdiction to have access to Avista's services;

THEREFORE, THE CITY OF BONNERS FERRY DOES ORDAIN:

SECTION 1.0 DEFINITIONS

For the purposes of this Franchise the following terms, phrases, words and their derivations shall have the meaning given in this Section. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Words not defined shall be given their common and ordinary meaning.

Avista: means Avista Corporation, dba Avista Utilities, a Washington corporation, and its respective successors and assigns, agents and contractors.

City: means the City of Bonners Ferry, a municipal corporation of the State of Idaho, and its respective successors, assigns, agents and contractors.

Commission: means the Idaho Public Utilities Commission or such successor regulatory agency having jurisdiction over investor-owned public utilities in the State of Idaho.

Days: means business days.

Effective Date: means the date of legal publication of this Ordinance, upon which the rights, duties and obligations of this Franchise shall come into effect, and the date from which the time requirement for any notice, extension and/or renewal shall be measured.

Facilities: means, collectively, any and all gas transmission, and distribution systems and appurtenances owned by Avista, now and in the future in the Franchise Area, including but not limited to, Gas plants, Gas pipes, pipelines, mains, laterals, conduits, services, regulators, valves, meters, meter-reading devices, fences, vehicular protection devices, communication and control systems and other equipment, appliances, fixtures, attachments, appurtenances and other items necessary, convenient, or in any way appertaining to any and all of the foregoing for the purposes of transmission, distribution, storage and sale of Gas.

Franchise: means the grant by the City of rights, privileges and authority embodied in this Ordinance.

Franchise Area: means the surface and space above and below all public property and rights-of-way owned or held by the City, including, without limitation, rights-of-way for:

- public roads, streets, avenues, alleys, bridges, tunnels, City-owned easements, and highways that may hereafter be laid out, platted, dedicated, acquired or improved; and
- all City-owned utility easements dedicated for the placement and location of various utilities, provided such easements would permit Avista to fully exercise the rights granted under this Franchise within the area covered by the easement; and
- Any other specifically designated City-owned property.

Gas: means natural, manufactured, renewable and/or mixed gases.

Maintenance, maintaining, or maintain: means, without limit, repairing, replacing, upgrading, examining, testing, inspecting, and removing Avista Facilities, vegetation management, digging and excavating, and restoration of affected Right-of-way surfaces.

Parties: means City and Avista collectively.

Party: means either City or Avista individually.

Person: means a business entity or natural person.

Right-of-way: means the surface of and the space along, above, and below any street, road, highway, freeway, bridge, tunnel, lane, sidewalk, alley, City-owned utility easement and/or right-of-way now or hereafter held or administered by the City.

State: means the State of Idaho.

Tariff: means the rate schedules, rules, and regulations relating to utility service, filed with and approved by the Commission in effect upon execution and throughout the term of this Franchise.

SECTION 2.0 GRANT OF FRANCHISE

2.1 Grant

City hereby grants to Avista the right, power, privilege and authority to enter upon all roads, rights-of-way, streets, alleys, highways, public places or structures, lying within the Franchise Area to locate, construct, operate and maintain its Facilities for the purpose of controlling, transmitting and distributing Gas, as may be necessary to provide Gas service.

2.2 Effective Date

This Ordinance will be effective as of the date of approval, passage and publication as required by law.

2.3 Term

The rights, privileges and Franchise granted to Avista will extend for a term of twenty-five (25) years from the Effective Date, and shall continue year-to-year thereafter, until it is otherwise renewed for another twenty-five (25) year term, or terminated by either Party, with not less than 180 days prior written notice to the other Party.

2.4 Non-Exclusive Franchise

This Franchise is not an exclusive Franchise. This Franchise shall not prohibit the City from granting other franchises within the Franchise Area that do not interfere with Avista's rights under this Franchise. City may not, however, award a Gas Franchise to another party under more favorable or less onerous terms than those of this Franchise without this Franchise being amended to reflect such more favorable or less onerous terms.

2.5 Notice of City's Intent to Compete with Avista

In consideration of Avista's undertaking pursuant to this Franchise, the City agrees that in the event the City intends to engage in the business of providing Gas service during the life of this Franchise or any extension of this Franchise, in competition with Avista, the City will provide Avista with six (6) months' notice of such action.

2.6 Assignment of Franchise

Avista shall have the right to assign its rights, benefits and privileges under this Franchise. Any assignee shall, within thirty (30) days of the date of any assignment, file written notice of the assignment with the City together with its written acceptance of all terms and conditions of this Franchise. As permitted by federal and state law and Commission regulation, Avista shall have the right, without notice to or consent of the City, to mortgage or hypothecate its rights, benefits and privileges in and under this Franchise as security for indebtedness.

2.7 Franchise Taxes, Fees and Costs

Avista shall pay all permitting, license fees, costs and/or utility privilege taxes which it might be required to pay in connection with the issuance, maintenance, existence, continuation, or use of

this Franchise, to the extent permitted by state law or City ordinance now in effect or enacted during the term of this Franchise. The City reserves the right to designate the time and manner of payment of such fees, costs or taxes owed by Avista in connection with this Franchise. To the extent that any Franchise fees, taxes or other costs are imposed on Avista, City shall impose equivalent charges, fees, taxes or costs upon any other franchisee in a comparable business or otherwise competing with Avista.

2.8 Franchise Fees

As compensation for the Franchise granted by this ordinance, Avista shall pay to the City an amount equal to three percent (3%) of the annual gross revenue collected by Avista from its customers for natural gas consumed within the City to be paid quarterly. Gross revenue will be computed by deducting from the total natural gas billings of Avista the total net write-off of uncollectible accounts. If Grantee fails to pay the Franchise fee to the City within thirty (30) days of the end of each calendar quarter, Grantee shall pay a penalty in the amount of five percent (5%) of the amount due.

SECTION 3.0 AVISTA'S OPERATIONS AND MAINTENANCE

3.1 Compliance with Laws, Regulations, Codes and Standards

In carrying out any authorized activities under the privileges granted by this Franchise, Avista shall meet accepted industry standards and codes and shall comply with all applicable laws, regulations and ordinances of any governmental entity with jurisdiction over Avista's Facilities in the Franchise Area. This includes all applicable, laws, regulations and ordinances existing as of the Effective Date or may be subsequently enacted by any governmental entity with jurisdiction over Avista's operations within the Franchise Area. The City shall have the right to make and enforce reasonable rules and regulations pertaining to the conduct of Avista's operations within the Franchise Area. Prior to the adoption of any new rule, procedure or policy, Avista shall be provided a written draft document for comment with a response period of not less than thirty (30) days. Service shall be supplied to the City and its inhabitants in accordance with Avista's rules and regulations and Tariffs currently or subsequently filed with and approved by the Commission.

3.2 Facility Location by Avista and Non-Interference

Avista shall have the discretion to determine the placement of its Facilities as may be necessary to provide safe and reliable Gas service, subject to the following non-interference requirements. All construction, installation, repair or relocation of Avista's Facilities performed by Avista in the Franchise Area will be done in such a manner as not to interfere with the construction and maintenance of other utilities, drains, drainage and irrigation ditches and structures, and City-owned property within the Franchise Area.

3.3 Facility Location Information

Avista shall provide the City, upon the City's reasonable request, Facility location information in electronic or hard copy showing the location of its Facilities at specific locations within the Franchised Area, to the extent such information is reasonably available. Avista does not warrant the accuracy of any such Facility location information provided and, to the extent the location of Facilities are shown, such Facilities may be shown in their approximate location. With respect to any excavations within the Franchise Area undertaken by or on behalf of Avista or the City, nothing stated in this Franchise is intended (nor shall be construed) to relieve either party of their respective obligations arising under the State one-call law with respect to determining the location of existing underground utility facilities in the vicinity of such excavations prior to commencing work.

3.4 Vegetation Management – Removal of Trees/Vegetation Encroachment

The right of Avista to maintain its Facilities shall include the right, as exercised in Avista's professional discretion to minimize the likelihood that encroaching (either above or below the ground) vegetation can interfere with or limit access to Avista's Facilities, or pose a threat to public safety and welfare. Avista or its agents may, without recourse or payment of compensation, accordingly remove or limit the growth of vegetation which encroaches upon its Facilities and/or Gas transmission and distribution corridors within the Franchise Area.

3.5 Right of Excavation

For the purpose of implementing the privileges granted under this Franchise, and after any required notification is made to the City, Avista is authorized to make any necessary excavations in, under and across the streets, alleys, roads, rights-of-way and public grounds within the Franchise Area. Such excavation shall be carried out with reasonable dispatch and with as little interference with or inconvenience to the public as may be feasible. Avista shall remove all debris stemming from excavation and construction. The Right-of-way surface shall be restored by Avista after excavation, in accordance with applicable City and Avista specifications.

3.6 Emergency Work

In the event of an emergency requiring immediate action by Avista to protect the public health and safety or for the protection of its Facilities, or the property of the City or other persons in the Franchise Area, Avista may immediately proceed with excavation or other Right-of-way work, with concurrent notice to the City to the extent possible.

SECTION 4.0 RESERVATION OF CITY'S RIGHTS AND POWERS

4.1 Reservation of Right

The City, in granting this Franchise, does not waive any rights which it may not have or may subsequently acquire with respect to road rights-of-way or other property of City under this Franchise, and this Franchise shall not be construed to deprive the City of any such powers, rights or

privileges which it now has or may hereafter acquire to regulate the use of and to control the City's roads, rights-of-way and other public property covered by this Franchise. Nothing in the terms of this Franchise shall be construed or deemed to prevent the City from exercising at any time and any power of eminent domain granted to it under the laws of this State.

4.2 Necessary Construction/Maintenance by City

The construction, operation and maintenance of Avista's Facilities authorized by this Franchise shall not preclude the City, its agents or its contractors, from grading, excavating, or doing other necessary road work contiguous to Avista's Facilities; provided that Avista shall be given reasonable advance notice of said work, except in events of emergency when there exists an unforeseen and substantial risk or threat to public health, safety, welfare, or waste of resources, in which case the City will make reasonable efforts to contact Avista prior to doing said work; and provided further that the City, its agents and contractors, shall be liable for any damages, including any consequential damages to third parties, caused by said work to any Facilities belonging to Avista.

4.3 Expansion of Avista's Facilities

Facilities in the City's Franchise Area that are incidental to the Franchise Area, or that have been, or are at any future time acquired, newly constructed, leased, or utilized in any manner by Avista shall be subject to all provisions of this Franchise.

4.4 Change of Boundaries of the City

Any subsequent additions or modifications of the boundaries of the City, whether by annexation, consolidation, or otherwise, shall be subject to the provisions of this Franchise as to all such areas. The City shall notify Avista of the scope of any change of boundaries not less than thirty (30) days prior to such change becoming effective or in accordance with applicable state laws, and shall affirm, authorize and ratify all prior installations authorized by permits or other action not previously covered by this Franchise.

4.5 Removal of Abandoned Facilities

During the Term of this Franchise, or upon a revocation or non-renewal of this Franchise, the City may direct Avista to remove designated abandoned Facilities from the Franchise Area at its own expense and as soon as practicable, but only where such abandoned Facilities constitute a demonstrated threat to public health and safety. Avista shall not be required to remove, or pay for the removal of facilities it has previously abandoned to another franchisee, or utility under a joint use agreement, or Person granted permission to access Avista's facilities.

4.6 Vacation of Properties by City

If, at any time, the City shall vacate any road, Right-of-way or other public property which is subject to rights granted by this Franchise, such vacation shall be subject to the reservation of a perpetual easement to Avista for the purpose of constructing, reconstructing, operating, repairing, upgrading and maintaining Avista's Facilities on the affected property, pursuant to Idaho Code 50-311.

The City shall, in its vacation procedure, reserve and grant said easement to Avista for Avista's Facilities and shall also expressly prohibit any use of the vacated properties which will interfere with Avista's full enjoyment and use of said easement. Provided, that this provision shall apply only in instances where Avista has existing facilities in the right-of-way subject to vacation.

SECTION 5.0 RELOCATION OF AVISTA'S FACILITIES

5.1 Relocation of Facilities Requested by City

Upon request of the City, Avista shall relocate its Facilities as necessary within the Franchise Area or other City-owned property as specifically designated by the City for such purpose. For purposes of this provision, all reasonable efforts shall be made by the City, with input from Avista, to minimize the impacts of potential relocation. The City shall provide Avista reasonable notice of any intended or expected requirement or request to relocate Avista's Facilities. Said notice shall not be less than ninety (90) calendar days prior to any such relocation and, depending on the circumstances, may be greater than ninety (90) calendar days if necessary to allow Avista sufficient time to arrange for relocation. In cases of emergency, or where not otherwise reasonably foreseeable by the City, the notice requirements of this Section may be shortened by discussion and agreement between the Parties. The City shall use reasonable efforts to cause any such relocation to be consistent with any applicable long-term development plan(s) of the City.

In the event a relocation forces Avista off City's existing Public Right(s) of Way then the City shall accommodate such relocation by securing an acceptable, alternate location for utilities and removing any obstructions, including, without limitation, trees, vegetation or other objects that may interfere with the installation, operation, repair, upgrade or maintenance of Avista's Facilities on the affected Property.

If the City requires the subsequent relocation of any of Avista's Facilities within three (3) years from the date of relocation of such Facilities or installation of new Facilities, regardless of the cause for either the initial or subsequent relocation, the City shall bear the entire cost of such subsequent relocation.

Avista agrees to relocate all Facilities promptly within a reasonable time. Upon notice from the City, the parties agree to meet and determine a reasonable relocation time, which shall not exceed the time normally needed for construction projects of the nature of the City's relocation request unless otherwise mutually agreed.

Notwithstanding the above, Avista shall not be required to relocate facilities of other entities that were (i) granted access to Avista's Facilities through a Joint Use Agreement or (ii) abandoned to another franchisee. Such relocation of these types of facilities shall be accordance with Section 5.2 below.

This Section shall not apply to Facilities in place pursuant to private easement held by Avista, regardless of whether such Facilities are also located within the Franchise Area. In the event the

City requests relocation of Facilities that are in place pursuant to an existing easement, said relocation shall be treated in the same manner as a relocation requested by third parties under Section 5.2, below, with the City bearing the expense of relocation.

5.2 Relocation of Facilities Requested by Third Parties

City acknowledges that Avista is obligated to provide gas service and related line extension or relocation of Facilities for the benefit of its customers and to require compensation for such services on a non-preferential basis in accordance with applicable Tariffs.

If Facilities are to be relocated at the request of or for the primary benefit of a third party, the City shall not require Avista to relocate its Facilities until such time as a suitable location can be found and the third party has entered into an agreement to reimburse Avista for its reasonable costs of relocation.

5.3 Availability of Other Funds

In the event federal, state or other funds are available in whole or in part for utility relocating purposes, the City agrees to use reasonable efforts to apply for such funds, provided such funds do not interfere with the City's right to obtain the same or similar funds, or otherwise create any expense or detriment to the City. The City may recover all costs, including internal costs, associated with obtaining such funds.

SECTION 6.0 INDEMNITY

6.1 Indemnification of City

Avista agrees to defend and indemnify the City, its appointed and elected officers and employees or agents, from any and all liabilities, claims, causes of action, losses, damages and expenses, including costs and reasonable attorney's fees, that the City may sustain, incur, become liable for, or be required to pay, as a consequence of or arising from the negligent acts or omissions of Avista, its officers, employees or agents in connection with Avista's obligations under this Franchise; provided, however, that this indemnification provision shall not apply to the extent that said liabilities, claims, damages and losses were caused by or result from the negligence of the City, elected officers and employees or agents.

6.2 Indemnification of Avista

To the extent permitted by law, City agrees to defend and indemnify Avista, its officers and employees, from any and all liabilities, claims, causes of action, losses, damages and expenses, including costs and reasonable attorney's fees, that Avista may sustain, incur, become liable for, or be required to pay, as a consequence of or arising from the negligent acts or omissions of the City, its appointed and elected officers and employees or agents in connection with City's obligations under this Franchise; provided, however, that this indemnification provision shall not apply

to the extent that said liabilities, claims, damages, losses and so forth were caused by or result from the negligence of Avista, its employees or agents.

SECTION 7.0 FRANCHISE DISPUTE RESOLUTION

7.1 Non-waiver

Failure of a Party to declare any breach or default of this Franchise immediately upon the occurrence thereof, or delay in taking any action in connection therewith, shall not waive such breach or default, but the Party shall have the right to declare any such breach or default at any time. Failure of a Party to declare one breach or default does not act as a waiver of the Party's right to declare another breach or default. In addition, the pursuit of any right or remedy by the City shall not prevent the City from thereafter declaring a revocation and forfeiture for breach of the conditions of the Franchise.

7.2 Dispute Resolution by the Parties

Disputes regarding the interpretation or execution of the terms of this Franchise that cannot be resolved by department counterparts representing the Parties, shall be submitted to the City's Attorney and an attorney representing Avista for resolution. If a mutually satisfactory or timely resolution cannot then be reached by the above process, prior to resorting to a court of competent jurisdiction, the Parties shall submit the dispute to a non-binding alternate dispute resolution process agreed to by the Parties.

7.3 Right of Enforcement

No provision of this Franchise shall be deemed to bar the right of the City or Avista to seek judicial relief from a violation of any provision of the Franchise to recover monetary damages for such violations by the other party or to seek enforcement of the other Party's obligations under this Franchise by means of specific performance, injunctive relief or any other remedy at law or in equity pursuant to Section 7.4. Any litigation between the City and Avista arising under or regarding this Franchise shall occur, if in the state courts, in a court of competent jurisdiction, and if in the federal courts, in the United States District Court for the District of Idaho.

7.4 Attorneys' Fees and Costs

Each Party shall pay for its own attorneys' fees and costs incurred in any dispute resolution process or legal action arising out of the existence of this Franchise.

SECTION 8.0 GENERAL PROVISIONS

8.1 Training Requirements

Grantee recognizes that the City and its employees are not experts or readily familiar with the handling and distribution of natural gas. To provide the City with that expertise and familiarity, and to further assist the City in dealing with natural gas problems, Grantee will provide, at

Grantee's expense, City employee training for basic natural gas system operations and emergency action on not less than an annual basis, and more often when recommended by Grantee.

8.2 Franchise as Contract, No Third Party Beneficiaries

This Franchise is a contract between the Parties and binds and benefits the Parties and their respective successors and assigns. This Franchise does not and is not intended to confer any rights or remedies upon any persons, entities or beneficiaries other than the Parties.

8.3 Force Majeure

In the event that Avista is delayed in or prevented from the performance of any of its obligations under the Franchise by circumstances beyond Avista's control (Force Majeure) including, without limitation, third party labor disputes, fire, explosion, flood, earthquake, power outage, acts of God, war or other hostilities and civil commotion, then Avista's performance shall be excused during the period of the Force Majeure occurrence. Avista will use all commercially reasonable efforts to minimize the period of the disability due to the occurrence. Upon removal or termination of the occurrence Avista will promptly resume performance of the affected Franchise obligations in an orderly and expeditious manner.

8.4 Prior Franchises Superseded

As of the Effective Date this Franchise shall supersede all prior gas franchises for the Franchise Area previously granted to Avista or its predecessors by City, and shall affirm, authorize and ratify all prior installations authorized by permits or other action not previously covered by franchise. Termination of the prior Franchise shall not, however, relieve the Parties from any obligations which accrued under said Franchise prior to its termination, including but not limited to, any outstanding indemnity, reimbursement or administrative fee payment obligations.

8.4 Severability

The Franchise is granted pursuant to the laws of the State of Idaho relating to the granting of such rights and privileges by City. If any article, section, sentence, clause, or phrase of this Franchise is for any reason held illegal, invalid, or unconstitutional, such invalidity shall not affect the validity of the Franchise or any of the remaining portions. The invalidity of any portion of this Franchise shall not abate, reduce, or otherwise affect any obligation required of Avista.

8.5 Changes or Amendments

Changes or amendments to this Franchise shall not be effective until lawfully adopted by the City and agreed to by Avista.

8.6 Supremacy and Governing Law

This Agreement shall be interpreted, construed and enforced in all respects in accordance with the laws of the State of Idaho. In the event of any conflict between this Franchise and any City ordinance, regulation or permit, the provisions of this Franchise shall control. In the event of a conflict between the provisions of this Franchise and Avista's applicable Tariff on file with the

Commission, the Tariff shall control. Both Parties agree that, in seeking to enact ordinances, regulations, permitting or tariff requirements, they will endeavor to act in good faith and in a manner consistent with the purpose and intent of this Franchise.

8.7 Headings

The headings or titles in this Franchise are for the purpose of reference only and shall not in any way affect the interpretation or construction of this Franchise.

8.8 Acceptance of Franchise.

Avista shall, within thirty (30) days after passage of this Ordinance, file with the City Clerk, its acceptance of the terms and conditions of this Franchise.

8.9 Abandonment or Suspension of Franchise Rights and Obligations

Avista may at any time abandon the rights and authorities granted hereunder, provided that six (6) months' written notice of intention to abandon is given to City. In addition, pursuant to Section 8.6 and in the event a conflict exists between the terms of this Franchise and Avista's Tariff with the Commission that cannot be resolved, Avista may suspend or abandon the rights and obligations of this Franchise upon reasonable notice to the City.

8.10 Franchise Effective Date

The Effective Date of this Franchise shall be _____, 2016, after passage, approval and legal publication of this ordinance as provided by law, and provided that it has been duly accepted by Avista as specified above.

8.11 Subdivision Plat Notification

Upon receipt of an application and prior to final City approval of any new subdivision, the City shall mail notification of such application and final approval to Grantee. Such notification may also be provided to any other utility providers. City does not represent that by providing such notice that any new subdivision will utilize Avista as the utility provider. Any agreements with new subdivisions shall be between the owner of the subdivision and Avista and shall not be affected by this agreement.

City's Language Attesting to Approval and Passage of the Ordinance

PASSED by the City Council on _____, 2016

ATTEST:

Kris Larson, City Clerk

APPROVED by me on _____, 2016

David Sims, Mayor

Date of Publication: _____, 2016

Letter of Acceptance by Avista

HONORABLE MAYOR AND CITY COUNCIL
CITY OF BONNERS FERRY, COUNTY OF BOUNDARY, IDAHO

IN RE: City of Bonners Ferry Ordinance No. _____

“Granting a Franchise to Avista Corporation for the Construction, Operation and Maintenance of Natural Gas Facilities Within the City.”

Avista Corporation dba Avista Utilities, for itself, its successors and assigns, hereby accepts the terms and conditions of the Franchise Agreement contained in the subject Ordinance and files this written acceptance with the City of Bonners Ferry. This acceptance is executed on _____, 2016.

Avista Corporation dba Avista Utilities

By: _____
Dennis Vermillion
President, Avista Utilities

Copy Received for the City of Bonners Ferry

On: _____

By: _____

City Representative - Name

Gas Franchise Ordinance Summary for Publication

**NOTICE: CITY OF BONNERS FERRY
PROPOSED FRANCHISE ORDINANCE NO. _____ SUMMARY**

Ordinance No. _____ will grant Avista Corporation dba Avista Utilities a non-exclusive public utility franchise to locate, construct, install, own, maintain, repair, reconstruct, operate and use facilities within the City's public right of way [the Franchise Area] for the purposes of the transmission, control and distribution of natural gas within the City for a term of 25 years. Avista agrees to meet accepted industry standards and conform with applicable federal and state laws, as well as the regulations of the appropriate state regulatory body with jurisdiction, in the conduct of its operations under the Franchise. The City reserves the right to make reasonable rules and regulations pertaining to the conduct of Avista's operations within the Franchise Area. Avista must not interfere with any existing facilities of other utilities. Avista is authorized to make necessary excavations within the Franchise Area; excavations must be carried out with reasonable dispatch, and the area restored, with as little interference to the public as may be reasonable. Avista must relocate its facilities in the franchise area at the City's request. Avista may remedy encroachment of vegetation in connection with franchised activities. Provisions are made for informal dispute resolution.

(Final Reading of Ordinance _____ is anticipated to be held before the Bonners Ferry City Council on _____, 20__ at _____ [am / pm] in the City Council Chambers).