

Mayor David Anderson called the regularly scheduled council meeting of February 3, 2015 to order at 7:00 p.m. Present for the meeting were Mayor Anderson, Council President Rick Alonzo, Council Members Ron Smith, Connie Wells, and Tom Mayo, Clerk Kris Larson, City Administrator Stephen Boorman, Fire Chief Pat Warkentin, Police Lieutenant Vic Watson, Water/Sewer Superintendent Adrian Dice, and Water/Sewer Laborer John Delaney. Also present were Shawn Clum, Cassidy Clum, Bruce Merrifield, Marcia Cossette, Patty Perry, Doug Ladely, Sr., and Jerry Higgs.

Shawn Clum spoke to council regarding the water and sewer rate increases. He said he owns multiple dwelling units in town and the rate increase takes nearly all his profits. He was paying \$700 per month and now he pays \$1400 per month. He owns two apartment houses in town and he will be charged for 1200 cubic feet per apartment. The average water usage for households is 500 cubic feet according to Mr. Clum. Mr. Clum thinks the flat rate is too high for multi-family dwellings. He asked Council to change the rates for multi-family dwelling units. He said 1200 cubic feet is too much for his dwelling units. He appreciates council's efforts and he works many weekends mowing lawns and taking care of the multi-family dwelling units to provide for his family and their future. He said the rate increases have taken his profits. He is not subsidized for his housing so he tries to keep his rates low for his tenants.

Bruce Merrifield asked council what they found out about the multi-dwelling unit rate. Mayor Anderson said it will be discussed later in the meeting as it is on the agenda.

Patty Perry handed out information to council regarding Kootenai Valley Resource Initiative (KVRI). She works for the Kootenai Tribe and the KVRI. She said it has been quite a while since she has given an update to council. The KVRI started in 2001 as a joint effort between the City, County, and Kootenai Tribe, and the purpose was to engage with State and Federal agencies coming to town and to work on economic, social/cultural, and natural resource issues in our community that are important to our community. Patty said there are eleven people on the KVRI Board that have different interests that represent the community and share their interests. There are also different committees with 20 to 25 people from the community to work on different issues taking place. The forestry committee worked on the Collaborative Forest Landscape Restoration Act. This was a process where our area competed with other areas for a grant to help move along restoration work that provides timber and timber products for the local structure of the mills that we have. There are 21 of these designated in our nation and we are one of them. We have garnered \$12 million over a ten year period to come to the Bonners Ferry Ranger District to help them with implementation. There are 413,000 acres of national forest land in our county that this program will be implemented on. We don't know the amount of acreage that will actually be treated at this time. Bonners Ferry District sold half of the timber for the northern Idaho panhandle this year. There was 42 million board feet sold in the Idaho Panhandle and our District provided 21 million board feet. It was the first time in 17 years that our District put out timber sales that were not appealed. She is hopeful that we can get things moving again. KVRI was awarded the Sustaining Forests and Grasslands Regional Forester Honor Award for its efforts from the Regional Forester in our area. Patty spoke of the joint project to try Doppler radar to help prevent vehicle accidents involving wildlife. Idaho

Transportation Department has purchased the prototype that will be used. There are also flashing signs purchased through funding from the Nature Conservancy that are used to alert drivers of winter driving conditions and wildlife. Patty said total maximum daily load (TMDL) was the issue that first got us started. Water quality plans were being written by Idaho Department of Environmental Quality (DEQ) for our entire watershed. They were taking into account sediment and changes in flow. There was sediment in the Moyie River from a one-time flush at the Moyie Dam when the reading was taken and it should not have been listed so we got involved and developed the TMDL plan for the lower Kootenai and Moyie Rivers and tributaries. She said there are several streams that are being monitored and the data is being shared with DEQ. Potential natural vegetation TMDLs are being used rather than water quality standards. It is a different approach and it is working well. She said it pays off to work together so this collaborative effort of 14 years is seeing a return on investment of what KVRI has been doing. Ron Smith said the folks in Washington DC are helpful to us and it is because of the job that is being done. Patty said representatives from the congressional members attend most of the KVRI meetings and it is nice to have their support. Stephen Boorman said the TMDL work has been very helpful and knowing the maximum loading of the river has huge value when the City works on the discharge permits. John Delaney said the information might help the City by looking at the trends.

Lieutenant Vic Watson gave the police report. He did not have statistics this evening. He said the Police Chief is in Boise at a meeting. There were no questions from council for Lieutenant Watson.

Fire Chief Pat Warkentin gave the fire report. He said the fire department has been working on the old Seagraves and it works well. He said the crew is getting it cleaned up and it is looking good. He said B.F. Builders will start working on the addition on fire station two on Monday and Steve Neumeyer will be looking at the electrical. The funding for this remodel as well as the new garage door has been provided by the Burlington Northern Railroad. Trans Canada may be able to assist us with other portions of the remodel not covered by the Railroad. Pat listed the upcoming trainings for the fire department. He said there have been two calls this month so far. One was at the Restorium involving their CO detector.

Patty Perry left the meeting at 7:24 p.m.

Stephen Boorman said John Delaney went and looked at some membrane plants for the sewer department that had been recommended in our wastewater facility plan. They gave a power point presentation for the group. John Delaney said we are spending between \$50,000 to \$100,000 each year on chemicals and chlorine for treatment of the algae. He said he has been looking and researching filters for taking out algae. He showed pictures of the Pall filtration system. John spent three days touring seven plants in California looking at filtration systems. One of the plants he visited has been using Pall filters for 13 years. He said Pall does not guarantee that the filters will take out algae but the filters have been working. John weighs our total suspended solids. One of the slides showed a screw compactor and rag separator in Santa Rosa, California. He said this headwork's was also recommended in our master plan. John said the operators he spoke to concerning the Pall filtration system really liked the system. We do

160 gallons per minute or 400,000 gallons per day of sewer effluent. We can try a Pall filtration system as they can bring them in a van. John has been looking at used, refurbished Pall filtration systems as the price is quite high. He thinks a new system would be about \$450,000. He said it sounds like a lot of money but we have been spending \$50,000 to \$100,000 per year on chemicals to treat the algae for the last five years. John wants to run the reclaimed water through geobags to take out algae before letting it go back into the ponds. He thinks we could add limitless growth to our lagoons by using the Pall filters. John spoke of shading the ponds and he saw a community that uses shade balls on their ponds. It was new to this entity so they did not have the results for John to review. John said we short circuit very badly in our ponds. One of the plants he viewed has baffles so they don't have to have as many ponds as we do. It had a duck weed problem. Stephen said we used to have duck weed at our lagoons before we had the algae and it shaded the ponds so we did not have the algae problem. We don't know why the duck weed went away. John Delaney got a kill permit to get rid of muskrats at our lagoons and he got his limit under the permit. He said the muskrats are destroying our dikes. John said the company that sells the Pall filters are good to get the systems up and running but they are not good at picking up the returnable membranes according to the information he received. John also showed slide of a shaftless screw screen to help remove solids before they get in our system. John said he would take it out of pond two so the filters would get longer run times. He said we can also blend. John said we can set it up any way we would like to. Council thanked John for his input.

Stephen said next Wednesday the Job Service is coming in to give a training for do's and don'ts of interviewing. Stephen said the purchased power costs were higher in FY2014 than in FY2013 due to the amount of generation and the Bonneville power rate increase. He said even though our generation was lower in 2014 we still had a good generation year but 2013 was a stellar year. He said the crane over unit 2 is done and Trevor Cushman did a good job. Stephen said our mechanic started this week and already had to rescue a police vehicle. Stephen spoke of the average age of the city employees and it shows that in ten to fifteen years we will see the bulk of our employees retire. He said the fire department is aging also. Ron Smith did not understand the information discussed. Stephen said we just need to be ready for changes that will be coming. He said there is a lot of data that these employees carry around in their heads. Stephen informed the group that we made the first cut on the Block Grant for our water tank but we will have to go through the second tier application process.

Connie Wells moved to add three late agenda items including executive session per Idaho Code 67-2345 (1) (a) and also executive session Idaho Code 67-2345 (1) (b) and the discussion of hiring an additional employee for the water/sewer department. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Connie Wells moved to approve the consent agenda. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”. The consent agenda contained the following: roll call; approval of accounts payable and payroll;

approval of January 20, 2015 council meeting minutes; and approval of January 21, 2015 special council meeting minutes.

The salary ordinance for mayor and council was tabled.

Stephen spoke regarding the task order with HDR Engineering for recloser settings. He explained the function of reclosers and how they operate. He said we have ten or fifteen reclosers around our system and they are designed to fault on our system to help minimize the number of customers out of power. Tom Mayo moved to authorize the Mayor to sign the task order with HDR Engineering for recloser settings. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The infrared cameraing of our system was discussed. Stephen explained that it is good to camera our system in the winter months as the excess heat shows up well. He said Lake City Infrared cameras our lines at select locations. Rick Alonzo moved to authorize the Mayor to sign the contract with Lake City Infrared for surveying our system. Ron Smith seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The multi-family dwelling unit water rate was discussed. Kris Larson explained the process of the new rate being established for multi-family dwelling units of \$44.26 per unit for 1200 cubic feet. This was recommended by our rate specialist when the cost of service study was done. She told council that we have received a few complaints, and since the last meeting we have been researching a lower rate of \$35 per unit for 800 cubic feet per unit. She also mentioned the loss in the water fund for fiscal year 2014 and urged caution at reducing the rate too low. Connie Wells stated that she understands the concern but other elderly people are paying the full rate as they live in their homes. Stephen said there is only one water meter for these commercial customers so we only have one customer to deal with. We don't have issues with nonpayment because the owner is paying the bill, however, the load profile is more like residential. Bruce said the increases will have to be passed on to the tenants. Connie said the other people on our system are subsidizing the multi-dwelling unit customers. Rick clarified the way the rate structure was previously and how it is now being administered. Kris explained that the rate study showed that the residential customers were subsidizing the commercial customers and this new rate would help alleviate that issue. Mayor Anderson would like to come up with a solution. He would like to see an adjustment to the commercial rates and work this in over the next few years so they can plan on the increases. Tom Mayo would like to see something done as it is a big blow but does not want the entire rate study recommendation to go out the window. Ron Smith does not want to keep the rate at 100 percent increase. Connie said we need to follow our rate study recommendation and it is not up to us to fix Bruce's problem or Mr. Clum's problem by giving them more income. She understands it is hard to pass on the increase because their tenants are low income, but it is not fair for our residential customers to subsidize the commercial customer class. Mayor Anderson would like to go down to \$30 per unit and let them have 800 cubic feet of water and raise this class incrementally over the next few years. Bruce said all of his tenants own their own homes in his park. The group continued to discuss the rates. Council would like to see the computation of the larger unit customers with a comparison of the

old rates and the new rates. Mayor Anderson agrees with Connie but would like to see the large adjustment over a five year period. Council will get the comparison and then make a decision. Kris told council that all the multi-dwelling unit customers have been billed at the higher rate in January and will continue to be billed at the higher rate until there is formal action. Mayor Anderson said if there is an adjustment for what has been billed it will be determined when the decision is made. This is tabled until we get the comparison data.

Rick Alonzo moved to appoint Howard Kent to the Traffic Safety Committee with the term to expire December 31, 2016. Ron Smith seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Connie Wells moved to go into executive session per Idaho Code 67-2345 (1) (a) and (b) at 8:43 p.m. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”. Attorney Andrakay Pluid joined us by speaker phone. Executive session ended at 9:00 p.m. No action was taken.

Ron Smith moved to hire water/sewer department employees Joe Higgins and Jay Solomon pending background checks. Rick Alonzo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”. (Clerk’s note: their hourly rate will be \$15.30 per hour).

There being no further business the meeting adjourned at 9:02 p.m.

David K. Anderson, Mayor

Attest:

Kris Larson, City Clerk