

Mayor David Anderson called the regularly scheduled meeting of June 17, 2014 to order at 7:05 p.m. Present for the meeting were Mayor Anderson, Council Members Ron Smith, Connie Wells, and Tom Mayo, Clerk Kris Larson, City Administrator Stephen Boorman, City Attorney Andrakay Pluid, Police Chief Robert Boone, Fire Chief Pat Warkentin, Police Officer Foster Mayo, Economic Development Coordinator David Sims, and Fireman Len Pine. Also present were Caleb Beazer, Tyler Beazer, Dave Ingle, Jana Ingle, Marcia Cossette, Doug Ladely, Sr., Jerry Higgs, John O'Connor, Susan Drumheller, and Bob Graham. Councilman Rick Alonzo was gone on personal business.

Len Pine, Director of Boundary County Chaplain Corp, spoke to council. He is the dedicated Chaplain for our fire department. He said the Supreme Court has found that meetings can be opened in prayer and he said a Chaplain would be available for prayer at our meetings if council would like that.

Susan Drumheller from the Idaho Conservation League gave a power point presentation on the increasing coal and oil transport trains. She works out of the Sandpoint, Idaho office of the Idaho Conservation League and said John O'Connor is on the Board. Trains are coming from the Powder River Basin in Wyoming and Montana traveling to the west coast. There are normally four or five trains with 125 cars each carrying coal coming through per day going to Van Couver, British Columbia to an export terminal. Susan said there are three other export terminals. One is at Cherry Point, Washington, and that is a gateway Pacific terminal that would generate about 54 million tons of coal per year. Longview, Washington generates about 43 million tons of coal and Boardman, Oregon generates about 8 million tons per year making a total of over 105 million tons per year. This could generate about 60 coal trains per day. The primary rail line is Montana Rail Link through Clark Fork but if there are more than 30 trains per day they could route through Bonners Ferry on the highline route in the amount of at least 29 trains per day. She said the train cars are full on the way to the coast and empty on the way back.

Susan said there are a number of storage facilities being proposed on the coast for crude oil coming out of North Dakota. The crude oil by rail could result in 22 trains per day. These are on the highline route coming through Bonners Ferry. According to a study done by Site Line Institute, with an additional 57 trains per day it is estimated that train delays could increase by four hours in a day. There is concern about derailments. There is also concern about coal dust. There are many heavy metals in coal that are toxic. Diesel particulates also cause health problems. The coal export terminals are going through a review with the Army Corps of Engineers and Washington Department of Energy and the Federal Surface Transportation Board. The oil storage and transport terminals are being looked at by Washington State agencies and the oil train safety issues are being looked at by the National Transportation Safety Board and the Federal Railroad Administration. Idaho does not have regulatory agencies involved yet. They are asking for letters from the local officials to urge the federal officials to get involved and work on these issues. Mayor Anderson thanked Susan for the presentation.

Police Chief Robert Boone gave the police report. He has an officer in Boise for basic investigator training. There have been one patrol violation arrest, one stolen and recovered stolen vehicle, two warrant arrests, one injury vehicle accident, a family disturbance, a felony controlled substance arrest, one theft of prescription drugs, one DUI arrest, one battery investigation, one vicious dog bite, and 24 speeding citations.

Fire Chief Pat Warkentin said there have been two call outs in June. One gas odor and the other was a tree in the electrical lines near Fodge's Mill. Pat said Tony Rohrwasser has put a lot of grant money from different agencies into the community for communications. The budget is about \$15,000 short in funding for completion of the communications project. He is not interested in taking funding from the fire department budget since we are the only fire entity paying for dispatch services.

Stephen Boorman said the rough mower at the golf course is broken. Stephen explained what happened to the mower and said it would cost about \$6,000 to repair it and that is more than the old mower is worth. He said Ralph is looking for a used mower to replace it. The pool heater is up and running. The scada computer is up and running but needs to be replaced at the power plant. The line between the water tanks on the northside needs to be replaced as there is a leak. There is a problem with the sewer line behind the Museum so that will need to be done this year. Stephen reminded council that there is information on the Idaho Consumer Owned Utilities meeting this summer in the packet and to let him or Christine know if anyone wants to attend. The construction project on the highway is beginning and will be completed by September 2. There will be a lot of work done on the Arizona Street Bridge and the approach to the Kootenai River Bridge will be repaired also. Tom Mayo asked about the lining of the steel tank. Stephen said there were more leaks found when it was sandblasted and they have been repaired. Mike Klaus is overseeing the coating being applied to the steel tank.

David Sims spoke regarding the outflow of people from Boundary County to other places for employment. The statistics provided by Alivia Mets, Idaho Department of Labor, showed that there are more people coming to Boundary County for work than the number leaving. David said if you live here and work somewhere else it is good because dollars are being spent in our community. The EDC will have a Highway 95 committee that will start meeting in September. There is a grant application for technical assistance to help the committee, and Idaho Transportation Department is in favor of the grant for technical assistance. David said there is a one day retreat in Sandpoint for nonprofits put on by University of Idaho. Carter Country will open the feed store in the Amer-Can building next Monday. The urban renewal agency met and paid bills and they may be available to help with a street project that Stephen will speak about later in the meeting.

Connie Wells moved to approve the consent agenda. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”. The consent agenda contains the following: roll call; approval of accounts payable and payroll; and approval of the June 3, 2014 council meeting minutes.

Tom Mayo moved to approve the special event permit for Jill and Dan Nystrom/Rusty Moose Tavern and Grill for a band, barbeque, and beer garden on Bonner Street on July 4, 2014. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Connie Wells moved to approve the catering permit for the Rusty Moose Tavern for a beer garden on Bonner Street on July 4, 2014. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Ron Smith moved to approve the parade permit for the 4<sup>th</sup> of July celebration. Connie Wells seconded the motion. Tom Mayo asked Chief Boone what the police presence would be. Chief

Boone said there would be an additional officer on duty from 4:00 p.m. through 10:00 p.m. for overlap due to the number of people coming into town for the celebration. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Tom Mayo moved to approve the special event permit for Pastor Nevin Neal of Bonners Ferry Baptist Church for the outdoor gospel meeting and vacation Bible school at Oak and Colorado from July 27 to July 30, 2014. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The catering permit for Kootenai River Brewing Company in the Georgia Mae Plaza was held for executive session.

Ron Smith moved to approve the purchase and installation of flooring for city hall. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”. (Clerk’s note: the purchase is from ProX Home Center for \$10,116.42).

Stephen spoke to council regarding electric meters to be purchased. The proposal is for radio read meters and three phase direct meter replacement. The electronic meters are more accurate according to Stephen. The residential electronic meters will have a remote disconnect feature. There will be about 600 electric meters that will be electronic after this purchase. Connie Wells moved to approve the purchase of electronic meters. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The cost of service analysis presentation meeting was discussed. The tentative meeting date being looked at is August 12, 2014. Stephen would like to encourage as many customers to attend as possible. Council agreed to the date.

Mayor Anderson read a letter he had written to Federal Legislators Mike Crapo, Raul Labrador, and Jim Risch regarding railroad safety concerns. He asked for council approval to sign and send the letter. Connie Wells moved to authorize the Mayor to sign and send the letter to the federal officials. Tom Mayo seconded the motion. Ron Smith asked if the letter addresses the fire chief’s concerns. Pat Warkentin said it is a start. He also said we have had some trainings and BNSF Railroad has openings in their emergency training center in Pueblo, Colorado for upcoming hazmat training. We are considering attending as BNSF pays the travel costs. Pat said if we should have a railroad disaster with crude oil, the fire department’s duties would be to evacuate and protect exposures. Most fires would just burn until they put themselves out. Police Chief Boone said he witnessed one of these incidents 20 years ago, and he would like to see the railroad involved in first responder training for hazardous material investigations. Ron Smith asked if Bob Graham thought the Mayor’s letter addressed his concerns. Bob Graham received information on the hazards of the oil trains. He agrees with both the fire chief and police chief. He said if there is an accident with the oil, evacuation would be imminent. Notification of the public is something that needs to be worked out. The siren on City Hall was previously discussed as a mechanism to notify people, but there is concern that the phone lines would be tied up. Mayor Anderson said he broached the oil train subject with the General of Homeland Security and no one had any answers. He said the oil trains would not only cause problems in town but the railroad runs right along the river. Mayor Anderson said any type of train wreck in the canyon would be a huge problem. Bob Graham said train wrecks in the canyon are difficult to handle. The demand it would put on the city and county folks would be tremendous. Foster

Mayo said it would be a practical idea to set up for a train incident practice training. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Stephen said Arnie Olsen from BNSF Railroad is willing to work with the city on the Cow Creek corner. He said we will be allowed to get 22 feet of road width. He said we will have to put up a retaining wall and fence and trim down brush on the other side of the road. Stephen said David has offered that the urban renewal agency may consider this for funding as it is in the urban renewal district. He will have to take it to the urban renewal agency board for approval. Stephen said the project will cost about \$7,500. Ron Smith asked about taking out part of the bank on the south side of the road. Stephen said we cannot remove any more of the bank without moving a house. He said the railroad approval to do this project is huge. David said the urban renewal agency is not meeting until August so he has learned that the urban renewal agency can approve reimbursement after the project is complete. Connie Wells moved to approve the improvements to the Cow Creek Road. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”. Stephen said we may not have to put in the fence but won’t know until the project is nearly done.

Tom Mayo moved to authorize the Mayor to sign the contract with Alan Flory for equipment services. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Council will meet at 6:00 p.m. on July 1, 2014 for a budget workshop.

Mayor Anderson said he put a wage packet before council as city employees have not had a substantial wage increase for some time. The general fund will be the hardest to fund. He said the proposal includes the street department having a tiered schedule like the enterprise funds. The fire department is included for an increase. If we do the entire package we are looking at about \$60,000 in the general fund according to the Mayor. He said the wages in the enterprise funds are commensurate with the going rates in other regions. He is looking for council input but is not asking for a vote tonight unless council wants that. Ron Smith thinks it is well done and thinks it needs to be done. It would show the employees that what they do is appreciated. He is not in favor of decreasing the proposal and was concerned about Andrakay but her wage is set by contract. Connie does not disagree with the proposal but is concerned about how to pay for them. She is concerned about having to cut services or an employee. She said in the enterprise funds we can do this by increasing rates but expressed concern especially if we want to increase cash reserves and is worried about the ratepayers. Tom Mayo is concerned about implementing the raises in this fiscal year as they were not budgeted. He said there are issues at the golf course and we may have to look at closing the pool as the raises need to be sustainable. He would be against it if it were in this fiscal year. Mayor Anderson said he was thinking about October for implementation but is concerned about the disgruntlement of the employees and mentioned the lack of applicants for the lineman position. He is considering the implementation to be in mid-August or the first of September. Some raises are easily given in their funds where the general fund struggles. He said the State has come up and given raises to their employees as well as the county. Tom said the county still pays less than the city, and if this proposal goes in there would only be one position at the city that pays less than what he was making when he retired from the county. He does not want to close the swimming pool to pay the raises. Mayor Anderson said there is an apples to oranges comparison between the county benefit package and the city health insurance. Tom said the city has lost some of their Tribal contract revenue but the

county has not lost anything on the dispatch agreement. Tom is in favor if we can fund it in the next fiscal year. We can fund it but we may have to make sacrifices according to Mayor Anderson. He said there may be no new vehicles, close the pool, or lay off a person. Connie said it could be a problem for street maintenance. Mayor Anderson commented on putting in the wage and benefits first and fill in the budget around that. He said our employees are valuable and if they leave the electric or water departments and we have to contract that it will cost much more. It would be a great morale booster for our employees and he sees many positives. Ron Smith agreed with the Mayor. He said it will dip in the reserves and if we have to forget equipment purchases then we should. Ron said normally a raise starts at the first of a fiscal year and that would be what he suggests. Ron Smith moved to go along with the wage package effective at the first of the fiscal year. Tom Mayo said he prefers to wait until there is a full council to make this decision. The issue will be on the July 1 agenda.

At 8:30 p.m. Ron Smith moved to go into executive session per Idaho Code 67-2345 (1) (a). Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”. At 8:35 p.m. executive session ended. No action was taken.

Andrakay Pluid spoke about the use of the city park for the beer garden. She said we just denied an art sale in the city parks and this beer garden would be a commercial event. She thinks Mike Naumann should rent a parking lot on Main Street. Stephen said he spoke to Mike about two parking lots that are available. Ron Smith moved to deny the use of Georgia Mae Plaza for a beer garden. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Connie Wells “yes”, Tom Mayo “yes”.

There being no further business, the meeting adjourned at 8:40 p.m.

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David K. Anderson, Mayor

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Kris Larson, City Clerk