

Mayor David Anderson called the special meeting of March 3, 2011 to order at 5:20 p.m. at the Boundary County Extension Office. Present for the meeting were Mayor Anderson, Council President Chris Clark, Council Members Mike Klaus, Connie Wells, and Tom Mayo, Clerk Kris Larson, City Administrator Stephen Boorman, Assistant City Administrator David Sims, and Economic Development Coordinator Mike Sloan. Also present for the meeting were Phil Boyd and Larry Comer of Welch Comer, Brett Converse from JUB Engineering, Boundary County Commissioners Ron Smith, Dan Dinning, and Walt Kirby, Boundary County Commissioner Secretary Michelle Rohrwasser, City of Moyie Springs Mayor Doug Evans, Councilmen Steve Economu, Geof Hollenbeck, Chad Farrens and Terry Johnson, Maintenance Person John Nelson, Moyie Springs City Clerk Sandy Tompkins, Julie Golder from the Bonners Ferry Herald, Jane Kirby, Claine Skeen, Bob McGhee, Jay Wages, and Dave Gray.

The purpose for the special meeting was to read and adopt Ordinance 521 and participate in a joint meeting with Boundary County and the City of Moyie Springs to discuss regional sewer, recycling, and Sunday liquor sales.

Mike Klaus moved to suspend the rules for reading Ordinance 521 three different times and read the ordinance once by title only. Connie Wells seconded the motion and it passed, all in favor. Clerk Kris Larson read Ordinance 521 by title only.

Mike Klaus moved to adopt Ordinance 521 Authorizing Issuance of \$1 Million Water Revenue Bond and Setting Terms and Covenants for the Bond. Tom Mayo seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Ron Smith welcomed all to the joint meeting.

Larry Comer and Phil Boyd gave a presentation on regional sewer. Larry said there are about 70 users in Moyie’s water system and only 23 percent have sewer. David Sims said the City of Bonners Ferry has a permit to discharge sewer into the river. EPA has issued a draft sewer discharge permit for the City of Bonners Ferry to operate on since our permit expired. David said the permits are for five years and this makes it difficult for planning with such a short permit cycle. He said at this time the city does not have capacity in our lagoons. We are installing new aerators and are hopeful that this will add to our capacity. The City of Bonners Ferry is doing a wastewater planning study and has hired JUB Engineers to complete this study. David said there are many uncertainties at this time but JUB will be looking at our options. He said we are at capacity so taking on extra loading at our lagoons at this time is not a good idea but we are also in the planning stages so ideas are welcome. Stephen Boorman said now that we have an expert looking at our system it is a good time to think about additional capacity. David said it is not easy or cheap working with EPA and if Moyie Springs goes on their own they will face similar issues like Bonners Ferry. Ron Smith made a comment on the area of impact. David Sims said we are not talking about the area of impact with this proposal at this time.

Larry Comer spoke of anti-degradation and the problems that come about when discharging into a body of water as this is a moving target. David explained that the EPA has historically allowed discharge up to the design flow and they have been challenged by Idaho Conservation League so they have changed from design flow to what has actually been discharged. Dan Dinning asked about endangered species problems. Larry said the temperature of the water affects fish issues. Dan said the TMDLs should not be a problem. David said we are fortunate that the Kootenai River is nutrient deficient.

Phil Boyd showed the group a map of the area from Three Mile to Bonners Ferry. Phil said the proposal of taking sewer from Three Mile to Bonners Ferry's sewer lagoons was looked at in 2004 and at that time there was a proposal of a gravity feed. Phil said at that time it was a \$1.4 million dollar project and there would have been a cost of \$3,800 per hook up.

Larry Comer said Idaho Code allows interagency agreements between governmental units. He said Post Falls owns a sewer facility and Rathdrum contracts with Post Falls to take their sewage. He said there are also three way partnerships in Idaho. Phil Boyd said there is a unique situation in Benewah County between the County and the City of St. Maries. An LID was formed to fund the sewer system. Larry said there is an interagency-interstate agreement between Newport, Washington and Oldtown, Idaho. Newport takes Oldtown's sewer and Oldtown provides water to Newport.

Larry said if a sewer regionalization issue is considered, there must be the assurance that the different areas are carrying their own weight as far as costs are concerned. Larry said there would have to be a buy-in paid to Bonners Ferry if this is done and the other entities would need to pay their fair share of the maintenance and operation costs. Larry spoke of water, sewer, and water and sewer districts. He said these districts need an election to form. Larry said LIDs are another mechanism to help fund a sewer or water project.

Doug Evans said Moyie Springs sewer needs serious consideration and gave a history of the discussion on regional sewer.

Dan Dinning said lack of infrastructure in the Three Mile area is the reason for the lack of development in that area. Larry Comer said water quality, economic development, and need are the drivers for funding. Grant funding is based on the extent of the need, economic development, and water quality. Larry suggested we have another meeting toward the end of the summer.

Claine Skeen spoke regarding recycling. The recycling program is growing each year, from 117 tons in fiscal year 2007 to 414 tons in fiscal year 2010. Only 20 tons of waste can be buried per day at the landfill under the Small Community Exemption. Bonners Ferry Garbage is bringing in 4.76 tons per day and Boundary County is bringing in 6.1 tons per day. Claine estimates we will be at 600 tons of recycling in fiscal year 2011. Ron Smith said we have about \$600,000 in the bank in the landfill closure fund but it will take about \$1.4 million when closure comes. He said

the reduction in the tonnage at the landfill has extended the life of the landfill exponentially. Dan Dinning said single stream recycling is being looked at by the county. All recyclables except glass will be put in the recyclables together. Dan suggested the city look at the garbage contractor picking up garbage one week and the next week picking up recyclables on his route. Claine said revenue in the amount of \$21,000 was brought in by recyclables. There will not be bailing of the material required when the single stream recycling program is started and the county will still receive the same amount of revenue. Electronics are not paid for by the recycle facility accepting them and the county does not have to pay to dispose of these items.

Dave Anderson said the idea of alternating the garbage pickup routes will be explored. He also spoke about waste to energy and methane gas being used to produce electricity. Walt Kirby said the landfill can be mined so there won't be closure costs possibly if the waste is used for a plasma burner.

Ron Smith spoke about Sunday liquor sales and said at a previous joint meeting it was voted against. He said the counties and cities get a distribution from the State of Idaho from liquor proceeds and sales tax. Ron said liquor sales are available on Sundays at other locations. He thinks the Sunday liquor sales are a revenue maker and thinks there may be an opportunity to employ another person at our liquor store. Dave Anderson said previously when we discussed the Sunday liquor sales it was heard that the local operators of the liquor store were opposed to it. He further said the State of Idaho has done an efficiency test on liquor stores and the Bonners Ferry store was on the list of ten stores to privatize. He said if the liquor store went to a private store that is existing there would not be the job creation because there is not the need to hire an additional person at a grocery store to sell liquor. He also thinks it is easier for minors to get liquor at a grocery store than at a liquor store. Dave said there may be lower sales in our Bonners Ferry liquor store due to the Duty free store at the Canadian border. Walt Kirby said travelers would stop at our liquor store if it was open on Sundays. He said the employees of the Bonners Ferry liquor store are in favor of Sunday sales and this would be an additional five hours per day. Walt said the Sunday sales are estimated to be \$2,500 to \$3,500 and there is also sales tax paid on top of this. Walt is in favor of Sunday sales.

Dan Dinning said he reviewed our March, 2009 minutes and quoted the liquor distribution amounts that he estimates would result in Sunday liquor sales. He further commented that the State of Idaho would take the revenues resulting from Sunday liquor sales to help fund the State's general fund. Dan is not in favor of the Sunday liquor sales and Chris Clark also said he is not in favor of Sunday sales. Doug Evans was unsure of his opinion. Terry Johnson said it is difficult to make a decision without definite figures. The group discussed the jobs that would be lost in our community if the liquor store would close. David Sims said the annual revenue figures may have decreased because the money that was borrowed from the liquor distribution has been repaid. Geof Hollenbeck said Sunday liquor sales won't make a difference, if a person wants to get alcohol on Sunday they will, and the additional hours that an employee would garner are worthwhile. He said coming from being recently unemployed, anyone we can keep

employed in our community the better to help those folks meet their payments. Dave Anderson is not opposed to Sunday sales.

Steve Economu said there are two duty free stores at Eastport and one at Porthill. The duty free stores do not pay sales tax.

There being no further business the meeting adjourned at 7:15 p.m.

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David K. Anderson, Mayor

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Kris Larson, City Clerk