

City Council held a budget workshop at 5:30 p.m. on July 20, 2010. Present for the workshop 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, Deputy Police Chief Joel Minor, and Fire Chief Pat Warkentin.

Mayor David Anderson called the regularly scheduled council meeting of July 20, 2010 to order at 7:23 p.m. 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, Attorney Tim Wilson, Water/Sewer Department Supervisor Jim Fritzsche, Water/Sewer Operator Doug Ladely, Fire Chief Pat Warkentin, and Deputy Police Chief Joel Minor. Also present were Julie Golder, Dave Gray, Marcia Cossette, Eddie Cleveland, and Scott Corwin, Nancy Baker, Mark Thompson, and Michael Deen from Public Power Council (PPC).

Scott Corwin introduced the members of the PPC and gave a handout to council. The PPC was formed in 1966 and they provide technical/legal/government affairs expertise, and inform and advocate on issues impacting the federal power and transmission system. The mission of the PPC is to preserve and protect the benefits of the federal Columbia River power system for consumer-owned utilities. There is a 21 member executive committee that meets each month and Stephen Boorman is the Chairman of the PPC at this time. He commended the great job Stephen does. PPC is headed into another rate case that is important to BPA customer rate payers in the bad economy and that is a rate increase. PPC is working on keeping expenses down and rates low for prices effective October, 2011. Low water years and rebuilding reserves are also factors and it is a difficult discussion to have. He encouraged council to come to Portland for the monthly meetings. Stephen said the team Scott has is excellent and they are available to answer questions and are an excellent source of information. Mayor Anderson asked Mark Thompson what he thought of the Supreme Court ruling regarding the BPA contracts and the Frazier Case. Mark was a bit surprised with the ruling but said BPA is on our side on this issue. Chris Clark asked about the wind generation problem that was on the news. Nancy Baker said there is a big problem with a minimum amount of water in the river that is required for fish issues particularly in the spring and when the wind picks up there is nowhere to accommodate the excess generation created in the system so there is a balance problem with the wind generation and the load. Mayor Anderson thanked the PPC for coming to Bonners Ferry. Scott said the Moyie power plant is a great facility and they appreciated the tour today.

Jerry Higgs read a letter he wrote into the record. It was regarding the incident with Farice Basler's Pomeranian and the Murray Family's dogs including Sally Sue, the city drug dog. He said the bull terrier chased Ms. Basler into the garage and she confined it in the garage. The other two dogs then went into Jerry Higg's yard and proceeded to attack Jerry's dogs. Jerry shot at the dogs with an air rifle. Jerry went over the events that occurred. He requested that the city police department policy be reviewed including going off radio frequency using cellular phones and review of the city animal ordinances. He said the police chief considers both dog attacks as

one incident even though, according to Jerry, there were three dogs attacked on two residences over 200 feet apart. Jerry offered to put his subject on the agenda at anytime to get the animal ordinance rewritten as well as to review the police policies. Jerry submitted a copy of the letter he read to the city council.

Joel Minor gave the police report. There have been three accidents – two non injury and one injury, three agency assists, one assault, two batteries, one burglary, two child custody disputes, one driving without privileges, one explosive device at Valley View School, two malicious injuries to property, two petit thefts, two possession of controlled substances, one possession of paraphernalia, one probation violation, two prowler calls, one vehicle burglary, one vehicle civil dispute over ownership, and four warrant arrests.

Pat Warkentin gave the fire report. He said the bomb incident took up most of Sunday for the fire department as well as the police department. The fire department assisted on two accidents on highway 95 for traffic control. The fire danger is moderate.

Stephen Boorman gave the Administrator report. On August 10 there is a class on asset management in Bonners Ferry. Stephen will be attending a St. Maries council meeting tomorrow evening to speak about our water projects and the Mrytle Creek fire in 2003. The water project on the north side is complete. The water project in the Eaton Addition is being worked on and there is a big rock that needs to be removed for the water line. Stephen said Ralph Lotspeish is considering applying for the high school golf course position.

Tom Mayo moved to add discussion of a letter to the Kootenai Tribe considering an increase to the fire/law enforcement contract for 2011. Connie seconded the motion and it passed, all in favor.

Mike Klaus moved to approve the consent agenda. Connie Wells seconded the motion and it passed, all in favor. The consent agenda contained the following: roll call; approval of council meeting minutes for June 15, 2010, June 29, 2010, and July 6, 2010.

Chris Clark moved to approve the special event definition. Connie Wells seconded the motion and it passed, all in favor. (Clerk's Note: the definition is any event that uses public right-of-ways inside the city limits, is open to the public with an expected attendance of greater than 50 people, and /or requires special city services. Exceptions: 1) governmental functions, 2) school district functions, 3) private functions.)

Chris Clark moved to authorize the Mayor to sign the Department of Commerce pay request paperwork for the Welch Comer invoice. Tom Mayo seconded the motion and it passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The solid waste policy was discussed. Mike Klaus moved to approve the solid waste collection policy with the change suggested by Connie Wells concerning weight and size of cans. Connie Wells seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Stephen said the distributor truck is on the capital list and has been for some time. John Youngwirth has found a used truck for \$40,000. Stephen commented on the good job John has done on his budget this year. Chris Clark asked if this purchase would be out of the Street budget. Stephen said it would be out of the capital budget for the general fund. Chris Clark moved to advertise for quotes for a used hot oil truck for up to \$40,000. Connie Wells seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

David Sims said Local Highway Technical Assistance Council (LHTAC) is awarding the contract for the Alderson Lane project to Woods Crushing and Hauling upon Wood’s signing the paperwork. David said we are very fortunate that LHTAC accepted Wood’s bid because it is about \$36,000 less than the next closest bid. He said the city wants to complete the Alderson Lane project before school starts. Mike Klaus moved to authorize the Mayor to sign the paperwork for the LHTAC grant for payment to Welch Comer. Tom Mayo seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Connie moved to authorize the catering permit for the Eagles for the Moto X at the fairgrounds. Tom Mayo seconded the motion. The motion passed, all in favor.

Stephen briefly spoke regarding the 20 year BPA contracts and the ordinary and necessary provision. If the constitutional amendment fails at the November election then it will be necessary to have a bond election to approve the 20 year contract to purchase power from BPA.

The advertisement for bid for unit one generator repairs was tabled until the next meeting.

The group discussed the water/sewer service area. The proposed maps were reviewed by council. Area one is south of town toward the golf course, area two is near Copeland’s in the valley, and area three is past Wild horse Lane. David asked the question if the city wants to have annexation where there is not sewer because there is no sewer in areas two and three. Electric and water were grandfathered in areas two and three. Stephen said to keep in mind that the problem will be when someone comes in and requests water service outside city limits when the line runs past their property. David cautioned that there could be the problem of rationing the city residents due to limited capacity if we allow outside city residents to hook on the system. Tim Wilson said there is a safety and protection opinion that people must be annexed if they want to have city water and sewer services. Mike Klaus spoke of the Coeur d’Alene case regarding other water district areas that were taken over by the city. Connie said there is a problem of annexation for an individual that wants to be annexed but cannot due to the location of the property. David Sims said the area of the golf course is the best area due to the sewer system being there and we have grandfathered that area in by assuming the district. It is also the most likely area to develop.

Council discussed requesting an increase from the Kootenai Tribe for the law enforcement/fire contract. Connie moved to request a three percent increase from the Tribe for the fire/law enforcement contract for fiscal year 2011. Chris Clark seconded the motion. The motion passed, all in favor.

Connie moved to go into executive session at 8:37 p.m. per Idaho Code 67-2345 (1) f. Tom Mayo seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”. At 8:47 p.m. executive session ended. No action was taken.

Council discussed another budget hearing to be held on August 3<sup>rd</sup> at 5:30 p.m. Stephen said the street department budget has gone up in 2011 but it is primarily due to oil and rock for road maintenance.

There being no further business, the meeting adjourned at 8:55 p.m.

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David K. Anderson, Mayor

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Kris Larson, City Clerk