

Mayor David Anderson called the regularly scheduled meeting of August 16, 2011 to order at 7:00 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, Police Chief Rick Alonzo, Fire Chief Pat Warkentin, Water/Sewer Department Supervisor Jim Fritzsche, Water Treatment Operator Doug Ladely, Water/Sewer Department Foreman Alan Branson, Water/Sewer Department Operator John Delaney, Electric Lineman Brian Kerins, Electrician Steve Neumeyer, Clerk's Office Employees Jean Diel, Christine McNair, and Sunny Kimball, Attorney Tim Wilson, Street Department Supervisor John Youngwirth, Street Department Lead Operator Tim English, City Mechanic Keith Fairchild, and Economic Development Coordinator Mike Sloan. Also present were Rick Cruz, Gary Falcon, Carolyn Testa, Dave Gray, and Marcia Cossette.

Attorney Tim Wilson presented Council with the title to the green Tahoe that was garnered by the Police Department.

Doug Ladely spoke to council about wages. He said a wage increase was not put in the 2011 budget and therefore no wage increases were granted in 2011. He said there have been some proposals presented to council for 2012. He said the last cost of living increase for the city was in 2009 and asked that council consider a raise in 2012.

Rick Alonzo gave the police report. He said there have been burglaries and those crimes have been solved. There were two DUIs, three driving without privileges, four warrant arrests, two thefts, three unlawful entry charges, three burglaries, one possession of marijuana, two accidents, one domestic dispute, and two minor in possession of alcohol charges.

Pat Warkentin said there were five call outs in August and 11 in July. There was a brush fire up by Wilsons and a smoke odor investigation. He said the fire department just purchased 10 tires for the brush tender. There was an article in Fire Magazine about fire tenders crashing due to old worn tires. Pat said Doug Ladely found ten tires for \$400 at the Surplus Property Bureau. He said they would have cost about \$4,000 if purchased locally.

Stephen Boorman said references need to be chased out on the mapping proposals. The roofs on the power plant and water plant have been completed. Christmas decorations need to be sought because the green Christmas trees are getting bad. He said if council knows of anyone that wants to help with the decorations to let him know.

David said the anti-degradation rules public comment period is open at the State level. EPA is waiting for the anti-degradation review before approving our sewer lagoon discharge permit. He is not sure if there will be a public comment period on our permit but things are moving along with the permitting process.

Mike Sloan said Blackfoot Communications is putting together a team and looking at the data compiled by US Metronets. A recommendation will be made to the Blackfoot Communications Board in September so we will know if the broadband project will be coming to our area. The firm of 360 has offered to come together with Blackfoot Communications for bonding. Mayor Anderson asked if there is fiber in the Moyie area. There is fiber in Moyie but it is coming from Montana according to Mike. Mike said 360 will be laying a line from Sandpoint to Bonners Ferry.

Connie Wells moved to add two late agenda items: 1) discuss recycling and 2) approve a special event permit for Mountain Springs Church for a professional skate demo at the city parking lot on September 3, 2011. Tom Mayo seconded the motion. The motion passed, all in favor.

Mike Klaus moved to approve the consent agenda. Chris Clark seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”. The consent agenda contained the following: roll call; approval of accounts payable and payroll; approval of the Treasurer’s Report; approval of July 19, 2011 council meeting minutes; approval of July 22, 2011 and July 26, 2011 special council meeting minutes; approval of August 2, 2011 council meeting minutes; and approval for David Sims to attend the NWPPA Workshop on Unbundled Cost of Service and Rate Design in Missoula, Montana from September 13-14, 2011.

Dan Rice, Electrical Superintendent, joined the meeting at 7:14 p.m.

David Sims gave a presentation on annexation to the group. The areas being looked at for annexation are two parcels in the city yard and another residence near the city yard, School District property that the School District has requested to be annexed, and property south of town. David showed tax illustrations with 2010 data to council with and without annexation for properties with net taxable valuations of \$50,000, \$100,000, and \$150,000. Other fees that will change would be solid waste fees, electric base rate, Idaho department of Lands fees, and garbage pickup service. City services already in the proposed annexation area are water, sewer, fire (because the city has a mutual aid agreement with Paradise Valley Fire District), and police response as back up for Boundary County. John Youngwirth estimated an extra hour to plow the snow in the proposed area. If we do annex, there is cleaning, ditch work and surface maintenance that needs to be done by the city. The group reviewed a map of the proposed annexation area. David said properties within 300 feet of the proposed annexation area need to be sent a notice of the proposed annexation. Mike Klaus would like to trim off two properties on the very south end of the map. Connie agreed and so did Tom Mayo. Stephen spoke of the calendar for the annexation process. David asked for council direction. Tom and Connie said we need to go ahead with the annexation. Chris Clark said there will be challenges as we go forward with annexation. Mike Klaus moved to go ahead with annexation with the exception of the parcels on the far south end of the annexation area. Chris Clark seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Rick Alonzo spoke regarding the take home vehicle policy for the police department. It has been reviewed by the city attorney. Rick said the officer would call into service when they start the vehicle at their home and sign out of service when they return to their residence. Rick said the officers will receive a benefit of approximately \$200 over a year's time but the city will also receive a great benefit from the officers having the quicker response time. Mike Klaus said he likes the idea and it makes sense for emergency response time. He is trying to generalize this in case there is another department that wants to have a take home vehicle. Tim Wilson said this was considered and there is a fairness issue. The city should have consistency in the take home vehicle policy and all departments should fall under the same rules. Rick said police and fire take home vehicles are not taxable under IRS rules. Connie Wells spoke of vehicle licensing, insurance, and other requirements that were part of the take home policy. She does not think incidental uses of the police vehicle should be allowed. She would like it left out. Connie likes some of the wording in the first take home vehicle policy that Stephen presented. Tim Wilson said the reasoning for the common sense items in the policy is to insure that they are taken care of. Tim said this just covers the city. Chris Clark spoke of the exception to city limits take home vehicles. Rick clarified the clause about canine vehicles. Chris is prepared to take action on the policy but he does not want to hear about exceptions. Rick said there will be a problem because the fire chief lives about five miles out of the city limits but that could be made an exception. Connie commented about the canine vehicle and what if there is a canine officer that lives in Sandpoint. Tom Mayo asked how many police officers live out of town. Rick said there are three officers currently living out of town.

Tom asked about standard speed for officers in the city limits for emergency responses. Rick said response speeds depend on the circumstances. Tom said most accidents are speed related and cause injuries to officers. Tom asked if there should be guidelines for that. Rick said in Tom's way of thinking there should be but different circumstances give different results. Tom asked about the weapons in the trunk of the vehicles. Rick said it is secure mainly because it is out of sight. Mike Klaus said in general concept it seems like council will approve a policy but asked if it should be left for the next council meeting to be tweaked and approved. Tom asked about off street parking. Stephen said council can make exceptions to any city policy. Mayor Anderson said exceptions should be left in Council's hand and not the department head's hand. He suggested taking out item #9 of the police vehicle policy. The IRS rules regarding take home vehicles will be added. Tim Wilson said the reimbursement clause can also be added if council so chooses. Stephen said if council wants a city policy then he can take the police vehicle take home policy and incorporate the policy for others. Chris Clark sees the value in having police vehicles in residential areas but wants the canine vehicle exception stricken. Chris Clark moved to accept the take home vehicle policy for the police department with the exception of the canine officer vehicle and striking the last line of item #9. Tom Mayo seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Chris Clark moved to approve the special event permit for the Moto Cross on August 27, 2011. Connie Wells seconded the motion. The motion passed, all in favor.

Chris Clark moved to authorize the Mayor to sign pay request #7 for Earthworks Northwest and balancing change order #3 for the phase 2A water project. Mike Klaus seconded the motion and it passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The loader for the street department was discussed. Council reviewed a flyer with a picture of the loader and the v-plow. John Youngwirth said the v-plow is needed especially for the downtown area. The cost of the v-plow is about \$22,000. David said John went to Sandpoint yesterday and looked at a loader just like the one being proposed for purchase. Mayor Anderson said the old machine breaks every winter and he thinks a new machine is an integral part of street cleaning for winter. Mike Klaus moved to go with financing option #2 on the loader purchase and allow the Mayor to sign the contract pending legal review. Chris Clark seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”. (Clerk’s note: this would be a five year lease with Rowand Machinery at \$27,277.12 per year with ownership at the end of the lease.)

Item #11, ordinance amendment for the urban renewal plan legal description correction, was tabled.

Mayor Anderson spoke regarding the budget. He said the only decision council has to make in regard to general fund is the carryover and changes in wages and capital expenditures. Connie Wells said she mulled over the raise situation and does not feel that it is a good time to give raises. She said the county, state, and federal government are not giving raises and social security is not giving a cost of living. She suggested raising the girls in the office to \$12.75 per hour and \$11.00 per hour for Sunny and give all other employees a \$.25 per hour raise. She does not think it is a good time to lessen the contingency in the general fund. She is concerned about the economy and thinks contingency needs to be left. Mike Klaus said the first thing to ask is if it is affordable to give a raise. He said one of the numbers that can move is contingency and said it is like a savings account. He is comfortable with \$300,000 in contingency. He spoke of other commitments that were made and gave the example of a previous council meeting where employees were in attendance. He proposed trimming contingency back to hold up council’s end of the deal to the employees where council said they would put in a substantial amount for raises. He said five percent is too much but he thinks he can justify a two percent cost of living adjustment as it is built into many things in society. If we went with a two percent cost of living and \$12.75 for Jean and Christine and \$11.00 for Sunny and also \$.75 per hour for Keith for a tool allowance, he thinks it is affordable. Mike moved to give a two percent increase except for Jean, Christine, and Sunny and give \$.75 for Keith and two percent for all other city employees. No second was had so the motion died. Chris Clark said there is a difficulty in giving a raise that is meaningful and he is concerned about giving raises and the future of this raise continuing year after year. Chris’ thought was to give the employees a bonus in the form of a prepaid VISA card

for all full time employees. One benefit is not obligating a future budget and another benefit would be to put the money in the employee's hands. Give a \$500 bonus for the 30 full time employees is his suggestion. Mike Klaus asked if Chris would be willing to give the other adjustments for the office staff and the mechanic. Chris said he would. Rick Alonzo asked about his part-time secretary and said she only works half time because the city can only afford her to be part time. Chris thinks police secretary should get half the amount for the gift card. The group continued to discuss wages. Tom Mayo said people on Social Security are not getting cost of living increases. Mike said the last increase was given in January, 2009 and he thinks it was less than two percent. Connie and Tom said we are not the only ones behind because other entities are not getting raises either. Tom said his concern is the other people in Bonners Ferry that are not city employees. Mike Klaus moved to go along with Chris Clark's suggestion of a \$500 gift to full time employees plus the adjustments to the office staff and mechanic as previously stated. The group discussed who would qualify for the bonus. Chris wants to send the signal that employees are appreciated but is concerned about obligating future budgets. Chris Clark moved to find a way to give full time employees \$500 bonus and other amounts for the part time employees and give McNair \$12.75, Diel \$12.75 and Kimball \$11.00 and the mechanic a \$.75 per hour increase. Mike Klaus seconded the motion. Mayor Anderson said he agrees that this is not substantial enough but he disagrees with Councilwoman Wells in comparing the city with the State. The city's revenues have been stable over the past few years. He said when the state monies were dwindling the city employees worked hard to save money so the revenue would go farther. He said Rick and Joel have furnished a fleet of vehicles for minimal cost to the city, saving a phenomenal amount of money. Fire Chief Pat Warkentin has upgraded the fire department for less than the down payment on a new vehicle and his department has become the envy of other fire departments in the area. Dave and Stephen have kept DEQ at bay with minimum expenditures in our utility departments. The billing was taken back in house saving the city \$144,000 per year with only the addition of one employee in the clerk's office. John saves money year in and year out in the street department and when our budget was tight a couple years ago he still came in below budget, saving the city money. Mayor Anderson thinks the city is in an economic position to give raises and gave the example of his personal business. He does like Councilman Clark's thinking out of the box and there are concerns about the economy. He supports the motion on the table but said he would like to see raises sometime during the year. He said the way the PERSI program is set up, the last 42 months is considered and those who are close to retirement suffer. He was behind Mike's proposal of two percent and the raises for the office girls and Keith. Chris said our net cost to the city will be about the same as a two percent increase across the board but won't obligate the city in the future. Connie said this bonus will go toward the employee's PERSI because it is part of their wages. The motion passed – Mike Klaus "yes", Chris Clark "yes", Connie Wells "yes", Tom Mayo "yes".

Tom Mayo spoke of the county's comingling single stream recycling. He said we should agendize the garbage recycling issue for the next meeting and have Ron Frederickson in attendance. Stephen said at last he recalls, we were considering two sites in town or possible

curbside recycling. David Sims asked if the county is still considering a manned dump site in town. Tom said they are still considering a city site. Mayor Anderson said he thought there may be an unmanned site and we also need to speak to our contractor. Tom said it will possibly cost about \$500 per month per site. Mike Klaus commented that he spoke to workers at the landfill and there are problems but they probably have not worked out the kinks yet. Mike said the last he heard from Boundary County was for the city to wait for the single stream recycling at the county before taking action at the city. Mayor Anderson said to have this on the agenda for the second meeting in September.

Rick Cruz, Youth Pastor for Mountain Springs Church, spoke to council about the skate demo. Professional skate boarders will come to town and do tricks and will also give testimony about God. There will be giveaways and music. He said there will also be a skate board contest with prizes. Rick Cruz said they are requesting to change the date of the event from September 3 to September 10. There is an insurance policy by the skate boarders and Mountain Spring will also carry insurance. Option one would be the main city parking lot in the size of 80' by 50' section and if not the city parking lot, he would like permission to use the old Meeker parking lot. Rick Alonzo foresees problems with the space to do the event unless the police physically shut down the lot. He is concerned about the vehicles. Rick asked about the large parking lot in front of the Mountain Springs Church. Rick Cruz said he would like to use the city parking lot for exposure to the public and does not want the public to think if they use the church parking lot that it is just a church event. He would set up cones after the farmers market and tape it off as the farmers market people leave. Mike Klaus moved to approve the special event permit for Mountain Springs Church for September 10, 2011. Tom seconded the motion. The motion passed, all in favor.

There being no further business, the meeting adjourned at 8:44 p.m.

David K. Anderson, Mayor

Attest:

Kris Larson, City Clerk