

Mayor David Anderson called the regularly scheduled meeting of October 4, 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, City Attorney Tim Wilson, Water/Sewer Department Supervisor Jim Fritzsche, and Street Department Supervisor John Younwirth. Also present were Terry and Jackie Spence representing the American Legion, David Gray, Insurance Agent Darrell Kerby, Jerry Higgs, Irma Merrifield, Claine Skeen, Doug Ladely, Sr., Ruth Sutton, and Dale Simpson.

Jerry Higgs read to the group a letter he received on September 13, 2011 from the City of Bonners Ferry concerning vegetation in right of ways. He said the right of way issue started in 2004-2005. There was a meeting between Jim Marx, Jim Thompson, and the City Administrator where Mr. Thompson was told to trim the trees back and that was not done. He gave the history of the right of way issue and said the right of way is the city's property and should not have become a neighbor dispute. Jerry thinks the right of way issue then turned into a police issue concerning his dogs barking. Jerry feels like the right of way issue then became a dispute between neighbors. He said the city should have taken care of the right of way issue so it did not become a problem. Jerry cut the brush from the Jehovah Witness Church to the Rosco residence. He said there are CCRs in the Marx Addition where the property owners should maintain to the edge of the road so what he did was authorized. Jerry further spoke about the trees touching the sides of vehicles. He told council they should have a discussion in executive session with Mr. Boorman about this issue and why it was ongoing from 2004. Jerry thinks there was a bait and switch going on with the police and the city trying to get Jerry to shut up. He does not think the council is aware of what is going on at the managerial level. Jerry thinks there is a burden created and the city should exert their authority regarding right of ways.

Terry Spence and Jackie Spence from the American Legion spoke to council regarding the monument needed at the Veteran's Park. There is no room left on the killed in action monument for names and unfortunately there is another name to be added. The new monument would be four panels and would face Arizona Street. Mr. Spence said he does not have a platform to put the monument on but will get the specs from North Idaho Granite. He would like to have the monument in place by Veteran's Day but if not, he will wait until next year. Stephen Boorman said the Veteran's Park is near the Library and has been designated for these types of monuments near the flag pole. Terry asked for permission from the city as well as assistance with the pad for the monument. He said the county provided all the funding that they can this year.

Darrell Kerby met with the council to discuss health insurance. Mayor Anderson said Darrell miraculously kept the city's health insurance rates down. He further spoke of self insurance at his personal business and asked about the Idaho Intergovernmental Insurance Authority. Darrell said health insurance is not like property and casualty insurance and is pretty much a fixed cost based on age and health of the group. Darrell said rates need to be set high enough to cover costs

when they arise and there is a spreading of risk constantly. Mayor Anderson said we can keep the premiums lower if the deductibles are higher. Darrell spoke of the county plans in the past where the county paid higher deductibles and used a plan to reimburse the employees. Darrell said pools of insurance can be effective and spoke of Washington National Insurance in the past. He said it lasted about 20 years until the members aged. He also spoke about the School District's pool for insurance. He said any time you start up a new pool there is a greater risk because the pool needs time to mature. Competitive rates are needed to start up a pool. He said about three years after a pool is started you can see how well it is doing but there is risk. Some of the recent rate increases are due to mandates that have been coming forth.

Mayor Anderson said the city is looking to do something for the employees and asked about dental insurance and how it works. Darrell said it is difficult to get the actuarial figures due to the small size of our group. He said it is much easier for large groups over 100 members. Darrell said the city has been with non-profit insurance carriers such as Blue Cross and Blue Shield since Washington National went out of business. Darrell said the rates were kept down due to the lower claims filed by our group. He said the city cannot purchase a policy for the same price as a group that has 100 or more members. Mayor Anderson asked if we are on the best course. Darrell said he had been asked if there were voluntary dental options for employees if they wanted to pay this premium themselves. He said Blue Cross does have this insurance but it would be higher than a group cost would be. The only way to lower our rates is to look at deductibles and co-insurance. There have been wellness program incentives adopted by some groups for their employees and that helps but it is less effective than some have hoped as lifestyles play a big role. The health of the individuals in a small group does affect the premium more than it does in a large group. Mayor Anderson said we will speak to Darrell next year in the budgeting process to see if there are better alternatives. John Youngwirth said the employees are interested in different options for purchasing insurance to make what we have better at their own expense. Darrell said it is difficult to get figures at budget time due to the unpredictability of rates.

Police Chief Rick Alonzo gave the police report. He said there were two open doors, one intoxicated pedestrian, two felony non-sufficient check cases, two driving without privileges, battery on an officer with attempt to disarm, one reportable crash, two stolen vehicles, two unattended deaths, three DUIs, one stolen bike, one possession of marijuana arrest, two possession of paraphernalia arrests, and a domestic disturbance with strangulation involved.

Fire Chief Pat Warkentin said there was a false alarm at Valley View and a gas odor investigation. The Museum had a fire alarm installed with access for the fire department via a keyless entry system. The fire department received a grant from the State for a laptop computer to run the projector for training purposes.

Stephen Boorman spoke about information from ICRMP concerning a five percent discount in the rates that the city pays. Darrell said this is an incentive for subscribers to keep rates down.

Tom Mayo commented that an employee can also get a reduction on their personal insurance. Stephen said there was a jib crane put near the tramway at the power plant. Mike Woodward did the design and Keith Fairchild did the work with Pat Stevens, Steve Neumeyer, and Adam Isaac assisting. There was a wash out near the lift station on Cody Street and the repair will need to be done this winter. He said about 60 loads of material will need to be hauled in as well as build an armored trench. He commented on a pedestrian crossing device. Work on the steel tank started this week. David Sims said we got our sewer discharge permit yesterday. The renewal was for the same levels for BOD and TSS that were in the previous permit. Stephen said the fall rush is ongoing due to projects that need to be wrapped up before the snow flies.

Mike Klaus said the urban renewal agency met on September 26, 2011 and discussed the criteria for reimbursement of projects that would be presented. He said this was the first step in the negotiations and hopefully in November we will have a better idea of whether the proposed project of a new store will be going forward. Tom Mayo commended the urban renewal agency and city staff for the work they have done.

Connie Wells moved to add the late agenda item of consideration to temporarily hire Bruce Dally for concrete work at the dam. Tom Mayo seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Mike Klaus moved to approve the consent agenda as presented. Connie Wells seconded the motion. The motion passed - Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”. The consent agenda consisted of the following: roll call; approval of accounts payable and payroll; and approval of September 20, 2011 council meeting minutes.

Mayor Anderson said the city would need a cost to consider for the proposed new monument at the Veterans Park. Stephen said he anticipates about \$300 worth of concrete for the base of the monument. Terry Spence said Tim Fulton has volunteered to do the finish work on the concrete so he just needs material costs donated. Stephen anticipates about a yard of concrete and rebar for the job. Darrell Kerby offered to pay the cost for the base of the monument. Council thanked him for the donation. Terry said the monument is for all the veteran service organizations. Mike Klaus thanked Terry for all that he does. Terry and Jackie left the meeting at 7:49 p.m.

Mayor Anderson said the next agenda item is to consider health insurance. Darrell Kerby gave John Youngwirth prices that show costs of voluntary insurance that could be paid by the employees if they choose. Chris Clark moved to continue with Blue Cross for health insurance for the City of Bonners Ferry. Connie Wells seconded the motion. The motion passed - Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Mayor Anderson spoke regarding recycling and said he stopped at the Naples site and the worker told him that people were dumping garbage in the recycle container. He asked Claine if he is finding that garbage is being dumped in the recycle containers. Claine is not finding a problem.

He said in the comingling recycle program they accept paper, plastic, aluminum cans, tin cans, and cardboard. Plastic bags are separated out. Spokane Recycling will accept plastic bags in the recycle container but Boundary County is asking that the bags of recycling be dumped out of the bags so they can see that garbage is not going in the recycle container. Claine said the county would get rejected from Spokane Recycling if garbage were to be sent to them. The county looks at the recycle material before it goes to Spokane Recycling. Tom Mayo said the county has agreed to have a visual inspection of the city recycle material that is dumped. Claine said from past experience, an unmanned site will get garbage put in the containers and that is not allowed. He spoke of the wood pile and metal pile that have grown at the landfill. Chris Clark said our unmanned sites would be specific for recycling so he thinks they will stay cleaner than the county's old unmanned garbage sites. Claine thinks it will take more time on the county's part to separate out the garbage from the recyclables. Tom Mayo asked if the unmanned sites would be okay on a trial basis in the city. Claine said he will need a contact person so he can notify if there are problems. Tom said the Commissioners will allow an unmanned recycle site at the Restorium. Mayor Anderson asked for a 60 day trial but further stated if there are problems we can terminate it. Mike Klaus said the unmanned site is a good thing to do but he agrees there are pitfalls. He spoke of the bins in Kootenai County that are labeled as to the type of recyclables and is concerned about the garbage that may be put in the unmanned site. Mike said if the unmanned site fails he would like to see bins that are labeled at the Jr. High. Stephen suggested magnets be distributed to the public for recycling. John Youngwirth said there are stickers put on the garbage bins by Bonners Ferry Garbage directing the type of items to be recycled. Jim Fritzsche asked about cleaning the recyclables before taking them to the dumpsters. Claine said rinsing the recyclables is a safety issue and said glass is a separate sort. Mike Klaus asked if the Commissioners have an expectation from the city. Tom Mayo told the Commissioners that we are looking at unmanned sites for recycling and they did not have a problem. David Sims said he spoke with the School Superintendent and there is an upcoming meeting that we can attend to speak to the School Board. Ron Frederickson has containers for the recycling sites and David said Ron has offered to let us use the containers for two months free on a trial basis.

Tom Mayo spoke of chemicals and keeping them out of the sewer waste stream. Rick Alonzo said there is a disposal area in Spokane. Tom is hopeful we can work out a program between the city and the county to keep these items out of the sewer system. Rick will speak to the Sheriff's Office.

Darrell Kerby left the meeting at 8:11 p.m.

Rick Alonzo spoke to council regarding the Idaho Transportation Department's Traffic Safety Grant for fiscal year 2012. There is a memorandum of understanding (MOU) with Idaho Transportation Department for council approval. Rick said there is a line item in the budget for this grant and it is a way to get equipment and pay some overtime costs. Mike Klaus moved to authorize the Mayor to sign the MOU with Idaho Transportation Department for the Highway

Safety Grant. Chris Clark seconded the motion. The motion passed – Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Chris Clark moved to authorize Mayor to sign the catering permit for Under the Sun for the Hawkins House Art Auction on October 7, 2011. Connie Wells seconded the motion. The motion passed - Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The group discussed the police sergeant position. Police Chief Rick Alonzo has requested to promote Corporal John Lunde to sergeant. The sergeant position is the night supervisor and does the scheduling. Chris Clark moved to promote John Lunde to sergeant. Mike Klaus seconded the motion. The motion passed - Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Stephen spoke to council about the electrical standards policy. He said there is a meter height requirement and there is also a class three meter size change for large homes. The meter height needs to be a safe height for the linemen to pull. He said this is a regular item of conversation with our customers. Mike Klaus moved to change the electrical standards policy as presented. Tom Mayo seconded the motion. The motion passed - Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The Selkirk Loop ad was discussed as the payment for the ad was previously a part of our office space lease with Selkirk Loop and we did not have to pay the fee. David said the staff had discussed advertising Mirror Lake Golf Course on our portion of the ad. He feels the circulation of the Selkirk Loop advertisement will help. Connie Wells moved to approve payment for the Selkirk Loop ad with the Golf Course featured. Mike Klaus seconded the motion. The motion passed - Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Stephen told council that the Hospital asked for a change to the fiber optic lease agreement with a limit for installation costs not to exceed \$3,000. He said Frontier does not offer this service between entities. Connie asked if the Hospital will pay for installation and also a monthly fee. Stephen said that is correct and we may look at helping out the School District with fiber optics to help them get lower costs than they are paying now. Tom Mayo moved to enter into a contract for unlit fiber to the Hospital with the noted change. Connie Wells seconded the motion. The motion passed - Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The agreement between the City of Bonners Ferry and Boundary County for the exchange of snow plowing for rock was discussed. Stephen said this was something the city and county have been doing for years but the rock quantity is less than what it was in the past but this is typical of what we will use. Chris Clark moved to authorize the Mayor to sign the agreement between the City of Bonners Ferry and Boundary County for trading services. Connie seconded the motion. The motion passed - Mike Klaus “yes”, Chris Clark “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Annexation was discussed. Tom Mayo said he would like to continue on with the annexation process as we owe it to the citizens of Bonners Ferry. Connie agreed with Tom as she thinks it is fair to the city residents and the outside residents don't like it but it is fair. Chris Clark said no one likes their taxes raised but the people in the proposed annexation area receive city electric, water, and sewer as well as fire and police services. Mike Klaus agreed with the comments made. Mike Klaus moved to set the annexation hearing date on November 10, 2011 at 7:30 p.m. Tom Mayo seconded the motion. Mayor Anderson said we should look at having it at the Kootenai River Inn. The motion passed - Mike Klaus "yes", Chris Clark "yes", Connie Wells "yes", Tom Mayo "yes". (Clerk's Note: Due to the availability of the meeting room, the hearing was changed to November 14, 2011 at 5:30 p.m.)

Stephen said there is surface work that needs to be done on the face of the dam and the street department does not have time to do it this year. He recommended hiring Bruce Dally at \$17.00 per hour as a city employee for a couple weeks work at the dam and said the power plant workers will assist him. Stephen said this will just get us through the winter and next year there will be quite a bit more work that will need to be done. Mike Klaus moved to hire Bruce Dally as a temporary employee for work at the dam. Chris Clark seconded the motion. The motion passed - Mike Klaus "yes", Chris Clark "yes", Connie Wells "yes", Tom Mayo "yes".

Connie Wells moved at 8:32 p.m. to go into executive session 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 9:02 p.m. executive session ended. No action was taken.

The meeting adjourned at 9:02 p.m.

David K. Anderson, Mayor

Attest:

Kris Larson, City Clerk