

Mayor David Anderson called the regularly scheduled council meeting of November 19, 2013 to order at 7:00 p.m. Present for the meeting were Mayor Anderson, Council President Connie Wells, Council Members Bob Blanford and Rick Alonzo, Clerk Kris Larson, City Administrator Stephen Boorman, City Attorney Andrakay Pluid, Fire Chief Pat Warkentin, Police Chief Steve Benkula, and Economic Development Coordinator David Sims. Also present were Adam Arthur, Jessica Tingley, Marcia Cossette, Jerry Higgs, Amanda Haworth, Lynn Haworth, Loretta Hunsaker, Dale Simpson, Ruth Sutton, Ken Baker, Dave Gray, Dollie Boling, Rita Pensmith, Laura Roady, and Ken Johnston and Victor Hitchens from Bonneville Power Administration. Councilman Tom Mayo was gone due to illness.

Marcia Cossette thanked the city for allowing the St. Anne's sign to be put in the flag park.

Dollie Boling spoke regarding the tree lighting and Santa coming to town for the children. The tree lighting will be the day after Thanksgiving. She said she was given a special event permit form, and she asked the city to sponsor the event as most towns sponsor these type of events. Dollie said it is a tradition. She also said if the city does not want to sponsor the event she wants the fees waived and the insurance waived. Dollie said they have lost all the volunteers for the Friends of Downtown except Boundary Computer and Huckleberry Variety. They bought new led lights for the downtown trees, four strands per tree. Dollie asked that the city put up the tree lights as we have the proper equipment and it would be less liability.

Ken Johnston, Bonneville Power Administration (BPA) Account Executive on the transmission side and Victor Hitchens, Customer Service Engineer who understands how the BPA system works with the City of Bonners Ferry system, spoke to Council. Ken is in charge of the contracts and his station is in Vancouver and Victor is from Spokane. They like to look at the existing system and work with Stephen to see what type of projects need to be done looking forward in the future. Victor comes more regularly. Ken said major upgrades have been done on the transmission side from Albany Falls to Sandpoint and from Libby Dam to Troy. Ken spoke of projects in our area and said a new transformer will be put in the Yaak Substation next summer. The rate case just finished on the power and transmission sides and the rates are good for two years. He said the outcome of the rate case said it has been settled for the last eight years so there was no increase on the transmission side. He said there was a nominal increase on the transmission side and the utility delivery charge was increased but it is paid by the users of the facilities. The more customers that use the transmission spreads the cost farther. He spoke of the expansion of the transmission lines and the people that pay for the new development. Ken spoke of segmentation and said it will be very important to the City of Bonners Ferry. The Energy Imbalance Market (EIM) takes the variable loads and balances out the system and Bonneville is the balancing authority for everyone. A positive aspect of balancing is that Bonneville will know when entities sign on to the transmission or when they are generating and makes sure the system is functioning properly. It also guards against cost shifts.

Mayor Anderson asked Ken about the administrator of Bonneville. Ken said Bill Drummond was scheduled to take over as Administrator of Bonneville but there was an internal complaint brought in the Human Resources Department at Bonneville that hiring practices were not followed mainly affecting veterans. A whistle blower complaint was made so the Department of

Energy got involved. An investigation is being done by the Department of Energy so the hiring process was stopped, and Administrator Bill Drummond and Chief Operating Officer Anita Decker got put on administrative leave.

Mayor Anderson asked the history of substations and asked what the motivation was to build them and asked why BPA does not want them now. Ken said originally the substations were built to serve the end use customers such as Bonners Ferry and Northern Lights. Ken said Bonneville decided to be in the high voltage transmission business. End use customers such as Bonners Ferry and Northern Lights have the responsibility to deliver the power to the customers. The substations help reduce the power to be distributed to the customers. Victor said high voltage is 34,500 volts and anything below this is distribution as was decided in 1996. Stephen said another reason was that BPA had the ability to keep a spare transformer where the smaller entities could not afford this. Ken said the customers are taking care of their own systems. Stephen said Bill Drummond and Anita are now in Washington DC. Ken gave a position change explanation.

Police Chief Steve Benkula said Buddy Winters has been hired and Judy Jeske has left and she is missed. The crime stats were received from January to September of this year and there were 158 offenses, up 88.1 percent from last year at this time, with a total of 181 arrests, up 27.5 percent from last year. The clearance rate dropped from 89 percent to 81 percent. Crimes against persons were 16 last year and 31 this year, up nearly 94 percent. Crimes against property were 18 last year and 49 this year, up 172 percent. Crimes against society were 50 last year and 78 this year, up 56 percent. There were 45 reports in October that included two driver's license violations, one harassment, five DUIs, one misdemeanor possession of a controlled substance, seven driving without privileges, two batteries, two runaways, two petit thefts, one burglary, one warrant served, one civil protection order violation, and six accidents.

Fire Chief Pat Warkentin said there have been 74 runs so far this year and that is up from last year. This morning there was a chimney fire on upper Oak Street. There was a gas odor at Super 1 on Saturday during the power outage as the fans could not circulate the air. There was also an EMS call on Saturday. Pat said Len Pine, Department Chaplain, and Brian Strong have completed their six month probation with the fire department. They will be put on payroll now. Pat said Brian will do administrative duties similar to what John Kastelic did in previous years. Pat also spoke about the letter from Ken Baker of the Boundary Volunteer Ambulance concerning overnight accommodations for EMTs. Pat thinks the fire hall was designed for this. He said there is a small room on the upper level of the fire hall for sleeping and there is a kitchen facility also. Mayor Anderson will agendize the topic for the next meeting.

David Sims gave the Economic Development Coordinator report. He said the Library has three drawing concepts developed by Washington State University (WSU) for the Library expansion project. David said the WSU students are interested in designing concepts for the City for many areas. David informed Council that Nancy Mabile has resigned from Panhandle Area Council. David said the Urban Renewal Agency (URA) has decided to go out for bonding and have engaged bond counsel. The initial interest rate is at 3.75 percent. This will enable the URA to pay the city back the remaining approximately \$7,000 that is due for the sidewalk.

Stephen Boorman gave the City Administrator report. He said the city phone system is having problems so we may need to replace the old PBX system. He said the trees along the highway near the golf course will be removed when we have frozen ground with snow on it so we don't cause an erosion problem on the slope. He is applying for an encroachment permit. He said the yard waste is heavy and it is hard on our employee's backs that do the yard waste pickup projects. He and John Youngwirth are looking at this for the future as the bags have to be lifted and thrown high up into a dump truck. There was an electric outage last Saturday and it turned out to be one of the jumpers broke loose on the pole where the line came out of the substation. It did not cause a fault because it did not touch the ground but it was a circuit that opened up. This took quite a while to find. He is still looking at ways to get rid of the firewood at the golf course.

Connie Wells moved to add late agenda items to authorize the Mayor to sign a contract with LSB Consulting Engineers to review the roof structure of Unit 2 and design an overhead crane for it and to authorize an increase in the contract with Robin Charlwood to update the FERC supporting technical information document. Rick Alonzo seconded the motion. The motion passed – Bob Blanford “yes”, Rick Alonzo “yes”, Connie Wells “yes”.

Connie Wells moved to approve the consent agenda. Rick Alonzo seconded the motion. The motion passed – Bob Blanford “yes”, Rick Alonzo “yes”, Connie Wells “yes”. The consent agenda contained the following: roll call; approval of accounts payable and payroll; and approval of November 5, 2013 council meeting minutes.

Rick Alonzo moved to read by title only the ordinance amending Title 10 Chapters 1, 2, and 3 of the City Code. Connie Wells seconded the motion. The motion passed – Bob Blanford “yes”, Rick Alonzo “yes”, Connie Wells “yes”. Andrakay read the title of the ordinance amending Title 10, Chapters 1, 2, and 3.

Mayor Anderson does not see why the city could not take on the Downtown Christmas Celebration. He said a list of volunteers should be submitted to the city so they can be covered. Rick Alonzo agreed. Bob Blanford also agreed and said it may be better for liability if our employees put up the lights. Stephen said it takes about three days for putting up the Christmas decorations by the two crews. He will have to speak to Dan about whether they have time to get the lights hung before Thanksgiving. Dollie said the kids from Boulder Creek Academy spent about three hours putting up the lights with ladders. Stephen said the crews probably will not be able to use the bucket truck because there are cars parked on the streets. Dollie said she will chase the cars off the street if it means the bucket truck can be used. Rick said we may be able to sign the street and cone off the traffic so the bucket truck can be used. Mayor Anderson would like to see the city crews give the downtown group a hand. Dollie said it is difficult getting volunteers. Rick Alonzo moved to sponsor the Bonners Ferry Christmas Celebration and to look into the feasibility of having the electric and street department crews assist in or put up the tree lights if they can work it into their schedules at this late date. Bob Blanford seconded the motion. The motion passed – Bob Blanford “yes”, Rick Alonzo “yes”, Connie Wells “yes”.

Dollie, Rita, Amanda, Lynn, Victor, and Ken left the meeting at 8:01 p.m.

The golf irrigation pump was briefly discussed. Stephen said we were looking at refurbishing the pump but it may be cheaper to replace it. Stephen asked council to table this until we can get definite pricing.

The sewer bridge was discussed. Stephen said the highest priority in the sewer master plan is the replacement of the sewer bridge. He said it was a suspension bridge installed in 1968 and is asbestos cement pipe and it does move. The bridge looks good but the pipe is what we are concerned about. We were hopeful that the costs would come in low enough to do it with available funding in the sewer fund. We have approximately \$470,000 in the sewer fund. The cost estimate came in over \$300,000 so this will not be done with our current funding and we need to start thinking about how we will pay for the needed sewer improvements. Connie asked what our options are for funding. Stephen said we could raise rates and do it with our funding or we could look at grant funding along with our funds. The two big issues with the treatment process are a head works room and filtration for algae control. A head works room is a structure that would help by pulling out items such as rags and bigger chunks before they go into the ponds. Another issue is filtration at the end of the treatment process as we are spending \$50,000 to \$60,000 on chemicals to control algae. He estimates that the savings in chemicals for algae control would pay for the filtration system. He spoke of the needed projects and said if we rolled all the projects into one we could go out for a bond election. Rick asked about the cost of replacing a lift station. Stephen said he thinks it is about \$100,000. Communications to the old South Hill system have not yet been done and that will cost about \$25,000 per lift station.

Council reviewed the quotes for the mini excavator. Rick Alonzo moved to purchase the Bob Cat mini-excavator for \$22,723.80. Bob Blanford seconded the motion. The motion passed – Bob Blanford “yes”, Rick Alonzo “yes”, Connie Wells “yes”.

Stephen said a letter came through regarding leasing the hydro facility. He said we are not recommending this. We have committed to serving a portion of our load to Bonneville Power Administration in our 20 year contract and our power plant generates what we have committed. Stephen said the tier one allocation price is about 3.2 cents per kWh and we generate at approximately 2.5 cents per kWh before transmission. He spoke of a large industrial customer coming to us for service and said we would have to charge about 5.5 cents per kWh.

Unit 2 is a 1920's vintage and it does not have an overhead crane. Stephen said due to the vintage of the building and roof that it needs to be reviewed by an engineer to determine if the roof will support a 10,000 pound overhead crane and give us a design for the overhead crane. Bob Blanford moved to have the engineering done for unit 2 (Clerk's note: the contract is with LSB Consulting Engineers). Connie Wells seconded the motion. The motion passed – Bob Blanford “yes”, Rick Alonzo “yes”, Connie Wells “yes”.

Stephen said we just completed the FERC Part 12 five year study. We need to have an update to the supporting technical information document and it should be submitted to FERC by the end of December. This is a separate piece from the Owners Dam Safety Program (ODSP) report. The requirements for the ODSP came in last Friday so Stephen has made the corrections and will submit the report if Council agrees. Connie Wells moved to increase the contract with Robin

Charlwood by \$7,600 for the update of the Supporting Technical Information Document. Rick Alonzo seconded the motion and it passed – Bob Blanford “yes”, Rick Alonzo “yes”, Connie Wells “yes”.

Rick Alonzo moved at 8:20 p.m. to go into executive session per Idaho Code 67-2345 (1) (b) (f). Bob Blanford seconded the motion. The motion passed – Bob Blanford “yes”, Rick Alonzo “yes”, Connie Wells “yes”. At 8:55 p.m. executive session ended. No action was taken.

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

David K. Anderson, Mayor

Attest:

Kris Larson, City Clerk