

Council President Mike Klaus called the regularly scheduled council meeting of November 20, 2012 to order at 7:00 p.m. Present for the meeting were Mike Klaus, Council Members Connie Wells and Rick Alonzo, Clerk Kris Larson, City Administrator Stephen Boorman, Economic Development Coordinator David Sims, Assistant City Administrator Andrakay Pluid, City Attorney Will Herrington, and Fire Chief Pat Warkentin. Also present were Robert Karlac, Tremain Albright, Scott and Shelley Thompson, Jerry Higgs, Doug Ladely, Sr., Bob Spalding, Ruth Sutton, Dale Simpson, Adam Arthur, Mike Sloan, Loretta Hunsaker, Jessica Tingley, Dave Gray, Laura Rhoady, Carolyn Testa, Terri Maine, Rich Beck, Marcia Cossette, and Mike Normandeau. Councilman Tom Mayo and Mayor Anderson were gone on personal business.

Tremain Albright handed out paperwork to city council regarding his statements regarding conflict of interest actions and Idaho Code. He said he heard Mike Brown from KBFI state that the city attorney was going to tell city council why the actions of Mr. Klaus and Mr. Boorman were not in conflict concerning the rezone of Mr. Klaus' property. That is the reason he provided Idaho Code for council to review. Tremain said several months ago when he spoke to city council about the property line surveyed by JRS not being law, he was speaking with what he thought was sound argument supplied by his attorney. He said when he spoke about this former Attorney Tim Wilson was shaking his head and smiling. When he told his attorney, he was told that attorneys make their living through litigation. He urged council to make a make just and sound judgment concerning conflicts of interest and that abuse.

Jerry Higgs said there were eight individuals at the planning and zoning (P&Z) committee meeting that had a conflict of interest. He said P&Z commissions are considered employees and Title 67 regarding land use acts speaks to this. He said since the P&Z members are appointed by city council that they have a conflict of interest and no conflict call was given at the beginning of the meeting. He said Mike Klaus and Stephen Boorman also had conflicts of interest and this was not stated. Jerry said both should have stated that they had infinity with the Mountain Springs Church. He said Mr. Klaus had two conflicts of interest but Stephen Boorman's conflict was singular, and the P&Z Board was singular. He said to be on the safe side, that conflicts should be declared. He said the city makes errors and then goes backwards in damage control mode.

Elaine Marcotte jointed the meeting.

Rich Beck spoke about digging ditches in the area of LaBrosse Hill Road where he lives so the water would run right. When the ditches near his business on McCall Street were cleaned, they dug too deep as far as he is concerned, and water got underneath and when it froze the culvert heaved and caused the asphalt to need repair. The ditches on LaBrosse Hill Road are marked with a sign at his house not to dig the ditch near his house. He said there is not a decision by the court yet concerning annexation. He does not want his ditch dug any deeper as he has already cleaned them out and water runs through there fine. Mike Klaus asked if the ditch near his business was under ITD (Idaho Transportation Department) control. Rich said it was the city.

Loretta Hunsaker asked what council does with the public comments. Mike said council listens to the comments and tries to figure out what can be agendized to make a decision on. She asked if there was, for instance, a comment on the way council operates, what would happen? Mike said council will speak to staff and get legal counsel to see what can be done. Loretta said city council members have the same rights as private citizens but elected officials should be held to a higher standard. She said what happened at the last city council meeting bothered her. She did not like that a name was given at a public meeting admonishing a citizen. She said the comments should have been made in private and she did not think the name of the person should be stated in a city meeting. She said it was unprofessional when Mike stated Ruth's name and thought he should apologize in a sincere fashion. Mike thanked Loretta and said he will consider what she said.

Stephen Boorman introduced Mike Normandeau from Bonneville Power Administration (BPA). Mike Normandeau said BPA provides power to Bonners Ferry. In particular BPA power is sold to rural communities. It is a federal system. BPA develops rates and sells the federal output based on costs as they are a cost based system. Average power rates will likely go up in October, 2013. Bonners Ferry is looking at about a four percent increase for the wholesale rates. Mike showed a power point slide of the power and transmission rates from 1984 to 2015. The Columbia River system is a great resource and some of the years are good water years and others are draught years and power rates reflect this. In good water years the rates are lower than in draught years. Mike said BPA is having its 75th anniversary and it is time to look at some of the equipment. BPA will go through the rate case and rates will be set next October. Mike showed the group a video of the history of the Bonneville power system.

Mike Klaus said the City of Bonners Ferry only supplies a portion of the power used by our customers and buys the rest of the power from BPA. Stephen said our generation varies about 21 percent to 39 percent of our requirements depending on the water. He said historically if there is a ten percent BPA rate increase we see about five percent as wholesale power is about half of this and the rest is operational expenses.

Rich Beck saw an article on the internet about power sales in the Bonners Ferry News that Mike Weland puts out. He asked what causes the transmission costs to go up. Mike Normandeau said BPA is trying to maintain a reliable system for cold or hot weather with generators that supply the power needs so they are reinvesting in the system. BPA supplies about 40 percent of the power used in the northwest. There are 7000 miles of high voltage transmission in the BPA system. There is a cost of maintaining the system and the windmills are part of the system and that cost is part of BPA transmission. He said it is time to look at the system and reinvest in the capital portion of it since BPA is a cost based system. Natural gas prices are very low and the market is being flooded with natural gas. This usually drives the market down for wholesale electric surplus. BPA returns a portion of the surplus electric credit to the wholesale customers. Stephen said it is not the public utilities that are increasing their loads but it is the other customers that BPA sells the extra power to and they are getting less for it.

Jerry Higgs said the former Energy Secretary under previous President George W. Bush was floating a proposal to average out the energy rates and this would have devastated the economy. He asked if Mike has seen any of this taking place now. Mike Normandeau said Bonneville sells at cost and he has not seen any idea of going to a market based system. State of Idaho has some of the lowest energy costs in the nation. There has been a recent effort to build up the infrastructure and look at renewable energy. Stephen said 20 year contracts with BPA took some of the pressure off other areas in the country to get the cheap costs of power in the northwest. He said the driving rate for transmission rates are the delivery charges and that is due to the substation costs going up. The City of Bonners Ferry shares the substations with Northern Lights and the delivery charges are estimated to go up 30 percent.

Fire Chief Pat Warkentin said after the bomb threats at the schools, the fire department has gotten the procedures streamlined. The fire department will deliver Santa on Friday to the downtown holiday celebration. Randy Tremble has resigned from the fire department as his work schedule will not allow him the time to dedicate to the fire department. Cody Paulus formerly worked on Paradise Valley Fire Department and is a certified firefighter one, certified EMT, knows hazmat and extrication, and is a Department of Transportation certified emergency vehicle technician. He is coming on board. Alan Hamilton has been called by FEMA so he is gone for awhile. Pat said the fire department members are aging and we need to continue to add younger people to the department. The new addition is a young member. Mike Klaus encouraged Pat to speak to the Mayor about emergency services and traffic control and get this agenda item added.

David Sims gave council a copy of the Farmers Market rapid assessment survey prepared by Jennifer Jensen.

Stephen Boorman introduced Andrakay Fluid, Assistant City Administrator, and said she will be full time on December 17, 2012. He spoke of the article on the health insurance pool in the State of Idaho and the increased rates they are facing. Unit 4 work is complete and it is up and running and all four units are running full bore at this time at the power plant.

Mike Klaus said there is no update on the urban renewal district.

Connie Wells moved to approve the consent agenda. Rick Alonzo seconded the motion. The motion passed – Mike Klaus “yes”, Rick Alonzo “yes”, Connie Wells “yes”. The consent agenda contained the following: roll call; approval of accounts payable and payroll; approval of the Treasurer’s Report; and approval of November 6, 2012 council meeting minutes.

Attorney Will Herrington spoke regarding conflict of interest. He said he been a city attorney for 35 years and has done workshops for ICRMP, Association of Idaho Cities, and other statewide organizations for about 25 years. He agrees with the handout from Mr. Albright from the State of Idaho on conflict of interest. He said no one on the council or anyone on the planning and zoning commission have been in violation of the conflict of interest statutes since he has been

here the past few months. He said the statute (Idaho Code 67-6506) is clear, in order for there to be a conflict of interest you have to be involved in the participation of the deliberations. Participation means serving as a decision maker or taking part in deliberations. Conflicts of interest should be disclosed and discussed with the city attorney prior to the meeting and if there is a conflict of interest they should not deliberate in a decision. It does not prohibit a council person or planning and zoning commission member from participating in the audience if they step down from the table. There has to be an economic interest in the procedure or action for a conflict to occur. He gave examples of non economic interests to council. Participation must be on the board deliberating for there to be a conflict of interest. The Idaho Code changed in 1999 defining participation to mean deliberating on the board. The last paragraph speaks to the land use planning participant as having an economic interest. No official action or formal decisions of someone with a conflict of interest should be had. If action is not being taken then there is no conflict of interest. City officials should seek counsel from the city attorney and this will prevent violations of the ethics in government act. His advice is to error on the side of conservatism and not vote if there is a question and to disclose conflicts at the beginning of the meeting. Mike Klaus asked if there is a benefit to an organization that a council person belongs to, if the council person leaves during deliberation. Will suggestion was that a council person state that there is not an economic interest but they belong to an organization and may have a bias. Will said he took an issue in front of the Supreme Court and they recognize that every member of the city council may have a conflict of interest but the courts will allow a decision to be made when every member of the council has an interest and a decision must be made.

Mike Klaus explained the Deep Creek Waterline project is complete and asked if there are record drawings yet. Stephen has not asked about the record drawings yet. Rick Alonzo moved to authorize the Mayor to sign the letter of acceptance pending confirmation of the completion of the record drawings. Connie Wells seconded the motion and it passed – Mike Klaus “yes”, Rick Alonzo “yes”, Connie Wells “yes”.

Connie Wells moved to approve the catering permit for Ralph Lotspeich dba Mirror Lake Golf Course for the Festival of Trees at the fairgrounds on December 8, 2012. Rick Alonzo seconded the motion and it passed – Mike Klaus “yes”, Rick Alonzo “yes”, Connie Wells “yes”.

Connie Wells authorized the Mayor to cast the ICRMP Board of Trustees ballot. Rick seconded the motion. The motion passed, all in favor.

The resolution regarding the adoption of amendments to the comprehensive plan was disregarded as it will not be ready until December.

The Christmas party was discussed and Mike Klaus explained that this is the time for the city to show appreciation to the volunteers and employees. Connie Wells said it is set for December 21 at Chic-n-Chop.

Mike Klaus apologized to Ruth Sutton for mentioning her name in the last meeting. Ruth said she accepted his apology.

Rick Alonzo moved to adjourn the meeting at 8:06 p.m. Connie seconded the motion. The motion passed, all in favor.

David K. Anderson, Mayor

Attest:

Kris Larson, City Clerk