

Mayor Darrell Kerby called the regularly scheduled council meeting of May 15, 2007 to order at 6:05 p.m. Present for the meeting were Mayor Kerby, Council President Russ Docherty, Council Members John Langs, Mick Mellett, and Dave Gray, Clerk Kris Larson, City Administrator Stephen Boorman, and Economic Development Coordinator Mike Sloan. Also present were Jan Rose, Dave Jurgenson, Ralph Byquist, Marcia Cossette, Wendy Hawks, Mike Peterson, Tina Wilson, Jay Cohn, and Carolyn Testa.

At 6:08 p.m. council recessed for a field trip to the new visitor's center. Mick Mellett moved to recess for the field trip and Russ Docherty seconded the motion. The motion passed.

Mayor Kerby reconvened the council meeting at 6:38 p.m. All of the people listed above were present with the exception of Tina Wilson. He said there is not a strict job description for the Visitor's Center Advisory Committee. The immediate need is to get the center manned and open to meet the public. The city's building use policy is available for the committee. Mayor Kerby told the committee that since they are a function of city government that all meetings need to be open to the public. He explained the open meeting law and the city's rules for meetings that the committee can choose to follow.

Dave Jurgenson asked for the timeline on the visitor's center project. Mayor Kerby thought it would be Monday, May 21, 2007. The date of the center to be open for operation is up to the Advisory Committee but the sooner the better. Stephen said the building is will be substantially complete on May 21, 2007 and turned over to the city but there will be continuation of work to be completed.

John Langs said the committee was chosen for being successful in their businesses. He said he does not want our visitor's center to be like Sandpoints. It should be like a handshake for people coming to Bonners Ferry according to John. John said we may need a paid position or head honcho to make sure the building is locked up and maintained or maybe that would not have to be a paid position. He also spoke of the idea of speakers coming to the center to talk to the visitors about our community.

Mayor Kerby would like to think of the center as self-sustaining. He said as a business he would pay a monthly fee to advertise his business by brochures in the center. He also said there may be the possibility of merchandise sales. He said a publicly funded entity should not compete with businesses. The structure to operate the center and then a system to fund it will be needed. Mayor Kerby informed the group that the city will own the building and the property. Mayor Kerby told the committee that in a year from now the committee may make the recommendation to go out for proposals for operation and disband the committee.

Mayor Kerby said Tom Turpin could not be present this evening and he has quite a bit of demographic material to share with the committee. Mayor Kerby informed the group that John Youngwirth is the Street Department Supervisor and he will be involved with the committee. Mick told the committee that he is glad the committee volunteered to serve.

Dave Gray said he is excited about the committee and he thought they had excellent minds and is anxious to see what the committee comes up with.

Mayor Kerby explained the agenda and how items must be on the agenda before a decision can be made. Dave Gray said the agenda is for his protection. Mayor Kerby told the committee that Stephen Boorman or Kris Larson would be the contact people for the city or that they could call him. Carolyn Testa asked what the limitations were financially. Mayor Kerby said the general government will support the visitor's center. He briefly explained the revenue stream and general government contingency.

Carol Graham said she is excited about Selkirk Loop's participation and presence in the visitor's center. She said the Selkirk Loop represents 350 chambers of commerce. An article in Highway's Magazine, Coast to Coast Magazine, and an article in Sunset Magazine have been written about the Loop. Carol said she is looking at June 1 to move into the building. Mayor Kerby said Selkirk Loop will be a tenant of the building and rent will be paid to the city.

Jan Rose asked the name of the new committee. Mayor Kerby said there are five people that make up the Visitor's Center Advisory Committee. Mike Peterson asked about phones and furniture. Mayor Kerby said the Kootenai River Inn donated some tables and chairs to the city for the upstairs space. Stephen said North Idaho Granite Works has volunteered to donate the top of a counter for the new center but the committee's recommendation will be taken as to where the counter should be located. The group briefly discussed the phone system. Dave Kramer suggested putting a defibulator unit at the visitor's center.

Mayor Kerby encouraged the committee to use city staff and told them to contact city staff right away if there was a problem. Carolyn Testa asked for a list of the committee members. The group discussed meeting next week on Monday at noon.

Ralph Byquist from the Farmers Market spoke to council about a sign that has been hung at the visitor's center in the past. He would like permission to hang a sign at the new welcome center. Mr. Byquist would like to request temporary power for a couple hours per month for the Farmers Market also. He told Stephen it would be live music with amplifiers. Jan Rose said there has been access to electricity in the past and a donation was made by the Farmers Market. Stephen told Jan to find out what the load requirements would be and let him know.

Dave Sims, Dave Anderson, Larry Owsley, Robert Parker, Leroy Timm, and Ingrid Pavia joined the meeting.

Ingrid Pavia addressed council and said she had spoken in the past of playground. She asked about trails from the ballpark out to Moyie Springs and Canada and connecting with Sandpoint trails. Ingrid thought this would bring in more economic benefits and connectivity with other entities. She will be going to Boise for a workshop through the grant institute and she is hopeful to obtain grant funding for playground equipment and

possibly to get funding for some trails. Ingrid is hopeful to obtain \$100,000 in funding for playground equipment that would rival the playground at Coeur d'Alene. She will need letters of support and assistance. She asked for other ideas. Mayor Kerby said council would write a letter of support but would like to see what they are supporting. Ingrid, Jan Rose, and Carol Graham left the meeting.

Dave Kramer said the police department received a computer and printer from the Missing and Exploited Children Program. He thanked council for attending the Police Memorial.

Larry Owsley said a contractor hit a gas locator line but no gas escaped and Avista responded. One of the firemen will be out for sometime with a shoulder injury. Two fire prevention classes were held.

Mick Mellett moved to approve the consent agenda. Russ Docherty seconded the motion. The motion passed, all in favor. The consent agenda contained the following: roll call; approval of May 15, 2007 accounts payable; approval of May 1, 2007 council meeting minutes; approval of May 4 and May 9, 2007 special council meeting minutes.

The Robert Parker water and sewer services discussion was held. Dave Gray asked for a visual of the property that is being spoken about. Stephen drew a map for the group. The property is in the area of Kaniksu and Pine Street. He explained that Mr. Fodge split the property in four lots and it was done prior to the subdivision ordinance. The new ordinance requires the developer to upgrade infrastructure. Mr. Parker bought his property from Mr. Fodge. There are two two-inch water lines that serve this area. Stephen said Jim Marx told the city that it would be appropriate to loop the water lines before anymore connections were allowed. The city agreed with that. Tying a loop is a reasonable way to accommodate rather than having one homeowner pay for 1000 feet of new main line and surface repair but the new owner would need to pay for some impact and not degrade the service to existing homeowners. A six-inch line is asked for in the loop proposed. Dave Gray inquired about fire hydrants. Stephen said they need a six-inch line. Stephen said the two lines need to be looped. Whoever asks for the service pays for actual time and material according to the city's extension policy. He said the developer would hire an engineer to develop the loop for water and sewer lines and a contractor would build it and then the city would take it over. Mick asked if our extension policy allows for reimbursement to the developer. Stephen said it does not and explained the reasons for not having the encumbrances. Stephen said it is the goal of the city to have developers pay for development. John Langs said the adjacent property owners just have to wait for development by someone else and then they can hook on. Stephen said there may be more development that will be needed in the future when more development occurs.

Robert Parker spoke to council regarding the water and sewer issue. He drew more detail on the board. He explained the neighboring properties. Mr. Parker said he checked pressure of the neighbors and it was 62 pounds. He feels that development should have been taken care of during the Fodge development. Mr. Parker wants to get Leroy Timms

service off of Pine Street and use Leroy's service for the new building Mr. Parker is building. Leroy asked if he chose to build on his vacant lot would there be water and sewer available. Dave Gray asked what it would cost the city taxpayers to move the Timm service. Robert said it would cost nothing. Mr. Parker would pay to move Leroy's service. The basic cost of tapping on to the city water system is about \$2,700 at this time according to Mike Klaus.

Wendy Hawks left the meeting at 7:51 p.m.

Mayor Kerby said if the lots were to be built on that were in the neighborhood there would be problems. Dave Gray feels that the development needs to be done right so the whole development works and is covered for fire protection. Dave said the city taxpayers are not paying the cost of Mr. Parker's development. Mr. Parker inquired about why the previous developer was not required to bring the lines up to code. Stephen explained that the city attorney told the city that the previous developer was under the old ordinance so they did not have to pay for the development costs. Mr. Parker is asking why he is being required to bear the costs of future development. Mayor Kerby said if the capacity of the lines is used up and the person making the request cause the lines to degrade then that new person is the reason for the degradation and should be responsible for the costs. Mick said if the neighbors don't participate in this section of line it does not mean that they will not be required to pay for more development costs in the future. Mayor Kerby said that Mr. Parker is paying the lions share of the costs now but in the future others may also be required to pay additional costs. John Langs said the new subdivision ordinance stops the problems that Mr. Parker is facing due to the development that took place before he purchased the property. Mr. Parker spoke of a late comer agreement. Mayor Kerby said a person that pays for the development of a line extension is reimbursed by additional people that come on to the line. Stephen said he would recommend that the city not get involved in late comer agreements. Stephen said the costs are reasonable that the city has projected. Mick said Mr. Parker's investment in the future may be more reasonable than the next developer that comes along.

Mr. Parker asked if he could drill a well in the city. He asked why he cannot get his sewer service. He said he was denied sewer because he did not have a water service. Stephen said the water and sewer services depend on one another. The group briefly discussed timing issues Mr. Parker is facing. He wants to know why he cannot pay the sewer tap fee and connect to the city system. Mike Klaus asked why someone would want sewer without water. Mr. Parker asked that he be allowed to put in the sewer tap and work on the water later. John Langs moved that if Mr. Parker puts up \$7,000 for the waterline correction that he be allowed to hook up to the sewer system. Dave Gray seconded the motion. Mayor Kerby said there may be a way to deposit the money with the city to earn interest on his deposit. Mick asked if it was the intent of the motion to handle both water and sewer issues at the same time. John said it is the intent to follow city guidelines for the water issue and then Mr. Parker could hook on to the sewer system. The motion passed, all in favor.

Leroy Timm said his water meter is in the middle of the street and asked when it needs to be moved who will move it. Stephen said it will be the city.

John Langs moved to approve the grant application for the HUB project. Russ Docherty seconded the motion. The motion passed – Mick Mellett “yes”, Russ Docherty “yes”, John Langs “yes”, Dave Gray “yes”.

Dave Gray moved to authorize Mayor Kerby to sign the letter of intent for the Fourth of July fireworks celebration authorizing Skip O’Fallon to pick up the fireworks. John Langs seconded the motion. Dave Gray read the letter written by Skip O’Fallon. Mick Mellett inquired if the ICRMP policy would cover liability of volunteers and the public. Mayor Kerby said ICRMP will cover the liability portion and workers compensation will cover the volunteers. The motion passed, all in favor.

Mick Mellett moved to approve the additional items surplus as listed on the handout for the auction. John Langs seconded the motion on surplus property. The motion passed, all in favor.

Mayor Kerby recommended that the purchase of the new property be made by the electric department. John Langs moved that the electric department pay for the Fallquist/Scearce property. Russ Docherty seconded the motion. The motion passed, all in favor.

John Langs moved to approve the special event fee for a one-year anniversary celebration for Groove Studio and waive the fee. Dave Gray seconded the motion. The motion passed, all in favor. Mayor Kerby said it is a continuation of the car show on June 2.

John Langs moved to authorize the Mayor to sign the Ferc Part 12 Inspection contract with Devine, Tarbell, and Associates with review of the City Attorney and recommendations for liability. Dave Gray seconded the motion. Stephen briefly explained the inspection project at the dam. He said the requirements have become stricter since 9-11. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”.

Tim Wilson joined the meeting at 8:27 p.m.

Stephen explained the BPA SOC voluntary consent to disclose letter. He said the letter is authorizing BPA’s transmission and power sides to talk to one another even though there is a FERC ruling prohibiting this. John Langs moved to authorize the Mayor to sign the letter. Russ Docherty seconded the motion. The motion passed, all in favor.

John moved to authorize the Mayor to sign the grant pay request #10 with the Idaho Department of Commerce for the water tank project. Dave seconded the motion. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”.

John Langs moved to authorize the Mayor to sign the Union Pacific Railroad/ITD agreement for crossing arms at Riverside railroad crossing. Russ Docherty seconded the motion. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”.

Mike Klaus gave a handout to council to review for the Jackson Street waterline project. The Mayor asked council to defer this to executive session. Council agreed.

Mick moved to authorize the Mayor to sign pay request #5 for B.F. Builders for the water tank and improvement project. Russ Docherty seconded the motion. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”.

Mick Mellett moved to authorize the Mayor to sign the DEQ loan request paperwork for the water tank and improvement project. Russ Docherty seconded the motion. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”.

The group briefly discussed the space agreement form for the visitor’s center. Mick said the agreement for space rent is for \$175 per month and he requested that a late fee be added to the contract. The issue was deferred to executive session for negotiations.

Mick Mellett moved to delay the catering permit for the catering permits for the Eagles until more information is obtained. It can be added to the special meeting next week. Dave Gray seconded the motion. The motion passed, all in favor.

The special meeting was set for Tuesday at noon.

John Langs moved to authorize the Mayor to sign the visitors center pay request #5 pending ITD approval. Mick seconded the motion. Motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”.

Mike Klaus said the water tank project is behind schedule and the contractor thinks it will be complete within sixty days. Mike thinks it will be 80 days. The contractor anticipates a completion date of July 15<sup>th</sup>. The contractor will be responsible for the additional costs. He is recommending that the time extension be granted but defer the costs until a future date when the actual completion date is known. Mayor Kerby said the contractor needs to know that they will be responsible for the additional costs due to the extension of the completion date. Mayor Kerby said the contractor needs to agree. Mick asked what has caused the project to go over completion date. Mike said it is the timing of the bid process and also the winter shut down time. Stephen said the cleanup has taken place around the tank and chlorination chamber and the contractor has done a very good job. The issue was deferred until the special meeting next Tuesday.

Mike Klaus said the electrical work on the water tank is quite a bit of work. It is scada type work. Mike has solicited three quotes for the work. Two quotes were provided but they were substantially different than the format of what Mike asked for. He said the

quotes received were not apples to apples. Mike is asking for a good review of the quotes. The issue was deferred to executive session.

Mick inquired about landscaping at the visitor's center. Mayor Kerby said it has been worked out and now it is time to purchase plants. The city duty is to purchase what we can locally and then get the rest ordered. B.F. Builders will put in the irrigation and the borders and the city will do the planting labor. The city will put in the drain rock around the plants.

John Langs inquired about the water pressure memo. Stephen said a map and the memo will be sent out. John suggested capitalizing a sentence.

Mick Mellett moved to go into executive session at 8:58 p.m. to discuss legal, personnel, and negotiations. Russ Docherty seconded the motion. The motion passed John Langs "yes", Russ Docherty "yes", Mick Mellett "yes", Dave Gray "yes". At 9:46 p.m. council went out of executive session. No action was taken.

Tim Wilson said in response to the quotes for the scada for the waterline, AES changed the input data and gave no area to evaluate the quotes so AES is a non-responsive quote. Mick Mellett moved to offer the contract to EL Automation. Russ Docherty seconded the motion. The motion passed – John Langs "yes", Russ Docherty "yes", Mick Mellett "yes", Dave Gray "yes".

Russ Docherty moved to award the quote for the Jackson Street waterline to S&L Underground. Mick Mellett seconded the motion. Mick inquired about open trenching the project rather than boring the waterline under the highway. Stephen said because the highway is two lane there could be a problem. Mick Mellett "yes", Russ Docherty "yes", John Langs "no", Dave Gray "no". Mayor Kerby voted "yes" to break the tie.

There being no further business, the meeting adjourned at 9:55 p.m.

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Darrell Kerby, Mayor

Attest:

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Kris Larson, City Clerk