

Mayor Darrell Kerby called the regularly scheduled council meeting of August 1, 2006 to order at 7:00 p.m. Present for the meeting were Mayor Kerby, Council President Russ Docherty, Council Members Leslie Falcon and Dave Gray, Clerk Kris Larson, City Administrator Stephen Boorman, City Engineer Mike Klaus, Deputy Police Chief Rick Alonzo, and Fire Chief Larry Owsley. Also present were Tevis Hull, Jeff Beeman from Rural Development, Necia Maiani from Welch Comer, Renee Riddle, Sora Huff, Randy Wedel from Bonners Ferry Builders, and Elizabeth Ciepiela from the Bonners Ferry Herald. John Langs was absent on personal business.

Renee Riddle from Selkirk Saddle Club spoke to Council regarding the special event fee that was charged for the rodeo parade. Renee said in the past they were a non-profit organization and the status was not kept current but the Saddle Club operates as a non-profit organization. Dave Gray moved to refund the special event fee to Selkirk Saddle Club for the rodeo parade. Russ Docherty seconded the motion and it passed, all in favor.

Rick Alonzo and Tevis Hull gave a Task Force presentation. Tevis said a presentation was made to the Commissioners previously. Tevis said the Task Force has operated under a grant with the Sheriff's Office and the City Police. The thought in the past was that we would operate under the grant until it runs out and then the seizure funds from the Task Force will be used to operate the Task Force. The auction brought in \$31,000 and there is a piece of property that is worth about \$600,000 that is also seized. Assistance will be needed from the City as well as the Commissioners to operate. A request is being made of the City for \$15,000 to assist in paying for personnel for the Task Force in the next fiscal year. Tevis said this amount has been dedicated in the past for match for the Byrne Grant. He said the officers are doing a very good job. Tevis requested that the City continue their support for the Task Force in the amount of \$15,000.

Rick Alonzo gave the Police Report as the Police Chief is on vacation. The Tweedie auction was last weekend and \$31,000 was brought in from Tweedie assets as well as other items that were auctioned.

Larry Owsley said the Fire Department has not had any incidents over the past two weeks. The new fire truck is in service and the old 56 is ready to go to the City yard or be surplused. The Department of Labor trucks have been received by the Fire Department and they will be in service next year. Larry said all the fire departments were at a meeting at the Kootenai River Inn last night and a donation was made to the Bonners Ferry Fire Department for \$1,500 for their work on the flood fight.

Leslie Falcon moved to approve the consent agenda. Dave Gray asked that item number five be moved to new business. Dave Gray moved to approve the consent agenda as amended. Leslie Falcon seconded the motion. The motion passed, all in favor. The consent agenda contain the following: roll call; approval of August 1, 2006 accounts payable; approval of Treasurer's Report; approval of July 18, 2006 council meeting minutes.

The Pine Street abandonment request was discussed. The recommendations received from City Staff were all against abandonment of Pine Street. Leslie Falcon moved upon the recommendations of staff to deny the request to abandon Pine Street. Russ Docherty seconded the motion. The motion passed, all in favor.

Tim Wilson joined the meeting at 7:15 p.m.

The request for John Youngwirth to attend the surplus sale in Rigby, Idaho was discussed. Dave Gray asked if the vehicles on the listing that were lined were the items John was interested in purchasing. Stephen Boorman said they were and explained the process. Dave Gray moved to approve the attendance of John Youngwirth at the surplus auction. Russ Docherty seconded the motion. The motion passed, all in favor.

Dave Gray moved to approve the appropriation of \$15,000 for fiscal year 2007 for the Task Force. Russ Docherty seconded the motion. The motion passed, all in favor.

The Sandpoint.com contract was discussed. Leslie Falcon asked what the annual payment to them was. Kris and Stephen said they thought it was about \$1500. Leslie Falcon moved to authorize the Mayor to sign the contract with Sandpoint.com for FY2007 for an increased price of \$85 per hour rather than \$75 per hour. Russ Docherty seconded the motion. The motion passed – Russ Docherty “yes”, Leslie Falcon “yes”, Dave Gray “yes”.

Stephen explained the reasoning for the warranty deed with the School District. It is for right of way on Tamarack Lane for future development of sidewalks and street developments including storm sewer. Mike Klaus said there is the opportunity to gravel the area if paving is not an option this year. Dave Gray moved to authorize the Mayor to sign the warranty deed with the School District. Russ Docherty seconded the motion. The motion passed – Russ Docherty “yes”, Leslie Falcon “yes”, Dave Gray “yes”.

Necia Maiani from Welch Comer spoke to Council regarding the plans and specs for the water system improvement project. The bid advertisements will be published on August 3 and August 10 and the bid opening will be August 18. The project cost was estimated at \$1.44 million with contingency six months ago but with concrete price increases and other increases the price is now \$1.86 million with a 10 percent contingency. The contingency is important due to the prices increasing as they are currently. Two add alternates are also included in the project. Pressure reducing valve stations on the main line are one of the add alternates and the City could install these themselves and save cost of markup possibly. Cost increases are attributed to the design refinement for elevation of the water tank where the booster stations could be eliminated for the customers. This required a move of the tank about 500 feet to the south and increased elevation. The replacement of old steel lines and increase in concrete prices are also a contributing factor. The additional piping, larger booster pumps, and main line pressure reduction valves for the design refinement resulted in about \$100,000 cost increase. Many steel lines in the water treatment yard will be replaced. A ten inch steel line will be replaced with a 16 inch line for the Myrtle Creek line. The backwash line will also be replaced.

The line replacements will be about a \$40,000 increase. Concrete prices are up about 20 percent since the estimates were done. With all the changes it adds up to about \$200,000 more than what was originally estimated. Mike Klaus commented that there is a lot of stress on the line and it is a good idea to replace it while the construction is being done. The electrical work will be done in house according to Stephen. Jeff Beeman said that Rural Development will require a 2.5 percent contingency built in the budget and the City must maintain this amount. The \$1.86 million does not include construction oversight. Jeff will look to see if there is any additional loan money available. The engineering costs will be paid from the Community Development Block Grant. Jeff said concrete, steel and petroleum costs have increased the costs of projects significantly.

Russ Docherty moved to increase the owner engineer contract for the water improvement project to the amount of \$1.8 million. Dave Gray seconded the motion. The motion passed – Russ Docherty “yes”, Leslie Falcon “yes”, Dave Gray “yes”. Necia said there is funding available from DEQ for cost increases. Mike has spoken with John Tindall about this.

The visitor center/parking lot project was the next agenda item. Mike Klaus said that the bids were over for the visitor’s center by about \$200,000 but the parking lot was roughly within budget. Mayor Kerby said we are shy about \$130,000 after our original appropriation of \$160,000. Mike said landscaping and electrical were noted on the recap sheets so he wants to check this. Mayor Kerby said that was for the curbing for landscaping and conduit and base for the electrical. There may be some items that may be negotiated with the contractor to lower the cost. The bid award has to be made first before negotiations can be made. Mayor Kerby spoke to the County and the Kootenai Tribe about participating in the increased costs of the visitor center. Mayor Kerby said there were a couple suggestions made at the bid opening that may reduce costs. Randy Wedel said there was additional expense for the elevator design that may be a cost reduction if a change were made. Leslie would like to review the bid comparison with the engineers estimate. Mayor Kerby said there may be cost reductions depending on how willing our contractor is. Mike Klaus said there is not much of a profit margin built in the bid. Mayor Kerby commented on what a big bonus it is to have a local contractor bid on this project. Russ Docherty moved to approve the bid award to B.F. Builders subject to concurrence with Idaho Transportation Department (ITD). Dave Gray seconded the motion. Leslie asked what would happen if ITD did not concur. Mayor Kerby said the project would not go further. The project cost includes a contingency built into it of ten percent. Stephen said there is construction oversight that is required by Federal Highway. He said this adds costs to the project that we would not normally have. Leslie is concerned about the project costs and does not want to put the City in a bad way. The motion passed – Russ Docherty “yes”, Leslie Falcon “yes”, Dave Gray “yes”.

The group discussed dispatch costs and the dispatch agreement with Boundary County. The City currently pays the County \$18,000 per year for dispatch services. Mayor Kerby told Council that an additional dispatcher was hired and they agreed that an increase is due. He also said city taxpayers are paying their proportionate share. Mayor Kerby said Council has agreed to pay the dispatch cost in the past and the citizens are better served.

Leslie Falcon moved to approve the increase from \$18,000 to \$23,000 for the fiscal year 2007 dispatch agreement with Boundary County and authorize the Mayor to sign the agreement. Russ Docherty seconded the motion. The motion passed – Russ Docherty “yes”, Leslie Falcon “yes”, Dave Gray “yes”.

Leslie Falcon moved to approve the pay request to be submitted to Idaho Department of Commerce for Welch Comer and Panhandle Area Council for the water improvement project grant. Dave Gray seconded the motion. The motion passed, all in favor.

Dave Gray inquired about road surfacing in the Habitat for Humanity area on the northside near Birch Street. These concerns were addressed by City Engineer Mike Klaus in the letter to Don Vickaryous for Habitat for Humanity where the requirements were spelled out.

Mayor Kerby said the city received a letter from Bob Moir’s attorney that he would be vacating the property around July 27th but it looks like moving is still taking place.

The Mullis property near the Kootenai River Casino is being petitioned by the Kootenai Tribe to be put in Indian Trust so it would be taken off the tax rolls. Approximately \$1,094.20 in property taxes would be lost.

A request was made for the use of Georgia Mae Plaza for a business to distribute merchandise. City parks are not reserved and no profit making businesses should be allowed in the parks to do business. The issue will be handled administratively.

There being no further business, the meeting adjourned at 8:28 p.m.

Darrell Kerby, Mayor

Attest:

Kris Larson, City Clerk