

Mayor Darrell Kerby called the December 4, 2007 meeting to order at 6:00 p.m. Present for the meeting were Mayor Kerby, Council Members Mick Mellett, John Langs, and Dave Gray, Clerk Kris Larson, City Administrator Stephen Boorman, Police Chief Dave Kramer, Fire Chief Larry Owsley, Economic Development Coordinator Mike Sloan, Electric Department Foreman Dan Rice, Electric Lineman Blaine Grossman, and Police Officer Foster Mayo. Also present were Connie Wells, Dave Sims, and Dave Anderson.

Stephen Boorman gave an overview of fiscal year 2008 budget and upcoming city projects.

Council President Russ Docherty, City Engineer Mike Klaus, Necia Maiani from Welch Comer, Cecil Wedel from B.F. Builders, and Rev. Greg Horton and Mrs. Horton, Quira Horton, Mary Matthews, Jimmy Matthews, Ralph and Julie Lotspeisch, and Travis Blackmore joined the meeting at 7:00 p.m.

The first order of business was a taxi cab licensing hearing. The hearing recessed at 7:01 p.m.

Dave Kramer gave the police report. There have been a few fender benders with the snow. A law enforcement explorer post is being worked on for young people with the Border Patrol and City Police.

Fire Chief Larry Owsley gave the fire report. There have been three natural gas incidents since the last meeting. One was at the Post Office but nothing was found and another was at the Restorium due to a stove. Larry is working with the Restorium to get the problem fixed. A gas meter was taken off when snow came off a roof on Blaine Street causing an odor and the gas level in the home was 70 percent according to the fire chief. There was no one home at the time but the fire department secured the area.

Rev. Horton addressed the group. He said he is from the Orthodox Church across from the Bear Creek Lodge. He submitted a special use permit application for the "Blessing of the River" event to follow tradition of the Orthodox Church. The blessing will be on January 5, 2008.

(Clerk's note: the permit was approved at the last meeting.)

Sue Esrey spoke to the group regarding three lots where she lives and said she would like to sell the lower lot. Mike Klaus said there are two subdivision processes and the city has the ruling that any property split requires going through the subdivision process and this would be considered a minor subdivision. A survey is required of the property and the site plan is required and then it goes through planning and zoning and then to the council according to Mike. Sue said to have the property surveyed it will cost \$2,300 and she thinks that is too high. Dave Gray said surveying is a good idea and we must do what city law says. Mike Klaus said he did not have the authority to waive the fees or to waive the city laws. Tim Wilson suggested that Council take the issue under advisement to include legal review. Ms. Esrey said she does not want to have a survey done and pay those costs.

Randy Wedel and Marcia Cossette joined the meeting. Mary Matthews and Jimmy Matthews left the meeting.

Russ Docherty moved to approve the consent agenda. Mick Mellett seconded the motion. The motion passed, all in favor. The consent agenda contained the following: roll call; approval of accounts payable and payroll since the last meeting; approval of November 20, 2007 regular council meeting minutes and November 27, 2007 special council meeting minutes.

The order of business changed to take the water tank issue early so Necia from Welch Comer could travel home sooner. Mike Klaus said there was a clear well, booster station, and new tank built during phase 1 of the water distribution project. Mike said there is cleanup that needs to be done before the project can be closed out. He said there is a discrepancy in the specs for the pumps. Mike said the pumps are operating seven percent slower than what was engineered. Also the project went longer than was anticipated. Necia from Welch Comer handed out information to Council. Necia said the Boosterpaq is not providing the flow that was anticipated. Each pump is supposed to fill 600 gallons per minute and we are seeing 525 per minute. The check valves are causing greater head loss and the pumps are not putting out as much flow as they should be. B.F. Builders and the supplier, R.C. Worst, have offered a solution through alternate options. Option A is to increase the impeller diameter to develop more head requiring upsizing pump motors and rebuilding the electric panel. The power cost would be greater for Option A due to more electricity being used to operate an additional booster to resolve the loss in capacity. Option A would be to increase the size of discharge components, pipe, and check valves to reduce friction loss. Necia said in Option B Grundfos, the manufacturer, is not stepping up so the supplier and B.F. Builders will be footing the costs. Option C would be for an identical pump to be given to us and have it installed in the empty slot in the manifold to eliminate the deficit on the project. The cost to the city would be wiring the pump into the control panel. The value of this pump would be \$8,150 and would increase the current production by an estimated 500 gallons per minute. Necia said we also discussed a rebate and the interest now is to get the project closed and move on. Necia said the best for B.F. Builders is to accept the pump and move on. Future loss is what the city would experience. Upsizing the pipe would be costly to B.F. Builders and Necia does not think this would benefit the city the most. Necia said operating costs have been reviewed and because we are pumping at a higher head but at less flow we are saving on pumping costs over the designed flow. The main loss for the city is future capacity. The four pumps will be 2100 gallons per minute and the booster pumps are feeding over half of the city's demand. Ultimately from what was specified the city is losing 250 gallons per minute. Necia recommends taking the pump. Stephen Boorman said it would cost the city about \$10,000.

Mike Klaus thinks there is enough capacity in the system as it stands for a very long time. He said the factory is not standing behind what they built but we have a very good contractor on the line. Mike thinks the city's capacity will be good for twenty years. He said the capacity is not what we ordered but it is sufficient. Mike would like to take a rebate rather than a pump. Mick

Mellett asked if B.F. Builders has a preference for solving the issue. Cecil Wedel suggested asking for seven percent rebate. Necia said when she discussed this earlier with Ivan Wedel it was thought that a pump would be best. Necia said a rebate would be good but it may be difficult to figure out the amount. Cecil said it may be difficult to get the rebate from Grundfos but they have offered a pump. Stephen said the goal is to make the city whole and he said he was afraid if we got another pump it may sit on the shelf for a long time. Randy Wedel said the city would have an extra pump in case we had a failure. If the additional pump were to be installed Necia said it would give the city about 250 gallons more per minute than what was originally designed.

B.F. Builders went over the number of days for completion of the water tank project according to Necia causing additional engineering costs of approximately \$11,000 due to the extended number of days. The original contract was \$1.473 million and there were \$30,000 in change orders. The final contract ended up being \$1.489 million. The city oversaw most of the electrical work saving money. Additional contract extension of 144 calendar days was added to the project. There was a good working relationship with B.F. Builders according to Necia. Cecil Wedel asked if the change order included the piping changes due to unknowns in the city yard. Necia agreed and said there was also the new property that was purchased by the city so we re-routed the new water lines accordingly. John Langs asked if the additional cost to the city for engineering amounted to \$3,100. Necia agreed that this was the net amount. Stephen said the extension of time cost the city \$11,000. Randy Wedel read a letter to council from B.F. Builders. John Langs asked if under option C if B.F. Builders would provide \$8,155 for the pump. Randy said this is a retail price. Necia said \$11,000 is the amount of increase due to the number of days but we saved \$6,000 due to the city doing the electrical and then resident project representative amount was reduced by \$3,000. Mick Mellett asked if redundancy of having the spare pump is of value. Stephen said obsolescence is a concern. Necia would recommend the pump be installed.

Mick Mellett moved to accept Option C and take the additional pump installed and recognizing the fact that B.F. Builders have been an excellent contractor to split the cost with them in the amount of \$11,000 for the time delay. John Langs seconded the motion. Mick said he thinks B.F. Builders work has been great and the city is hopeful to work with them again in the future. Randy Wedel said the city could charge a greater penalty. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”. Necia will bring back a close out request at a later date.

Mayor Kerby told B.F. Builders that the city appreciates their work and thanked them. Randy, Cecil, and Necia, Sue Esrey, and Travis Blackmore left the meeting.

Mayor Kerby spoke regarding the U.S. Forest Service permit. Attorney Wilson recommended this issue be taken to executive session.

Ralph Lotspeisch spoke to council regarding the manager's contract at the golf course. He said the year has gone very well and he requested a five year contract for management of the golf course. He said he would like to increase the contract revenues. Ralph said he pays building rent in the amount of \$3,600 per year and requested that this be dropped. Ralph said the green fees of the golf course have increased quite a bit and he went over the green fees received the past few years. Mayor Kerby said he thinks Ralph is doing a great job. He also said the increase in green fees contributes to his contract amount. Ralph said he receives 20 percent commission on green fees and season passes sold. Mayor Kerby said every time the course grows his revenues grow and asked what the justification would be due to the revenue increase. Ralph said it is a risky business due to weather, economy, and associated fees he must pay. Ralph said weather is the biggest risk especially on the weekends. Ralph thinks we will lose play to Libby because they opened up 18 holes. Mayor Kerby said the city pays a fixed contract amount in addition to the green fee percentage. Ralph asked about health insurance. Mayor Kerby said the only way he could have health insurance would be to become an employee.

Mick Mellett moved to table the golf contract until the next meeting. Russ Docherty seconded the motion. Ralph said he enjoys working with Mike and Stephen especially when he has a problem because the response is wonderful. Mayor Kerby said there is mutual praise for working with Ralph. The motion passed, all in favor.

Russ Docherty moved to table annexation. Mick Mellett seconded the motion. The motion passed, all in favor.

Dave Gray moved to table resort tax. Russ Docherty seconded the motion and it passed, all in favor.

Dave Kramer recommended hiring Jeannette Woodard as the first full time female officer for the police department. She currently works for Juvenile Probation. Dave Gray moved to hire Jeannette Woodard. John Langs seconded the motion. The motion passed, all in favor.

Mick Mellett moved to accept the resignation of Chuck Lycans and authorize the advertisement for a new Water/Sewer Department Foreman. Russ Docherty seconded the motion. The motion passed, all in favor. Mayor Kerby said the city thanks Chuck for his many years of service.

Mike Klaus said he is requesting drafting work assistance from a consultant for a few of the water projects. He anticipates it will cost less than \$2,000. John Langs moved to authorize up to \$2,000 worth of drafting work. Dave Gray seconded the motion. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”.

Council discussed the letter received from Avista regarding billing services ceasing May 1, 2008. Mayor Kerby said we will be looking at software for billing services and recommended council authorize the exploration of billing services. Stephen Boorman said there are not bad working relationships with Avista but they are getting new software and are willing to work with the city

to make the transition as smooth as possible. Mayor Kerby said we may need to hire an additional employee or employee and a half to assist with the billing. He gave a brief history of how the city got involved with Avista for billing services.

Attorney Wilson recommended reading Ordinance 504 by title only. Mick Mellett moved to read Ordinance 504, Zoning Ordinance of the City of Bonners Ferry Repealing Ordinance No. 159, by title only. Russ Docherty seconded the motion. The motion passed, all in favor. Attorney Tim Wilson read the title of Ordinance 504, Zoning Ordinance of the City of Bonners Ferry Repealing Ordinance No. 159.

Stephen spoke to council regarding the purchase of a pipe bender from Larry DeVore. The cost is \$5,946 according to Stephen including the different dies that would be needed. Stephen said it is a fair price. Russ Docherty moved to authorize the purchase of a pipe bender from Larry DeVore. Mick Mellett seconded the motion. The motion passed – Mick Mellett “yes”, Russ Docherty “yes”, Dave Gray “yes”, John Langs “abstained” due to Larry being a client of his.

The taxi license hearing was reopened. Dave Kramer said Bonner Taxi, Inc. meets the standards of the city. The hearing was closed by motion of John Langs, seconded by Dave Gray. The motion passed, all in favor.

Mick Mellett moved to defer the taxi cab issue until the next meeting for legal review. Russ Docherty seconded the motion. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “no”.

Stephen Boorman spoke to council regarding the Bonneville Power Administration (BPA) transmission contract. This is an extension of the current contract to 2011 for customer served load. Customer served load is a promise of the amount of generation from the Moyie Power Plant and that demand amount is subtracted from our BPA bill. If we fail to deliver the generation promise then we will pay a penalty. Stephen said we are conservative in our estimate of the generation amount. Mick Mellett moved to enter into a contract with BPA for the transmission services. John Langs seconded the motion. The motion passed – John Langs “yes”, Russ Docherty “yes”, Mick Mellett “yes”, Dave Gray “yes”.

Mick Mellett moved to go into executive session per Idaho Code 67-2345 for the discussion of legal issues at 8:43 p.m. Russ Docherty seconded the motion. The motion passed – Mick Mellett “yes”, Russ Docherty “yes”, Dave Gray “yes”, John Langs “yes”. At 9:07 p.m. council went out of executive session. No action was taken.

The regular meeting reconvened at 9:07 p.m.

Russ Docherty moved to adjourn the meeting at 9:08 p.m. John Langs seconded the motion. The motion passed, all in favor.

Darrell Kerby, Mayor

Attest:

Kris Larson, City Clerk