

Welcome to tonight's City Council meeting!

The elected officials of the City of Bonners Ferry are appreciative of an involved constituency. Testimony from the public is encouraged concerning issues when addressed under the Public Hearing portion of the agenda. Any individual who wishes may address the council on any issue, whether on the agenda or not, during the Public Comments period. Normal business will preclude public participation during the business portion of the meeting with the discretion left to the Mayor and Council. Special accommodations to see, hear, or participate in the public meeting should be made at City Hall within two days of the public meeting.

Vision Statement

Bonners Ferry, "The Friendliest City", strives to achieve balanced growth, builds on community strengths, respects natural resources, promotes excellence in Government, and values quality of life. We are an inclusive city that welcomes all people, regardless of race, religion, color, national origin, sex, age, disability, sexual orientation, or gender identity and encourages their participation in city government and city programs.

AGENDA
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
January 7, 2020
6:00 pm

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Each speaker will be allowed a maximum of five minutes, unless repeat testimony is requested by the Mayor/Council

REPORTS

Police/Fire/City Administrator/City Engineer/Economic Development Coordinator/Urban Renewal District/SPOT

CONSENT AGENDA – {action item}

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Approval of the December 10, 2019 Special Council meeting minutes, December 17, 2019 Council meeting minutes

OLD BUSINESS

NEW BUSINESS

Swear in Mayor Dick Staples, Councilman Rick Alonzo and Councilwoman Valerie Thompson

4. City – Elect a Council President {action item}
5. Police – Denise Thompson Regarding Traffic on Augusta Street {action item}
6. City – Kevin Lederhos Regarding Memorandum of Understanding with Avista and Cities Competing with Private Enterprise {action item}
7. Street – Consider Authorizing the Mayor to Sign the Memorandum of Understanding with Boundary County for Highway Improvement Maintenance (attachment) {action item}
8. Electric – Consider Authorizing the Mayor to Sign the Contract with Piper Jaffray for Bond Assistance (attachment) {action item}
9. Pool – Consider Authorizing the Mayor to Sign Pay Request #12 with Panhandle Area Council for the Pool (attachment) {action item}
10. City – Consider Authorizing the Mayor to Sign a Yearly Contract with CDA Stump Grinding (attachment) {action item}
11. City – Consider a Request from Boundary County to Waiver Building Permit Fees (attachment) {action item}
12. City – Consider Authorizing the Mayor to Sign a Professional Service Agreement with Nancy Strickland for Assistance with a Development Agreement for Wilson to Solomon Street (attachment) {action item}

ADJOURNMENT

MINUTES
SPECIAL CITY COUNCIL MEETING
Bonnors Ferry City Hall
7232 Main Street
267-3105
December 10, 2019
5:30 pm

Mayor David Sims called the Council meeting of December 10, 2019 to order at 5:34 pm. Present for the meeting were: Council President Rick Alonzo, Council Members Adam Arthur and Ron Smith. Also present were: City Attorney Andrakay Pluid, City Clerk/Treasurer Christine McNair, City Administrator Lisa Ailport City Engineer Mike Klaus, Economic Development Coordinator Dennis Weed and Sergeant Willie Cowell. Members of the public present were: Mark Gustafson, David Schafer, Kevin Boldt, Marciaevee Cossette, DeEtta Vaughan, Eric Lederhos, Jerry Ackerman, Mat Surprenant, Valerie Surprenant, Seth Brown, Marty Ryan, John Austin, Stephanie Franke, Darlene Schneider, Trevor Schneider, Andrea Fuentes, Scott Nielsen, Merle Ansley and Clarence Ansley.

NEW BUSINESS

Ron Smith said Council received a request from the staff and the Mayor to go out for RFPs for internet service. Council decided to go forward with the RFPs with a due date of January 2, 2020. Ron was not able to attend the November 26, 2019 Council meeting due to prior commitments. Ron said he would have wanted to continue with the RFPs since that was the original decision. Ron said he supports the vote made on November 26, 2019.

1. City – Consider Memorandum of Understanding for the Pilot Study Proposal from Avista Development Inc. (attachment) {action item}

Lisa gave a brief background on this proposal. Adequate internet enables new technologies like: remote monitoring systems, online doctor appointments, education opportunities, livability and is consider an essential service. EL Automation constructed the cell tower, which now hosts Verizon, AT & T and T Mobile. In 2010-2013 the City looked at bringing a leased fiber network to Bonners Ferry. That did not happen due to the mid-mile block, which means that internet was not developed from Sandpoint to Bonners Ferry. The City leases Right of Way (ROW) to EL Automation, Frontier and Fat Beam to run communication lines. One of the 2006 Comprehensive Plan's goal of the city to own or to enable utilities that provide the best benefit to its citizens safely and at an affordable cost. Lisa said when an opportunity is presented, we are driven to try to produce an outcome that benefits the residents.

Dennis said Economic Development Council (EDC) work plan is put together by the City of Bonners Ferry (City), Boundary County, Kootenai Tribe of Idaho (KTOI), City of Moyie Springs, Boundary County School District, Panhandle Area Council (PAC), Department of Labor (DOL), and has not changed much since 2011. Part of the work plan is to ensure that current providers remain here. EDC also looking at new carriers and new technology to see how it fits in Bonners Ferry. November 22, 2019, the governor's broadband taskforce released its report. The taskforce was represented by private industry, wireless carriers and internet carriers. The taskforce was asked to find out what needed to be done to make better, affordable broadband available to all of Idaho. Dennis said some of the highlights from the report were: all technology options should be considered (fiber, wireless, 5G wireless carriers, and new technology), they want the best technology that is affordable. Dennis said with the increase in the school requirements for online curriculum it is important for families. Dennis said if broadband access and affordability increases it is home based businesses that great for our economy. Home based business or people that work from home capture money from outside the community to bring it to this community, which helps expand this county's economy. FCC's definition of broadband in 1996 was 200kbps. The FCC will continue to increase the minimum upload and download speed, so we have to look forward the next ten years and what the requirements might be.

Avista Edge representatives Mark Gustafson and David Schafer gave their presentation. Mark said Avista has discovered some technology due to internal processes in innovation. Avista Development is a division of Avista Utilities that helps develop and commercialize technology. Avista has developed, patent pending technology, around the electric meter infrastructure that allows connection to the fixed wireless internet at the meter. Electric meter infrastructure enables utilities to offer internet to its customers. Avista brings the technology that allows the utility companies to serve their customers in a new and better way. The FCC is releasing a new model of spectrum that Avista will be taking advantage of. Avista is looking for a couple of early adopters to prove the economics in the field. Phase 0 is to do a study to see if this technology is affordable. The target is 100megabits maybe better in the future with new technology. The signal is moved from the meter into the home through the powerlines. Inside the home it is either Wi-Fi or Ethernet mesh. The next step is to make sure it is affordable and feasible. The MOU is non-committal, it will teach Avista about the economics of the technology. David Schafer said if it can work here it should be able to work everywhere.

Mayor Sims asked if this is successful, what is the timeframe for the rest of this project. David Schafer said as soon as possible, start the meter collaring in the spring and launch the pilot in August 2020. Mayor Sims asked about the cost of the 100 meg service. Avista said they are not ready to talk about that, because that cost will come from the utility.

Mayor Sims asked for comments from those supporting the effort.

DeEtta Vaughn asked if Avista has a patent for this. DeEtta thinks this is a good thing.

Kevin Boldt said he is aware of the need for faster more reliable internet. This is a great idea to see how well this will work.

Marty Ryan said this is important to a lot of people. Marty feels it is a win win situation.

Andrea, speaking on behalf of the school district said, K-12 requires internet in the home. Every curriculum they have adopted has some internet component that goes with it. There are currently six alternate authorization teachers taking classes online to get their certifications to teach. Having the capability is very important from an education spectrum.

Mayor Sims asked for comments from those opposed.

Eric Lederhos said EL built the tower and it was given to the City. All kinds of technologies can be used. Gov't involved in competing with private enterprise. Eric said a study was done, a few years back, by the City, which stated it was not feasible to do fiber optic. EL decided to do fiber optic anyway. Eric feels the hook-up cost will be \$8,000 - \$10,000 per household. There are several companies in town that can do 25megs today, the fiber can do a gigabit. Eric does not feel the City should put time and money to put in 100 megabit system instead of a gigabit system.

Valerie Surprenant agrees broadband is important. Valerie is concerned, because it sounds like there are no good providers right now. Valerie selected an area of town and there were nine providers not counting the wireless providers, four of the provider have broadband as defined by the FCC. Valerie doesn't think the City should step into competition with other providers that are already providing good service. Acknowledging services that are already here. EL can provide 50megs almost everywhere. EL is looking to the future by making fiber available that will provide speeds of 1 gig. Valerie said EL has great packages available for internet service. Valerie doesn't think the City should compete with local enterprise.

Mat Surprenant said he is not opposed to more competition, he feels the City shouldn't be part of it. Let Avista bring it themselves. Everyone keeps saying low cost/affordable internet but no one will say the price. Mat said it sounds like this is a fiber backbone to the poles and broadcast wirelessly to the house. There will be an expense to run fiber from Moravia to Moyie. Mat asked if others will be running in the CBRS band. Mat feels it will be expensive to have fiber and wireless to all homes in Bonners Ferry. What role is the City going to play in the expenses? Mat feels there is no information to support the request, since no one will say what the costs will be.

Seth Brown agrees with getting internet to rural areas, but this is talking about just City residents. There is lots of broadband internet available. What is cost of CPE per house? What is the cost for the collars and who pays for that? Seth also asked if the utility bills will increase.

Stephanie Franke said multiple providers are already here providing broadband internet. Since this is brand new technology the City shouldn't spend time and money for this, let Avista do it on their dollar not taxpayers money. The City should ask: do we need more internet providers and the cost of the equipment. Stephanie doesn't think the City should enter into a business that competes with multiple providers.

Eric Lederhos said we've had mid-mile from frontier for 15 years. Eric asked if anyone knows the cost of a gigabit. Ammon gets a gig for ten dollars. That is not possible in Bonners Ferry. Fat Beam sells a gig for \$300 - \$800 with a five year contract.

Mayor Sims closed the public comment portion of the meeting at 6:35pm.

Mark Gustafson said there is a patent pending on the collar technology. Regarding who will own the infrastructure and who will own contracts with fiber providers, Avista Edge will support cities. Avista is not expecting cities to own the build out costs. There are opportunities for federal and state funding where fiber is lacking. The Avista Edge business model is to own the infrastructure and allow the cities to provide that without having to have major purchases. Mark said Avista is not here to compete with fiber to the home in terms of broadband, but believes the affordability piece will

be there. CBRS is new and will go live in June 2020. There is a current auction for the CBRS. The CBRS has two spectrums a private owned spectrum and general availability spectrum manager.

Rick asked what CBRS stands for. Mark said citizen band radio spectrum. It was used by the Navy, the FCC worked with the Navy to release the CBRS. David said the total spectrum is 150 megahertz.

Valerie Thompson asked if the CPEs are the collars. Mark said yes and Avista Edge will own the collars.

Ron asked the cost to the City for the MOU. Mark said Avista Edge is financing most of the costs for the MOU. Avista Edge is asking the City to survey its customers to find out the interest in something like this

Mayor Sims asked Avista to walk through the MOU. The City pays for and owns the survey. Avista will own the geo and spectrum data, which they use to produce a budget model.

Lisa asked if there is flexibility to own the collars. Mark said yes.

Mark said it was brought up earlier about serving customers in an actual rural setting. The goal is to serve the dense area like the City of Bonners Ferry, service to customers 10 miles out will not be available on day one.

Ron said the MOU is the feasibility study. Mark said yes.

Adam said it seems like low cost to the City and it is an exciting opportunity to be a model city for something like this.

Valerie Thompson moved to proceed with the memorandum of understanding for the pilot study proposal from Avista Development, Inc. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

Mayor Sims recessed the meeting at 6:49 pm.
Mayor Sims reconvened the meeting at 7:00 pm.

2. City – Consider Adopting Resolution 2019-12-10 Approving the Eligibility Report for the Urban Renewal District (attachment) {action item}

Mayor Sims said he, John Austin, Merle Ansley, Dennis Weed, Cal Russell and Dave Walter are on the Urban Renewal Agency (URA). Mayor Sims said the City asked the URA to consider forming two new districts. The URA felt it was better to do the west side first.

John Austin said the original district was formed in 2011 to attract Super 1 Foods, to cover the off-site improvements. Within 18 months the URA was able to pay back \$600,000 of public infrastructure costs. John said the purpose of an URA is to jump start development, create jobs or help a city with its infrastructure issues. The area being considered now is mostly residential and small commercial. This will allow the City to have an access road and utilities to develop a large area for the residential component. The first step is to determine if the area is eligible to be in an Urban Renewal District (URD). This area is lacking roads, water and sewer lines making it eligible for the URD. The next step is to submit it to Planning and Zoning (P&Z) to review the plan to make sure it is in conformity with the comprehensive plan. Page 17 shows the different elements of the Urban Renewal Plan, like street from Wilson to Solomon, landscaping, sidewalks, gutters, new lift station and an upgrade to lift station #4. A portion of the 1.8 million dollars in taxes from that development can go back to the City for its operating costs in that area for street, fire and police.

Ron asked how long it will take to payback these expenses. John said a residential area is slower to generate the tax base than commercial. John guessed 5-10 years maybe even longer. Mayor Sims said URA bonded to payback the Super 1 developer. John said the hope is to have a bunch of house built and sold so the money is on the tax rolls. Lisa said one opportunity is a landowner to develop the project. There are three larger pieces that are owned by Stuart and Meghan Hills trust, which Clarence Ansley is the representative for the trust. Mayor Sims said this is a great place for in-fill and development.

Valerie Thompson said this is a benefit for children to connect to schools and stores.

John Austin said an URD can extend for 20 years. In the feasibility study it shows the number of units to pay the increment. Ron asked how many homes is that area capable of supporting. Clarence said 60-65 homes. Lisa said the total number of units is closer to 100 units with multifamily. John said the key number is the value of the units, which makes it possible to borrow the money to pay back the costs.

The first step is to approve the eligibility report, then it goes to P&Z for review. If P&Z says that the plan conforms with the comprehensive plan, then there is a 60 day public comment period, then a public hearing. The increment above the base value for the year the district is formed (January 1, 2020) flows to the URA. A comparable plan is in Dover. Lisa said it is important to work with a developer. Dennis said the development of the commercial property will drive the increment up. Mayor Sims said his family has not had any interest in the property in over 20 years. Clarence said they bought the property about 10 years ago. Working with staff has been good. Clarence appreciates the City working with him. It is a challenge to develop in this area and anything the City can do to help is important. Merle said he is Clarence's brother, but he does not have any financial interest in the property. Mayor Sims said he feels that during the life of the URD the commercial part will re-develop.

Rick Alonzo moved to adopt Resolution 2019-12-10 approving the eligibility report for the urban renewal district. Ron Smith seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

3. City – Consider Sending the Urban Renewal Plan and Feasibility Study to Planning and Zoning to Ensure Conformity with the Comprehensive Plan (attachment) {action item}

Rick Alonzo moved to send the Urban Renewal plan and feasibility study to Planning and Zoning to ensure conformity with the Comprehensive Plan. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

4. City – Authorize the Mayor to Sign the Contract with Blue Cross of Idaho for the Preparation of a Recreational Map (attachment) {action item}

Lisa said the City has an opportunity to work with the Blue Cross High Five foundation to develop a recreational plan map in addition to the \$250,000. Mayor Sims said this will cover only the artwork, not the actual printing of the map. The printing costs will come out of the original \$250,000. Adam asked what the map will look like. Mayor Sims said it will be a tri-fold 11 x 17. Lisa said it will be a caricature map. Adam asked where it will be distributed. Lisa said the Visitors Center and the schools.

Ron Smith moved to authorize the Mayor to sign the contract with Blue Cross of Idaho for the preparation of a recreational map for \$5,000. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

ADJOURNMENT

The meeting adjourned at 7:37pm.

**MINUTES
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
December 17, 2019
6:00 pm**

Mayor David Sims called the Council meeting of December 17, 2019 to order at 6:00 pm. Present for the meeting were: Council President Rick Alonzo, Council Members Adam Arthur, Valerie Thompson and Ron Smith. Also present were: City Attorney Andrakay Pluid, City Clerk/Treasurer Christine McNair, City Administrator Lisa Ailport City Police Chief Brian Zimmerman and Economic Development Coordinator Dennis Weed. Members of the public present were: Denise Woodbury, Lon Woodbury, Marciavee Cossette, Jerry Higgs, Stephanie Sims, Barb Awbrey, Dave Gray, Craig Kelson, Kevin Boldt, Mat Surprenant, Valerie Surprenant, Elsie Hollenbeck, Denise Crichton, Kevin Lederhos, Marty Martinez and Eric Lederhos..

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Jerry Higgs thanked Mayor Sims and the City staff for the accomplishments during his administration.

Craig Kelson thanked Mayor Sims for everything he has done.

Kevin Lederhos thanked Mayor Sims for everything he has done. Kevin also said the executive session on November 26, 2019 did not state a subsection. Kevin feels private enterprise is the best way to promote business in the community.

REPORTS

Police Chief Brian Zimmerman said he recently purchased a Dodge Charger from ISP with 110,000 miles for \$5,000 that included \$5,000 worth of accessories to replace the 2006 Crown Vic.

Fire Chief Dave Winey said there are no fires to report, but the department has had a few medical assists and helped the police on a few accidents.

City Administrator Lisa Ailport thanked the Council and Mayor for the City Christmas party. Rick thanked everyone that set up the Christmas party.

CONSENT AGENDA – {action item}

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Approval of the December 3, 2019 Council meeting minutes
4. Treasurer's Report

Adam Arthur moved to approve the consent agenda. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

OLD BUSINESS

NEW BUSINESS

5. City – Consider File #AM11-19 from Lon and Denise Woodbury and Resolution 2019-12-10 for Future Land Use (Comp Plan) Map Amendment (attachment) {action item}

Clare Marley request combining items #5 and #6. Mayor Sims approved the combination. Clare said the property located at 7119 Second Street lost its non-conforming status in 1996 when it was converted to an office. The applicants are requesting the use and zone change from industrial to commercial to allow for a single family residence. Planning and Zoning (P&Z) held a public hearing with no opposition. To the west of the property is all Industrial zoning to the north and the east are commercial zoning. The Industrial use does not allow residential housing. Commercial use has many more options and allows for residential housing. Adam Arthur moved to approve File #AM11-19 to amend the comprehensive plan future land use map from industrial to commercial for lots 1 and 2, block 4, Riverside Addition to Bonners Ferry and the adjoining right-of-way to the north, finding that it is in accord with the general and specific goals and standards of the City of Bonners Ferry comprehensive plan, as enumerated in the findings and reasoned statements below and based upon testimony at this hearing. I further move to adopt the reasoned statement as written. Rick Alonzo seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes.

Adam Arthur further moved to adopt Resolution 2019-12-17 enacting the amendment of the City of Bonners Ferry comprehensive plan future land use map and establishing the "commercial" map designation for the lands that are the subject of File #AM11-19. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

6. City – Consider File #ZC01-19 from Lon and Denise Woodbury for a Zone Change (attachment) {action item}

Rick Alonzo moved to approve File #ZC01-19 to rezone Lots 1 and 2, Block 4, Riverside Addition to Bonners Ferry and adjoining right-of-way to the north from Industrial to Downtown, finding that it is in accord with the general and specific goals and standards of the City of Bonners Ferry comprehensive plan, as enumerated in the findings and reasoned statements below and based upon testimony received at this hearing. I further move to adopt the following reasoned statement as written. The amendment is supported by the City of Bonners Ferry comprehensive plan. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

7. City – Consider Approval of Ordinance #588 and the Publication Summary for Woodbury Zone Change and have the First Reading of Ordinance #588 by Title Only (attachment) {action item}

Rick Alonzo moved to approve Ordinance #588 and the publication summary for Woodbury zone change and have the first reading of Ordinance #588 by title only. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes. Andrakay read Ordinance #588. An ordinance of the City of Bonners Ferry, a municipal corporation of the State of Idaho, amending the official zoning map of Bonners Ferry to zone as "Downtown" certain lands located within the incorporated city limits of Bonners Ferry, Idaho; providing severability and providing this ordinance shall be in full force and effect after its passage, approval and publication according to law.

8. City – Suspend the Reading Rules and Adopt Woodbury Zone Change Ordinance #588 {action item}

Rick Alonzo moved to suspend the reading rules and adopt Woodbury zone change Ordinance #588. Ron Smith seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

9. Water – Consider Request to Solicit Quotes for New Underdrain System for the Water Treatment Plant (attachment) {action item}

Lisa said the underdrain system of filter #2 is in need of repair. Mike has researched the repair parts and costs, which will be at least \$36,000. Mayor Sims said the plan is to repair the current system and eventually replace the system. This happened with filter #1 about 18 months ago. Andrakay said Mike is working with a supplier, but is hoping to have approve to spend up to \$50,000. Mayor Sims said there are two things: we will fix the existing one immediately then we will replace it. Valerie Thompson moved to solicit quotes for the new underdrain system for the water treatment plant and authorize payment up to \$50,000. Rick Alonzo seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

10. Water – Consider Request for Additional Water Right for the Dakota Street Well Site (attachment) {action item}

Mayor Sims said this will make it possible to allow the City to have more capacity. The process to receive a water right is very slow, so Mike would like to start that procedure now. Rick Alonzo moved to allow Mike to request for an additional water right for the Dakota Street well site. Ron Smith seconded the motion. The motion passed with all in favor.

11. Sewer – Consider Purchasing Generators for Lift Station #6 and #2 (attachment) {action item}

Lisa said this was budgeted in 2019, but was not purchased. Mike is hoping to purchase them now. Mayor Sims said if there is a power outage, there is a generator on a trailer that is moved between the lift stations. Valerie Thompson moved to approve the generators for lift station #6 and #2 in the amount up to \$45,000. Rick Alonzo seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

12. Sewer – Consider Purchasing a New Pump for Lift Station #5 (attachment) {action item}

Lisa said lift station #5 is one of the more challenging lift station to access and has numerous issues. In 3 weeks, there is one foot of rags and coagulants that have accumulated and require the need for pumping. Lift station #5 covers Alderson Lane to Funkhouser Street gets all the fats, oils and greases from the restaurants and grocery stores. Ron Smith moved to purchase a new pump for lift station #5 in the amount of \$18,205. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

13. Electric – Consider Bond Election Time Frame (attachment) {action item}

Lisa said this is a bond for the dam resurfacing project. Staff has been in communication with Laura McAloon. The bond election is date May 19, 2020. Laura is confirming the notification deadline with the County. Lisa said staff will schedule public meetings and information session. Rick Alonzo moved to direct staff to move forward with the bond election for May 19, 2020. Ron Smith seconded the motion. The motion passed with all in favor.

Rick said FERC told Mike it doesn't matter if the bond passes or not, the resurfacing of the dam must be done.

14. Electric – Consider Contract with Idaho Forest Group for Electric Rates for Fiscal Year 2019-2020 (attachment) {action item}

Lisa said this increases the base rate and kWh rate approximately 2.2% and 3%. Ron Smith moved to authorize the Mayor to sign the contract with Idaho Forest Group for kilowatt hour and base rates increases for fiscal year 2019-2020. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

15. City – Consider Final Expenses for High 5 (attachment) {action item}

Lisa said the 3 year program is ending. The steering committee recommends a \$2,500 line item expense for printing of the recreational map. The steering committee also recommends funding \$1000 to 9B Trails for another exercise station at the Riverside Park and the remaining to BOCO for their programs. Valerie Thompson moved to authorize \$2,500 for the printing

costs of the recreational map, \$1,000 to 9B Trails and the remaining amount to BOCO. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

16. City – Consider Authorizing the Mayor to Sign Yearly Contracts with Local Contractors (attachment) {action item}
Mayor Sims said the City does this every year for emergency situations. Adam asked if there were rate changes. Lisa said there were some changes. Rick Alonzo moved to authorize the Mayor to sign the yearly contracts with local contractors. Ron Smith seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

17. City – Consider 2020 Beverage Licenses Pending Payment and Receipt of Proper Documentation (attachment) {action item}
Christine said we have received proper documentation and payment from all of the companies on the list. Adam Arthur moved to approve the 2020 beverage licenses. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

18. Executive Session pursuant to Idaho Code 74-206, Subsection 1(b) to consider evaluation, dismissal or disciplining of, or to hear complaints or charges brought against a public officer, employee, staff member or individual agent, or public school student
Rick moved to enter into executive session pursuant to Idaho Code 74-206, Subsection 1(b) to consider evaluation, dismissal or disciplining of or to hear complaints or charges brought against a public officer, employee, staff member or individual agent or public school student. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

Entered into executive session at 6:44pm.
Executive session ended at 7:13pm, no action was taken.

19. City – Consider Expanding Scope of Service with Whitebridge Consulting Inc. (attachment) {action item}
Lisa said staff has expanded the contract with Kevin Boldt not to exceed \$22,000 without Council approval. Kevin recommended purchasing a network storage unit, which Lisa is requesting authorization to spend up to \$2,000. Rick asked if the \$2,000 is in addition to the \$22,000. Lisa said it is. Rick Alonzo moved to expand the scope of service with Whitebridge Consulting Inc. for an additional \$22,000 and authorize \$2,000 for the network storage unit. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

ADJOURNMENT

The meeting adjourned at 7:15pm.

MEMORANDUM OF UNDERSTANDING
Between
BOUNDARY COUNTY, IDAHO
And
THE CITY OF BONNERS FERRY

PURPOSE

Boundary County, Idaho, (the County) and the City of Bonners Ferry (the City) desire to provide for the maintenance of a portion of Highway 95 which extends into the county to Labrosse Hill Street and for Pine Island Road, to arrange for the particular maintenance functions to be performed by the City and those to be performed by the County, and to specify the terms and conditions under which such work will be performed.

AUTHORITY

Authority for this Memorandum of Understanding is established by 67-2326 of Idaho Code.

RESPONSIBILITIES AND PROCEDURES

This Memorandum of Agreement supersedes any previous Cooperative Maintenance Agreements which cover the same areas described in Section 4.

1. MAINTENANCE DEFINED

Maintenance is defined as follows:

- a. The preservation and keeping of right-of-way and each type of roadway, structure, and facility in the safe and usable condition to which it has been improved or constructed, but does not include reconstruction or other improvement.
- b. General utility services such as roadside planting and vegetation control.
- c. Special or emergency maintenance or repair necessitated by accidents or by storms or other weather conditions, slides, settlements, or other unusual or unexpected damage to a roadway, structure or facility so long as such special emergency maintenance or repair does not necessitate reconstruction.

2. DEGREE OF MAINTENANCE

The degree and type of maintenance for each highway, road, or portion thereof shall mean doing the work and furnishing the materials and equipment to maintain the facility or roadway herein described in a manner as near as practicable to the standard in which they were originally constructed and subsequently improved.

3. DELEGATION OF MAINTENANCE

The parties agree that the County shall exclusively be responsible for maintaining and/or improving Pine Island Road beginning at Highway 95 and extending in to the unincorporated County. The County shall not be responsible for storm water increases as a result of development in this area within City limits. In exchange for this maintenance, the City shall perform maintenance upon all sidewalks, grass, and special characters along Highway 95 beginning at the City limits and extending south into the unincorporated County to Labrosse Hill Street. City shall not be responsible for any additional storm water in the unincorporated County as it relates to the maintenance responsibilities in this Agreement. In the event that storm water issues arise during the term of this agreement the parties by mutual agreement may modify this agreement in writing to address those issues. Specific delegations of maintenance are as follows:

a. **County Maintenance of Pine Island Road**

(1) County shall perform all road maintenance including, but not limited to, road repair and snow removal.

b. **City Maintenance Obligations from City Limits to Labrosse Hill Road along Highway 95**

City shall perform maintenance upon the following:

(1) Sidewalks: Maintenance including repair and snow removal as feasible.

(2) Lawn or Grass Areas: Mowing, watering, edge trimming, and the watering operations.

(3) Trees and Plantings: Trimming and removing dead material, pruning hazardous limbs. This agreement shall not be construed as restricting, prohibiting or otherwise relieving the City of the responsibility for inspection and upkeep of trees in a manner that will insure maximum safety to both vehicular and pedestrian traffic.

(4) Benches and Planters: Repair by cleaning, patching, aligning, and painting.

4. ROUTE DESCRIPTION

<u>Route No.</u>	<u>Description of Routing</u>
US-95	South Main Street in City of Bonners Ferry to Labrosse Hill Street
Pine Island Road	Pine Island Road beginning at Highway 95

5. DELEGATION OF COSTS

All agencies shall bear all costs of maintenance obligations assigned to them under this agreement.

LIMITATIONS

Nothing in this Memorandum of Understanding between the County and the City shall be construed as an approval by the City of development which creates additional storm water. Nor should this agreement be construed as the City assuming responsibility for storm water maintenance or additional storm water added to Idaho Transportation Department storm water systems.

Nothing in this Memorandum of Understanding between the County and the City shall be construed as limiting or expanding the statutory or regulatory responsibilities of any involved individual in performing functions granted to them by law; or as requiring either entity to expend any sum in excess of its respective appropriation. Each and every provision of this Memorandum is subject to the laws and regulations of the State of Idaho and of the United States.

Nothing in this Memorandum of Understanding shall be construed as expanding the liability of either party.

EFFECTIVE DATE

This Memorandum of Understanding shall become effective upon signature of the signing authority of the Boundary County Commissioners and the signing authority of the City of Bonners Ferry, whichever is most recent, and shall remain in full force and effect until amended or terminated.

METHOD OF TERMINATION

This Memorandum of Understanding shall remain in force unless formally terminated by either party after thirty (30) days written notice to other party.

AMENDMENTS

Amendments to this Memorandum shall become effective upon mutual agreement and written approval by the signing authority of the Boundary County Commissioners and the signing authority of the City of Bonners Ferry.

SIGNATURES

BOUNDARY COUNTY, IDAHO

By _____
Dan Dinning, Commissioner

Date _____

By _____
Walt Kirby, Commissioner

Date _____

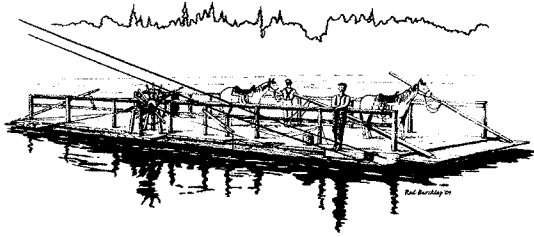
By _____
Wally Cossairt, Commissioner

Date _____

CITY OF BONNERS FERRY

By _____
David Sims, Mayor

Date _____



MEMO

CITY OF BONNERS FERRY
CITY ENGINEER

Date: January 2, 2020
To: City Council
From: Mike Klaus, City Engineer
Subject: Electric Department - Underwriter/Placement Agent for Spillway Project Bond

Staff has talked with Michael Keith of Piper Jaffray & Co. to consider using them as an underwriter/placement agent for proposed bonding services related to rehabilitating the spillway at the Moyie Dam. Two possible directions exist for borrowing money for the spillway project; bond financing and bank financing. Piper Jaffray can serve the City in either scenario with the attached proposal.

The City has used Piper Jaffray in the past with success, and I recommend engaging them for services related to the proposed bonding. I recommend that the Council authorize the Mayor to sign the engagement as attached. Michael Keith has also provided a separate letter with proposal that helps explain what the fees may be for their work.

Please contact me with any questions you may have.

Thank you,

Mike

December 4, 2019

David Sims, Mayor
City of Bonners Ferry
7232 Main Street
Bonners Ferry, Idaho 83805

Re: Underwriter/Placement Agent Engagement Letter
Electric Utility Revenue Bonds to be sold in 2020 and/or 2021 (the "Securities")

Dear David:

On behalf of Piper Jaffray & Co. ("Piper Jaffray" or "we"), we wish to thank you for the opportunity to serve as an underwriter or placement agent to you for the issuance of the Securities. We understand that the decision to either conduct a public sale of the Securities or arrange for the placement of the Securities in a private placement to a single or limited number of investors will be made by you sometime in the future. This letter is intended to describe our engagement for either method of sale.

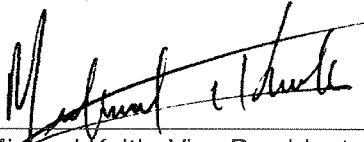
This engagement is preliminary in nature, non-binding and may be terminated at any time by you or us. Although you intend or reasonably expect to use Piper Jaffray as an underwriter or placement agent respecting the Securities, this engagement is subject to any applicable procurement laws and the formal approval of Piper Jaffray as underwriter or placement agent by your board or governing body, and is also subject to mutual agreement as to the final structure for the Securities and the terms and conditions of a bond purchase or placement agent agreement. This engagement does not restrict you from using other underwriters or placement agents respecting the Securities or any other municipal securities transaction or prevent you from delaying or cancelling the Bond issue or selecting an underwriting syndicate that does not include Piper Jaffray.

As an underwriter or placement agent, Piper Jaffray may provide advice concerning the structure, timing, terms, and other similar matters concerning the Securities. However, Piper Jaffray intends to serve as an underwriter or placement agent and not as a financial advisor to you; and the primary role of Piper Jaffray is to purchase securities for resale to investors or arrange for the placement of securities in an arm's-length commercial transaction. Piper Jaffray has financial and other interests that differ from your interests.

Attached to this letter are regulatory disclosures required by the Securities Exchange Commission and the Municipal Securities Rulemaking Board to be made by us at this time. We may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction or describing any conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures. It is our understanding that you have the authority to bind the issuer by contract with us, and that you are not a party to any conflict of interest relating to the Securities. If our understanding is incorrect, please notify the undersigned immediately.

We wish to receive your written acknowledgement that you have received the Appendix A disclosures and that this engagement is approved. Accordingly, please send me an email to that effect or sign and return the enclosed copy of this letter to me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Keith", written over a horizontal line.

Michael Keith, Vice President
Piper Jaffray & Co.

Acknowledgement and Approval of Engagement
and Receipt of Appendix A Disclosures

David Sims, Mayor
City of Bonners Ferry

Date: _____

Appendix A – G-17 Disclosure

We are providing you with certain disclosures relating to the captioned bond issue (the Bonds), as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 in accordance with MSRB Notice 2012-25 (May 7, 2012). Under new federal regulations, all underwriters and placement agents are now required to send the following disclosures to you (as the Issuer of the Bonds) in order to clarify with you the role of an underwriter or placement agent and other matters relating to an underwriting or placing of the Bonds.

Piper Jaffray intends to serve as an underwriter or placement agent respecting the Bonds and not as a financial advisor or municipal advisor to you. As part of our services as an underwriter or placement agent, Piper Jaffray may provide advice concerning the structure, timing, terms, and other similar matters concerning an issue of municipal securities that Piper Jaffray is underwriting or placing.

If Piper Jaffray is engaged to act as your underwriter in a negotiated underwriting, and by engaging Piper Jaffray as your underwriter, you determined to sell the Bonds by negotiated sale. A negotiated sale is the sale of a new issue of municipal securities by an issuer directly to an underwriter or underwriting syndicate selected by the issuer. A negotiated sale is distinguished from a sale by competitive bid, which requires public bidding by the underwriters. Piper Jaffray did not advise you as to what method of sale (competitive or negotiated sale) you used for this issuance of municipal securities.

Our Role as Underwriter:

In serving as underwriter for the Bonds, these are some important disclosures that clarify our role and responsibilities:

- (i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors;
- (ii) The underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with the Issuer and it has financial and other interests that differ from those of the Issuer;
- (iii) Unlike a municipal advisor, the underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests;
- (iv) The underwriter has a duty to purchase securities from the Issuer at a fair and reasonable price, but must balance that duty with its duty to sell municipal securities to investors at prices that are fair and reasonable; and
- (v) The underwriter will review the official statement for the Issuer's securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.¹

Our Role as Placement Agent:

In serving as placement agent for the Bonds, these are some important disclosures that clarify our role and responsibilities:

- (i) MSRB Rule G-17 requires us to deal fairly at all times with both municipal issuers and investors;

¹ Under federal securities law, an issuer of securities has the primary responsibility for disclosure for investors. The review of the official statement by the underwriter is solely for purposes of satisfying the underwriter's obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the official statement.

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- (ii) Our primary role in this transaction is to facilitate the sale and purchase of municipal securities between you and one or more investors for which we will receive compensation;
- (iii) Unlike a municipal advisor, we do not have a fiduciary duty to you under the federal securities laws and are, therefore, not required by federal law to act in your best interests without regard to our own financial or other interests;
- (iv) We have a duty to arrange the purchase securities from you at a fair and reasonable price, but must balance that duty with our duty to arrange the sale to investors at prices that are fair and reasonable; and
- (v) In the event an official statement is prepared, we will review the official statement for your securities in accordance with, and as part of, our responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

Our Compensation:

As underwriter, compensation will be by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. As placement agent, compensation will be by a fee that was negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee, discount or placement agent fee will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter or placement agent may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

Conflict of Interest for Underwritings Only:

We have entered into a separate agreement with Charles Schwab & Co., Inc. that enables Charles Schwab & Co., Inc. to distribute certain new issue municipal securities underwritten by or allocated to us which could include the Bonds. Under that agreement, we will share with Charles Schwab & Co., a portion of the fee or commission paid to us.

Risk Disclosures:

In accordance with the requirements of MSRB Rule G-17, attached as Appendix B is a description of the material aspects of a typical fixed rate offering, including the Bonds. This letter may be later supplemented if the material terms of the Bonds change from what is described here.

If you have any questions or concerns about these disclosures, please make those questions or concerns known immediately to me. In addition, you should consult with your own financial, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Appendix B – Risk Disclosures

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds (“Fixed Rate Bonds”), as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds.

Financial Characteristics

Maturity and Interest. Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions and agencies and authorities. Maturity dates for Fixed Rate Bonds are fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity), one or more term maturities (specified principal amounts are payable on each term maturity date), a combination of serial and term maturities, or bullet maturities, in which all the Bonds mature on a single maturity date. The final maturity date typically will range between 10 and 30 years from the date of issuance. Interest on the Fixed Rate Bonds typically is paid semiannually at a stated fixed rate or rates for each maturity date.

Redemption. Fixed Rate Bonds may be subject to optional redemption, which allows you, at your option, to redeem some or all of the bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates. Fixed Rate Bonds will be subject to optional redemption only after the passage of a specified period of time, often approximately ten years from the date of issuance, and upon payment of the redemption price set forth in the bonds, which may include a redemption premium. You will be required to send out a notice of optional redemption to the holders of the bonds, usually not less than 30 days prior to the redemption date. Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires you to redeem specified principal amounts of the bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the bonds to be redeemed.

Other Financial Characteristics Specific to Direct Purchases of Bonds. Purchasers of bonds in a direct purchase, private placement context sometimes ask for certain financial terms not typically included in publically offered bonds. For example, after a stated period of time (typically ten years or less), the purchaser may require that the interest rate on the Bonds be reset at a higher rate or require that the entire notional amount of the Bonds become due, which may require the refinancing of the Bonds in unfavorable market conditions. See section entitled “*Refinancing Risk*” below. Financial terms could include other provisions that raise your interest rate during the term of the bonds. For example, a margin rate clause (also known as “gross up” or “increased cost”) triggers an automatic interest rate increase should federal corporate tax rates be reduced, allowing the purchaser to offset the decreased value of the bonds. Other potential interest rate increases could include a higher rate triggered by an event of default (a “default rate”), an increase in the interest rate if there is a determination that interest on the bonds is includable in gross income for federal income tax purposes or a higher interest rate if the instrument fails to be bank-qualified. For any of these scenarios, the resulting interest rate may or not be capped by a maximum interest rate. If a rate cap applies, purchasers may ask that any interest that would have accrued but for a rate cap be deferred and paid out in later years. Another example of terms that may apply in a private placement include acceleration clauses, which may permit the bank purchaser to request immediate payment of outstanding principal in an event of default or otherwise force a restructuring of the bonds to a more accelerated amortization schedule. Lenders may also seek provisions requiring that any interest that would have accrued but for legal maximum rate restrictions to be deferred and paid if and

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when the applicable rate goes below such maximum rate (commonly known as a “clawback” or “recapture provision”).

These features could impact your liquidity, debt service coverage ratios or force you to divert funds to pay debt service on the Bonds that were intended for other purposes. Unexpected increases in interest rates could also impact your outstanding credit rating.

Security

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security, some of which are described below.

General Obligation Bonds

“General obligation bonds” are debt securities to which your full faith and credit is pledged to pay principal and interest. If you have taxing power, generally you will pledge to use your ad valorem (property) taxing power to pay principal and interest. Ad valorem taxes necessary to pay debt service on general obligation bonds may not be subject to state constitutional property tax millage limits (an unlimited tax general obligation bond). The term “limited” tax is used when such limits exist.

General obligation bonds constitute a debt and, depending on applicable state law, may require that you obtain approval by voters prior to issuance. In the event of default in required payments of interest or principal, the holders of general obligation bonds have certain rights under state law to compel you to impose a tax levy.

Revenue Bonds

“Revenue bonds” are debt securities that are payable only from a specific source or sources of revenues. Revenue bonds are not a pledge of your full faith and credit and you are obligated to pay principal and interest on your revenue bonds only from the revenue source(s) specifically pledged to the bonds. Revenue bonds do not permit the bondholders to compel you to impose a tax levy for payment of debt service. Pledged revenues may be derived from operation of the financed project or system, grants or excise or other specified taxes. Generally, subject to state law or local charter requirements, you are not required to obtain voter approval prior to issuance of revenue bonds. If the specified source(s) of revenue become inadequate, a default in payment of principal or interest may occur. Various types of pledges of revenue may be used to secure interest and principal payments on revenue bonds. The nature of these pledges may differ widely based on state law, the type of issuer, the type of revenue stream and other factors.

General Fund Obligations

“General Fund Obligations” are debt securities that are payable from an issuer’s general fund and are not secured by a specific tax levy like a general obligation bond or a specific revenue pledge like a revenue bond. General fund obligations come in many varieties and may be a continuing obligation of the general fund or may be subject to annual appropriation. Often general fund obligations are issued in the form of certificates of participation in a lease obligation of the issuer.

Financial Risk Considerations

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following:

Risk of Default and Fiscal Stress

You may be in default if the funds pledged to secure your bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious for you and may include the exercise of available remedies against you on behalf of the holders of the bonds.

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Depending on state law, if the bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes or other budgetary adjustments may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. If the bonds are revenue bonds, subject to applicable state law and the terms of the authorizing documents, you may be required to take steps to increase the available revenues that are pledged as security for the bonds.

Bonds payable from the general fund, particularly bonds without a defined revenue stream identified to pay debt service, reduce your flexibility to balance the general fund. Because a fixed debt service payment is required to be paid regardless of how your general fund is impacted by revenue losses or by increased expenses, you have less flexibility in the options available to you in assuring a balanced budget for your general fund.

General Fund Obligations that are Project Based. Some general fund obligations are issued for projects which are expected to generate revenues that will pay for some or all of the debt service on the bonds. In the event the project does not generate the anticipated levels of revenues available for debt service, or, in the extreme case, does not create any revenue available for debt service, you may need to make payments from other available general fund revenues. This may force you to reduce other expenditures or to make difficult decisions about how to pay your debt service obligation while meeting other expenditure needs.

General Fund Obligations that are Subject to Annual Appropriation. Some general fund obligations require that debt service is subject to annual appropriation by your governing body. If your governing body decides not to appropriate payments for debt service, your credit ratings may be negatively impacted and you may be forced to pay a higher interest rate on future debt issuance or may be unable to access the market for future debt issuance.

For all bonds, a default may negatively impact your credit ratings and may effectively limit your ability to publicly offer bonds or other securities at market interest rate levels. Further, if you are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, it may be necessary for you to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you are unable to comply with covenants or other provisions agreed to in connection with the issuance of the bonds.

Redemption Risk

Your ability to redeem the bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you may be unable to take advantage of the lower interest rates to reduce debt service.

Refinancing Risk

If the financing plan contemplates refinancing some or all of the bonds at maturity (for example, if there are term maturities, bullet maturities or if a shorter final maturity is chosen than might otherwise be permitted under the applicable federal tax rules), market conditions, changes to the credit of the Bonds or changes in law may limit, make more expensive or prevent the refinancing of those bonds when required.

Reinvestment Risk

You may have proceeds of the bonds to invest prior to the time that you are able to spend those proceeds for the authorized purpose. Depending on market conditions, you may not be able to invest those proceeds at or near the rate of interest that you are paying on the bonds, which is referred to as “negative arbitrage”.

Tax Compliance Risk

The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS). You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on the bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you pay on the bonds or the mandatory redemption of the bonds. The IRS also may audit you or your bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the bonds are declared taxable, or if you are subject to audit, the market price of your bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited.

Mayor David Sims and Honorable City Council Members
City of Bonners Ferry
7232 Main Street
Bonners Ferry, Idaho 83805

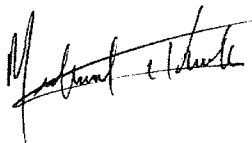
Subject Fees related to election and issuance of Electric Utility Bonds
Date: December 12, 2019

Dear David and Members of the City Council:

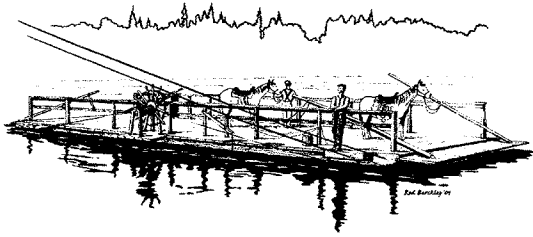
I would like to thank for the opportunity to work with the City on its upcoming electric utility bond election. We recently sent the City an engagement letter describing our role as the City's underwriter or placement agent for the proposed electric utility bonds. As a result, some questions arose about Piper Jaffray's fees for completing the work regarding the election and potential subsequent issuance of the bonds.

First, it may be helpful to understand our work related to a bond financing. Our scope of work will include providing analysis to the City to help determine the best method of sale. Our analysis will include evaluating whether stand-alone market issuance, bank placement, or utilization of the Idaho Bond Bank, similar to the City's refinancing of its USDA loans, to determine the most beneficial method to the City. We will also review current documents on the City's outstanding hydroelectric bonds to ensure the City meets any additional bonds test or other requirements under current bond legal documents. Post successful election, we will work with the City's financing team to execute a bond financing based on the method of sale the City deems the most beneficial. Depending on the method of sale, there may be two parts to our fee. For the work described above, we would propose a flat fee of \$25,000. If the City determined that a bank placement was the best method of sale we would not anticipate any additional fees. Bonds sold through a stand-alone market sale or the Idaho Bond Bank would require an additional fee called a takedown, which is the commission paid to salespeople for selling the bonds. The sales commission fee would range from 0.375% to 0.6% depending on the method of sale or term of the loan i.e. 15 years versus 20 years. In the case of a Idaho Bond Bank transaction the allocation of fees will depend on the to issuance size and number of participants. I hope that this helps explain our fees. Please let me know if there are any further questions.

Best Regards,



Michael Keith
Vice President
Piper Jaffray



MEMO

CITY OF BONNERS FERRY
CITY ENGINEER

Date: January 2, 2020
To: City Council
From: Mike Klaus, City Engineer
Subject: **City Pool Project - CDBG Request for Funds #12**

Attached is the Community Development Block Grant Request for Funds #12 for a total of \$30,437.00. Included in that request is \$29,382.00 that will reimburse the City for expenses related to the purchase of the pool skimmer system, while \$1055.00 is for PAC administrative work related to close-out of the City Pool project

I recommend that the Council authorize the Mayor to sign the ICDBG program request for funds #12 for \$30,437.00.

Please let me know if you have any questions.

Thank you,

Mike

Financial Disbursement Form

City of Bonners Ferry
Municipal Swimming Pool Repairs
ICDBG-17-I-25-PK

Request for Funds #: 12-FINAL
Report period: October 1, 2019 - January 2, 2020
Date: January 2, 2020

The following costs are approved for payment under the City's Community Development Block Grant (CDBG) Project.
The invoices are attached behind the CDBG Request for Funds and Progress Report.

INVOICE DATE	INVOICE NUMBER	VENDOR	INVOICE AMOUNT	TO BE FUNDED BY:			BUDGET CATEGORY
				ICDBG	City Cash	Force Account	
12/31/19	12-FINAL	Panhandle Area Council	1,055.00	1,055.00	-	-	Administration
12/11/18	21402	Natare Corporation	7,356.00	-	7,356.00	-	Construction
01/17/19	21522	Natare Corporation	18,391.00	18,391.00	-	-	Construction
03/20/19	21598	Natare Corporation	26,798.00	10,991.00	15,807.00	-	Construction
03/13/19	21748	Natare Corporation	21,017.00	-	21,017.00	-	Construction
-	-	Force Account - City of Bonners Ferry	27,355.57	-	-	27,355.57	Construction
-	VARIOUS	Cash Match - City of Bonners Ferry	49,520.00	-	49,520.00	-	Construction
-	VARIOUS	Cash Match - City of Bonners Ferry	81.22	-	81.22	-	Construction
-	VARIOUS	Cash Match - City of Bonners Ferry	261.92	-	261.92	-	Administration
07/25/18	27828	JUB Engineers	689.18	-	689.18	-	Engineering
TOTAL REQUEST FOR FUNDS:			152,524.89	30,437.00	94,732.32	27,355.57	

<i>To be completed for receipt & disbursement of ICDBG funds:</i>				
ICDBG Funds Received: \$ _____	Date Funds Received: _____			
Disbursed To:	For:	Check No.:	Date Disbursed:	Amount:
Panhandle Area Council	Administration			1,055.00
City of Bonners Ferry	Reimbursement			29,382.00
TOTAL DISBURSEMENTS:				30,437.00
>> Funds must be disbursed within five (5) calendar days of receipt <<				
I certify that the information above is correct.				
Submitted by: _____				

Please complete the shaded area of this form and return immediately upon disbursement of funds to:
Dorian Komberec, Panhandle Area Council, 11100 N. Airport Drive, Hayden, ID 83835

City of Bonners Ferry Municipal Pool Repair
 ICDBG-17-I-25-PK

PROJECT RE-CAP

	To	Line Item Category	Invoice #	Invoice Date	CDBG ROUNDED	City Cash	City Force Account Cash	City In-Kind	TOTAL
MODIFIED WORKING BUDGET					150,000.00	83,560.00	42,806.00	1,500.00	277,866.00
	Grant Writing	Planning						1,500.00	1,500.00
PR1	Panhandle Area Council	Administration	1	02.05.18	1,160.00				1,160.00
PR2	Panhandle Area Council	Administration	2	05.03.18	460.00				460.00
PR3	Panhandle Area Council	Administration	3	06.13.18	180.00				180.00
PR4	Panhandle Area Council	Administration	4	08.08.18	360.00				360.00
PR5	Panhandle Area Council	Administration	5	08.27.18	180.00				180.00
PR6	Panhandle Area Council	Administration	6	01.02.19	2,195.00				2,195.00
	BF Builders	Construction	1	11.30.18	20,045.00				20,045.00
PR7	Panhandle Area Council	Administration	7	02.13.19	1,165.00				1,165.00
PR8	Panhandle Area Council	Administration	8	03.08.19	1,030.00				1,030.00
PR9	Panhandle Area Council	Administration	9	04.02.19	1,165.00				1,165.00
	BF Builders	Construction	2	04.01.19	61,132.00	0.50			61,132.50
PR10	Panhandle Area Council	Administration	10	05.17.19	525.00				525.00
	BF Builders	Construction	3	05.01.19	28,441.00	0.10			28,441.10
PR11	Panhandle Area Council	Administration	11	09.30.19	1,525.00				1,525.00
	Panhandle Area Council	Administration	12-FINAL	12.31.19	1,055.00				1,055.00
	Natare Corporation	Construction	21402	12.11.18	-	7,356.00			7,356.00
	Natare Corporation	Construction	21522	01.17.19	18,391.00				18,391.00
	Natare Corporation	Construction	21598	02.04.19	10,991.00	15,807.00			26,798.00
	Natare Corporation	Construction	21748	03.13.19	-	21,017.00			21,017.00
	Force Account - City of Bonners Ferry	Construction	-	10.01.17-12.31.19	-		27,355.57		27,355.57
	Cash Match - City of Bonners Ferry	Construction	VARIOUS	10.01.17-12.31.19	-	49,520.00			49,520.00
	Cash Match - City of Bonners Ferry	Construction	VARIOUS	05.15.19-10.02.19	-	81.22			81.22
	Cash Match - City of Bonners Ferry	Administration	VARIOUS	08.16.18-12.17.19	-	261.92			261.92
	JUB Engineers	Engineering	27828	07.25.18	-	689.18			689.18
					150,000.00	94,732.92	27,355.57	1,500.00	273,588.49
					-	(11,172.92)	15,450.43	-	4,277.51

City of Bonners Ferry Municipal Swimming Pool Repairs
Financial Summary

	CDBG BUDGET				Total
	ICDBG Grant	City Cash	City Force Account Cash	City In-Kind	
Administration	11,000.00	-	-	-	11,000.00
Planning	-	-	-	1,500.00	1,500.00
Design Professional	-	-	17,806.00	-	17,806.00
Construction	139,000.00	83,560.00	25,000.00	-	247,560.00
Financing	-	-	-	-	-
Legal	-	-	-	-	-
Total	150,000.00	83,560.00	42,806.00	1,500.00	277,866.00

	EXPENDITURES TO DATE				Total
	ICDBG Grant	City Cash	City Force Account Cash	City In-Kind	
Administration	11,000.00	-	-	-	11,000.00
Planning	-	-	-	1,500.00	1,500.00
Design Professional	-	-	-	-	-
Construction	139,000.00	94,732.92	27,355.57	-	261,088.49
Financing	-	-	-	-	-
Legal	-	-	-	-	-
Total	150,000.00	94,732.92	27,355.57	1,500.00	273,588.49

	BUDGET REMAINING				Total
	ICDBG Grant	City Cash	City Force Account Cash	City In-Kind	
Administration	-	-	-	-	-
Planning	-	-	-	-	-
Design Professional	-	-	17,806.00	-	17,806.00
Construction	-	(11,172.92)	(2,355.57)	-	(13,528.49)
Financing	-	-	-	-	-
Legal	-	-	-	-	-
Total	-	(11,172.92)	15,450.43	-	4,277.51

Information Regarding Closeout Documents

Send to Idaho Department of Commerce, Division of Industry and Community Services:

1. Two signed* originals of the Closeout Agreement (pages III-23).
2. Two signed* originals of the Final Performance Report (pages III-25-28).
3. Two signed* originals of the Final Financial Report (pages III- 29-30).
Includes the following attachments:
 - current disbursement report,
 - final progress report, and
 - final CDBG Request for Funds.

***Note: All documents must be signed by the chief elected official. Upon Commerce approval of the Closeout Documents one original will be maintained by Commerce, one original will be returned to the Grantee, and copies will be electronically sent to the Grant Administrator.**

Closeout Agreement

This Agreement made by and between Idaho Department of Commerce (IDC) and the City of Bonners Ferry.

WHEREAS, the ICDBG grant project ICDBG-17-I-25-PK has been completed and the parties hereto desire to effectuate closeout of the grant project.

WHEREAS, the Grantee has incurred ICDBG costs after its most recent independent financial audit for fiscal year 2018-2019.

NOW THEREFORE, the Grantee agrees:

to submit to IDC a final independent financial audit for fiscal year 2019-2020; and

to remit to IDC the amount of any ICDBG cost disallowed by the final independent financial audit and/or IDC monitoring.

Idaho Department of Commerce

City of Bonners Ferry

Signature

Signature

Dennis J. Porter
Typed Name

Dick Staples
Typed Name

Manager
Title

Mayor
Title

Date

Date

Final Performance Report

Grantee City of Bonners Ferry Contract Number ICDBG-17-I-25-PK

Project Type: PF ___ ED ___ SR/CC ___ Other X

National Objective: LMI X Slum & Blight ___ IM Threat ___

Prepared By: Dorian Komberec Date 01/02/20

Project Activities:

Grant Administration:

The City advertised for RFP's for Administration Services for a three-year period on August 25, 2016 and September 1, 2016. Two proposals were received: one from Panhandle Area Council and one from Stephen Drinkard. Mike Klaus, Lisa Ailport and Kris Larson interviewed and evaluated both candidates. Based on the Evaluation Rating Sheets, the Panhandle Area Council (PAC) was deemed to have submitted the highest-ranking proposal. PAC and Stephen Drinkard were notified of the results via phone on September 22, 2016. A three-year term for grant writing and administration Professional Services Contract was executed on October 1, 2016. Task Order #2 to the Administration Contract was executed on November 7, 2017.

Design Professional:

The City chose to use the City Engineer, Mike Klaus, for project engineering and associated services.

Construction:

The City advertised for bids in the Bonners Ferry Herald on July 12 and July 19, 2018. There was one bid received by BF Builders, Inc. on August 17, 2018. BF Builders was the selected bidder. The award notice was dated September 6, 2018 and the contract was executed on September 17, 2018. The notice to proceed date was November 8, 2018. There was one (1) change order and the total contract amount came to \$115,388.00. The date of the certificate of substantial completion was May 21, 2019.

Environmental Review:

Rilie Beatty, CDBG certified grant administrator for PAC, conducted the environmental review for the project. The level of determination was Categorical Exclusion. There were no public comments received, and the ERR was available for review at Bonners Ferry City Hall. The date of determination was November 7, 2017 and Commerce issued concurrence on December 11, 2017. The CDBG mitigation measures (Attachment C of the CDBG agreement with the City) were included in the construction contract as part of the Idaho CDBG Supplementary General Conditions.

Labor Standards:

Rilie Beatty certified the bidding documents, and the pre-bid meeting was held August 6, 2018 at Bonners Ferry City Hall. The ten-day wage rate update was completed on August 7, 2018, and there were no changes to the wage decision. Debarment clearance was completed on BF Builders, Inc. on September 5, 2018 by Tony Tenne, Idaho Department of Commerce. The preconstruction conference was held on October 30, 2018 at Bonners Ferry City Hall. The contractor certification was executed by BF Builders on October 31, 2018. An additional wage classification request was made by BF Builders for Power Equipment Operator - Concrete Pump, and it was approved by the Department of Labor on December 4, 2018. During the course of construction, nine (9) labor interviews were conducted, there were seventeen (17) corrected payrolls required due to the contractor not reporting all hours worked on other projects. There was \$292.31 in restitution owed for the project due to two employees being mistakenly classified as laborers instead of iron workers on the project. There were no willful violations.

Citizen Participation:

The City's Citizen Participation Plan was adopted November 4, 2014. The first public hearing for the pool project was advertised on August 31, 2017 and was held on September 12, 2017 at Bonners Ferry City Hall. The second public hearing was advertised on March 21, 2019 and was held on April 16, 2019 at Bonners Ferry City Hall. Minutes for the second public hearing were forwarded to Commerce on May 17, 2019.

Acquisition:

Acquisition was not part of this project.

Section 3:

BF Builders completed the Steps to Comply with Section 3 form and it was forwarded to Commerce on February 26, 2019. The City of Bonners Ferry and BF Builders both completed the Section 3 Summary Report, and it was forwarded to Commerce on December 4, 2019. There were no Section 3 new hires and no Section 3 businesses contracted for the project.

Disadvantage Business Enterprise (DBEs):

The Contractor/Subcontract Activity Report was forwarded to Commerce on December 4, 2019. There were no minority or women-owned businesses on this project.

Limited English Proficiency (LEP):

The City had completed a four-factor analysis on July 28, 2016 prior to the application for the project. An LAP was not required to be developed at the time due to the infrequency that City staff encounter LEP individuals. The City chose to implement the use of "I Speak" cards at City Hall.

Fair Housing:

The grant agreement states that the grantee needs to proclaim April 2018 as Fair Housing Month, publish their Fair Housing Resolution, publicly display fair housing information, and work towards addressing identified impediments from their 2016 Fair Housing Assessment. Fair Housing Month was proclaimed on April 2, 2018 and February 6, 2019. The Fair Housing Resolution was most recently adopted by the City on April 16, 2019. Fair Housing information is currently publicly displayed on the City Hall bulletin board. The fair housing impediment that was identified in the 2016

Fair Housing Assessment and 2018 Fair Housing Assessment is in the process of being addressed: Accessory Dwelling Unit – City has “accessory structures” permitted in all zones at this time. The City is currently looking at options to implement accessory dwelling units as well as multi-family dwelling units.

ADA/504:

The grant agreement states that the grantee should update its existing 504/ADA Transition Plan and publish its Policy Regarding Nondiscrimination on the Basis of Disability. The 504/ADA Transition Plan was updated on September 25, 2018 and forwarded to Commerce on November 15, 2018. The City published its Policy Regarding Nondiscrimination on the Basis of Disability on April 17, 2018, and it was forwarded to Commerce on December 30, 2019.

Project Benefits

A. Construction Scope of Work

1. Actual (Provide narrative of the actual scope of work completed.)

The scope of work included the replacement of City Pool walls and walkway with ADA compatible ramps. The project also included bathhouse upgrades and paving of ADA parking stalls for the pool parking lot.

2. Numerical Accomplishments (Complete the following grid.)

Add additional activities if not listed below	Actual Accomplished (Linear feet, Square feet, Size or Numbers)
ADA Improvements	100 feet of ADA walkway, 2 ADA bathroom stalls, 2 paved ADA parking stalls.
Walkway	240 linear feet of new walkway around the pool
Pool Walls and Skimmer	240 linear feet of new concrete pool walls 200 linear feet of new skimmer system

Final Performance Report

B. National Objectives (Select actual national objective met and include numerical value.)

LMI Area Benefit

#Population to Benefit: 2,595 (2018 Population Estimate as of July 1, 2018, United States Census Bureau).

#LMI Population to Benefit: 59.31% (2019 Income Survey submitted to Commerce in October 2019)

C. Project Schedule

Identify the contract date the activity was to have been completed then identify the actual date the activity was completed.

Activity	Contract Date	Actual Date*
Environmental Completed	COMPLETE	December 15, 2017
Construction Started	September 2018	November 9, 2018
Construction Substantial Completion	October 2018	May 21, 2019

*If actual dates vary from the contract dates, explain the difference.

The contractor did not begin construction until November 2018 because the demolition on the pool walls and sidewalk that the City started had not yet been completed.

The bathhouse improvements were not able to be completed before June 2019. Construction of the bathhouse improvements was delayed so that the City could open the pool early in June 2019. Bathhouse improvements began in the fall of 2019 once the pool was closed for the season.

CERTIFICATION:

I, the undersigned, do hereby certify that the information contained in this report is true and correct and accurately reflects the accomplishments of the grant project.

Signature of Chief Elected Official

Mayor
Title

Date

Final Financial Report

Grantee: City of Bonners Ferry

Contract Number: ICDBG-17-I-25-PK

CDBG Award Amount \$150,000

I. Matching Funds

A. Match Expenditure - In the table below, please list those matching funds identified in the grantee's CDBG contract or latest contract amendment.

Source of Funds	Amount Pledged	Actual Spent	Difference
Local Cash	\$83,560.00	\$94,732.92	(\$11,172.92)
Local In-Kind	\$1,500.00	\$1,500.00	\$0.00
City Force Account Cash	\$42,806.00	\$27,355.57	\$15,450.43
Total	\$127,866.00	\$116,232.49	\$4,277.51

B. Match Expenditure Differences - If applicable, list by item those matching sources not fully spent and explain why the funds were not fully expended.

Force account labor expenditures were less than the amount originally pledged due to City employees not having to spend as much time on certain construction activities as originally anticipated.

C. Volunteer/In-Kind/Force Account - If applicable, describe the processes used to track and value the labor used.

The City tracks the budget for individual projects separately so that labor and other costs for each project are accounted for accurately. The City used their accounting and payroll program to track all hours and wages paid for force account labor on this project. A report of these hours and wages paid was sent to the Department of Commerce on December 31, 2019.

II. Financial Services - Please list the name, address and phone numbers for the following:

	Name	Address	Phone Number
Auditor	Anderson Bros. CPA	1810 E. Schneidmiller Ave. Ste. 310 Post Falls, ID 83854	(208) 777-1099
Bank	Mountain West Bank	PO Box 1059 Coeur d'Alene, ID 83816	(208) 267-5313

III. Final Payment Request

- Step One Attach Disbursement Report Form and Final Progress Report form.
- Step Two Fill out the standard CDBG Request for Funds form and in the request number box write FINAL and attach it to this report.
- Step Three If the grantee plans to close the grant with unexpended grant funds, please type the amount to be returned in Section V of this report.

IV. Certification of Recipient and Special Conditions

It is hereby certified that all activities undertaken by the Recipient with funds provided under the contract agreement number ICDBG-17-I-25-PK have, to the best of my knowledge, been carried out in accordance with the contract; that proper provision has been made by the Recipient for the payment of all unpaid costs and any unsettled third-party claims; that Idaho Department of Commerce is under no obligation to make any further payment to the Recipient under the contract in excess of the amount identified in "Final Request for Funds" dated January 2, 2020, hereof; and that every statement and amount set forth in this document is true and correct as of this date.

Special Conditions:

Signature of Chief Elected Official

Date

Dick Staples, Mayor

Typed Name and Title of Chief Elected Official

V. Idaho Department of Commerce

This Certificate of Completion is hereby approved; therefore, I authorize cancellation of the unutilized contract commitment and related funds reservation and obligation of \$_____.

Signature of IDC Authorized Official

Date

Dennis Porter, Manager

**Idaho Community Development Block Grant Program
Request for Funds**

Contract No. ICDBG-17-I-25-PK	Grantee Name City of Bonners Ferry		Billing Period 10/01/19-01/02/20	Request Number 12-FINAL
	CDBG Budget	Total CDBG Funds Disbursed to Date	Program Income Earned	Date of Request 01/02/20
Line Items				Current Request for CDBG Funds minus program income
Administration	\$11,000	\$9,945	\$ -	\$ 1,055.00
Engineering	\$0	\$0	\$ -	\$ -
Construction	\$139,000	\$109,618	\$ -	\$ 29,382.00
TOTALS	\$150,000	\$119,563	\$ -	\$ 30,437.00

Certification of Chief Elected Officer: I certify that the above data is correct and that expenditures shown have been made for the purposes of and in accordance with applicable contract terms and conditions. The funds requested are for reimbursement of actual expenditures during the billing period.

Signature _____

Typed Name Dick Staples

Title Mayor

Instructions:

Billing Period: The date range of the billing period.

Request Number: The Request for Funds should be numbered consecutively.

Date of Request: Date request is executed by Chief Elected Officer or authorized person.

CDBG Budget: Enter the dollar amount for each line item as shown on the most current CDBG contract budget or approved contract amendment.

Total CDBG Funds Disbursed to Date: Enter total CDBG funds disbursed to date.

Program Income: All previous CDBG program income earned by the GRANTEE and its sub-recipients must be reported as earned and allocated to their current CDBG project. Program income must be expended before additional CDBG funds are requested. If no program income is earned enter \$0.

Current Request for CDBG Funds minus program income: Enter the amount of costs incurred and/or pay requests that the GRANTEE has approved for CDBG payment, minus any program income.

Signature: Signature of person authorized by GRANTEE to request payment.

CDBG PROGRESS REPORT

Grantee: City of Bonners Ferry		Sub-recipient: N/A	Report No.: 12-FINAL
Grant No. ICDBG-17-I-25-PK	Report Period: From <u>October 1, 2019</u> To <u>December 31, 2019</u>	Design Professional: Identify current phase <input type="checkbox"/> Design Phase <input type="checkbox"/> Bidding Phase <input type="checkbox"/> Construction Phase <input checked="" type="checkbox"/> Post Construction Phase	
Construction Status: Narrative on construction activities (max 3 sentences). Attach photos if available. Bathroom upgrades were completed in December 2019 and included construction of two ADA bathroom stalls and repainting of the bathhouse. ADA upgrades also included construction of two ADA parking stalls in the pool parking lot. All project construction is complete. Percentage of construction complete: 100%			

Instructions: Identify the date that the activity was completed and the date the documentation was sent to Commerce. If activity has not yet been completed leave blank. Checklist is to identify that specific steps are met, but it does not replace the directions in the CDBG manual.

GRANT ADMIN AND DESIGN PROFESSIONAL PROCUREMENT	Completion Date	Date Submitted to Commerce
Idaho PTAC Notice for Grant Admin and Design Professional Services:	8.25.16	-
Grant Admin Contract:	10.01.16 10.30.17	02.05.18 02.05.18
Design Professional Contract with CDBG attachment:	9.17.18	-

ENVIRONMENTAL	Completion Date	Date Submitted to Commerce
Environmental Review Record:	11.09.17	11.09.17
Commerce Approval: Date: 12.15.17		

CIVIL RIGHTS PROGRESS	Completion Date	Date Submitted to Commerce
Excessive Force Policy:	11.21.14	08.09.17
EEO Policy Statement:	02.23.18	02.23.18
Grievance Procedure:	09.15.15	11.18.16
Grantee EEO Poster (identify location): City Hall – Bulletin Board		
Contractor/Subcontractor Activity Report:	12.04.19	12.04.19

CONSTRUCTION PROGRESS	Completion Date	Date Submitted to Commerce
For each construction contract provide this Construction Progress Report and if applicable Attachment B-Labor Standards Update		
(*) These items must be sent even if CDBG funds are not expended on construction.		
Construction bid document review certification:	07.24.18	07.24.18
Bid (published) Notices:	07.12.18	01.03.19
Ten Day Wage-Rate Update:	08.07.18	08.07.18
*Bid Tabulations:	N/A	N/A
Debarred List Checked:	09.05.18	09.05.18
Preconstruction Conference: Minutes and Checklists	10.30.18	01.03.19
*Notice to Proceed:		01.03.19
*Construction Contractor's Contract:	09.17.18	01.03.19
*Performance Bond and Payment Bond and Insurance Certification:	09.26.18	01.03.19
Steps to Comply with Section 3:	02.26.19	02.26.19
*Certificate of Substantial Completion:	05.21.19	01.02.20
Section 3 Summary Report:	12.04.19	12.04.19

FAIR HOUSING	Completion Date	Date Submitted to Commerce
Fair Housing Month Proclamation- April:	02.06.18	03.05.18
Fair Housing Resolution and publication:	(R) 11.04.14 (P) 08.10.17	(R) 11.18.16 (P) 09.25.18
Fair Housing Assessment:	10.25.18	11.15.18
Display Fair Housing Information: (Identify Location) <ul style="list-style-type: none"> • Posters - City Hall Bulletin Board • Fair Housing Resolution - City Hall Bulletin Board 		


SECTION 504 PROGRESS	Completion Date	Date Submitted to Commerce:
Non-Discrimination Policy Adopted: Location	04.17.18	04.24.18
Grievance Procedure Established:	04.17.18	04.17.18
504 Self-Evaluation/Update Completed:	11.06.18	11.15.18
504 Transition Plan/Update Completed:	11.06.18	11.15.18
Effective Communication Policy:	11.06.18	11.15.18

SECOND PUBLIC HEARING	Completion Date	Date Submitted Commerce
<ul style="list-style-type: none"> • Published Notice • Minutes • List of Attendees 	4.16.19	5.17.19

ATTACHMENTS		
A-Disbursement Report (required)	✓	✓
B-Payroll Review (if applicable)	✓	✓
C-Acquisition (if applicable)	N/A	N/A

CERTIFICATION:

I, the undersigned, do hereby certify that the above information contained in this report, including all attachments are correct and accurately reflects the progress and status of the grant project.


 _____ 208-772-0584 x 3010 _____ 01/02/20
 Signature of CDBG Certified Grant Administrator Phone Date

CERTIFICATION:

I, the undersigned, do hereby certify that the above information contained in this report, including all attachments are correct and accurately reflects the progress and status of the grant project.

_____ Mayor _____
 Signature of Chief Elected Official Title Date



PANHANDLE AREA COUNCIL, INC.
 11100 N Airport Drive
 Hayden, ID 83835-9798
 208.772.0584
 208.620.2313 FAX
 www.pacni.org

INVOICE

Date: January 2, 2020
Period: October 1, 2019 **To** January 2, 2020
Number: 12 BFPool-FINAL
Project: Bonners Ferry Municipal Pool Repairs - ICDBG-17-I-25-PK

To: City of Bonners Ferry
 PO Box 149
 Bonners Ferry, Idaho 83805

Remit to: Panhandle Area Council
 11100 N Airport Drive
 Hayden, ID 83835

The following activities were completed in accordance with the Master Agreement dated October 1, 2016 and the Scope of Work in Task Order #2 dated October 30, 2017 and ending on January 31, 2019.

Activity	Subtotal	Totals
Project Set-Up ♦ No activity this period.	100% Complete \$ -	
Environmental ♦ No activity this period.	100% Complete \$ -	
Labor Monitoring ♦ No activity this period.	100% Complete \$ -	
Project Monitoring ♦ Prepare CDBG request for funds and submit to Commerce. ♦ Coordinate all activities with City and engineer.	100% Complete \$ 135.00	
Civil Rights-Equal Access ♦ Ensure completion of Section 3 Reports and Contractor/Subcontractor Activity Report.	100% Complete \$ 240.00	
Project Closeout ♦ Completion of CDBG closeout documents for review and submittal to Commerce. ♦ Documentation that City has met CDBG national objective and contractual performance requirements.	100% Complete \$ 680.00	
Balance Due:		\$ 1,055.00

Contract:	\$ 11,000.00
Received to Date:	\$ 9,945.00
Outstanding:	\$ -
Contract Balance Before This Invoice:	\$ 1,055.00
Balance Due This Period:	\$ 1,055.00

INDEPENDENT CONTRACTOR AGREEMENT

AGREEMENT made between City of Bonners Ferry, a political subdivision of the state of Idaho, herein "ENTITY" and CDA Stump Grinding herein "CONTRACTOR",

THE PARTIES AGREE AS FOLLOWS:

1. **CONTRACT:** ENTITY hereby employs CONTRACTOR as an independent contractor to complete and perform the following project and work:

Emergency line clearing, Tree Trimming, Masticating, and Tree Removal, Stump grinding or Removal, price includes Labor

CONTRACTOR agrees to provide all materials and services for the project in accordance with the attached written specifications.

Specifications and scope of work will be provided to CONTRACTOR at beginning of work.

2. **TIME OF PERFORMANCE AND TERMINATION:** Parties agree that:

CONTRACTOR shall commence work on the project by _____, 20____ and complete the project by _____, 20____.

CONTRACTOR will commence work on the project on _____, 20____ and continue until this Agreement is terminated by _____ days written notice by either party.

CONTRACTOR will work at various times as directed by the City from January 1, 2020 and continue until December 31, 2020 unless this Agreement is terminated with thirty (30) days written notice by either party.

3. **COMPENSATION:** ENTITY agrees to pay CONTRACTOR as compensation:

The sum of \$ 200, per hour for Bucket Truck Chiper work.

The sum of \$ 250, per hour for Masticating work.

The sum of \$ 200, per hour for 10k Mini Excavator work.

The sum of \$ 47.00, per hour for an additional Labor if required.

The sum of \$ 200, per hour for Stump grinding work.

The sum of \$ _____, per hour for _____ work.

Total not to exceed _____. See attached bid proposal.

4. **INDEPENDENT CONTRACTOR:** The parties agree that CONTRACTOR is the independent contractor of ENTITY and in no way an employee or agent of ENTITY and is not entitled to workers compensation or any benefit of employment with the ENTITY. ENTITY shall have no control over the performance of this Agreement by CONTRACTOR or its employees, except to specify the time and place of performance, and the results to be achieved. ENTITY shall have no responsibility for security or protection of CONTRACTOR'S supplies or equipment. CONTRACTOR agrees to pay and be responsible for all taxes due from the compensation received under this contract.

5. **WARRANTY:** CONTRACTOR warrants that all materials and goods supplied under this Agreement shall be of good merchantable quality and that all services will be performed in a good workmanlike manner. CONTRACTOR acknowledges that it will be liable for any breach of this warranty.

6. **INDEMNIFICATION:** CONTRACTOR agrees to indemnify, defend, and hold harmless ENTITY, and its officers, agents and employees, from and against any and all claims, losses, actions, or judgments for

damages or injury to persons or property arising out of or in connection with the acts and/or any performances or activities of CONTRACTOR, CONTRACTOR'S agents, employees, or representative under this agreement.

7. **INSURANCE:** CONTRACTOR agrees to obtain and keep in force during its acts under this agreement a comprehensive general liability insurance policy in the minimum amount of \$1,000,000 which shall name and protect CONTRACTOR, all CONTRACTOR'S employees, ENTITY and its officers, agents and employees, from and against any and all claims, losses, actions, and judgments for damages or injury to persons or property arising out of or in connection with the CONTRACTOR'S acts. CONTRACTOR shall provide proof of liability coverage as set forth above to ENTITY prior to commencing its performance as herein provided, and require insurer to notify ENTITY ten (10) days prior to cancellation of said policy.

8. **WORKER'S COMPENSATION:** CONTRACTOR shall maintain in full force and effect worker's compensation for CONTRACTOR and any agents, employees, and staff that the CONTRACTOR may employ, and provide proof to ENTITY of such coverage or that such worker's compensation insurance is not required under the circumstances.

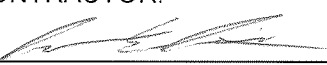
9. **COMPLIANCE WITH LAWS:** CONTRACTOR agrees to comply with all federal, state, city, and local laws, rules and regulations.

10. **ENTIRE AGREEMENT:** This is the entire agreement of the parties and can only be modified or amended in writing by the parties.

11. **ATTORNEY FEES:** Reasonable attorney fees shall be awarded to the prevailing party in any action to enforce this Agreement or to declare forfeiture or termination of this Agreement.

DATED this 19 day of December, 20 19.

ENTITY:
CITY OF BONNERS FERRY
(Governmental Entity)

CONTRACTOR:
By  Shawn Smith
(Name)

By _____,
MAYOR

Its _____
(Title or Office)

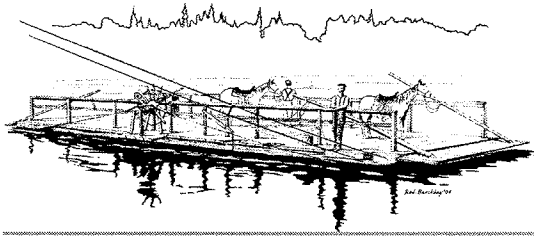
ATTEST:

Christine McNair, Clerk

WITNESS:

(Signature of Witness or Notary Public)

Form and content approved by _____ as attorney for _____
(Governmental Entity).



CITY OF BONNERS FERRY

7232 Main Street
P.O. Box 149
Bonners Ferry, Idaho 83805
Phone: 208-267-3105 Fax: 208-267-4375

TO: Mayor and City Council

FROM: Lisa Ailport, City Administrator *LMA*

DATE: January 2, 2020

RE: County Request to Waive Building Permit Fees

The attached letter signed by Commissioner Dan Dinning, requests that the City waive our portion of the building permit fee associated with Boundary County's armory remodeling project.

The assessed fee for this permit is \$4,943.81, of which the Department of Building and Safety (DBS) receives \$3,363.30. This amount reflects 68% of the total fee which covers both the plan review and the building inspections. The remaining fee is then split between Ruen-Yeager and Associates (RYA) and staff time to do the administration and zoning review.

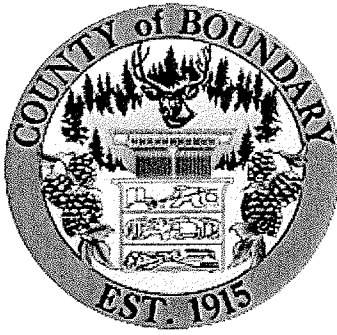
Last year's invoices shows that we paid RYA, on average, 28% of the overall building permit fees for the zoning and deed research review. I do expect a similar cost from RYA on this permit as well. Combining this rate and the DBS portion, that leaves about 4% of the remaining fee that go towards city overhead. Four percent of this charge is \$197.75.

It is my recommendation that should council consider a fee waiver, that they not waive any costs that are directly billed to the City. This includes the DBS portion and RYA's portion.

Please let me know if you have any questions.

Boundary County Commissioners

*Dan R. Dinning, Chairman
Wally Cossairt, Commissioner
Walt Kirby, Commissioner*



Telephone (208) 267-7723
Fax: (208) 267-7814
commissioners@boundarycountyid.org

**BOUNDARY COUNTY
P. O. Box 419
Bonners Ferry, ID 83805**

December 30, 2019

City of Bonners Ferry
Attn: City Council Members
P.O. Box 149
Bonners Ferry, Idaho 83805

RE: Request to waive permit fee (armory remodel)

Dear City Council members:

The Boundary County Board of Commissioners is respectfully requesting the City of Bonners Ferry waive your portion of the City's permit fee associated with Boundary County's armory remodeling project.

Your consideration of this request is greatly appreciated.

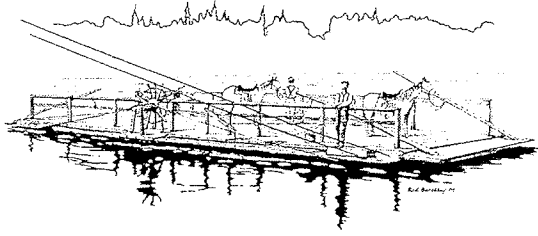
Respectfully,

BOUNDARY COUNTY
BOARD OF COMMISSIONERS

A handwritten signature in black ink, appearing to read "Dan Dinning", with a long, sweeping underline.

Dan R. Dinning
Chairman

RECEIVED
DEC 30 2019
20190038
CITY OF BONNERS FERRY



CITY OF BONNERS FERRY

7232 Main Street
 P.O. Box 149
 Bonners Ferry, Idaho 83805
 Phone: 208-267-3105 Fax: 208-267-4375

Building Permit Application- Fee Worksheet

DATE: 12.30.19

BUILDING PERMIT # 20190038

NAME/APPLICANT: Boundary County

PERMIT FEE SCHEDULE 1997 UBC
 BUILDING VALUATION SCHEDULE August 2010 ICC
 Contractor Value

Category #	Type	Cost	Multiplier	Sq. Ft	Value
		\$			\$
Total Project Valuation					\$ <u>450K</u>

Base Fee \$ _____	Plan Review Fee (65% of Building Permit Fee)
Additional Base Fee \$ _____ *for each additional \$1,000 of value	\$ <u>1947.56</u>
Total Additional _____	
Total Base Fee Due \$ <u>2996.25</u>	Total Building Fee Due \$ <u>4943.81</u>

DBS Worksheet

Total Base Fee <u>2996.25</u> (Taken from above)	x.70= <u>2097.38</u>
Total Plan Review fee <u>1947.56</u>	x.65= <u>1265.92</u>
Total Due to DBS <u>3363.30</u>	

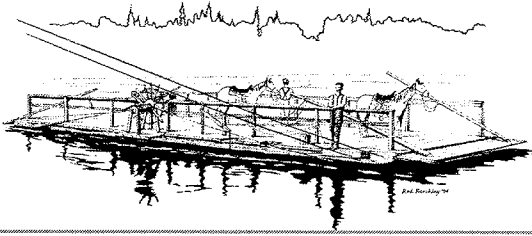
Mailed to Assessor's Office on _____ By: _____

\$ 1,580.51 City's Portion

Parcel #: _____

201900308

<u>VALUATION</u>	<u>ENTER HERE</u>	<u>PERMIT FEE</u>	<u>PLAN Review FEE</u>	<u>Total</u>	PR fee due DBS 65%of PR	BP Fee due DBS 70% of BP
2011 Building Code Rule 500 to 2,000	\$0.00	\$8.25	\$5.36	\$13.61	\$3.49	\$5.78
over 2000 to 25000	\$0.00	\$41.25	\$26.81	\$68.06	\$17.43	\$28.88
over \$25000 to \$50000	\$0.00	\$139.25	\$90.51	\$229.76	\$58.83	\$97.48
over \$50K to \$100K	\$0.00	\$293.75	\$190.94	\$484.69	\$124.11	\$205.63
over \$100K to \$500K	\$0.00	\$433.75	\$281.94	\$715.69	\$183.26	\$303.63
Over \$500K to \$1000K	\$450,000.00	\$2,996.25	\$1,947.56	\$4,943.81	\$1,265.92	\$2,097.38
Over \$1M to 5M	\$0.00	\$1,958.75	\$1,273.19	\$3,231.94	\$827.57	\$1,371.13
Over \$5 to \$10	\$0.00	\$6,458.75	\$4,198.19	\$10,656.94	\$2,728.82	\$4,521.13
Over \$10M	\$0.00	\$13,958.75	\$9,073.19	\$23,031.94	\$5,897.57	\$9,771.13
Value entered: Populate cells in row 22 with resulting fees after valuation is entered in column C (brown)	Enter above from Sheet 1 value F23					



CITY OF BONNERS FERRY

7232 Main Street
P.O. Box 149
Bonners Ferry, Idaho 83805
Phone: 208-267-3105 Fax: 208-267-4375

TO: Mayor and City Council

FROM: Lisa Ailport, City Administrator *LMA*

DATE: January 2, 2020

RE: **Contract with Nancy Stricklin- Wilson to Solomon Development Agreement**

The Developer's of the property behind the former Pape property have approached the City to consider a development agreement wherein the City's contract engineering firm, Century West Engineering, would complete the design of the future road.

The current agreement only goes through the installation of the utilities, but the developer would like to actively see the road designed and eventually constructed. Using the City's contract engineering firm, with their deep knowledge of the area seems to be a logical use of city resources, provided the Developer covers the costs associated with this arrangement. A development agreement is where this can be defined.

Staff would like to hire outside counsel to aid in the development agreement and Nancy Stricklin has agreed to assist the City. Nancy has frequently helped the city in cases such as this. Nancy has offered to assist the city in completing this agreement for a cost, not to exceed, of \$1,700.00.

I would like to request authorization for the Mayor to sign the attached PSA for the use of Nancy Stricklin's time to complete a development agreement for the construction of the street referred to as "Wilson to Solomon."

Please let me know if you have any questions.

PROFESSIONAL SERVICES AGREEMENT

AGREEMENT made between The City of Bonners Ferry, a political subdivision of the state of Idaho, herein "ENTITY" and, Mason & Stricklin LLP, herein "CONTRACTOR".

The parties agree as follows:

1. SCOPE OF WORK: ENTITY engages CONTRACTOR to perform the legal services associated with the creation of a development agreement between the ENTITY and a property owner for the design and development of the city street known as "Wilson to Solomon" Street. The CONTRACTOR's work will be performed by Nancy Stricklin, a partner in the firm, unless otherwise agreed to by the parties.

2. PAYMENT: ENTITY agrees to pay CONTRACTOR for services rendered under this Agreement at the rate of One Hundred Seventy Dollars (\$170.00) per hour for an estimated 10 hours of service, in a total amount not to exceed the sum of \$1,700.00, as dictated by the Bonners Ferry City Council and communicated to the CONTRACTOR. The parties agree that the estimated time for the services does not include travel to and from Bonners Ferry. The parties agree that CONTRACTOR will invoice ENTITY for payment under this Agreement for services rendered herein.

3. RIGHT OF CONTROL: CONTRACTOR has no obligation to work any particular hours or days or any particular number of hours or days. CONTRACTOR agrees, however, that CONTRACTOR's other contracts or services shall not interfere with the performance of the services under this Agreement.

4. INDEPENDENT CONTRACTOR RELATIONSHIP: CONTRACTOR is an independent contractor and is not an employee, servant, agent, partner, or joint venturer of ENTITY. ENTITY shall determine the work to be done by CONTRACTOR, but CONTRACTOR shall determine the legal means by which it accomplishes the work specified by ENTITY.

5. FEDERAL, STATE, AND LOCAL PAYROLL TAXES: Neither federal, state or local income taxes, nor payroll taxes of any kind shall be withheld and paid by ENTITY on behalf of CONTRACTOR or the employees of CONTRACTOR. CONTRACTOR shall not be treated as an employee with respect to the services performed hereunder for federal or state tax purposes. CONTRACTOR understands that CONTRACTOR is responsible to pay, according to law, CONTRACTOR's income tax. CONTRACTOR further understands that CONTRACTOR may be liable for self-employment (Social Security) tax to be paid by CONTRACTOR according to law.

6. LICENSES AND LAW: CONTRACTOR represents that the firm partners possess the skill and experience necessary and all licenses required to perform the services under this agreement. CONTRACTOR further agrees to comply with all applicable laws in the performance of the services hereunder.

7. FRINGE BENEFITS: Because CONTRACTOR is engaged in its own independently established business, CONTRACTOR is not eligible for, and shall not participate in, any employee pension, health, or other fringe benefit plans of ENTITY.

8. WORKER'S COMPENSATION: CONTRACTOR shall maintain in full force and effect worker's compensation for CONTRACTOR and any agents, employees, and staff that the CONTRACTOR may employ, and provide proof to ENTITY of such coverage, if requested by ENTITY, or shall provide proof that such worker's compensation insurance is not required under the circumstances.

9. EQUIPMENT, TOOLS, MATERIALS OR SUPPLIES: CONTRACTOR shall supply, at CONTRACTOR's sole expense, all equipment, tools, materials and/or supplies to accomplish the services to be provided herein.

10. EFFECTIVE DATE: This contract will run from January 2, 2019, until such time as the services are deemed no longer needed by the Mayor and Council.

11. WARRANTY: CONTRACTOR warrants that all services will be performed in a good workmanlike manner. CONTRACTOR acknowledges that it will be liable for any breach of this warranty.

12. INDEMNIFICATION: CONTRACTOR agrees to indemnify, defend, and hold harmless ENTITY, and its officers, agents and employees, from and against any and all claims, losses, actions, or judgments for damages or injury to persons or property arising out of or in connection with the act and/or any performances or activities of CONTRACTOR, CONTRACTOR's agents, employees, or representatives under this Agreement.

13. NONWAIVER: Failure of either party to exercise any of the rights under this Agreement, or breach thereof, shall not be deemed to be a waiver of such right or a waiver of any subsequent breach.

14. CHOICE OF LAW: Any dispute under this Agreement, or related to this Agreement, shall be decided in accordance with the laws of the state of Idaho.

15. ENTIRE AGREEMENT: This is the entire Agreement of the parties and can only be modified or amended in writing by the parties.

16. SEVERABILITY: If any part of this Agreement is held unenforceable, the remaining portions of the Agreement will nevertheless remain in full force and effect.

17. ATTORNEY FEES: Reasonable attorney fees shall be awarded to the prevailing party in any action to enforce this Agreement or to declare forfeiture or termination of this Agreement.

DATED this _____ day of _____, 2020.

ENTITY:

Dick Staples, Mayor

CONTRACTOR:

By Nancy Stricklin
Partner

ATTEST:

Christine McNair, Clerk

Form and content approved by Andrakay Pluid, as attorney for the City of Bonners Ferry.