

**MINUTES
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
February 18, 2020
6:00 pm**

Mayor Dick Staples called the Council meeting of February 18, 2020 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 Clerk/Treasurer Christine McNair, City Administrator Lisa Ailport, City Engineer Mike Klaus, City Fire Chief Dave Winey, City Police Chief Brian Zimmerman and Economic Development Coordinator Dennis Weed. Members of the public present were: Dave Walter, John Austin, Merle Ansley, David Sims, Warren Campbell, Janice Stanford, Don Stanford, Norm Meindl, Earl Irving, Dawn Callahan, Bruce Merrifield, Denise Thompson, Anne Landers, Samuel Lovely, Marciavee Cossette, Marty Martinez, Denise Crichton, Kevin Boldt, Kevin Lederhos, Stephanie Franke, Valerie Surprenant, Mat Surprenant, Ron Kish and Will Herrington by phone.

PLEDGE OF ALLEGIANCE

PUBLIC HEARING

To Consider a New Urban Renewal Plan Created by the Urban Renewal Agency of the City of Bonners Ferry

Mayor Staples requested items #5 & #6 be moved to immediately following the public hearing. Rick Alonzo moved to move #5 & #6 to immediately following the public hearing. Ron Smith seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

Mayor Staples opened the public hearing at 6:04 pm and explained the procedures for the public hearing.

Lisa Ailport gave her presentation. In November 2018 Council approved the Urban Renewal Agency (URA) to consider a new Urban Renewal District (URD) known as the Bonners Ferry South Hill West Urban Renewal Plan (URP). The boundaries are south of Augusta Street, west of Highway 95 and north of Eisenhower Street. There are 32 acres total for the new district. The area was deemed deteriorated due to social and economic conditions. There are unsafe and hazardous pedestrian and traffic conditions. Inadequate public right of ways, building structures under development, substandard traffic movements, arrests or impairs the sound growth of a municipality, constitutes an economic or social liability in public health. Low to moderate income (LMI) is addressed. Bonners Ferry has become a viable area based on the creation of the URA and the establishment of the first URD. The projects for this plan are: A connector street from Wilson Street to Solomon Street estimated costs are just under \$800,000, a new lift station and improvements to lift station #4. The permitted uses for this area are: Commercial and Residential. The commercial area is along Highway 95 and Augusta Street with the residential uses behind the commercial area. Planning and Zoning (P&Z) reviewed the plan and unanimously recommended the plan's general conformity with the comprehensive plan (comp plan). Tax allocation length is not to exceed 20 years. Development in the area has to happen for the increment to come in. The estimated tax dollars over the 20 year period is \$15 million. Current value is \$583,086 not including the school district. The plan proposes an estimated 75 units to be developed in the 32 acres. Lisa recommended an amendment on page 9 striking the words "upgrade to the water and sewer line improvements". Page 16 under proposed development actions strike "Upgrade water facilities to allow for expansion and extend existing water lines to provide fire flow for the existing City". To fully implement the district an ordinance must be passed and sent to the County and the state tax commission.

Mayor Staples opened the public testimony portion of the public hearing at 6:18 pm.

Warren Campbell said many people have moved here to avoid the big city planning. He would like Council to be mindful of that.

Denise Thompson asked if the commercial front will continue on Highway 95 and Augusta Street. Lisa said it will. Denise asked if it will be increased. Lisa said no. Denise asked if there will be an increase for the residents in the URD. John Austin said the URD is tax neutral for all residents. There will not be an increase because of the URD. John said the assessed value does not make the taxes go up. Denise asked if the 75 units will be apartments or single family. John said it will be a mix, but mostly single family.

Kevin Lederhos asked, what happens if no one develops? John said the responsibility is on the developer. If the developer pays for improvements, but doesn't build any houses, the developer is out the money.

Anne Landers when is the development scheduled to start and finish. Lisa said there currently isn't a timeline. Andrakay said it is up to the developer.

Marty Martinez asked who has the responsibility for the Streets, Electric, Water and Sewer. Lisa said it will be the City's to own and operate. Marty how much will it cost. Lisa said approximately \$800,000 for the connector street and \$350,000 for lift station improvements. Ron said the developer will fund the improvements. Lisa said the URA will then decide how much to refund the developer.

Denise Thompson asked what the traffic flow will be like. Lisa said there will be a separate travel lane for pedestrians.

Mayor Staples closed at the public hearing at 6:35 pm.

5. City – Consider Approval of Ordinance #589 and the Publication Summary for a New Urban Renewal Plan and Have the First Reading by Title Only (attachment) {action item}

Valerie Thompson moved to approve Ordinance #589 and authorize the Mayor to sign the ordinance to adopt the urban renewal plan for the South Hill West Urban Renewal District with the changes on page 9 striking “with the water and sewer line improvements” and page 16 striking “upgrade water facilities to allow for expansion and extend existing water lines to provide fire flow for the existing City” and have the first reading by title only. Rick Alonzo seconded the motion. The motion passed.

Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes. Andrakay read Ordinance #589 by title only.

6. City – Suspend the Reading Rules and Adopt Ordinance #589 {action item}

Adam Arthur moved to suspend the reading rules and adopt Ordinance #589. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

PUBLIC COMMENTS

Kevin Lederhos asked who requested the modifications and authorized the changes to the MOU with Avista Edge. The previous MOU was a product of an executive session, wouldn't any subsequent MOUs require an executive session? What benefit does the City gain from this MOU? Kevin feels the City will not benefit at all from this MOU. By signing the MOU the City will have to give all other companies the same thing the City is giving to Avista Edge. This feasibility study gives nothing to the City. Kevin feels this is a bad idea and will set a precedence. By signing the MOU, he feels the City is saying it is willing to fund private enterprise with no defined benefit to the community.

Jerry Higgs said he wishes the Council would pay close attention to what the citizens of Bonners Ferry are saying. He said there have been comments from people that don't live within the City.

Valerie Surprenant said she was concerned that the City was going to go out for grants to help Avista Edge. Valerie Surprenant said in the revised MOU #4.3 is stricken, but #5 still refers to #4.3, she feels this should be cleared up. She feels there was confusion about what the study is for. The study is for proprietary equipment owned by Avista, so it appears this study assists Avista.

Mat Surprenant thanked Rick and Andrakay for providing information on a holiday. Mat said EL Internet agrees with what Kevin Lederhos stated. Mat said he attends the meetings and gives input because he is a City electric customer, so things the City does, affects him, even though he doesn't live in the City limits.

REPORTS

City Engineer Mike Klaus asked Lisa to give an update on the capital projects. The Water and Sewer departments are in good standing after the projected expenses. Rick said we have this money available now, due to the fees we collected in advance. Valerie Thompson said she appreciates staff putting this together.

CONSENT AGENDA – {action item}

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Approval of the February 4, 2020 Council meeting minutes
4. Treasurer's Report

Valerie Thompson moved to approve the consent agenda. Rick Alonzo 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 Approval of Ordinance #589 and the Publication Summary for a New Urban Renewal Plan and Have the First Reading by Title Only (attachment) {action item}

6. City – Suspend the Reading Rules and Adopt Ordinance #589 {action item} Adam Arthur moved to suspend the reading rules and adopt Ordinance #589. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

7. City – Consider Authorizing the Mayor to Sign the Lease for the Farmers Market for the 2020 Season (attachment) {action item}

Katie Holeski said this is the 40th year for the Farmer's Market. The market brought in over \$87,000 in sales last year. The operating budget is not adequate to effectively operate and grow. License, insurance and advertising are the main costs for the market. The Farmers Market board is requested Council consider lowering or waiving the lease fee. Adam said we charge \$500 which cover the costs to the City. Mayor Staples asked the timeframe. Katie said April – October. Jordan asked what the costs are. Adam read a list of costs. Adam asked if we define the City's responsibility of the agreement. Andrakay said it was her understanding since this is a space use agreement, the City is obligated to help ensure the Farmers Market is able to use all of the space they have leased. Valerie Thompson said the City is in support of the Farmers Market, but the City has to cover the costs associated with the lease. Dawn Callahan asked if it is possible for the Farmers Market to use more spaces on special event days. Mayor Staples asked what the vendor fees are. Katie said the application fee is \$35.00 a year and a 5% commission fee per Saturday. Lisa said the three spaces by the Visitors Center will not be available during the summer when the electrical vehicle charging station is being installed. Rick said it makes sense for the Farmers Market to use the three spaces near Kootenai Street instead. Andrakay said the City will talk to the tenants that use those spaces. Katie asked how they have cars removed that are parked in the spaces on Saturday mornings. Adam asked that the Farmers Market and staff meet to go over the contract. Rick Alonzo moved to table this item until both parties have had a chance to review the contract. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

8. City – Consider Modification of Terms for the Memorandum of Understanding with Avista (attachment) {action item}

Mayor Staples said he is the one that asked to have the memorandum of understanding (MOU) modified. Mayor Staples does not feel it is up to the City to support a feasibility study. Ron said Council voted to go out for RFPs, he had a problem that the City was going to partner with anyone. Ron will vote no until all providers have the opportunity to submit a proposal. Mayor Staples said that is the intent of the changes to the MOU. Adam said the City does not have provide electric, water and sewer, but we do. Electric, water and sewer are all utilities and according to the Governor's letter, internet is also considered a utility. Valerie Thompson said she did research into the providers in the area and there is only one provider that states they can provide 25 down. Any infrastructure that will increase broadband capability will benefit the citizens. Valerie Thompson moved to approve the revised memorandum of understanding with Avista in additions to striking the portion of #5 that refers to #4.3. Rick Alonzo seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – no

9. City – Consider Authorization to Purchase Battery Backup Systems for the Servers (attachment) {action item}

Lisa said the City recognized a need to allow the battery backup to shut down in a reasonable amount of time when there is a power outage. The current backup shuts down is 15 minutes and 30 minutes is required. Adam asked how long it will take to shut down with the proposed system. Kevin said a minimum of 30 minutes, one hour is best. Rick Alonzo moved to authorize the purchase of a battery backup system for the servers with the cost not to exceed \$4,000. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

10. City – Consider Creating an In-house IT Position (attachment) {action item}

Lisa said we are significantly underserved in this area. To provide a level that we need, it is important to have someone in-house. A base rate of \$50,000 with benefits has been suggested, with the split being 50% electric, 20% water, 20% sewer and 10% general fund. Mayor Staples asked what the current IT contract is. Lisa said it is approximately \$25,000. Adam said last year our IT costs were \$37,000 and this year we will probably go over \$40,000. Lisa said we are currently in a reactive state and this change will hopefully allow us to be in a proactive state. Adam Arthur moved to create an in-house IT position with salary, benefits and job description as included in the memo. Rick Alonzo seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

11. Water – Consider Authorizing Approval to Request Quote for the Dakota Street Well House Block Walls (attachment) {action item}

Lisa said Mike is asking permission to bid the block walls for the Dakota Street well house. The foundation will be done in-house. Adam asked if this includes the roof. Lisa said she believes it does. Rick Alonzo moved approval to request a quote for the Dakota Street well house block walls. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

12. Water – Consider Authorizing the Mayor to Sign a Contract with Welch Comer for Design Services for the Dakota Street Water Main Project (attachment) {action item}

Lisa said Mike wants to delegate this project to Welch Comer, since they have successfully completed projects similar to this. Valerie Thompson moved to authorize the mayor to sign a contract with Welch Comer for design services for the Dakota Street water main, not to exceed \$20,000. Rick Alonzo seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

13. Sewer – Consider Authorizing the Mayor to Sign Task #2 with JUB Engineers for Engineering Services for Sewer Lagoon Leak Testing (attachment) {action item}

Mike provided a memo for this. Valerie Thompson moved authorize the Mayor to sign task order #2 with JUB Engineers for \$20,000 as provided for in the memo. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

14. Water/Sewer – Consider Authorizing Approval to Advertise to Solicit Bids for the Wilson/Solomon Street Utility Corridor Project (attachment) {action item}

Lisa said the City hired Century West to design the bid documents. We now have the bid documents and need to advertise for the project. The project must be completed by September 2020. Rick Alonzo moved to authorize approval to advertise to solicit bids for the Wilson/Solomon Street utility corridor project. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

15. City – Reappoint Golf and Traffic Safety Committee Members (attachment) {action item}

Rick said there have been issues with the roles and responsibilities of the golf committee. Rick would like all the committee members to have a copy of the code. Mayor Staples said all of the terms have been expired. Adam said the code states the terms are one and two year terms. Adam wants the golf course to thrive, but he is concerned about approving this. Adam also recommends having a high school student on the committee. Golf committee: Gerry Anne Howlett 12-31-2020, Brion Poston 12-31-2021, Steve Nelson 12-31-2020, Linda Hiatt 12-31-2021 and open seat 12-31-2020. Traffic safety committee: Open seat 12-31-2021, Dick Hollenbeck 12-31-2020, Silas Thompson 12-31-2021, Foster Mayo 12-31-20, Don Lindsay 12-31-20, John Marquette 12-31-2021 and Howard Kent 12-31-21. Valerie Thompson hopes the committee members bring the highest level of commitment and everyone is working together. Rick Alonzo moved to authorize the Mayor to reappoint the committee members with the revised term dates. 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 8:08pm