

**MINUTES
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
July 21, 2020
6:00 pm**

Mayor Dick Staples called the Council meeting of July 21, 2020 to order at 6:00 pm. Present for the meeting were: Council Members Rick Alonzo, Adam Arthur, Valerie Thompson and Ron Smith. Also present were: City Engineer Mike Klaus, City Clerk/Treasurer Christine McNair, Economic Development Coordinator Dennis Weed, City Police Chief Brian Zimmerman, City Attorney Andrakay Pluid and City Administrator Lisa Ailport. Members of the public present were: Toni Hackwith, Sue Ireland, Jerry Higgs, Marciavee Cossette, Warren Campbell, Edwardo Reillo-Negron, Stan Kraly, Bobby Read Jr., Ralph Walker, Dawn Wagner, Denise Crichton, Steve Tanner, Barbara Russell, Trish Johnson, Craig Kelson, Brandon Stille, Henry Yoder, Nevin Neal, Charles Pope, Loretta Hunsaker, Henry Yoder, John O'Connor, Sandi Willard, Jeff Willard, Steve Tanner, Valerie Surprenant, Mat Surprenant, Victor Martinez, William Barquin and Mark Gustafson.

PLEDGE OF ALLEGIANCE

GUESTS

Toni Hackwith – 2019 Audit Presentation

Toni issued an unmodified, clean opinion. There were no problems with internal controls or compliance. The general fund revenues increased \$98,000 over the previous year due to logging income and grant revenues. There was an increase in expenses of \$505,000 mostly due to capital outlay. The fund balance recommendation is no less than 15 percent of regular general fund operating revenues or no less than 60 days of regular general fund operating expenditures. Currently the general fund balance is 93 days and 94 days. The proprietary funds (electric, water, sewer and garbage) should be self-sustaining. Electric had a negative operating income mostly due to the silt removal which is not a re-occurring expense. Water, sewer and garbage all had a positive operating income. Operating revenues increased about 5% for the water and sewer funds. It is necessary to put aside funds for system improvements. Valerie Thompson asked about getting clarifications for the recommendations on page 46. Toni said she will provide a list of year end close outs that need to be performed.

Sue Ireland – Mine Expansion Presentation

Sue said the Kootenai River Sub-basin is a large basin between two countries, two states and one province. It is the home of the Ktunaxa Nation. The Kootenai Tribe of Idaho (KTOI) has worked hard along with many partners to restore habitat and water quality in the basin. The tribe uses a very wholistic approach and collaborates with many entities. Science based decisions using local economic values. There is a proposal to expand the Fording River mine by 60%. There are several mines that have been in operation for over 100 years in Elk Valley. Three new non-teck mines have been proposed as well. Leeching of contaminants of concern that can cause biological issues due to mountain top blasting. The contaminants are nitrates, sulphates and selenium. It takes about 5-8 years for those contaminants to appear here in the river in Bonners Ferry. Selenium is more harmful to fish and birds. The water quality trend is showing 1992 mines starting exceeding British Columbia (BC) guidelines and there is currently a large exceedent. Nitrates are also a byproduct of the blasting which is being seen in Montana near the confluence of Lake Kookanusa. Water treatment plants to try to reduce the byproducts that need to be run into perpetuity. BC issued a ministerial order to stabilize or reverse the trends of these contaminants. A committee formed to study Lake Kookanusa but the group has not expanded to the Kootenai River. USGS & EPA are investing in resolving this issue. The responsibility should be with Canada and Teck, but all the work has been done on the US side. Elk Valley Mines not required to study or consider the impacts to the Kootenai River. In 2005-2017 there has been an increase of nitrates in the Kootenai River. Selenium testing is being done when possible since the testing is so expensive. Selenium is starting to show up in the testing done in Montana and Idaho. Sampling fish eggs and tissue are showing 4-5 milligrams per kilogram in the sturgeon, which is below the exceedent level. Kootenai River burbot are starting to exceed the allowed level. The BC ministry is evaluating the proposals and since this is an expansion of an existing mine an environmental assessment is not required. The Kootenai Tribe, the Confederated Salish-Kootenai Tribe, the Ktunaxa Nation, the EPA and others are very concerned and have written letters to the Canadian Government asking for a federal environmental assessment to ensure that the impacts to US waters are considered.

Billy Barquin, attorney for the Kootenai Tribe of Idaho said this is an important issue that has been primarily focused in BC. US EPA, USGS and the Kootenai Tribes on both sides of the border have a close partnership and work together, but the sole responsibility lies with BC. BC said it's an expansion and shouldn't have any increased environmental effects. Which the KTOI feels is incorrect. They are asking the Canadian Federal government to look at this project since BC isn't

doing anything. They will know in August if there will be a federal assessment for the Castle Project. Updates will be made to the KVRI and its website to keep everyone informed.

PUBLIC COMMENTS

Jerry Higgs, Dawn Wagner, Craig Kelson, Barbara Russell, Trish Johnson, John O'Connor and Holly Robertson spoke in support of the vision statement.

Warren Campbell, Eduardo Reillo-Negron, Stan Kraly, Bobby Read Jr., Ralph Walker, Brandon Stille, Nevin Neal, Charles Pope, Henry Yoder and Steve Tanner spoke in opposition of the vision statement.

Loretta Hunsaker spoke in opposition of the proposed utility rate increase.

Carolyn Testa spoke about the weeds in the runaway truck ramp.

REPORTS

City Engineer Mike Klaus said the City does have a stake in the mining activities due to the backup water source. Mayor Staples asked for an update on the splashpad. Mike said the fence posts were installed today and the splashpad will be open before the end of the month.

Urban Renewal District will meet August 12, 2020

SPOT – Ron said rides are down due to the Coronavirus

CONSENT AGENDA – {action item}

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Approval of the July 7, 2020 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

5. Electric/Water/Sewer – Discuss Consumer Price Index Regarding Rate Increases (attachment) {action item}
Mike said the new information tonight shows some of the electronic history. COSAs were done for past rate increases. The rates are on target and escalating over time instead of large increases is easier for customers. Capital planning helps in doing capital projects without having to secure a loan. Mike recommends adopting the 2.2% based on the CPI based on the 20-year rolling average and revisit it on a yearly basis, or Council can adopt a rate that Council is comfortable with or have a COSA to set a rate. Valerie Thompson said the most consistent option is the CPI option. The regulatory demands are increasing as well. Valerie Thompson said the general fund transfer is in lieu of taxes. Valerie Thompson moved to adopt the 20-year rolling average of the CPI approximately 2.2% at this time and revisit the 20-year rolling average on a yearly basis for the utility rates. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

6. Electric – Consider the Results of the Surveys and the Radio Frequency Study from Avista Edge
Mark said they don't have the survey results but Avista is willing to send the surveys electronically. The radio frequency (RF) study results show where the network is and the strength of the network.

7. Electric – Consider Authorizing the Mayor to Sign the Term Sheet with Avista Edge for a Three-year Pilot Program (attachment) {action item}

Mark Gustafson said there were minor changes to the term sheet regarding the City's inability to extract a profit. Due to the timing and technicalities of the grant it was decided not to proceed with the grant. Avista is still willing to proceed and build without the grant. Adam said the term sheet does not say Avista will ensure the City is covering its costs. Mark said the term sheet is non-binding and that can be spelled out in the final contract. Mark said section 4 at the bottom speaks to that item. Section 10 states that changes may be made to the agreement as needed. Dennis said Avista will true-up the costs on a quarterly basis. Mark said Avista is paying for all build out costs such as with a joint pole use agreement. Adam Arthur moved to authorize the Mayor to sign the term sheet with Avista Edge for a three-year pilot program. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

8. Street – Consider Street Name for the Wilson Street – Solomon Street Corridor Project (attachment) {action item}
Mayor Staples said Lisa provided a memo regarding the survey. Rick asked if the street has to be named before it can be opened. Lisa said it does. Rick Alonzo moved to name the Wilson-Solomon Corridor, Selkirk Street. Ron Smith seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

NEW BUSINESS

9. Police – Consider Authorizing Council to Sign the Proclamation in Support of Law Enforcement {action item}
Ron said he wanted to do something to show support for law enforcement and their families. Ron read the proclamation he submitted “Whereas, the Bonners Ferry City Police Department was formed in 1899 and its officers have served the City of Bonners Ferry and the citizens of the City of Bonners Ferry since its inception. Whereas, the mission of the City of Bonners Ferry Police Department is to create an atmosphere of partnership with the community toward the common goal of protecting life, property and enhancing the overall quality of life. Whereas, due to national and international events, law enforcement officers across the globe are facing challenging times. Now therefore, be it proclaimed, by the Mayor and City Council of the City of Bonners Ferry, Idaho as follows: The Mayor and City Council publicly salute and strongly support the service of dedicated law enforcement officers in our community.” Ron said a change was suggested by a councilperson. Valerie said she was the councilperson that made the suggestion. She wanted to add the language because our officers are upholding those standards every day. Ron Smith moved to authorize the Council to sign the proclamation in support of law enforcement that he read. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

10. City – Consider the Proposal from TowerPoint (attachment) {action item}
Mayor Staples said TowerPoint has proposed to buy out the lease on the ground for \$18,000 per year over a 10-year period. Currently the monthly revenue is \$934 with a 3% escalation per year. Valerie Thompson said offering to lease this out instead of maintaining the current contract doesn't make sense since the risk is minimal. Adam said a this is a short-term gain and a long-term loss. Rick likes it the way it is.

11. Street – Consider Authorizing the Mayor to Sign the Professional Service Agreement with Century West for the Garden Lane Extension Project Design (attachment) {action item}
Valerie Thompson asked which budget year it will happen in. Christine said Lisa wants to split it between this year and next year. Rick asked about the problem regarding Garden Court. Mike said there is a discontinuity with the road and how it is shaped. Mayor Staples asked how much right of way there is. Mike said around 20 feet. Rick asked if the problem is infringing on private property. Mike said the City will have to get an easement. Valerie asked what the overall costs of the project will be. Lisa said the grant only covers the design costs not the engineering costs. Mayor Staples asked about the timeline. Mike said we applied for an extension and now have until the end of 2021. Valerie Thompson moved to authorize the Mayor to sign the professional service agreement with Century West for the Garden Lane extension project design. Ron Smith seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

12. Pool – Consider Extending the Pool Closing Date Until September 5, 2020 (attachment) {action item}
Mayor Staples said he is not sure if this will happen. Ron asked if that will be with the current lifeguards. Mayor Staples said we don't have a solid answer for that yet. Andrakay said staff needs direction from Council if you want staff to look into this. Ron said if it's possible then we should do it. Valerie Thompson said she has some concerns with the added non budgeted general fund funds and we need to stick close to the budget. Adam Arthur moved to extend the pool closing date until September 5, 2020 if it is budgetarily feasible and can be staffed. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

13. City – Discuss the Vision Statement {action item}
Rick said just because a person identifies with a certain gender or sexual orientation doesn't mean the City of Bonners Ferry agrees with the philosophy of that person. It means they can still be a productive citizen and can do business with the City of Bonners Ferry. Valerie Thompson believes this speaks to anti-discrimination and it doesn't matter what it is called. She believes it is important to maintain the separation of church and state and it is important to welcome people to Bonners Ferry. Council supports being good neighbors to anyone who chooses to move into this community regardless if they have the same beliefs or lifestyles. Mayor Staples said eight letters and nine emails were received in support of the vision statement from people that were not here tonight. Valerie Thompson moved to maintain the vision statement as it stands. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

Mayor Staples publicly apologized for his earlier outburst saying it is not allowed regardless of the situation.

ADJOURNMENT

The meeting adjourned at 8:41 pm