

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 a city that welcomes all people.

AGENDA
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
August 3, 2021
6:00 pm

Join video Zoom meeting: <https://zoom.us/j/17672764>

Meeting ID: 176727634

Join by phone: 253-215-8782

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

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

REPORTS

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

CONSENT AGENDA – {action item}

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Approval of the July 19, 2021 Special Council meeting minutes, July 20, 2021 Council meeting minutes
4. Consider affirming the Mayoral appointment of Cal Russell and Dennis Weed to the Urban Renewal Agency for five-year terms
5. Consider authorizing the Mayor to sign pay request #2 from S & L Underground
6. Consider authorizing the purchase of a Dura Patcher from H&H Equipment & Supply for \$57, 375.00

OLD BUSINESS

7. **City** – Consider the proposal from Hoover CPA for the Fiscal Year 2021 audit (attachment) {action item}

NEW BUSINESS

8. **City** – Consider a letter of support for the Forest Legacy Proposal {action item}
9. **City** – Consider the job descriptions for the Mayor and City Council (attachment) {action item}
10. **Electric** – Consider authorizing the purchase of the GPRs and associated parts for the Moyie Hydro (attachment) {action item}
11. **Street** – Consider acceptance of the Right-of-Way deed for Garden Lane from the LDS Church (attachment) {action item}
12. **Water** – Discuss merit raise for Andre Rosengrant {action item}

ADJOURNMENT

**MINUTES
SPECIAL CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
July 19, 2021
5:00 pm**

Mayor Dick Staples called the Special Council meeting of July 19, 2021 to order at 5:00 pm. Present for the meeting were: Council Members Rick Alonzo, Adam Arthur Valerie Thompson and Ron Smith. Also present were: City Clerk/Treasurer Christine McNair, City Administrator Lisa Ailport and Police Chief Brian Zimmerman.

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OLD BUSINESS

1. **City** – Budget workshop fiscal year 2022 {action item}

Mayor Staples presented a spreadsheet showing an increase for the Police Department from 4% - 7%. Adam asked about a 5% across the board for all departments. It was decided to give a 3% cola across the board and increase the Police officers an additional 4% for a total of 7%.

ADJOURNMENT

The meeting adjourned at 6:29 pm.

**MINUTES
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
July 20, 2021
6:00 pm**

Council President Rick Alonzo called the Council meeting of July 20, 2021, to order at 6:00 pm. Present for the meeting were: Council Members Adam Arthur, Valerie Thompson and Ron Smith. Also, present were: City Attorney Andrakay Pluid, City Engineer Mike Klaus, City Clerk/Treasurer Christine McNair, City Administrator Lisa Ailport and Dennis Weed. Members of the public present were: Jerry Higgs, Andrea Byers, Bob Sanborn, Marciavee Cossette, Pam Guier, Bill Guier, Dave Gray, Lisa Moline, Val Harrington, Evan Torrance, John Burrell, Carolyn Testa, David Clark, Justin Pluid, Ryan Mai and Eric Lederhos.

Join video Zoom meeting: <https://zoom.us/j/17672764>

Meeting ID: 176727634

Join by phone: 253-215-8782

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Jerry Higgs spoke regarding Avista's rate increase and the red, white and blue American flag.

Pam Guier spoke regarding the Police Department.

Dave Gray spoke regarding the Comp Plan and the Code Re-form re-write and the Boundary County Museum.

Carolyn Testa spoke regarding Kootenai River Days and the Kootenai River Run.

REPORTS

City Administrator Lisa Ailport said the Comprehensive Plan and Code Reform RFQs are due August 13th. The City was successful in acquiring the Equinox grant for \$10,000 to extend the pool season.

City Engineer Mike Klaus said the final pole was moved for the first part of Phase Two of the Highway 95 project was moved today. The Moyie Hydro Concrete Rehabilitation project is going well. The water services are also being moved for the Highway 95 project.

Economic Development Coordinator Dennis Weed said the US/Canadian border will be opening August 9th for fully vaccinated individuals. Several businesses are still looking employees.

Urban Renewal District Lisa Ailport said they will be meeting Monday, July 26, 2021.

SPOT Ron Smith said David Sims rescinded his resignation from SPOT.

CONSENT AGENDA – {action item}

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Approval of the July 6, 2021 Council meeting minutes, July 12, 2021 Special Council meeting minutes
4. Authorize the Mayor to sign the contract with Elavon for credit card services
5. Authorize the Mayor to sign the lease with Quadiant for a folder/inserter
6. Authorize the Mayor to sign pay request #1 from S & L Underground for the Moyie Hydro Concrete Rehabilitation Project

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

OLD BUSINESS

NEW BUSINESS

7. **Planning** – Hearing to consider appeal request from Robert Sanborn regarding Administrative Decision regarding a property split (attachment) {action item}

Rick Alonzo opened the hearing at 6:01 pm. Lisa Ailport gave a brief presentation of how the hearing will proceed. Bob Sanborn said he purchased the property last year. The plat says, "Not a building lot". He met with staff in February and

was told it is not a building lot. He is interested in building a small house that he will live in. He wants the land rendered buildable. Bob hired JRS Surveying to survey the property, Bob did not know Dick Staples was the Mayor of Bonners Ferry when he hired him. Bob said he is very confused when he received a call from Lisa Ailport saying if he dropped his insistence on the 1.6-acre lot, then development can be expedited on the lot across the street. He is trying to create affordable housing.

Ron Smith asked if Bob has spoken to any of the neighbors. Bob said he spoke with Evan Torrance. Evan Torrance is not in favor of the lot being developed. Bob said he spoke with Mike Woodward and Mike is in favor of using the lot. Bob also spoke with Jerry Higgs and Jerry is supportive as well. Ron Smith asked if Clare Marley told Bob Sanborn that it is a building lot. Bob said Clare did tell him it is a buildable lot, but she is hung up on the four words. Ron asked Andrakay if those four words mean anything. Andrakay feels they do, since the City accepted the plat with those four words. Andrakay said there is a remedy to help remove those words, which is a replat. Ron asked if that can be done here. Andrakay said that is a separate process.

Lisa Moline, Bob Sanborn's attorney, said the law has two different options for notes on a plat. The options are a dedication and a covenant. Lisa Moline said this lot was sold as a meets and bounds description that was not sold as part of the plat. Council has authority to interrupt the intent of the developer. Lisa Moline feels this is an invalid dedication on a valid plat. Lisa Moline is requesting that her client be allowed to build on the parcel.

Lisa Ailport gave a presentation regarding the request. Lisa Ailport said Bob Sanborn's insinuation is really disappointing because the conversations were about solving his interests and how can the City work to help Bob Sanborn solve his goals. To extrapolate that into poor management or handshake deals, is really disturbing and really uncalled for. Lisa Ailport said when plat's are annexed, any comments on the plats are accepted even if the current standards are different. Ron said since the words "not a building lot" are there, then he has to vote no. Lisa Moline said when there are notes on a plat those notes are usually in the CC&Rs so everything is crystal clear. Lisa Moline said the other remedy may not be a reasonable remedy. Lisa Moline is unclear if it has to be an entire plat replat or just a lot replat. Valerie Thompson asked if there have been any changes since the City annexed the land. Lisa Ailport said a title search was done; she is not aware of any. Rick closed the hearing at 6:39 pm. Valerie Thompson moved to deny Mr. Sanborn's request to overturn/overrule staff's determination regarding property AR05-2, since the plat map from 1978 states "not a building lot". Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

Rick called for a five-minute recess at 6:42 pm.
Rick reconvened the meeting at 6:47 pm.

8. **City** – Discuss authorizing the Mayor to sign a temporary easement across the golf course property for logging access to Mai property (attachment) {action item}

Lisa said the draft agreement has been signed by the applicant. Adam asked how long is temporary. Lisa said one year from the date of execution. Valerie asked if there will be any impact to the golf course. Lisa doesn't think there will be. Valerie Thompson moved to authorize the Mayor to sign an agreement for a temporary logging easement with Ryan Mai for property known as RP61N01E080450A and authorize the Mayor to sign and record the future easement upon the completion of the prerequisites of the agreement. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

9. **Street** – Discuss the bid from Wink, Inc for construction of Garden Lane (attachment) {action item}

Lisa said this is the final bid for construction of Garden Lane. The bid came in approximately \$40,000 greater than the funds the City has from LHTAC/Surplus Eliminator. Valerie said there has been talk about approaching the School District. Lisa said there may be some funding from the School District, but some items may need to be cut. Ron Smith moved to accept the low bid from Wink Inc. for Schedule A for \$141,570.00, Schedule B for \$127,430.00 for a project total bid of \$269,000.00. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

10. **Electric** – Consider the quote for underground work for the Riverside Relocation Project (attachment) {action item} Mike said this is a critical part of getting the primary line past the Davidson and Walter property. Rick asked if most of this project is reimbursable. Mike feels the chances of being reimbursed are very high. Valerie Thompson moved to approve the contract and quote with Saunders Line Construction, Inc. for \$43,144.17 and authorize the Mayor to sign the contract. Adam Arthur seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

11. **Electric** – Discuss authorizing the Mayor to sign the contract with Ripplinger Engineering for GPR replacement at the Moyie Hydro (attachment) {action item}

Mike said the GPRs are starting to fail and need to be replaced as soon as possible. The estimate for design for one GPR is \$19,000. Valerie asked how much it costs every time a GPR fails. Mike said it can be up to \$1,000 a minute. Adam Arthur moved to authorize the Mayor to sign the contract with Ripplinger Engineering for GPR replacement at the Moyie Hydro in the amount of \$19,050.00. Valerie Thompson seconded the motion. The motion passed. Adam Arthur – yes, Valerie Thompson – yes, Rick Alonzo – yes, Ron Smith – yes

12. **City** – Consider the proposal from Hoover CPA for the Fiscal Year 2021 audit (attachment) {action item}
Christine said it was recommended changing auditors every few years and we have had the same auditor for 20 years. Adam asked if this liability insurance is lower than usual. Andrakay said we usually request one-million-dollar liability insurance. Christine will ask about increasing the liability insurance and bring this to the next meeting.

ADJOURNMENT

The meeting adjourned at 7:35 pm

DRAFT



MEMO

CITY OF BONNERS FERRY
OFFICE OF THE CITY ADMINISTRATOR

TO: Mayor and City Council
FROM: Lisa Ailport, City Administrator
DATE: July 29, 2021
RE: Recommendation to reappoint Cal Russell and Dennis Weed to 5-year terms with the Urban Renewal District

Cal Russell and Dennis Weed's terms with the Urban Renewal Agency expired in June of this year. Both are interested in continuing to serve for another 5 years.

Since these positions are appointed positions by the Mayor and confirmed by the Council, a motion to appoint both for a 5-year term, from June 30, 2021 to June 30, 2026 is required.

Please let me know if you have any questions.



MEMO

CITY OF BONNERS FERRY
CITY ENGINEER

Date: July 30, 2021
To: City Council
From: Mike Klaus, City Engineer
Subject: **Electric Department - Moyie Dam Concrete Rehabilitation Project
Application for Payment #2**

S&L Underground has submitted their second pay application for the spillway resurfacing project. I have reviewed the pay application with the engineer of record, JUB Engineers, and concur with their recommendation to pay it. I recommend that the Council approve the payment of \$344,774.00 to S&L Underground as presented in the attached paperwork.

Please let me know if you have any questions.

Thank you,

Mike

Contractor's Application for Payment No. Two (02)

Application Period: Work Accomplished Through <u>Jun 24, 2021</u>		Application Date: <u>Jul 28, 2021</u>
From (Contractor): <u>S&L Underground</u>		Via (Engineer): <u>J-U-B ENGINEERS, Inc.</u>
Contract: <u>Moyie Dam Concrete Rehabilitation Project - Schedules A, B, C and Additive Alternate No. 1</u>		Engineer's Project No.: <u>20-17-072</u>
Owner's Contract No.:		

**Application For Payment
Change Order Summary**

Approved Change Orders Number	Additions	Deductions
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
TOTALS	\$0.00	\$0.00
NET CHANGE BY CHANGE ORDERS	\$0.00	

1. ORIGINAL CONTRACT PRICE..... \$ 3,699,986.00
2. Net change by Change Orders..... \$ 50.00
3. Current Contract Price (Line 1 ± 2)..... \$ 3,699,986.00
4. TOTAL COMPLETED AND STORED TO DATE (Column F on Progress Estimate)..... \$ 519,926.00
5. RETAINAGE:
 - a. 5% X \$ 519,926.00 Work Completed..... \$ 25,996.00
 - b. 5% X \$ Stored Material..... \$
 - c. Total Retainage (Line 5a + Line 5b)..... \$ 25,996.00
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5c)..... \$ 493,924.00
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... \$ 149,150.00
8. AMOUNT DUE THIS APPLICATION..... \$ 344,774.00
9. BALANCE TO FINISH, PLUS RETAINAGE (Column G on Progress Estimate + Line 5 above)..... \$ 3,206,056.00

Payment of: \$344,774.00
(Line 8 or other - attach explanation of the other amount)

is recommended by: J-U-B ENGINEERS, Inc. (Date) 7/29/21

Payment of: \$344,774.00
(Line 8 or other - attach explanation of the other amount)

is approved by: City of Bonners Ferry (Date) _____

Approved by: _____ (Date) _____

Approved by: _____ (Date) _____

Approved by: _____ (Date) _____

Contractor's Certification

The undersigned Contractor certifies that to the best of its knowledge: (1) all previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with Work covered by prior Applications for Payment; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to Owner at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to Owner indemnifying Owner against any such Liens, security interest or encumbrances); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Signature: [Signature] Date: 7/29/21
By: S&L Underground

Contract Day Summary

Feb 18, 2021 Notice to Proceed Date

The Date of Substantial Completion for Schedule A is on or before 10/31/2021.

The Date of Substantial Completion for Schedule B is on or before 10/31/2022.

The Date of Substantial Completion for Schedule C is on or before 10/31/2023.

The Date of Readiness for Final Payment for Schedule A is on or before 11/30/2021.

The Date of Readiness for Final Payment for Schedule B is on or before 11/30/2022.

The Date of Readiness for Final Payment for Schedule C is on or before 11/30/2023.

Progress Estimate

City of Bowers Ferry
 Moynis Dam Concrete Rehabilitation Project - Schedules A, B, C and Additive Alternate No. 1
 Application Number: Two (02)
 Application Period: Jun '04, 2021
 Application Date: Jul 28, 2021

Contractor's Application

Bid Item No.	Description	B			C			Work Completed		E	F	G		
		Unit of Me.	Unit Price	Total Price	Only Previous Applications	Only This Period	Total Value To Date	Materials Presently Stored (net in C or D)	Total Completed and Stored to Date (D,2 + E)				% Complete (F / B)	Balance to Finish (B - F)
Schedule A - WEST SPILLWAY														
02010A	Mobilization, Bonding, Staging and Access	1	LS \$170,000.00	\$170,000.00	0.00	0.40	\$	110,000.00				\$170,000.00	100.0%	\$0.00
02025A	Hydro-Demolition	7463	SF \$50.00	\$444,540.00	0.00	0.00	\$	-				\$0.00	0.0%	\$444,540.00
02074A	Erosion Control and Mitigation	1	LS \$60,000.00	\$60,000.00	0.20	0.20	\$	24,000.00				\$24,000.00	40.0%	\$36,000.00
SP-1A	Work Plan	1	LS \$5,000.00	\$5,000.00	1.00	0.00	\$	5,000.00				\$5,000.00	100.0%	\$0.00
SP-2A	Concrete Rehabilitation (Plan Quantity)	154	CY \$3,500.00	\$539,000.00	0.00	0.00	\$	-				\$0.00	0.0%	\$539,000.00
SP-2A-1	Demolition and Rehabilitation Contingency	15	CY \$3,500.00	\$52,500.00	0.00	0.00	\$	-				\$0.00	0.0%	\$52,500.00
Schedule B - EAST SPILLWAY														
02010B	Mobilization, Bonding, Staging and Access	1	LS \$170,000.00	\$170,000.00	0.00	0.00	\$	-				\$0.00	0.0%	\$170,000.00
02025B	Hydro-Demolition	8917	SF \$50.00	\$445,920.00	0.00	0.00	\$	-				\$0.00	0.0%	\$445,920.00
02074B	Erosion Control and Mitigation	1	LS \$90,000.00	\$90,000.00	0.20	0.00	\$	18,000.00				\$18,000.00	20.0%	\$72,000.00
SP-1B	Work Plan	1	LS \$5,000.00	\$5,000.00	1.00	0.00	\$	5,000.00				\$5,000.00	100.0%	\$0.00
SP-2B	Concrete Rehabilitation (Plan Quantity)	225	CY \$3,500.00	\$787,500.00	0.00	0.00	\$	-				\$0.00	0.0%	\$787,500.00
SP-2B-1	Demolition and Rehabilitation Contingency	25	CY \$3,500.00	\$87,500.00	0.00	0.00	\$	-				\$0.00	0.0%	\$87,500.00
Schedule C - DAM FACE														
02010C	Mobilization, Bonding, Staging and Access	1	LS \$50,000.00	\$50,000.00	0.00	0.40	\$	60,000.00				\$60,000.00	100.0%	\$0.00
02025C	Hydro-Demolition	4382	SF \$50.00	\$219,100.00	0.00	0.00	\$	262,500.00				\$262,500.00	100.0%	\$0.00
02074C	Erosion Control and Mitigation	1	LS \$50,000.00	\$50,000.00	0.20	0.40	\$	30,000.00				\$30,000.00	60.0%	\$20,000.00
SP-1C	Site Remediation	1	LS \$75,000.00	\$75,000.00	0.00	0.00	\$	-				\$0.00	0.0%	\$75,000.00
SP-2C	Concrete Rehabilitation (Plan Quantity)	70	CY \$3,500.00	\$245,000.00	0.00	0.00	\$	5,000.00				\$5,000.00	100.0%	\$0.00
SP-2C-1	Demolition and Rehabilitation Contingency	10	CY \$3,500.00	\$35,000.00	0.00	0.00	\$	-				\$0.00	0.0%	\$35,000.00
ADD ALT NO. 1														
SP-3	Drain Pipe Installation	20	EA \$500.00	\$10,000.00	0.00	0.00	\$	-				\$0.00	0.0%	\$10,000.00
Totals														
										\$0.00	\$519,800.00	4.1%	\$3,180,060.00	



MEMO

CITY OF BONNERS FERRY
OFFICE OF THE CITY ADMINISTRATOR

TO: Mayor and City Council
FROM: Lisa Ailport, City Administrator
DATE: July 29, 2021
RE: Authorization to purchase Dura Patcher for Streets Department

The attached quote is provided to council for consideration to purchase a Dura Patcher for maintenance of city streets. The total cost of \$57,375.00 includes shipping the unit from Rigby, Idaho and 8 hours of training for our streets staff and the mechanic.

The streets would like to purchase this piece of equipment using cost savings in this year budget. The following summary of costs saving is provided below for your consideration.

Use	Budgeted	Actual/anticipated	Savings
Snowplowing	\$63,150	\$25,241	\$37,909
Chip Sealing	\$88,494	\$25,000	\$63,494
Asphalting	\$28,482	\$15,000	\$13,482
			\$114,885

Buying capital one-time expenses from cost savings in the previous year is a cost-effective way to purchase necessary equipment without the need to borrow or lease equipment. Staff believes this piece of equipment will aid in long term maintenance of our existing city streets, while overall keeping maintenance costs within budgets.

I am seeking authorization to purchase the 2015 dura patcher from H&H equipment in the amount of \$57,375.00.

Please let me know if you have any questions.

H & H Equipment & Supply

P.O. Box 792
4036E 480N
Rigby, Idaho 83442

Quotation

Date	Estimate #
7/26/2021	20

Name / Address
City of Bonners Ferry 7232 Main St Bonners ferry, Id 83805

Ship To
Street dept. 6362 Washington St. Bonners ferry , Id

P.O. No.	Terms	Due Date	Rep	Account #	FOB	Project	Other
	net 30	7/26/2021	DH		Bonners Ferry, Id		
Item	Description				Quantity	Cost	Total
1	2015 Used Dura patcher trailer unit Unit is equipped with all standard features. H & H equipment will install new wear parts The unit will have new tires, applicator hoses and nozzle. The engine to be completely serviced. Unit has approximently 370 hours on Teir 3 John Deere engine. machine options include: Hydraulic surge brakes and Pentle hitch Incoming freight: 8 hrs. Operator and mechinal training				1	\$52,525.00 \$4,850.00	\$52,525.00 \$4,850.00
Subtotal							\$0.00
Sales Tax (0.0%)							\$0.00
Total						57,375.00	\$0.00

All products will conform to N.Dakota, Montana, Wyoming, & Idaho
H & H Eq.reserves the right to ship from any supply facility on a freight equalized basis.
The prices on the above products are valid for 10 days from the date of quotation and will remain effective thru the 2016 season.

Signature _____



**Audit Proposal for the
City of Bonners Ferry
Fiscal Year Ended
September 30, 2021**



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June 28, 2021

City of Bonners Ferry
7232 Main St.
Bonners Ferry, ID 83805

To the Mayor and City Council:

Thank you for the opportunity to submit a proposal for the fiscal 2021 audit services for the City of Bonners Ferry.

As a boutique CPA firm in North Idaho specializing in auditing and accounting with an emphasis on governmental and non-profit clients, I believe my firm is best suited to meet your business needs.

I am confident that the following factors will allow my firm to make a distinctive contribution to your organization's continued success:

Experience: I have worked in public accounting since 2002 and held a CPA license in good standing since 2004. Over the years I've had the privilege of working for some great CPA firms in the country such as Moss Adams LLP and BDO Seidman, LLP. I have carried this solid foundation of experience and relationships with me and continued to build on it each year. In particular, I have developed an area of expertise in the field of auditing and assurance services with an emphasis on the governmental sector.

Commitment: I am committed to working closely with your personnel to understand your organization and meet its accounting and auditing needs. I strive to build long-term business relationships with my clients and be a trusted resource, not just an auditor.

Customer Service: It seems silly to mention such a basic aspect of professional services. However unfortunately, these days even many professionals don't return phone calls or emails timely and don't meet deadlines. I pride myself on being responsive, thinking proactively about your needs and meeting all deadlines. Being a small firm, I am able to move quickly and turn reports around more quickly than a larger firm.

In the following pages I have provided brief statements of my firm's qualifications. I would be pleased to meet with you further to review the proposal and answer any questions you may have. Please contact Scott Hoover at (208) 724-2265 at your convenience if I can provide any additional information or you would like to meet to further discuss the proposal.

Sincerely,

Scott P. Hoover, CPA

A. General Background

Firm Name: Scott Hoover, CPA, PLLC

Address: 212 W. Ironwood Dr., Suite D, #434
Coeur d'Alene, Idaho 83814

Contact Information:

Email : shoovercpa@gmail.com

Phone: 208-724-2265

Website: www.scotthoovercpa.com

Firm Background

Hoover CPA is a boutique firm located in Coeur d'Alene, Idaho that specializes in providing assurance and tax services to local governmental and non-profit entities. Established in September 2015, I started my firm with the vision of serving my clients by providing strong technical expertise combined with a top-notch client customer experience at a reasonable fee. My practice currently consists primarily of approximately 20 governmental audit engagements annually, ranging from cities and highway districts, to fire districts and water and sewer districts.

Prior to starting my own firm, I was most recently the Senior Manager of Assurance Services at Magnuson, McHugh & Co., in Coeur d'Alene. During my four years at MMCO, I served as the engagement partner on approximately 20 governmental assurance engagements annually and was responsible for all aspects of the engagement from planning, fieldwork, staff supervision, to signing the audit opinion. I have included a listing of some of my current governmental audit clients in the "References" at Section I.

My firm undergoes a peer review process as required every 3 years whereby a sample of my audit engagements is reviewed by a peer reviewer to ensure that my firm follows all applicable professional standards in conducting an audit. My last peer review report was a "pass" with no findings. I have included a copy of the peer review report in this proposal at Section K. I currently hold a CPA license with the State of Washington, with reciprocity to practice in the State of Idaho.

Partner Background

I have over 18 years' experience working in the field of public accounting and have a broad base of experience in a number of industries to draw upon. Below is a brief bio with additional information on my background and experience:



Scott Hoover

Owner, Certified Public Accountant

Engagement Role: Engagement Partner and will perform all aspects of the engagement

A. General Background (Concluded)

Scott Hoover is a CPA licensed in the State of Idaho, and now in the State of Washington. He graduated from the University of Idaho in 2001 with a Bachelor's degree in business with a major in accounting and a minor in Spanish. Upon graduating from the University of Idaho, Scott spent the first three years of his career working for Moss Adams LLP in Portland, Oregon and the following six years working as an Audit Manager with a large regional firm in Orlando, FL (previously a BDO Alliance firm, now BDO Seidman LLP). He has held a CPA license in good standing since 2004. Scott has acquired extensive auditing experience in a broad array of industries including non-profit, governmental, small SEC companies, manufacturing, technology, and real estate development and timeshare. He is a graduate of the 2013 Chamber of Commerce Leadership Coeur d'Alene Program. In his spare time, Scott enjoys playing guitar, teaching and practicing yoga and spending time with his family and friends.

Business Philosophy

My business philosophy is simple. As a small firm, my focus is to work closely with my clients to understand their business needs and give them the personal service of a small firm, yet still provide the value of my experience and expertise from working at larger firms at a reasonable fee. As mentioned in the cover letter, I pride myself of being responsive and working well with client personnel to perform an effective and efficient audit. I will work to fully understand your organization, its operations, and accounting issues to best meet your needs. I also strive to be more than just an auditor in that I would like to be trusted resource for the organization throughout the year and assist with any other matters your organization may encounter.

B. Experience of the Firm, Size, Location and Areas of Expertise

I started my career in public accounting with a great firm (Moss Adams) in Portland, Oregon in 2002 and have worked in public accounting for over 18 years. After working for great regional and national firms, I started my own CPA firm located in Coeur d'Alene in September of 2015. I bring with me a wealth of experience in working with small local governments and other entities of various size and nature over the years and am a well-rounded CPA with substantial audit expertise.

C. Engagement Team Assigned

Presently, my staff consists of myself. A small firm has many benefits that you may not get with a larger firm. For the City of Bonners Ferry audit engagement, I will be performing all audit planning, fieldwork, and preparing the financial statements myself. You will have a seasoned CPA performing all aspects of your audit and who is "in the details". This may be a contrast to your past audit experience whereby a staff (or two staff) performed the majority of fieldwork who are not CPA's. Additionally, over the years I have built long-lasting professional relationships with talented CPA's all over the country and I am able to draw on these resources to help meet the needs of my clients. Additionally, I will engage a consulting third party CPA with governmental accounting expertise to perform a concurring quality control review of your audit.

D. Transition Expertise

Should you accept my proposal for services, you can anticipate a very smooth transition. My goal is to make the transition as seamless as possible. I would begin with a review of the prior year's audited financial statements. I would also perform a review of the prior auditor's workpapers, which is required under the auditing standards. Finally, I would arrange a meeting with management and the City Council (as you see fit) to gain a better understanding of your operations, business needs and timing of fieldwork and issuance of the report.

E. Approach

Overall Audit Approach

The end result of an audit is the issuance of an opinion that the financial statements are free of material misstatement whether caused by error or fraud. Accordingly, I take a risk-based approach in performing an audit of financial statements. First, I gather information on the organization and obtain an understanding of the entity and its control environment, its significant financial statement areas and then, based on this understanding, assign risk of material misstatement to each financial statement area (i.e. cash, accounts payable, etc.). I then design audit procedures for each financial statement area to gather sufficient evidence that each area as scoped for risk is free of material misstatement. This is actually how all audits should be performed in accordance with Generally Accepted Auditing Standards (GAAS).

My philosophy on communications with the client throughout the year is to be proactive and forward-thinking. I prefer to periodically meet with my clients throughout the year, at least semi-annually to maintain communication and keep abreast of any issues they may be encountering. I may also periodically pass along information on new accounting or tax guidance as I become aware of it so as to keep my clients informed of any new developments.

F. Nature of Services

The scope of my services includes the following:

- Annual audit of the financial statements in accordance with generally accepted accounting principles (GAAP) and in compliance with generally accepted auditing standards (GAAS) and Governmental Auditing Standards (GAGAS).
- Audit under the Uniform Guidance (if applicable; additional fee may apply)
- Management letter – only if I note significant areas for improvement in internal controls or other notable recommendations.
- I'm also available for consultation throughout the year. As long as it doesn't take a significant amount of time or research, this service is complimentary.

G. Fee Schedule

As a small firm with relatively low overhead, I am able to be highly competitive with my fees yet still deliver timely and high-quality professional audit services you expect from a public accounting firm.

After reviewing the City's fiscal 2020 audited financial statements, I am prepared to quote the audit services at the following fee schedule. I have included a quote for an additional two years as optional at the City's discretion:

<u>Fiscal Year</u> <u>Ended</u>	<u>Audit</u> <u>Fee</u>
2020	\$20,000
2021	\$20,000
2022	\$20,000

The above fee quote is intended to include all out-of-pocket costs such as report production and other administrative costs I may incur.

* The above quote is firm, however is subject to future negotiation in the event the anticipated scope of the work significantly changes. Additionally, should a Single Audit be required, additional fees may apply.

H. Firm Independence

I have had no past or present affiliations with the City of Bonners Ferry. Accordingly, I am independent with the organization.

I. Client References

I am proud of the relationships I have developed with my clients over the years and my ability to assist them in meeting their business objectives. Below is a list of references from some of my governmental audit clients:

- City of Pinehurst
Carla Ross – Clerk-Treasurer
Phone: (208) 682-3271
- City of Smelterville
Heidi Klein – Clerk-Treasurer
Phone: (208) 786-3351
- City of Oldtown
Alicia Ehrmantrout – Clerk-Treasurer
Phone: (208) 437-3833
- City of Plummer
Sara Allen – Clerk-Treasurer
Phone: (208) 686-1641
- City of Kootenai
Ronda Whittaker – Clerk-Treasurer
Phone: (208) 265-2431

J. Insurance Coverage

My firm carries professional liability coverage in the amount of \$750,000. In my 18 years of professional experience, I have never had any claims filed against me personally, or against my firm. Should you accept my proposal to provide services, I would be happy to provide you with formal proof of insurance coverage.

K. Peer Review Report

Every three years, a CPA firm performing audits and reviews must have a peer review performed to ensure the firm is adhering to professional and continuing education standards, and that quality control standards are met on assurance engagements. Below is the most recent peer review report for my firm which received a "pass without exceptions" grade, the highest level of assurance. Furthermore, I have never had any complaints leveled against me by the Board of Accountancy or any other regulatory authority.



Report on the Firm's System of Quality Control

December 23, 2019

To the Owner of
Scott Hoover, CPA, PLLC
and the Peer Review Committee of the Nevada Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Scott Hoover, CPA, PLLC (the firm) in effect for the year ended June 30, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Scott Hoover, CPA, PLLC in effect for the year ended June 30, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Scott Hoover, CPA, PLLC has received a peer review rating of *pass*.

Poulsen, VanLeuven & Catmull
Poulsen, VanLeuven & Catmull P.A.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/27/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).


PRODUCER All American Insurance, Inc. P O Box 650 Meridian ID 83680	CONTACT NAME: Katelyn Hyneman
	PHONE (A/C, No, Ext): (208) 888-1465 FAX (A/C, No): (208) 888-6777 E-MAIL ADDRESS: katelynh@allamericanins.net
INSURED Scott Hoover, DBA: Scott Hoover, CPA 212 W Ironwood Drive Suite D434 Coeur D'Alene ID 83814	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A : Camico Mutual Insurance Company
	INSURER B :
	INSURER C :
	INSURER D :
	INSURER E :
	INSURER F :

COVERAGES CERTIFICATE NUMBER: 20-21 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			IDL112015-05	09/08/2020	09/08/2021	Each Occurrence 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER City of Bonners Ferry, Idaho 7232 Main Street Bonners Ferry ID 83805	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 



July 28, 2021

To the Mayor and City Council
City of Bonners Ferry
7232 Main St.
Bonners Ferry, Idaho 83805

I am pleased to confirm my understanding of the services my firm is to provide the City of Bonners Ferry for the fiscal year ended September 30, 2021. I will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Bonners Ferry as of and for the fiscal year ended September 30, 2021. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A) and budget to actual schedules, to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of my engagement, I will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Budget to actual schedules
- 2) GASB 68 RSI
- 3) Management's Discussion & Analysis (Should management elect to present it)

Audit Objectives

The objective of my audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. My audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the City of Bonners Ferry and other procedures I consider necessary to enable me to express such opinions. I will issue a written report upon completion of my audit of the City's financial statements. My report will be addressed to the Mayor and City Council of the City of Bonners Ferry. I cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for me to modify my opinions or add emphasis-of-matter or other-matter paragraphs. If my opinions are other than unmodified, I will discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or am unable to form or have not formed opinions, I may decline to express opinions or issue reports, or may withdraw from this engagement.

I will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during my audit I become aware that the City is subject to an audit requirement that is not encompassed in the terms of this engagement, I will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential, and of any material abuse that comes to my attention. My responsibility as auditor is limited to the period covered by our audit and does not extend to later periods for which I am not engaged as auditor.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. I may request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of my audit, I will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

My audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that I consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. My tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of the City's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of my audit will not be to provide an opinion on overall compliance and I will not express such an opinion in my report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

I will also assist in preparing the financial statements and related notes of the City in conformity with U.S. generally accepted accounting principles based on information provided by you. Additionally, I will assist with the GASB 68 adjustments. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. I will perform the services in accordance with applicable professional standards. The other services are limited to the above services previously defined. I, in my sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to me and for the accuracy and completeness of that information. You are also responsible for providing me with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that I may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom I determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to me in the written representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing me of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that I may report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to me corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on my current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services I provide. You will be required to acknowledge in the management representation letter my assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

I may from time to time and depending on the circumstances, use third-party service providers in serving your account. I may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, I maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, I will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that I am unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, I will remain responsible for the work provided by any such third-party service providers.

I understand that your employees will prepare all cash, accounts receivable, or other confirmations I request and will locate any documents selected by me for testing.

I will provide copies of our reports to the City at conclusion of the audit; however, management is responsible for distribution of the reports and the financial statements to any other parties such as the state of Idaho. Unless restricted by law or regulation, or containing privileged and confidential information, copies of my reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Scott Hoover CPA, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to potential regulators or their designees, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Scott Hoover, CPA. Furthermore, upon request, I may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by potential regulators. If I am aware that a federal awarding agency or auditee is contesting an audit finding, I will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

As of the date of this letter, an anticipated date of audit fieldwork and final issuance of the report has not been established. However, I will work with your staff to schedule a time at her earliest convenience. I, Scott Hoover, CPA am the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

My fee for these services will be \$20,000. This fee quote is based upon the expectation that the City will either retain a consultant with governmental accounting expertise to assist the City in getting the accounts reconciled, all required schedules prepared, and generally getting the City ready for the audit, or is able to effectively perform such tasks in-house. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with my firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If I elect to terminate my services for nonpayment, my engagement will be deemed to have been completed upon written notification of termination, even if I have not completed my report. You will be obligated to compensate me for all time expended and to reimburse me for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel, the expectation that the books and records are in good order and all accounts are reconciled, and on the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before I incur the additional costs.

I appreciate the opportunity to be of service to the City of Bonners Ferry and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know. If you agree with the terms of my engagement as described in this letter, please sign the enclosed copy and return it to me.

Very truly yours,

Scott P. Hoover, CPA

Scott Hoover, CPA, PLLC

RESPONSE:

This letter correctly sets forth the understanding of the City of Bonners Ferry.

Governance signature: _____

Title: _____

Date: _____

JOB DESCRIPTIONS

MAYOR

The Mayor of the City of Bonners Ferry is an elected position with a four year term. The mayor is the executive branch of city government. The mayor is responsible for implementing and administering law and policies adopted by the City Council as well as managing government operations of the City. Some of the duties of the Mayor include:

- Providing community leadership
- Providing a strategic vision for the City of Bonners Ferry
- Ceremonial Head of the City government
- Presides over meetings, determines the order of business, sets the agenda of City Council meetings, provides a tie-breaking vote when Council is equally divided
- Supervises employees including the hiring and firing authority of non-appointed employees
- Formulates policy recommendations for the City Council
- Makes appointments to boards, special committees, and certain positions, subject to confirmation by the City Council
- Ensuring local laws are enforced
- Acts as the signatory for contracts and other legally binding documents on behalf of the City of Bonners Ferry

CITY COUNCIL

The City Council of the City of Bonners Ferry is a four person body that acts as the legislative branch of the City. The Council seats are elected positions with staggered four year terms. The responsibilities of the Council include:

- Community leadership
- Adopting policies and procedures and assisting to execute the strategic vision for the City through policy
- Adopting local laws (ordinances), adopting zoning ordinances and land use laws, adopting the comprehensive plan
- May act as a Quasi Judicial body for certain types of decisions—rezones, conditional use permits, variances, subdivisions, platting approval, etcetera.
- Prepare and approve the annual budget of the City of Bonners Ferry
- Confirm mayoral appointments



MEMO

CITY OF BONNERS FERRY
CITY ENGINEER

Date: July 30, 2021
To: City Council
From: Mike Klaus, City Engineer
Subject: Electric Department - Moyie Dam - Generator Protective Relay (GPR) Project - Parts Purchase

Design of the GPR project at the Moyie powerhouse has started and the electrical engineer, Craig Ripplinger, is specifying a particular unit to replace the failing GE 489's that we are currently using. Staff is trying to speed up the process of purchasing the new GPR's as much as possible. After discussion with the engineer, I believe that \$15,000 would be adequate to purchase two new GPR's and the other electrical parts needed for the project.

Staff believes it would be wise to have a spare on hand, in addition to the one we would like to install right now. Staff requests authority to spend up to \$15,000 on the parts necessary to complete the installation of one new GPR and keep a spare on hand.

Please let me know if you have any questions.

Thank you,

Mike



MEMO

CITY OF BONNERS FERRY
OFFICE OF THE CITY ADMINISTRATOR

TO: Mayor and City Council
FROM: Lisa Ailport, City Administrator
DATE: July 29, 2021
RE: Acceptance of Right-of-way dedication for Garden Lane

The attached right of way dedication deed is presented to Council for acceptance. In accordance with Idaho Code, right of way that is offered for dedication shall be accepted by the jurisdiction that is presented with it. The attached right of way deed provides for the dedication and acceptance of the 20-foot strip of land between the LDS and Garden Lane. This strip of land will contain the pedestrian improvements that are part of the Garden Lane project that will start next week.

We are still waiting to receive the final approved documents back from the LDS church, which are expected any time now. However, if Council wants to make a motion to accept the dedication of Garden Lane right of way, upon receipt of the right of way deed from the LDS church we can present that final document to Council once we receive the paperwork in the mail.

Please let me know if you have any questions.

When recorded Mail to:
City of Bonners Ferry
P.O. Box 149
Bonners Ferry, Idaho 83805

Document Title: Grant of Right-of-Way Dedication and Acceptance
Grantor: CORPORATION OF PRESIDING BISHOPS OF THE CUHUCH OF JESUS CHRIST OF LATTER DAY SAINTS,
Grantee: CITY OF BONNERS FERRY
Legal Description: As described herein

PUBLIC RIGHT-OF-WAY DEDICATION DEED

The Grantor, CORPORATION OF PRESIDING BISHOPS OF THE CUHUCH OF JESUS CHRIST OF LATTER DAY SAINTS, a Utah Corporation herein after "Grantor" whose address is whose address is 50 E. North Temple Street, Salt Lake City, Utah, 84150, hereby grants unto the CITY OF BONNERS FERRY, herein after "Grantee" a municipal corporation of the State of Idaho, whose address is 7232 Main Street, Bonners Ferry, Idaho 83805 and its heirs, successors, and assigns, a public right-of-way to be used for all lawful right of way purposes, surface and subsurface, including but not limited to road right-of-way uses as well as sidewalks, plantings, right of way beautification improvements where deemed appropriate by the City, installation, operation and maintenance of utilities, stormwater and such other uses that municipalities may make of rights-of-way and easements from time to time, now or in the future, for the use and benefit of the public, over, under, upon and across the hereinafter described lands. All such uses are restricted within the right-of-way and shall not be limited in any way whatsoever by the state of being, condition or location of the street.

Grantee shall have the right to temporarily utilize such additional width as may be agreed upon by the parties, as necessary for the placing of excavated materials thereon and for initial construction and maintenance operations. Grantee agrees that it will at its own expense and to the extent reasonably practicable, restore the surface of the land to the same or better conditions than existed prior thereto.

Said lands being situated in the City of Bonners Ferry, Boundary County, State of Idaho, legally described as follows:

A tract of land in the Northeast Quarter of the Southwest Quarter (NE1/4 SW1/4) of Section Thirty-four (34), Township Sixty-two (62) North, Range One (1) East of the Boise Meridian, Boundary County, Idaho; being a portion of that property described in Instrument Numbers 120445 and 156163, records of Boundary County, Idaho and more particularly described as follows:

COMMENCING at a point on the North line of the NE1/4 SW1/4 of said Section 34 which is West 352.5 feet from the Northeast corner of the NE1/4 of the SW1/4; thence South 30.00 feet to the South right of way of Garden Lane, coincident with the Northeast corner of that property described in Instrument Number 156163, and the TRUE POINT OF BEGINNING; thence West along the south right of way of Garden Lane, 307.5 feet to the Northwest corner of that property described in Instrument Number 120445; thence South along the west line of that property described in Instrument Number 120445, 20.00 feet; thence East, parallel to the south right of way line of Garden Lane, 307.5 feet to the East line of that property described in Instrument Number 156163; thence North along the east line of Instrument Number 156163, 20.00 feet to the TRUE POINT OF BEGINNING.

IN WITNESS WHEREOF, Grantor have hereunto subscribed their names to this instrument this ____ day of _____ 20 _____

GRANTORS:

STATE OF _____)

ss.

COUNTY OF _____)

I, _____, a notary public, do hereby certify that on this ____ day of _____, 20 ____, personally appeared before me _____, who, being by me first duly sworn, declared that he/she is the [President, CEO etc] _____ of said corporation and, that he/she signed the foregoing document as the _____ [insert position held], and that the statements therein contained are true.

Notary Public for the State of _____

Residing at: _____

My Commission Expires on: _____

Acceptance of Grant of Right-of-Way (GRANTEE).

The City Council did accept said right-of-way on _____, 20 _____ and did authorize the Mayor to sign said document and staff to file the fully executed document with the County Recorder.

CITY OF BONNERS FERRY

Attest:

City Clerk

By: _____

Mayor

DATED this _____ day of _____, 20 _____