

Mayor Anderson called the regularly scheduled council meeting of May 19, 2015 to order at 7:00 p.m. Present for the meeting were Mayor Anderson, Council President Rick Alonzo, Council Members Ron Smith, Connie Wells, and Tom Mayo, Clerk Kris Larson, Police Chief Vic Watson, City Attorney Andrakay Pluid, Fire Chief Pat Warkentin, and Water/Sewer Department Supervisor Adrian Dice. Also present were Gary Olson, Eddy Invernon, Jack Douglas, George Hopkins, Marie Lozier, Peach Baker, Jerry Higgs, Kyle Watts, Adam Arthur, Jessica Tingley, Sue Ireland, Patty Perry, Darnelle Voegle, Will Newhouse, Shirley Brooks, Ruth Sutton, Doug Ladely, Sr., Kathy McPherson, Dale Simpson, Eric Lederhos, and Barbara Castellan.

Barbara Castellan told council she is working on a project providing summer activities for children at Elk Mountain Farms. It is a volunteer program with volunteer resources provided by the volunteers. They are interested, if declared surplus, to bid on the bicycles for the children.

Jerry Higgs read a letter into the record. He said after the announcement was made to hire Vic Watson as Police Lieutenant, he informed Police Chief Bob Boone about an ongoing investigation by the Attorney General into alleged corruption at Minidoka County Sheriff's Office where Vic Watson had been employed as the under-sheriff. According to Jerry this case resulted in felony judgements against the sheriff and a deputy. Chief Boone went to Rupert to investigate, and upon his return told Jerry that Vic checked out clean. Jerry said he did a google search on Vic Watson, Minidoka County, Idaho, and found that Sheriff Kevin Palmerson was convicted of misuse of public funds and sentenced to three months in jail and Deputy Alisha Daniel was convicted of falsifying time cards and sentenced to probation for two years and was fined. Jerry said Vic was the direct supervisor of Daniel. Jerry alleged that we hired a leader that had substandard leadership in his previous position. Jerry told council they should go into executive session and talk about the bungled background investigation of Mr. Watson and review former Chief Boone's status as a reserve officer. Jerry referred to the federal lawsuits filed against the city and said behavior and discipline have suffered because some officials and staff prioritize themselves above the mission of the city. Jerry encouraged the citizens to get out and vote in the upcoming city election.

Toni Hackwith presented the fiscal year 2014 audit. The reasons for an audit are that it is required by State law, and it is good for the entity and citizens to know that the financial statements are correct. City of Bonners Ferry got a clean opinion that the financial statements are correct and the internal control over financial reporting got a clean opinion. The general fund net change was an increase of \$11,873 in 2014. Toni said the operating transfers are essential to our general fund. General fund balance is the accumulation of revenue over expense since the inception of the city. The general fund balance is either assigned, unassigned, restricted, or non-spendable. Unassigned fund balance is for ordinary expenditures and assigned is for capital replacement. The grant funds are restricted DARE funds are restricted as they are for a specific purpose. Prepaid expenses are non-spendable. Fund balance is important because we do not have a consistent stream of revenue from month to month, protects the City from unnecessary borrowing, provides resources for unexpected emergencies, meet uncertainties of federal and state funding, and helps ensure future financial stability. In 2014 we had 23 percent unassigned fund balance or approximately 72 days of operations. The proprietary funds should be self-

sustaining. The water fund had a loss in 2014 but the other proprietary funds had positive net income. The electric fund net position is quite healthy. Water fund does not have much in unrestricted funds but the restricted, or assets, are quite healthy. The sewer fund is healthy but unrestricted net position decreased in 2014. Toni said we now have a component unit, the Urban Renewal Agency, and it has a separate audit but they are included in our financial statements.

Patty Perry and Sue Ireland from the Kootenai Tribe presented information to council. Patty gave a report on the Kootenai Valley Resource Initiative. She spoke of the monitoring that will be done on the TMDLs (total maximum daily loads) this year. There is a citizen monitoring group active again that monitors the temperature of the river so we have this proof when needed. The Forestry Committee is working with the Forest Service and the community. We sold 21 million board feet last year and this year we are expecting to sell 19 million board feet. The Deer Creek project will be sold next season and they are working toward resolution of some issues. Patty said there will be a meeting at the Kootenai River Inn for the river flows on May 28th.

Patti Branson and Wendy Hawks joined the meeting at 7:30 p.m.

Sue Ireland gave a presentation regarding the history of the Kootenai River and the Kootenai Valley. Libby Dam became fully operational in 1974 and provides flood control all the way to Portland, Oregon. It also provides power at cheap rates for the Columbia Basin. She said due to the dam we get altered river flows, water temperature changes, nutrient changes, altered sediment transport and deposition, losses of wetlands and flood plain connectivity, and altered hydraulics and velocity of the river. These changes put many native species at risk but the Tribe is working on the Kootenai River Habitat Restoration program and this gives hope. The focus is on dynamic river processes and ecosystem functions instead of prescriptive approach to single life stage of one species restoration actions. They are working on increasing the food sources for the fish and enhancing habitat for the fish. The area near Bonners Ferry will be worked on in 2015 and 2016. Sue gave an overview of the restoration project to date. The project is designed to hold the flow of the river and increase the food web and provide habitat for the fish. In 2011 work on the Braided Reach upstream of Bonners Ferry mitigated severe bank erosion and land loss and reduced sediment loading in the river. Side channels were constructed in 2012. Fin shaped pools were built to help with the river meander and the fish habitat. There was a substrate enhancement done in 2014 to put more rock in the river to assist the surgeon spawning process. The Bonners Ferry Islands project will be done this year on the north side of the bridge. They are hoping to increase the number of water pools and increase the vegetated floodplain. Work on the south side of the bridge will be done in 2016 called the straight reach project. Sue said they are working with the City regarding the dikes and the water intake. Rick Alonzo asked about the ownership of the island. Sue said the island belongs to the State of Idaho.

Patty Perry and Sue Ireland left the meeting at 8:00 p.m.

Jack Douglas spoke regarding the Eagles and asked permission to sell alcoholic beverages outside. Attorney Andrakay Fluid said she does not have a problem as long as the area is fenced. Council does not see a problem as long as it is fenced. The members of the Eagles left the meeting.

Patti Branson spoke regarding Kootenai River Days. They are working with Swish and the kickoff will be the 4<sup>th</sup> of July and continue on throughout the week. Many activities are planned including the parade, fireworks, PRC Rodeo, Kootenai Tribe Pow Wow, live music on Saturday night and possibly a DJ on Friday night, car show, old time farm equipment show, history walk with the Museum, arm wrestling, barbeque held by the County, and a wine walk held by Rotary. Patti submitted a commemorative coin to Mayor Anderson that he had purchased. Patti will be working with law enforcement and they are getting liability insurance. They are also planning to have a beer garden for the rodeo. The Pow Wow will be held the same time as the rodeo at the fairgrounds. Wendy and Patti left the meeting.

Police Chief Vic Watson said for the period of May 6 through May 13<sup>th</sup> there were three warrant arrests, one felony warrant arrest, one controlled substance arrest, one obstruct and resist officer, one domestic disturbance, one probation violation, one theft, one DUI, five driving without privileges, one vehicle crash, and six speeding citations. Vic said the summer traffic mobilization grant has started with the first session being for seat belts.

Will Newhouse left the meeting.

Fire Chief Pat Warkentin gave his report. There was a malicious false alarm call at Valley View. The fire department has been recertified in CPR and first aid. Many firemen attended the Health Fair and handed out information. The fire department is expecting a busy wild land fire season due to the dry conditions this year. Pat said the article on the front page of the paper regarding Station 2 will be sent to the Railroad as part of a thank you for the donation. The Seagrave reconditioning is nearly completed, it will be used in the parades.

Adrian Dice said the wall for the pool filter building has cracked and is caving in. The crews are working on this and Adrian estimates the cost to be \$2,000 for the repairs. Adrian said he has been working on the classification of the water/sewer system for Department of Environmental Quality (DEQ). He is completing the paperwork and the sewer system will be upgraded. It will not affect much except the number of certifications required. He said this is needed since we took over the outlying North Water and Sewer District and South Hill Water and Sewer District. Connie asked about the certifications required to operate the system. Adrian said the classification upgrade will require employees to have a class two certification and we have three employees that have a class two.

Connie moved to approve the consent agenda. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”. The consent agenda contained the following: roll call; approval of accounts payable and payroll; approval of April 21, 2015 and May 5, 2015 regular council meeting minutes and approval of April 24, 2015 special council meeting minutes.

The potential city code amendment concerning dogs was discussed. There was no comment from the audience so council will have it on the next meeting agenda.

Connie Wells moved to approve the special event permit for Mountain Springs Church for their anniversary celebration at the Fairgrounds on August 30, 2015. Tom Mayo seconded the

motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Rick Alonzo moved to approve the catering permit for Danielle and Michael Reasoner doing business as Mugsy’s Tavern and Grill for the Bull Bash at the Fairgrounds on June 12, 2015. Ron Smith seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Attorney Andrakay Pluid said planning and zoning (P&Z) would like to consider a zoning district change rather than just a sign ordinance for downtown. She gave the example of parking and sidewalks. She said our P&Z expert, Lisa Ailport, would like to consider all the issues rather than just signs. Andrakay said P&Z would like to look at the entire downtown district and include the signs in the review. Andrakay agrees with Lisa. Council thought that would be a good idea. Rick Alonzo moved to have P&Z proceed with the review of the downtown area for streets, parking, sidewalks, signs, etc. Ron Smith seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”.

Vic Watson said the bicycles in the city’s possession have been researched for ownership and they are abandoned. Attorney Andrakay said we can have a public auction or a sealed bid auction. Rick said the department heads thought if we did a sealed bid process that we would set a date allowing the public to view with a set date for receipt of the sealed bid. Rick moved to find the 17 bicycles abandoned and declare them surplus property and to set a sealed bid auction. Ron Smith seconded the motion. He said he would rather that we don’t keep bicycles for so long before getting rid of them. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

Tom Mayo moved to employ Samantha Schmitz, Elizabeth Newhouse, Tucker Cavender, Emma Kelly, and Emily Fredericks as lifeguards for the city pool. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

The bids for the Moyie Substation were discussed. Connie Wells moved to accept the Moyie Substation rebuild bid from Knight Construction pending legal review. Tom Mayo seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”. (Clerk’s note: the base bid amount was \$804,351.00).

Sick leave was discussed. Rick Alonzo said the maximum sick leave accrual is 480 hours. He said we are trying to keep people honest by allowing an incentive for unused sick time. The suggestion is to compensate an employees that has reached the maximum accrual for 25 percent of the annual sick leave accrual not used. Connie would like to look at the budget before a decision is made. The council agreed.

Adrian Dice spoke to council about restructuring the water/sewer department. He said the positions are fitted to the personalities of the people working there. Doug Ladely is the water plant operator, Alan Branson is the outside foreman, and John Delaney is classified as maintenance/laborer like he was when he was hired. He said John is a productive employee and

is pretty much running the sewer plant for the city. John has a treatment level two. If we go to a Pall filter a level two will be required. Adrian has worked to cut the overtime down to about ten hours per pay period from 80 to 100 hours previously. He would like to acknowledge and compensate John for the job he is doing. He points out situations before problems arise. Adrian is recommending a ten percent increase at the foreman level, similar to what Alan and Doug have, and call Doug the plant specialist, Alan would be the outside specialist, and John would be the sewer lagoon specialist. Mayor Anderson said he is in favor of this and would like to see it. Connie is concerned about having too many chiefs as we will have four people who are foremen and only two employees that are laborers. She said it is commendable that the overtime is down but if we keep giving more raises she is concerned about the revenue flow. Ron asked if we are eliminating other departments within the city to have a framework for increases. He said he thought we took care of the discrepancies last year and wants to make sure we are being fair and not eliminating others for a raise. Adrian said most of the outside departments work as a team and they have the framework of the supervisor and then the team that goes out to work. The water/sewer department works more individually. Rick said the street department and water department have the framework for increases. Mayor Anderson said he understands Connie's concerns but there is also the upside to having the water plant operator and a sewer plant operator. Tom said many of Adrian's employees are also workers for different situations. He thinks this is well deserved and said the Superintendent has cut the overtime down and he wants to support Adrian in his suggestion and trusts his judgment. Ron said we need to consider the budget for this increase. Overtime was 80 to 100 hours per pay period and that has reduced to 10 hours per pay period. Rick said these people will be titled specialists rather than foremen. He said John has a level two and our plant may be classified as a level two. Rick thinks John is dedicated and hard working. Rick Alonzo moved to change John Delaney's designation to specialist with a ten percent increase in pay. Ron Smith seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “no”, Tom Mayo “yes”.

The license appeal for Adrian's class three licensing is still being looked at. He said we don't have that much wiggle room with the treatment license. Tom asked when Adrian will have his license. Adrian said September 16, 2015 is the next time he can take the exam. Rick said we hired Adrian with his certifications from California and he is still doing the same job and he has not falsified anything so we should let this go. (Clerk's note: they were discussing reducing Adrian's wages due to the California licenses note being approved by Idaho).

Tom Mayo moved to authorize the Mayor to sign the fiber optic lease cancelation agreement with Education Networks of America. Connie Wells seconded the motion. The motion passed – Ron Smith “yes”, Rick Alonzo “yes”, Connie Wells “yes”, Tom Mayo “yes”.

No council people will be attending the AIC Conference this year.

The meeting adjourned at 8:55 p.m.

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David K. Anderson, Mayo

Attest:

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Kris Larson, City Clerk