

MINUTES OF A REGULAR MEETING OF THE CITY
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,
HELD AT THE LIBRARY COMMUNITY ROOM

April 5, 2016

The Mayor and Council of the City of Coeur d'Alene met in a regular session of said Council at the Coeur d'Alene City Library Community Room April 5, 2016 at 5:15 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

Loren Ron Edinger)	Members of Council Present
Dan Gookin)	
Kiki Miller)	
Woody McEvers)	
Amy Evans)	
Dan English)	

CALL TO ORDER: Mayor Widmyer called the meeting to order.

MOTION: Motion by Gookin, seconded by Edinger to enter into Executive Session as provided by Idaho Code 74-206 Section (f) to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated.

ROLL CALL: McEvers Aye; Edinger Aye; Gookin Aye; Evans Aye; English Aye; Miller Aye.
Motion carried.

The City Council entered into Executive Session at 5:16 p.m. Those present were the Mayor, City Council, City Administrator, Finance Director, City Attorney, and Deputy City Attorney. Council returned to regular session at 6:05 p.m.

PLEDGE OF ALLEGIANCE: Councilmember McEvers led the pledge of allegiance.

AMENDMENT TO THE AGENDA – Motion by Gookin seconded by Miller to amend the agenda to add an “Other Business” item of discussion of the Coeur d'Alene solid waste and single stream recycling RFP process.

ROLL CALL: Evans Aye; English Aye; Edinger Aye; Miller Aye; McEvers Aye; Gookin Aye.
Motion Carried.

FISCAL YEAR 2014-2015 AUDIT PRESENTATION: Finance Director Troy Tymesen thanked Toni Hackwith and Vonnie Jensen for their work on this audit. Ms. Hackwith, with Anderson Bros. CPA's, P.A. presented the Fiscal Year 2014-2015 Audit. She reiterated that Idaho Code requires a financial statement audit annually. There are three independent reports issued by the auditors, all of which received an "unmodified opinion" due to the great accounting systems and accomplished staff. An "unmodified opinion" means that all the financial statements are present, in all material respects, in accordance with the accounting principles generally accepted in the United States. Highlights included implementation of pension reporting (in accordance to GASB 68); issuance of a \$6 Million General Obligation Bond; issuance of \$8.6 Million in Sewer Revenue bonds; a fund balance of \$7.6 Million (21% of the amended 2015 General Fund expenditure budget); revenues in excess of anticipated; and expenditures less than anticipated. Proprietary Funds increased the City's net position by approximately \$2 Million, had net operating income, and net positive operating cash flows. Ms. Hackwith reviewed five year's of revenues and expenditures and General Fund unassigned balance trends. She reminded the Council that the fund balance is important because it protects against inconsistent month-to-month revenue streams, unnecessary borrowing, it is a resource for unexpected emergencies, and ensures a credit rating that qualifies the City for lower interest rates. The Government Finance Officers Association recommends at a minimum that governments maintain an unassigned fund balance benchmark of no less than 5-15 percent of their regular general fund operating revenues or no less than one to two months of regular General Fund operating expenditures. She also reviewed the five-year comparison of the Water and Wastewater Funds operating revenues and expenses.

DISCUSSION: Mayor Widmyer asked if there would be a point during the life of the Firefighter Retirement Fund pension plan when nobody remains on the plan that the asset would revert to the City. Ms. Hackwith thought that it would revert to the City; if it ever happened, and clarified that should be a question for PERSI and legal counsel. The Mayor clarified that the net pension liability would decrease over time. Ms. Hackwith clarified that the General Fund revenue and expenditure chart does not include the transfer of money from other funds and reiterated that the General Fund unassigned/discretionary funds have been increasing. Councilmember Edinger noted that the report reflects that overall the City is in good shape. Ms. Hackwith confirmed that was the case.

MOTION: Motion by Edinger, seconded by English to accept the audit and direct staff to file a copy with the legislative services office in Boise as per Idaho cod 67-450B. **Motion carried.**

CONSENT CALENDAR: **Motion** by McEvers, second by Gookin, to approve the consent calendar.

1. Approval of Council Minutes for March 15, 2016 Council Meeting.
2. Approval of Bills as Submitted.
3. Approval of Public Works Committee Minutes for the March 21, 2016 Meeting.
4. Setting of General Services and Public Works Committees meetings for April 11, 2016 at 12:00 noon and 4:00 p.m. respectively.
5. Approval of a Cemetery lot transfer from Irene Jordan to Leonard A. and Patricia A. Benes, Lots 07, and 08, Block 37, Section B of Forest Cemetery

6. Approval of a Beer/Wine License to Bad Dad Corporation dba The Bluebird – A Midtown Eatery, 816 N. 4th Street (transfer from Bojacks); Autumn and Viljo Basso
7. **Resolution No. 16-017** - A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING THE BELOW MENTIONED CONTRACTS AND OTHER ACTIONS OF THE CITY OF COEUR D'ALENE INCLUDING APPROVAL OF SS-3-15, COOPER'S CORNER SUBDIVISION: FINAL PLAT, SUBDIVISION AGREEMENT, AND SECURITY; APPROVAL OF AN AGREEMENT AND BID AWARD TO INTERSTATE ASPHALT & CONCRETE, CO. FOR THE 2016 OVERLAY PROJECT; DECLARE THE SOLE SOURCE PROCUREMENT OF ADVANCED WASTEWATER TREATMENT FACILITY (AWTF) TREATMENT PHASE 2 MEMBRANE FILTRATION EQUIPMENT, DIRECT THE PUBLICATION OF NOTICE OF A SOLE SOURCE PROCUREMENT AT LEAST 14 CALENDAR DAYS PRIOR TO THE AWARD OF THE CONTRACT, AND AUTHORIZE STAFF TO NEGOTIATE A PURCHASE AGREEMENT WITH GE WATER & PROCESS TECHNOLOGIES, INC.; APPROVAL OF A MEMORANDUM OF UNDERSTANDING WITH KOOTENAI COUNTY FOR USE OF THE BLACKWELL ISLAND MARINA FOR MOORAGE OF THE FIRE BOAT; AND APPROVAL OF A SIX-MONTH LEASE EXTENSION WITH COMMERCIAL PROPERTY MANAGEMENT FOR 816 SHERMAN AVENUE FOR THE LEGAL – CRIMINAL OFFICE

ROLL CALL: Evans Aye; English Aye; Edinger Aye; Miller Aye; McEvers Aye; Gookin Aye.
Motion Carried.

PUBLIC COMMENTS:

Karen Lawson, Coeur d'Alene, lives within the Fort Grounds directly across from the City Park and Memorial Field. She has lived there since 2003 and has been seeking assistance to mitigate the noise pollution created by the Memorial Field speaker system at during the NIC Softball games for many of those years. The DJ provided by NIC announces the game and plays music throughout over the amplified sound system, which is erratic and usually in violation of the city regulations. March 26, 2016 she arrived at home to find a game in progress with sound carrying to her backyard and throughout the inside of her home. She directly asked the DJ to turn down the sound and he refused the request. He told her she had other avenues to pursue the complaint. She believes there should be some modification to the Memorial Field sound system or removal of the system, as it is an unnecessary volume. She asked the City to create a policy holding the DJ accountable. She noted that the noise from the softball game is acceptable; it is the amplified sound that is problematic. Mayor Widmyer noted that the City would follow up with the College.

MAYOR AND COUNCIL COMMENTS:

Councilmember Miller reminded the community that the Safe Passages breakfast is Thursday, April 7, 2016 at 7:30 a.m.

APPOINTMENTS: MOTION: Motion by Edinger, seconded by McEvers to approve the appointment of Russell Hersrud to the Pedestrian & Bicycle Advisory Committee and Christie Wood to the Parks and Recreation Commission. **Motion carried**

**Council Bill No. 16-1005
ORDINANCE 3533**

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING CHAPTER 2.68 CIVIL SERVICE COMMISSION BY ESTABLISHING STAGGERED TERMS FOR COMMISSIONERS, DELETING REQUIREMENTS RELATED TO COMMISSIONERS' POLITICAL AFFILIATION, PROVIDING THAT EXAMINATIONS SHALL BE SET BY THE FIRE CHIEF OR DESIGNEE INSTEAD OF THE COMMISSION, PROVIDING FOR DISCIPLINE PURSUANT TO THE PROGRESSIVE DISCIPLINE POLICY, AND ESTABLISHING THAT REPORTS OF THE COMMISSION TO COUNCIL SHALL BE AS REQUIRED BY COUNCIL; PROVIDING REPEAL OF CONFLICTING ORDINANCES; PROVIDING SEVERABILITY; PROVIDING THE PUBLICATION OF A SUMMARY AND PROVIDING AN EFFECTIVE DATE.

STAFF REPORT: Human Resource Director Melissa Tosi explained that the proposed Civil Service Rule amendments have been in process for many years and is only applicable to the Fire Department staff. The Fire Chief, the Coeur d'Alene Fire Department Local 710 President, and the Civil Service Commission are in agreement with the proposed amendments. The general purpose of the Civil Service Rules is to provide information and standards for the Coeur d'Alene Fire Department Local 710 by assuring all persons in the classified service receive fair and impartial treatment. The current amendments will bring the rules up to date regarding all aspects of the application and recruitment process, hiring, promotions, and discipline.

DISCUSSION: Councilmember Gookin noted that the City has separate Personnel Rules and asked for clarity regarding the purpose of Civil Service Rules. Ms. Tosi noted that the Civil Service Rules are traditional with a Union, and that the City was able to blend the Police into Personnel Rules. She explained that the City has talked about moving Fire over to Personnel Rules but it has not been agreed upon through negotiations. She explained that there is quite a bit of overlap in the rules; however, there are several items within the Civil Service rules specific to the Fire Department regarding promotional testing, disciplinary action, and recruitment and testing. Ms. Tosi noted that the main role of the Civil Service Commission is to handle grievances, not recruitments and tests. Deputy Chief Grief explained that the Fire Union likes the Civil Service Rules. Last year there were legislative attempts to repeal collective bargaining throughout the state and this document provided security and gave the Union a voice in the processes. Bob Shovald, Union Vice President, explained that one of the things that the Civil Service Commission provides is an outside perspective from the City as they are not employees of the City. Deputy Chief Grief explained that many Civil Service Commissions are going away with the creation of Human Resource Departments, but they still see value in updating it and practicing what is in the Civil Service Rules.

MOTION: Motion by McEvers, seconded by Edinger, to pass the first reading of **Council Bill No. 16-1005**.

ROLL CALL: English Aye; Edinger Aye; Miller Aye; McEvers Aye; Gookin Aye; Evans Aye.
Motion Carried.

MOTION: Motion by Edinger, seconded by McEvers, to suspend the rules and to adopt **Council Bill 16-1005** by its having had one reading by title only.

ROLL CALL: English Aye; Edinger Aye; Miller Aye; McEvers Aye; Gookin Aye; Evans Aye.
Motion Carried.

RESOLUTION NO. 16-018

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO APPROVING AMENDMENTS TO THE COEUR D'ALENE CIVIL SERVICE RULES.

MOTION: Motion by McEvers, seconded by Evans to approve **Resolution No. 16-018**; approving amendments to the Coeur d'Alene Civil Service Rules.

ROLL CALL: Edinger Aye; Miller Aye; McEvers Aye; Gookin Aye; Evans Aye; English Aye.
Motion Carried.

RESOLUTION NO. 16-019

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING AN AGREEMENT WITH NATIONAL NATIVE AMERICAN CONSTRUCTION, INC., DBA NNAC, INC., FOR THE AWARD OF THE CONTRACT FOR THE FIRE STATION NO. 4 PROJECT.

STAFF REPORT: Fire Chief Gabriel requested that the Council accept the lowest responsive bid for the Fire Station No. 4 project at \$1,274,500 with National Native American Construction. He explained that Station 4 has become a need due to the increase in call volume created by population growth, as well as, the City's growth in the Northwest quadrant. The Fire Department's goal is to respond to an emergency in less than four (4) minutes, ninety (90) percent of the time. Currently, they have experienced response times exceeding ten (10) minutes. The Fire Department identified the need for the additional coverage years ago and has consulted with the Idaho Survey and Rating Bureau on the optimal site for the station. He noted that construction costs have changed significantly over that last 15 years, at which time the construction cost including architect fees, civil engineering, special inspections and a contingency was \$136.00 per square foot. Currently, the cost for just the construction of the building with the low bidder is \$182.00 per square foot and when architect fees, civil engineering, special inspections and a contingency are included it is \$211.00 per square foot. Therefore, the bids came in over budget. However, the proposed plan for paying the \$74,500 difference in the budget will be to open the station later than its anticipated October 1 date. It is

unlikely the building will be completed by that date, which will provide savings through budgeted personnel costs. Chief Gabriel explained that every effort was made to reduce the cost of the station while still maintaining its function and its value as a long-term asset. Changes included a reduction of the footprint of the station by 1,000 square feet. The Building plans for Station #3 were used for this building, which was an immediate savings of \$20,000. Additional changes included the elimination of the public restrooms, elimination of the second story storage area, and a simplified more economical roof system. It is unlikely the building will be completed by that date, which will provide savings through budgeted personnel costs. The projected date for opening the station is November.

MOTION: Motion by Evans, seconded by McEvers to approve **Resolution No. 16-019;** approving an Agreement with National Native American Construction, Inc. DBA NNAC, Inc. for the Fire Station No. 4 Project.

DISCUSSION: Councilmember Miller noted that the dates within the draft Contract are not consistent with the November completion. Chief Gabriel explained that the City does not have a signed Contract and he will review the dates. Councilmember Miller noted that the City will be utilizing an in-house project management team and asked for more information regarding how it will work. Chief Gabriel explained that he, Deputy Chief Washko, Howard Gould, and Cory Trapp would be the project management team. Councilmember Miller reiterated the importance of having a close oversight over this already tight budgeted project.

ROLL CALL: Miller Aye; McEvers Aye; Gookin Aye; Evans Aye; English Aye; Edinger Aye.
Motion Carried.

DISCUSSION REGARDING THE COEUR D'ALENE SOLID WASTE AND SINGLE STREAM RECYCLING RFP (REQUEST FOR PROPOSALS) PROCESS.

STAFF REPORT: Mr. Tymesen reviewed the timeline of the request for proposals (RFP) for solid waste services and noted that three bids were received. Included in the submittals were 29 expense categories called out in the bid specifications. The lowest responsive bidder was determined on the base bid; alternates included the City purchasing of carts and containers, every other week garbage service, every week recycling service, and glass recycling. The Contract will need Council approval after staff finalizes negotiations with the low bidder. Mr. Tymesen hopes to bring the Contract forward to the next General Service Committee meeting, then on to Council for final approval.

DISCUSSION: Councilmember McEvers asked if the low bid allows the City to charge the citizens less each month. Mr. Tymesen noted that it would not at this time; however, it could allow the City to stall increases going forward. He thought that some commercial rates might increase. Councilmember Gookin asked how glass recycling fits into the proposals. Mr. Tymesen explained that the bidders each had different ways in which to deal with glass recycling. One response included glass into single stream, another proposed a depot concept and the third noted having glass separated at a high price per month. He explained that he deduced that the cost to recycle glass can be expensive, and that there is not a good option to reuse the glass and it would likely end up in a landfill. He noted that any Google search conducted today

would find recycle centers going away, as commodity prices are so low. Additionally when glass is added to the stream, it lowers the quality of the commodity. The City of Boise used to include glass with its curbside recycling as an option for customers at a cost of \$10.00 a month, which is not popular. Boise worked hard to partner with an entity that uses the glass for an abrasive in cleaning metals, they have now moved to the depot system. A collaborative effort would be needed for the City to make glass-recycling work. In the proposal request, the City gave recyclables to the hauler to determine their proposed solutions. Additionally, commodities are currently valued very low. Kootenai County was informed that the City removes 2,300 tons out of the waste stream through recycling; however, the County felt that recycling is not theirs to manage. Mr. Tymesen noted that the bids demonstrate that glass is not good in a single stream recycling system. If glass is mixed into single stream, the City will receive no rebate from Kootenai County. The hauler will be going after the rebate to help offset the cost of the recycling service. He noted that one of the points being negotiated in the Contract is what happens if commodity prices go up and if the City will share in the upside of recycling.

Councilmember Gookin asked if the City moves forward with the award of the Contract what happens to glass within Contract. Mr. Tymesen explained that he will come back with the Contract and will provide the rate information and options at that time. He clarified that the rebate option is not currently approved by the County, as the Commissioners are still working on the request. However, it is clear that if glass goes into recycling the rebate goes away, and that would affect the final Contract with the hauler. Councilmember Evans asked for clarity on how to answer the question “Why is the City not recycling glass.” Mr. Tymesen explained that the City could recycle glass if it found an outlet for the glass that would make sense. The goal is to analyze what could be done within the Contract to cover those options; unfortunately, he does not currently know where glass recycling could be used that makes sense. Presently, it would make no difference if it were in a pit versus within the garbage. Councilmember Miller expressed the importance of sharing this information with the community, as it is a difficult commodity. She asked if the negotiated contract will include the glass options and if it will come back to Council before it is signed. Mr. Tymesen confirmed it would come before the Council, and his hope is that it would be at the meeting of April 19, 2016. Additionally, he confirmed that the bidders received the addendums. Councilmember McEvers asked for clarity regarding the importance of glass and why including it would mean the rebate goes away. Mr. Tymesen explained that the City is concerned because constituents requested the City look into the option of including it in the recycling. He said that he had hoped to get it done with a partnership with the County, as in the past they oversaw the solid waste process. This is the City’s opportunity to directly enter into an agreement with a hauler and look at the cost of including glass recycling. The fee to include glass would be \$10.00 due to the price of the commodity, and to clarify it is not recycled rather hauled somewhere else. The community should know that the recyclables are being recycled, not just added to the Fighting Creek landfill. He reiterated that commodity prices are falling and some recycling plants are closing down, so it is difficult to recommend the inclusion of glass when there is no outlet for the commodity. Councilmember English clarified that the lowest bid price would allow for the average customer cost to stay the same for a medium size cart and it would cost an additional \$10.00 a month to include glass. Mr. Tymesen noted that the Boise program was an opt in, but for the City of Coeur d’Alene it would potentially just go into the landfill so it should stay with the garbage stream. Councilmember Edinger asked if the City is obligated to take the low bid. City Attorney

Mike Gridley clarified that the RFP clearly states that the City has an option to reject all bids if Council felt that the bids received did not reflect the intent or desire of the Council. Councilmember Evans noted that the community cares deeply about recycling, noted that in the RFP there were service standards, and wondered how standards would be monitored. Mr. Tymesen explained that monitoring would be through direct communication and noted that all of the companies submitting bids were rated high in that area.

Mr. Tymesen explained that in order to find out what the cost of recycling glass would be he included it as an alternate. Including the glass recycling into the base bid would not allow him to be able to tell what the glass portion was doing to the price. Councilmember Gookin expressed concern that glass recycling does not make sense, if it is going to end up in the landfill and is not fiscally responsible to the citizens. Mr. Tymesen noted that the current contract expires on July 1, 2016 and the low bidder will need to acquire approximately \$3 Million in equipment and a transition plan needs to be established.

(LEGISLATIVE HEARING); COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PLAN YEAR 2016 ANNUAL ACTION PLAN.

STAFF REPORT: Sherri Wastweet, Grant Administrator with PAC, explained that the hearing is required by HUD for the purpose to seek public input. The public comment period for this Action Plan was held for thirty days between March 4, 2016 and April 5, 2016. A public workshop was held March 24, 2016. One public comment was received from the Lake City Center requesting annual allocations between \$3,000 and \$5,000 toward the Meals on Wheels program. The proposed budget for Plan Year 2016 includes the following: \$14,600 for Sidewalk accessibility/repairs; \$50,000 for Emergency Minor Home Repairs; \$190,160 for a community grant to St. Vincent de Paul; and \$55,921 for Administration of the grant.

DISCUSSION: Councilmember English noted that he attended the public forum and works for a nonprofit that has taken funds previously and may apply in future years. He clarified that he currently does not have a legal conflict, but wanted to disclose his connection to Habitat for Humanity.

Mayor Widmyer called for public comments with none being received.

MOTION: Motion by Gookin, seconded by Edinger to approve the Community Block Grant Plan Year 2016 Annual Action Plan. **Motion carried.**

MOTION: Motion by Gookin, seconded by McEvers to enter into Executive Session as provided by Idaho Code 74-206 Section (f) to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated.

ROLL CALL: McEvers Aye; Edinger Aye; Gookin Aye; Evans Aye; Adams Aye; Miller Aye. **Motion carried.**

The City Council entered into Executive Session at 7:46 p.m. Those present were the Mayor,

City Council, City Administrator, Finance Director, and City Attorney. Council returned to regular session at 8:00 p.m.

ADJOURN: Motion by Miller, seconded by English that there being no other business this meeting be adjourned. **Motion carried.**

The meeting adjourned at 8:01 p.m.

ATTEST:

Steve Widmyer, Mayor

Renata McLeod, CMC, City Clerk