

**MINUTES OF A REGULAR MEETING OF THE CITY
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,
HELD AT COEUR D'ALENE CITY HALL,
MARCH 16, 2004**

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 Hall, March 16, 2004 at 6:00 p.m., there being present upon roll call the following members:

Sandi Bloem, Mayor

Loren Edinger)	Members of Council Present
Dixie Reid)	
Al Hassell)	
Deanna Goodlander)	
Ben Wolfinger)	
Woody McEvers)	

CALL TO ORDER: The meeting was called to order by Mayor Bloem.

INVOCATION was led by Pastor Paul Peabody from Grace Bible Church.

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

PRESENTATION – CITIZEN APPRECIATION AWARDS: Police Chief Wendy Carpenter presented Stanley Benson a Citizen Appreciation Award on behalf of the Police Department for his efforts in assisting with a fugitive from justice. Officer Mark Knapp presented Michael Harrison with a Citizen Appreciation Award for his efforts in stopping a criminal that was fleeing from the Police.

PRESENTATION - WATER DEPARTMENT ANNUAL REPORT: Water Superintendent, Jim Markley, reviewed the activities of the Water Department for the past year. He introduced the employees of the Water Department. He announced that this year the Department is initiating a backflow prevention program. Other activities of the department include hydrant painting and flushing and the replacement of submersible motors. The Water Department pumped 3.5 billion gallons of water in 2003 and the system has 13,500 accounts. The system grew by 8.8 miles last year and .09 miles of undersized galvanized pipe were replaced. The city is currently drilling two new wells, one on Annie Avenue and the other is located in the Landings subdivision. It is expected that these two new wells will keep up with growth for the next five years. Installation of new mains was constructed with one main being laid from the Industrial Park up to Prairie Avenue. Upcoming challenges include water quality testing and a vulnerability assessment, which will need to be completed by June of this year, conversion to a radio read system for water meters. Future projects include wells and reservoirs, a rate study and conservation measures. He announced that the City's Water Department was featured in an article in the Dec. 2003 American Water Works Association Journal showing the cleanliness of our city's well systems.

WATER DEPT. OFFICE BUILDING: Motion by Reid, seconded by Edinger to bring this item off of the Consent Calendar. Motion carried. Motion by Reid, seconded by Goodlander to authorize staff to advertise for bids for the Water Department Office Building. ROLL CALL: Hassell, Aye; McEvers, Aye; Reid, Aye; Goodlander, Aye; Edinger, Aye; Wolfinger, Aye. Motion carried. Council President Reid read a letter from Stephen Tanner thanking Ryan Malloy for doing a presentation at the DEQ's annual drinking water workshop.

PUBLIC COMMENTS:

CITY THANKED BY DOWNTOWN ASSOCIATION: Terry Cooper, on behalf of the Downtown Association, expressed their appreciation of City staff for their assistance in helping the Downtown Association become more organized as an association.

RESOLUTION 04-042

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING AN AGREEMENT FOR SERVICES WITH THE COEUR D'ALENE DOWNTOWN ASSOCIATION, INC., ITS PRINCIPAL PLACE OF BUSINESS AT 408 SHERMAN AVENUE, SUITE 318, COEUR D'ALENE, IDAHO 83814.

Motion by McEvers, seconded by Reid to bring this item forward on the agenda. Motion carried.

Motion by Reid, seconded by Edinger to adopt Resolution 04-042.

ROLL CALL: Goodlander, Aye; McEvers, Aye; Hassell, Aye; Wolfinger, Aye; Reid, Aye; Edinger, Aye. Motion carried.

CONSENT CALENDAR: Motion by Reid, seconded by Wolfinger to approve the Consent Calendar as presented.

1. Approval of minutes for March 2, 2004.
2. The Public Works Committee and General Services Committee meetings are scheduled for March 22, 2004 at 4:00 p.m.
3. RESOLUTION 04-039: 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 AWARD OF BID AND APPROVAL OF A CONTRACT WITH LEONE & KEEBLE, INC. FOR THE CONSTRUCTION OF THE ANNIE AND LANDINGS WELL PUMP HOUSES; APPROVAL OF S-6-03 ACCEPTANCE OF PUBLIC IMPROVEMENTS AND MAINTENANCE/WARRANTY AGREEMENT FOR BOLIVAR ADDITION, PHASE 1; APPROVAL OF WAIVER OF PROTEST TO ANNEXATION AGREEMENT WITH RONALD AND JUANITA LOVLIN FOR 1196 W. LAKEVIEW HEIGHTS DRIVE; AWARD OF BID TO LAKE CITY FORD FOR A 1 ½-TON FLATBED TRUCK IN THE AMOUNT OF \$26,874.38 AND AWARD OF BID TO ROBIDEAUX MOTORS FOR A ½-TON, 2-WHEEL DRIVE PICKUP TRUCK IN THE AMOUNT OF \$15,559.90 AND APPROVAL OF AN AGREEMENT WITH KOOTENAI COUNTY ACKNOWLEDGING THE COUNTY SHALL BE RESPONSIBLE FOR CONTRACTING WITH A PUBLIC TRANSPORTATION SERVICE PROVIDER, PROVIDING FOR

TRANSPORTATION PLANNING AND ADMINISTRATION AND FOR THE DISTRIBUTION OF THE SECTION 5307 GRANT MONIES.

4. Setting of public hearing for ZC-1-04 – Zone Change at SW corner of 4th and Neider for April 20, 2004.
5. Approval of beer/wine license for Price Rite.
6. Approval of cemetery lot repurchase from Myrtle Williams.
7. Acceptance of parking/lease agreement between Connoisseur's Restaurant and the Blackwell House.
8. Approval of bills as submitted and on file in the City Clerk's Office.
9. Setting of public hearing for appeal of denial of beer/wine license renewal for Cheers Sports Bar and Grill for April 6, 2004.

ROLL CALL: Hassell, Aye; McEvers, Aye; Reid, Aye; Goodlander, Aye; Edinger, Aye; Wolfinger, Aye. Motion carried.

RESOLUTION 04-041

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING AN AGREEMENT FOR CONSTRUCTION OF A PORTABLE RESTROOM SHELTER AT THE THIRD STREET BOAT LAUNCH AREA, WITH GINNO CONSTRUCTION ITS PRINCIPAL PLACE OF BUSINESS AT 106 E. POPLAR AVENUE, COEUR D'ALENE, IDAHO 83814.

Motion by Hassell, seconded by McEvers to bring this item forward on the agenda. Motion carried

Motion by Hassell, seconded by Wolfinger to adopt Resolution 04-041.

ROLL CALL: Goodlander, Aye; McEvers, Aye; Hassell, Aye; Wolfinger, Aye; Reid, Aye; Edinger, Aye. Motion carried.

PUBLIC HEARING – LID 148 – FINAL ASSESSMENT ROLL FOR FRUITLAND LANE IMPROVEMENTS: Mayor Bloem read the rules of order for this public hearing. Project Manager, Dick Suchocki, gave the staff report.

Mr. Suchocki reported that improvements consisted of sewer line installation, water main installation and new fire hydrants on Fruitland and Lauf Lane. The cost for mains, hydrants and street improvements were paid for by three City Departments. The LID finances sewer laterals, a portion of the sewer main and sewer cap fees. Original estimated cost was \$302,271.00. Final Cost was \$264,344.00.

PUBLIC COMMENTS: Mayor Bloem called for public comments with none being received.

ORDINANCE NO. 3165

AN ORDINANCE OF THE CITY OF COEUR D'ALENE, OF KOOTENAI COUNTY, IDAHO, APPROVING AND CONFIRMING THE ASSESSMENT ROLL OF ITS LOCAL IMPROVEMENT DISTRICT NO. 148 FOR THE CONSTRUCTION AND INSTALLATION OF CERTAIN STREET AND WATER AND SEWER SYSTEM IMPROVEMENTS WITHIN THE LIMITS OF LOCAL IMPROVEMENT DISTRICT NO. 148; PROVIDING FOR ASSESSMENTS AND FOR THE ISSUANCE OF BONDS OR OTHER DEBT OBLIGATION; CREATING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR CERTAIN CONVENANTS WITH REGARD THERETO; PROVIDING FOR THE APPEAL PROCEDURE; PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

Motion by Edinger, seconded by Reid to pass the first reading of Ordinance No. 3165

ROLL CALL: Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Wolfinger, Aye; McEvers, Aye. Motion carried.

Motion by Goodlander, seconded by Wolfinger to suspend the rules and to adopt Ordinance No. 3165 by its having had one reading by title only.

ROLL CALL: Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Wolfinger, Aye; McEvers, Aye. Motion carried.

SUMMARY OF ORDINANCE NO. 3165: Motion by Goodlander, seconded by Wolfinger to approve the Summary of Ordinance No. 3165 for publication purposes. ROLL CALL: Reid, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Wolfinger, Aye; McEvers, Aye. Motion carried.

PUBLIC HEARING – CAPITAL IMPROVEMENT PLAN: Mayor Bloem read the rules of order for this public hearing. Renata McLeod, Project Coordinator, gave the staff report.

Mrs. McLeod reviewed the history of the creation of the City's Capital Improvement Plan and Impact Fees. She presented Resolution 04-040, which sets forth the Capital Improvement Plan (CIP) for Police, Parks, Fire and Circulations. She noted that updating the CIP is the first step in amending the Impact Fee Ordinance, which will allow the City to collect appropriate fees to assist with the cost of growth. Further, the CIP is the guiding factor used to calculate the costs contained in the newly proposed impact fee schedule.

PUBLIC COMMENTS: Joan Gundlach, 402 S. 16th, wanted to know if new annexations affect this plan. She was informed that the plan is not based annexations.

RESOLUTION 04-040

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO APPROVING CAPITAL IMPROVEMENT PLANS FOR PARKS, POLICE, FIRE AND CIRCULATION.

Motion by Reid, seconded by Wolfinger to adopt Resolution 04-040.

ROLL CALL: Goodlander, Aye; Wolfinger, Aye; Hassell, Aye; McEvers, Aye; Reid, Aye; Edinger, Aye. Motion carried.

PUBLIC HEARING – IMPACT FEES PLAN: Mayor Bloem read the rules of order for this public hearing. Renata McLeod, Project Coordinator, gave the staff report.

Mrs. McLeod stated that on December 31, 2002 the City Council authorized a professional services agreement with Hofman Planning Associates to conduct an update to the original 1996 impact fee report. Their report was reviewed by staff and presented to various groups in the City. She noted that taking under consideration some of the feedback from these organizations, staff is recommending an implementation date of June 1, 2004. This provides the building community with approximately six months notification (from the date the report was presented to the groups) to fulfill bids and quotes that are outstanding and to be able to begin utilizing the new fee structure for future bids and quotes.

PUBLIC COMMENTS: Tom Torgerson, 4808 Fernan Hill Road, speaking on behalf of the Board of Realtors, officially took a neutral position, but urged the City to find additional sources of revenues from grants and sales tax instead of impact fees. He also requested the City look at the costs proposed for parkland and suggested looking at reducing those figures. He also supports the idea of an annual review and public reporting process for impact fees.

ORDINANCE NO. 3166

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AS FOLLOWS: MUNICIPAL CODE SECTION 14.01.020, ENTITLED "DEFINITIONS" TO INCLUDE A DEFINITION FOR ADDENDUM A, REPORT, AND TO DELETE THE DATE REFERENCE IN THE DEFINITION OF DEVELOPMENT SUBAREAS MAP/SERVICE AREA MAP/QUADRANT MAP; AMENDING MUNICIPAL CODE SECTION 14.04.010, ENTITLED "GENERAL METHODOLOGY FOR CALCULATION:" TO DELETE THE DATE REFERENCE TO THE CODE; AND REPEAL SECTION 14.13.010 ENTITLED "ADDENDUM A:" AS IT IS REFERENCED UNDER DEFINITIONS; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE HEREOF.

Motion by Edinger, seconded by Reid to pass the first reading of Ordinance No. 3166.

ROLL CALL: Edinger, Aye; Hassell, Aye; Goodlander, No; Wolfinger, Aye; McEvers, Aye; Reid, Aye. Motion carried.

Motion by Edinger, seconded by Wolfinger to suspend the rules and to adopt Ordinance No. 3166 by its having had one reading by title only.

ROLL CALL: Edinger, Aye; Hassell, Aye; Goodlander, Aye; Wolfinger, Aye; McEvers, Aye; Reid, Aye. Motion carried.

PUBLIC HEARING – A-1-04 – ANNEXATION AND ZONING OF COEUR D'ALENE RESORT'S GOLF COURSE AND ADJOINING PROPERTY: Mayor Bloem read the

rules of order for this public hearing. No Council member declared a conflict of interest. Mayor Bloem noted that she had been contacted by the applicant to clarify that no decision by the Council has been made on this matter prior this hearing. Mayor and Council have also had discussion with staff regarding the process of this public hearing. Council Edinger noted he had talked with Peter Cooper. Councilman Goodlander noted that she had made no decision on this item and she has had conversations with various citizens on this item. Councilman McEvers, Wolfinger, Hassell and Reid have all received several calls from citizens regarding this item. Associate Planner, John Stamsos, gave the staff report.

Mr. Stamsos gave the applicant's name as Hagadone Hospitality Co., the location as approximately a 273-acre parcel including a portion of the Coeur d'Alene Golf Course, Beach House Restaurant, and properties at the northeast corner of Coeur d'Alene Lake Drive and Silver Beach Road and portions of Interstate 90, Coeur d'Alene Lake Drive, and Potlatch Hill Road rights-of-way.

He went on to give the staff analyses for the Comprehensive Plan, utilities, streets, Stormwater and traffic. He reported the Planning Commission recommended approval of the annexation and a C-17 zoning with a Limited Design Planned Unit Development. The Commission has recommended the following conditions in the annexation agreement:

1. The applicant shall dedicate the existing private mains located on the golf course property to the City.
2. The applicant shall install an 8" water main extension from Ashton Road to Site #1 (where it will connect with the existing 8" main on the golf court site) and a 12" water main from that point to the Silver Beach area at the time that that the Silver Beach portion of the project is developed.
3. Develop an agreement mutually acceptable to both parties to protect the golf course turf from damage during any future water main repair or maintenance work.
4. Require the developer to restrict his building in site #5 of the project to areas where a minimum static water pressure of 50 pounds is available.

He noted that a total of 167 notices were mailed on February 27, 2004 and 14 responses were received: 2 in favor, 6 opposed, and 6 neutral. Written comments were distributed for Council consideration. Two petitions were also distributed for Council review.

PUBLIC COMMENTS: Janet Robnett, speaking as applicant, spoke in support of the proposed annexation, citing that Idaho Code allows for annexation of property for the orderly development of property and infrastructure. She noted that this is not a zone change except for a small parking lot in the Silver Beach area, which is also consistent with the Comprehensive Plan. The C-17 zoning is being sought for the variety of uses contained in this zone. Peter Luttrupp, 702 Dollar Ave, noted that he had passed a petition requesting that the 500 feet of Sanders Beach remain open to the public. He encouraged that the Council add, as a condition to the annexation agreement, that this 500 feet remain open to public use. He believes that this is not a change to what is the current use of the beach. He believes that this annexation is a great benefit to both parties - to the applicant by connecting to the City's sewer system and to the City who will receive additional revenue from the property. Scott Reed, who helped Peter Luttrupp, stated that he believes that the annexation is appropriate for the City but what they are asking is for the beach area to remain open to the public in perpetuity. Bob Brown, 3692 N. Steven Place, Coeur d'Alene, supports the concept of having the 500 feet of Sanders Beach area to remain open for public use as a condition of this

annexation. Jerry Frank, 1415 E. Lakeshore Dr., stated that he opposes the Sanders Beach area being opened to the public as it is detrimental to the 7 property owners along E. Lakeshore Drive. The applicant does not have the ability to provide for parking and controlling unruly people. John Bentley, Post Falls, Idaho, speaking on behalf of the Kootenai Environmental Alliance, addressed the issue of the former lease agreement between the mill owners and Hagadone Hospitality to maintain the beach as being open to the public, and requested that this agreement be continued by having the beach area be made a condition of annexation to remain open to the public. Mark Weadick, 4880 N. Anne Street, speaking on behalf of the Tubbs Hill Foundation, that as a condition of this annexation to maintain the Sanders Beach area open to the public. Dan Lyons, 7844 Lake Coeur d'Alene Drive, opposes this annexation due to the plan to build condominiums at the Silver Beach area, which would negatively impact traffic in this area. He opposes anything Mr. Hagadone does because he seems to get whatever he wants and believes that the lawmakers of Idaho have forgotten the citizens of the State. Barbara Daugharty, 1722 Stanley Hill Road, spoke in opposition to the annexation. She believes that this project will cost the City more than it will benefit due to increased traffic and the proposed sewer extension. Jan Moseley, 621 S. 14th Street, supports the proposal of having the Sanders Beach area remain open to the public. Paul Dirksen, 1212 Ash, opposes the annexation only if the Sanders Beach area remaining open to the public is not included as a condition of this annexation. David Moseley, 621 S. 14th Street, spoke in support of having Sanders Beach remaining open in perpetuity. Lisa Marias, 610 Dollar Street, pleaded with the Council to keep Sanders Beach open to the public in perpetuity. Don Spavey, 3897 E. Avery Lane, which is located above the Beach House, voiced his concern that the height of the apartments proposed in front of the Beach House will destroy the view of the lake and would recommend a lower level building. Karen Lamb, 7025 E. Buckboard Rd., supports that Sanders Beach stay open to the public but has major concerns regarding the building proposed to be located at the Beach House and the increased traffic that would disrupt the peace of the Centennial Trail along Coeur d'Alene Lake Drive. Joan Gundlock, 402 S. 16th, voiced her concerns at the amount of tall buildings propose to be built along the lakeside of Coeur d'Alene Lake Drive. Janet Robnett reminded Council that the Planning Commission has already approved the design and development of this project. She noted that Coeur d'Alene Lake Drive used to be I-90 and to please take that into consideration with the comments regarding traffic impact. In regard to the issue of maintaining Sanders Beach as being open to the public, it is really in the hands of the State Land Board and their lease for the floating green. She stated that in order to make the proposed Sanders Beach issue a condition of this annexation the Council needs to define what impact the annexation of this property will have to the issue of Sanders Beach.

Motion by Reid, seconded by Goodlander to approve the annexation and zoning and to adopt the Findings and Order of the Planning Commission, to direct staff to negotiate an annexation agreement which considers the testimony received this evening, the recommendations of staff and to include the recommended conditions of the Planning Commission. ROLL CALL: Edinger, Aye; Goodlander, Aye; Hassell, Aye; McEvers, Aye; Reid, Aye; Wolfinger, Aye. Motion carried.

RECESS: Motion by Reid, seconded by Goodlander to take a 5 minutes recess. Motion carried. The meeting recessed at 9:00 p.m. The meeting reconvened at 9:10 p.m.

SAFE PLACE WEEK: Councilman Goodlander, on behalf of Mayor Bloem, read a proclamation announcing the week of March 14th - 20th 2004 as National Safe Place Week in the City of Coeur d'Alene.

LIBRARY DEAF PROGRAM: Through the donation of equipment of a DVD link video camera, the Library now has a new feature to the deaf services for our community.

STREET SPRING CLEAN UP: Councilman Edinger reported that the Street Department has been busy doing the annual street clean up. He also noted that Channel 2 has a pothole program for Spokane and surrounding area, and it was reported that they have not had any pot holes reported in Coeur d'Alene.

CHERRY HILL GRASS FIRE: Councilman Edinger reported that this past week, the Fire Department put out a grass fire on Cherry Hill and advised citizens to be careful when doing their yard burning.

CUSTOMER SERVICE: Councilman Wolfinger thanked the Finance department for their excellent customer during his move and for making a point to call his wife and ask her what size garbage can they wanted.

RECREATION DEPARTMENT COMMENDED: Councilman Hassell read a letter from Pat Aguilar commending the Recreation Department for the excellent job they did during the recent Lake City Shootout tournament held in Coeur d'Alene.

FIRE SMART PROGRAM: Council President Reid announced that through a grant received for the Fire Smart Program, there would be fire safety messages in the newspaper daily for the next eight months.

KOOTENAI COUNTY JUVENILE "WILD" PROGRAM: Council President Reid announced that the Kootenai County Juvenile Wild Program swept several sidewalks and overpasses throughout the City this past week.

NEW PLANNING DEPARTMENT EMPLOYEE WELCOMED: Councilman McEvers welcomed Sean to the Planning Department. He also commented that there are still several Christmas decorations up and maybe its time to take them down.

EXECUTIVE TEAM REPORT: Jim Markley, representing the Executive Team, stated that the Parks Department hosted a regional meeting involving cities, counties, state, federal and private entities as a means of learning how to better interact with each other. Bill Greenwood completed a one-day seminar on how to fill and stack sand bags in case of floods. Sam LaPresta, Bill Andrews, Greg Granat and Tad Johnson of the Parks Department recently completed a half-day course on flagging and traffic control. The Recreation Department has concluded the spring soccer registration with over 1,100 boys and girls being registered. The Men's spring basketball program started last night with 33 teams participating. Swimming lessons started last Saturday with approximately 70 children participating. Fire Chief Gabriel would like to remind citizens that burning permits are required for outdoor burning within the City limits. The permits are available for \$2.00 at Fire Station 1.

EXECUTIVE SESSION: Motion by Reid, seconded by Wolfinger to enter into Executive Session as provided by Idaho Code 67-2345 Subsection B: To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against a public officer, employee, staff member or individual agent; Subsection C: To conduct deliberations concerning labor negotiations or to acquire an interest in real property not owned by a public agency; and Subsection F: To consider and advise its legal representatives in pending litigation or where there is a general public awareness of probable litigation.

ROLL CALL: Hassell, Aye; McEvers, Aye; Reid, Aye; Goodlander, Aye; Edinger, Aye; Wolfinger, Aye. Motion carried.

The session began at 9:30 p.m. Members present were the Mayor, City Council and City Administrator.

Matters discussed were those of property acquisition, personnel matters, and labor negotiations and pending litigation.

No action was taken and the Council returned to regular session at 10:05 p.m.

MEDIATION OFFER IN THE TO CASE: Motion by Edinger, seconded by Wolfinger to accept the mediation offer in the To case. Motion carried.

ADJOURNMENT: Motion by Edinger, seconded by Wolfinger that, there being no further business, this meeting be adjourned.

The meeting adjourned at 10:11p.m.

Sandi Bloem, Mayor

ATTEST:

Susan K. Weathers, City Clerk