

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

August 7, 2012

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 August 7, 2012 at 6:00 p.m., there being present upon roll call the following members:

Sandi Bloem, Mayor

Loren Ron Edinger)	Members of Council Present
Mike Kennedy)	
Woody McEvers)	
Deanna Goodlander)	
Dan Gookin)	
Steve Adams)	

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

INVOCATION: Invocation was led by Robert Fetveit, Elijah House.

PLEDGE OF ALLEGIANCE: The pledge of allegiance was led by Councilman Goodlander.

PROCLAMATION – “RESPONSIBLE DOG OWNERSHIP DAY”: On behalf of Mayor Bloem, Councilman Kennedy read the proclamation designating August 11th as Responsible Dog Ownership Day in the City. Lynne Seagraves accepted the proclamation and described the events planned at the Sherman Park at 6th and Sherman.

PRESENTATION – AIR ONE HELICOPTER SERVICE: Officer Justin Bangs and Captain Steve Childers presented a PowerPoint overview of the Police Department's role in the Spokane Helicopter Air Support services. Captain Childers explained the Memorandum of Understanding the City has with Spokane for this service.

PUBLIC COMMENTS:

ARTWORK DONATION: John Bruning, representing the Citizens Council of the Arts, presented the Council with artwork by artist Robert Mallgren and donated to the Wastewater Treatment Plant. The Treatment Plant was selected because of their contributions to the arts. Don Kiel, Assistant WWTP Superintendent, accepted the artwork.

AGGRESSIVE SKATEBOARDERS: Richard Cheryl, 1308 Coeur d'Alene Avenue, voiced his concern about aggressive skateboarders in the Downtown area and commented that there were no Police Officers around to control this situation.

CONSENT CALENDAR: Motion by Kennedy, seconded by Goodlander to approve the Consent Calendar as presented.

1. Approval of minutes for July 17, 30, 31, 2012.
2. Setting the General Services Committee and the Public Works Committee meetings for Monday, August 13th, 2012 at 12:00 noon and 4:00 p.m. respectively.
3. RESOLUTION 12-030: 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 APPROVING THE ANNUAL AGREEMENT WITH SCHOOL DISTRICT #271 FOR EMPLOYMENT OF SCHOOL RESOURCE OFFICERS FOR THE 2012-2013 SCHOOL YEAR; APPROVING AN AGREEMENT FOR SHELTER SERVICES WITH KOOTENAI HUMANE SOCIETY, INC.; APPROVING S-6-09.M – FINAL PLAT APPROVAL, ACCEPTANCE OF IMPROVEMENTS AND WARRANTY AGREEMENT FOR MEADOW RANCH, 2ND ADDITION AND APPROVING A MEMORANDUM OF UNDERSTANDING FOR FIRESMART PROJECT MAINTENANCE INSPECTIONS.
4. Approval of beer/wine license for Wildflower Boutique at 601 E. Front Ave., Suite 102.
5. Approval of beer/wine license transfer from Powder River Saloon to Gus's Cigar Pub at 1903 E. Sherman Ave.
6. SS-6-12 – Approval of final plat for Riverstone West, 4th Addition
7. SS-2-11 – Approval of final plat for South LaCrosse Addition.

ROLL CALL: Adams, Aye; McEvers, Aye; Goodlander, Aye; Gookin, Aye; Kennedy, Aye; Edinger, Aye. Motion carried.

APPOINTMENTS – STUDENT REPRESENTATIVES AND JEWETT HOUSE

ADVISORY: Motion by Goodlander, seconded by Kennedy to appoint the following student representatives: Gabi Olscap and Jodi Grantham (alternate) to Arts Commission; Rachel Hogan and Molly C. Draben (alternate) to Childcare Commission; Rachel Averett and Marissa Rivera-Prpich (alternate) to Library Board; Koji Becker and JoAnna Kenefick (alternate) to Natural Open Space; Luke Osmanski to Parking Commission; Colton Curtis and Nathan Newby (alternate) to Ped/Bike Committee; Grant Conery and Jennifer Snow (alternate) to Planning Commission; Mason Patzer and Addison Johnson (alternate) to Recreation and Parks Commission; John Williams and Kayla Lyons (alternate) to Urban Forestry Committee, and: to appoint Walter Melior to the Jewett House Advisory Board. Motion carried.

ADMINISTRATOR'S REPORT: City Administrator Wendy Gabriel announced that the Coeur d'Alene Police Department is sponsoring the second of the outdoor movie nights this summer. This Saturday, August 11th, at 8:30 p.m., in the City Park Rotary Band Shell, "The Tale of Desperaux" will play. A Drug Free/Character Education Presentation by DARE Officer Tom Sparks starts at 8:00 p.m. Free hot popcorn will be provided by Kiwanis. Bring chairs, blankets, and other picture items. The next movie, "The Lorax," will be featured on August 25th. The Prairie Trail seal coating was completed on August 2nd. The Centennial Trail repairs began this week and the seal coating phase of the Centennial Trail next week. The major portion of the trail repairs will be between Northwest Boulevard and Highway 41. The seal coating will start at Higgins Point and move west. During the seal coating period, users will not be directed to an

alternate route – rather, please be aware of the project, use the shoulder when traveling around the work area, and, when appropriate, walk bikes around the work area. For more information, call the Parks Department at 769-2252. This summer’s street overlay program is underway. Streets to be overlaid will have temporary closures due to grinding, utility raising, and paving of the streets. In some cases, traffic may be reduced to one lane during the overlay period. Please pay attention to signage and detours and allow a little extra time to arrive at your destination. The scope of the project includes the overlay of approximately 37 blocks of city streets including: A, B, C, and D Streets from Milwaukee Drive to Virginia Avenue; Milwaukee Drive from Government Way to Idaho Avenue; Browne Avenue from Government Way to Milwaukee Drive; Idaho and Virginia Avenues from Government Way to Lincoln Way. A tip from the Pedestrian & Bicycle Advisory Committee: When passing a bicycle, please do not speed up and make a right turn in front of the cyclist. Instead, slow down and wait for the bike to pass. Nominations for “Landscape of Excellence” are now being accepted by Community Canopy, an organization with the goal of sustainable community forests. The Landscape of Excellence award recognizes and encourages good tree care by highlighting those businesses or organizations in the local community who are doing things right. Nominations should be submitted by August 15th. To make a nomination for a Landscape of Excellence Award, please visit the Community Canopy website at http://www.plrcd.org/community_canopy/index.html, or call them at 769-2266. Mrs. Gabriel announced that the Department of Environment Quality has approved the waiver to allow the use of goats on a limited basis for weed control at the City well sites. As respect for the victims in the recent shootings in the Oak Creek, Wisconsin Sikh church, flags will be flown at half-staff until sunset on August 10, 2012. She updated the McEuen Park Project progress which includes mass grading at the parking lot of City Hall and the trail at the base of Tubbs Hill which will occur at the end of August. The bid opening for the contractors for the McEuen Parks Project will be held on August 14th with the award of the bid slated for the August 21st Council meeting. Work on the base of Tubbs Hill will begin the end of August. The basketball court and playground will remain intact until next spring. Parking at the 3rd Street lot will be reduced during the construction activities in August. During construction of the parking lot at City Hall there will be no parking available in the lower lot. She noted that the Osprey nests will be protected until they leave around the end of September. Additionally, they are looking at installing a web cam of the project for citizens to view. The City Council will hold a meeting regarding the ITD proposal for the City to take over Coeur d’Alene Lake Drive on October 8th at 5:00 p.m. in the Library Community Room and the public is invited to this meeting.

RESOLUTION NO. 12-031

A RESOLUTION OF THE CITY OF COEUR D’ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING A MEMORANDUM OF UNDERSTANDING WITH COEUR D’ALENE AMERICAN LEGION FOR THE CONSTRUCTION OF A BASEBALL FIELD AT RAMSEY PARK.

MOTION: Motion by Kennedy, seconded by Goodlander to adopt Resolution 12-031.

DISCUSSION: Councilman Kennedy noted that this is supported by the American Legion. Councilman Goodlander believes that this is a great opportunity but wanted to know more about the parking and, in particular, adding additional parking in this area. Parks Director Eastwood

responded that staff was looking at the former railroad property with the idea to use this common access from the Kroc Center off Golf Course Road for 70-100 parking spaces in that area. Councilman Goodlander asked how we would accomplish this. Mr. Eastwood responded that not only Ramsey Park users but the Kroc Center and the Prairie Trail users would benefit with the development of a parking lot along the abandoned railroad land next to Ramsey Park. Councilman Gookin asked what is going to protect other fields and homeowners from foul balls. Mr. Eastwood responded that there is no real concern due to the length of the field to the Kroc Center and, in the other area, they would place netting 20 feet high. Councilman Gookin asked the representative from the American Legion, Jamie Duman, if they are in charge of scheduling of the field and will they be making all the money from the concession stand. Mrs. Duman responded that yes, she will be in charge of scheduling and receiving the revenue from the concession stand. Councilman Kennedy noted that revenue from the paid advertising signs along the fencing will also go to the American Legion. Councilman Gookin asked Finance Director Tymesen to confirm that LCDC will replace the funds from the Capital Improvement Fund used for this field improvement. Mr. Tymesen responded that the funds will come from the Parks Capital Improvement Fund and LCDC will provide funding specifically for the McEuen Park Project so there will not be any transfer of funds from LCDC to the Parks Capital Improvement Funds. Councilman Edinger does not believe that relocating the Legion Field to Ramsey fulfills the equal or better standard but will begrudgingly vote for the Memorandum of Understanding.

ROLL CALL: McEvers, Aye; Goodlander, Aye; Gookin, Aye; Kennedy, Aye; Edinger, Aye; Adams, Aye. Motion carried.

Councilman Kennedy expressed his appreciation to Jamie Duman and Dennis Spencer for their work in coming to a resolution with the American Legion Board.

ORDINANCE NO. 3447
COUNCIL BILL NO. 12-1020

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING 6.10.010 TO ALLOW DOG'S TO BE LICENSED FOR UP TO THREE YEARS; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDE FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

Motion by Kennedy, seconded by Adams to pass the first reading of Council Bill No. 12-1020.

ROLL CALL: Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Adams, Aye; Edinger, Aye; Gookin, Aye. Motion carried.

Motion by Edinger, seconded by Kennedy to suspend the rules and to adopt Council Bill No. 12-1020 by its having had one reading by title only.

ROLL CALL: Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Adams, Aye; Edinger, Aye; Gookin, Aye. Motion carried.

RESOLUTION NO. 12-032

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO
CONVERTING DUNCAN DRIVE FROM TWO-WAY TO ONE-WAY STREET.

STAFF REPORT: City Engineer Gordon Dobler reported that several years ago the Charter Academy began operating at the corner of Duncan Drive and Building Center Drive. Since then they have grown in enrollment and size. Their facilities encompass all but two corner lots on Duncan Drive. That growth has created a congestion problem for the past few years. Because of the limited space, vehicles of parents waiting to pick up the students stack up on Duncan and Building Center and out through the intersection of Kathleen, causing a major congestion problem. Staff has worked with the school over the past several years to reduce the congestion but the problem continues.

Mr. Dobler noted that the school hired Welch-Comer to perform a Traffic Impact Study in May. They evaluated traffic flow patterns, pedestrian crossing patterns at the school, etc. and modeled the impacts of converting Duncan Drive to a one-way street southbound. Their evaluation indicates that doing this will substantially reduce the congestion by stacking the waiting vehicles on Duncan Drive, increase the efficiency of vehicle flow, and decrease the pedestrian/vehicle conflicts.

MOTION: Motion by Goodlander, seconded by Gookin to adopt Resolution 12-032.

ROLL CALL: Goodlander, Aye; Gookin, Aye; Kennedy, Aye; Edinger, Aye; Adams, Aye; McEvers, Aye. Motion carried.

RESOLUTION NO. 12-0330

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO ESTABLISHING A NOTICE OF TIME AND PLACE OF PUBLIC HEARING OF THE PROPOSED BUDGET FOR FISCAL YEAR 2012-2013, AND INCLUDING PROPOSED EXPENDITURES BY FUND AND/OR DEPARTMENT, AND STATEMENT OF THE ESTIMATED REVENUE FROM PROPERTY TAXES AND THE TOTAL AMOUNT FROM SOURCES OTHER THAN PROPERTY TAXES OF THE CITY FOR THE ENSUING FISCAL YEAR AND LISTING EXPENDITURES AND REVENUES DURING EACH OF THE TWO (2) PREVIOUS FISCAL YEARS, AND PROVIDING FOR PUBLICATION OF THE SAME.

WHEREAS, it is necessary, pursuant to Idaho Code 50-1002, for the City Council of the City of Coeur d'Alene, prior to passing the Annual Appropriation Ordinance, to list expenditures and revenues during each of the two (2) previous fiscal years, prepare a Budget, tentatively approve the same, and enter such Budget at length in the journal of the proceedings and hold a public hearing; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the City of Coeur d'Alene, that the following be and the same is hereby adopted as an Estimate of Expenditures and Anticipated Revenue of the City of Coeur d'Alene for the fiscal year beginning October 1, 2012:

	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-2012 BUDGET	FY 2012-13 PROPOSED
<u>GENERAL FUND EXPENDITURES</u>				
Mayor and Council	\$197,461	201,914	\$209,912	\$220,014
Administration	487,398	496,767	514,369	409,019
Finance Department	708,642	666,558	698,735	691,291
Municipal Services	1,226,661	1,261,718	1,405,776	1,392,349
Human Resources	227,324	233,443	240,757	247,237
Legal Department	1,354,085	1,345,812	1,471,145	1,463,189
Planning	496,550	471,507	458,244	486,714
Building Maintenance	403,704	1,195,611	408,265	401,882
Police Department	8,700,361	9,311,667	9,587,462	10,194,536
Byrne Grant – Police Dept.	111,619	139,286	159,590	58,167
COPS Grant	125,527	190,182	170,843	71,466

	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-12 BUDGET	FY 2012-13 PROPOSED
GENERAL FUND EXPENDITURES CON'T				
KCJA	194,216	147,671	36,700	36,700
Fire Department	6,722,029	7,391,179	7,553,083	7,809,957
General Government	320,228	968,749	131,750	192,635
Engineering Services	1,247,216	1,263,834	929,243	1,251,316
Streets/Garage	2,104,936	2,171,991	2,170,770	2,428,570
ADA Sidewalk Abatement	189,935	196,238	219,904	224,386
Byrne Grant – Police Dept.	471,200	177,984	84,229	92,196
Building Inspection	749,892	734,037	707,232	742,848
Parks Department	1,648,535	1,603,556	1,694,573	1,683,036
Recreation Department	685,397	666,606	763,342	775,837
TOTAL GENERAL FUND EXPENDITURES:	28,372,916	\$30,836,310	\$29,615,924	\$30,873,345

	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-12 BUDGET	FY 2012-13 PROPOSED
SPECIAL REVENUE FUND EXPENDITURES:				
Library Fund	1,168,709	1,190,385	1,284,625	1,304,434
CDBG	394,496	190,127	297,600	267,325
Impact Fee Fund	782,573	204,265	925,000	613,133
Parks Capital Improvement	291,975	214,400	676,600	881,215
Annexation Fee Fund	200,000*		133,000	70,000
Self-Insurance	260,591	640,589	234,000	264,000
Cemetery Fund	358,219	238,669	249,464	239,300
Cemetery Perp Care Fund	192,399	97,169	98,000	98,000
Jewett House	13,560	15,424	17,790	42,000
Reforestation	99,734	50,627	3,000	1,500
SPECIAL REVENUE FUND EXPENDITURES:	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-12 BUDGET	FY 2012-13 PROPOSED
Street Trees	61,537	58,900	75,000	65,000
Community Canopy	677	1,459	1,200	1,500

Arts Commission	5,758	6,421	6,650	7,000
Public Art Funds	207,541	40,154	189,600	245,000
KMPO	348,781	398,333	350,000	
<u>TOTAL SPECIAL FUNDS:</u>	<u>4,386,550</u>	<u>3,346,922</u>	<u>4,541,529</u>	<u>4,099,407</u>

	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-12 BUDGET	FY 2012-13 PROPOSED
<u>ENTERPRISE FUND EXPENDITURES:</u>				
Street Lighting Fund	637,818	635,574	575,021	570,050
Water Fund	6,116,517	6,469,842	7,394,451	7,639,143
Wastewater Fund	13,465,475	19,235,443	17,759,498	19,051,155
Water Cap Fee Fund	57,609		850,000	850,000
WWTP Cap Fees Fund	2,482,935	1,025,000	802,750	879,336
Sanitation Fund	3,152,239	3,155,553	3,229,773	3,285,480
City Parking Fund	191,150	199,593	177,957	575,957
Stormwater Management	1,735,049	1,497,856	1,417,627	1,050,615
<u>TOTAL ENTERPRISE EXPENDITURES:</u>	<u>27,838,792</u>	<u>32,218,861</u>	<u>32,207,077</u>	<u>33,901,736</u>
<u>FIDUCIARY FUNDS:</u>	2,449,454	2,456,681	2,537,300	2,538,100
<u>CAPITAL PROJECTS FUNDS:</u>	2,135,929	2,008,402	7,570,000	770,000
<u>DEBT SERVICE FUNDS:</u>	2,890,778	1,631,708	1,500,680	1,381,865
<u>GRAND TOTAL OF ALL EXPENDITURES:</u>	<u>\$68,074,419</u>	<u>\$72,498,884</u>	<u>\$77,972,510</u>	<u>\$73,564,453</u>

	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-2012 BUDGET	FY 2012-2013 PROPOSED
<u>ESTIMATED REVENUES:</u>				
Property Taxes:				
General Levy	14,208,289	15,531,312	15,305,673	15,890,917
Library Levy	1,138,334	1,185,018	1,189,170	1,189,170

Policeman's Retirement Fund Levy	150,113	156,501	152,000	152,000
Comprehensive Liability Plan Levy	2,376	2,766	-0-	-0-
Fireman's Retirement Fund Levy	250,000	250,000	250,000	250,000
2006 G.O. Bond Levy	960,393	1,068,075	1,140,000	1,143,045
TOTAL REVENUE FROM PROPERTY TAXES:	16,709,505	18,193,672	18,036,843	18,625,132

	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-12 BUDGET	FY 2012-13 PROPOSED
ESTIMATED OTHER REVENUES:				
Interfund Transfers	5,844,229	3,094,106	4,992,232	4,692,578
Beginning Balance	26,842,018	28,313,491	25,170,524	27,563,442
Other Revenue:				
General Fund	12,951,425	13,971,827	12,003,781	12,527,038
Library Fund	42,568	44,841	43,100	41,750
Community Development Block Grant	392,832	191,790	297,600	267,325
Parks Capital Improvement Fund	215,722	304,130	139,600	148,877
Insurance/Risk Management	18,670	3,518	4,000	2,900
Cemetery	116,200	166,641	153,464	149,300
Annexation Fee Fund	22,289	50,932	25,000	25,000

	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-12 BUDGET	FY 2012-13 PROPOSED
ESTIMATED OTHER REVENUES CON'T:				
Impact Fee Fund	352,504	578,526	350,000	404,400
Cemetery Perpetual Care Fund	122,964	71,822	100,000	60,000
Jewett House	8,568	5,770	11,000	31,000
Reforestation	101,966	49,653	3,000	1,500

Street Trees	52,085	33,119	40,000	30,000
Community Canopy	971	1,006	1,200	1,500
Arts Commission	5,698	6,809	7,000	7,000
Public Art Funds	170,942	168,937	110,500	
KMPO	341,647	411,435	350,000	
Street Lighting Fund	483,618	488,625	485,021	490,050
Water Fund	3,852,006	3,902,193	3,897,000	3,964,696
Wastewater Fund	6,075,254	6,120,213	6,903,280	6,890,896
Water Cap Fee Fund	435,808	522,698	401,500	451,500
WWTP Capitalization Fees	656,841	1,027,725	802,740	879,326
Sanitation Fund	3,010,744	3,130,653	3,229,772	3,475,480
City Parking Fund	198,878	328,103	126,000	96,957
Stormwater Management	1,323,282	1,303,384	1,321,334	1,081,570
Fiduciary Funds	2,286,806	2,252,772	2,348,300	2,370,350
Capital Projects Fund	662,528	1,229,347	7,079,000	545,000
Debt Service Fund	300,264	142,609	49,800	45,260
SUMMARY:				
	FY 2009-10 ACTUAL	FY 2010-11 ACTUAL	FY 2011-12 BUDGET	FY 2012-13 PROPOSED
PROPERTY TAXES	16,709,505	18,193,672	18,036,843	18,625,132
OTHER THAN PROPERTY TAXES	66,889,327	67,916,675	70,445,748	66,244,695
<u>TOTAL ESTIMATED REVENUES</u>	<u>\$83,598,832</u>	<u>\$86,110,347</u>	<u>\$88,482,591</u>	<u>\$84,869,827</u>

BE IT FURTHER RESOLVED, that the same be spread upon the Minutes of this meeting and published in two (2) issues of the Coeur d'Alene Press, seven (7) days apart, to be published on August 13, 2012 and August 20, 2012.

BE IT FURTHER RESOLVED, that a Public Hearing on the Budget be held on the 4th day of September, 2012 at the hour of 6:00 o'clock p.m. on said day, at which time any interested person may appear and show cause, if any he has, why the proposed Budget should or should not be adopted.

STAFF REPORT: Troy Tymesen, Finance Director presented the preliminary budget and noted that it is available on the City's web site at www.cdaid.org. He noted that 11 positions are either being separated out or eliminated, and the supplies budget has been decreased as well as capital purchases. He noted that the financial plan is proposed with a 2% increase in the General Fund budget. He explained the effect of property valuations and the levy rate. He noted that the levy rate is at \$6.76/\$1,000 which would equate to approximately \$94/year for a home valued at \$200,000. The homeowner's exemption has decreased to approximately \$82,000. He also noted that a major impact on this financial plan is the lack of revenue from the stormwater utility. He noted that Administration has been working with the employee associations to reduce the contracted COLA amount. He noted that if the Associations do not agree to a lower COLA then the City would need to use the Fund balance.

DISCUSSION: Councilman Gookin noted changes to the Parks Department, Recreation Department and Parks Capital Improvement Fund. Mr. Tymesen responded that as a result of the Council's workshop the budgets were reduced. Councilman Gookin asked if we used the Fund Balance what would be the effect on that balance. Mr. Tymesen responded that if the COLAs were not reduced we would need to use \$311,000. He noted that if COLAs are not reduced then he would recommend reductions in certain Department budgets vs. using the Fund Balance. Councilman Gookin noted that this resolution sets a high water mark and the budget can be reduced prior to the public hearing.

MOTION: Motion by Kennedy, seconded by Goodlander to adopt Resolution 12-033.

DISCUSSION: Councilman Adams noted that he will be voting yes to accept the resolution but that he is not approving the budget but rather approving the setting of the public hearing. Councilman Gookin echoed Councilman Adams comments.

ROLL CALL: Gookin, Aye; Kennedy, Aye; Edinger, Aye; Adams, Aye; McEvers, Aye; Goodlander, Aye. Motion carried.

RESOLUTION NO. 12-034

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO ESTABLISHING A NOTICE OF TIME AND PLACE OF PUBLIC HEARING OF THE PROPOSED AMENDED BUDGET FOR FISCAL YEAR 2011-2012, AND INCLUDING PROPOSED EXPENDITURES BY FUND AND/OR DEPARTMENT, AND STATEMENT OF THE AMENDED ESTIMATED REVENUE FROM PROPERTY TAXES AND THE AMENDED TOTAL AMOUNT FROM SOURCES OTHER THAN PROPERTY TAXES OF THE CITY FOR THE ENSUING FISCAL YEAR AND PROVIDING FOR PUBLICATION OF THE SAME.

WHEREAS, it is necessary, pursuant to Idaho Code 50-1003, for the City Council of the City of Coeur d'Alene, prior to passing an Amended Annual Appropriation Ordinance, to prepare a proposed amended Budget, tentatively approve the same, and enter such proposed amended Budget at length in the journal of the proceedings; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the City of Coeur d'Alene, that the following be and the same is hereby adopted as an Amended Estimate of Expenditures and Anticipated Revenue of the City of Coeur d'Alene for the fiscal year beginning October 1, 2011:

GENERAL FUND EXPENDITURES:

Mayor and Council-----	\$	209,912	
Administration-----		514,369	
Finance Department-----		698,736	708,441
Municipal Services-----		1,405,776	1,413,136
Human Resources-----		240,757	
Legal Department-----		1,471,145	1,476,145
Planning Department-----		458,244	
Building Maintenance-----		408,265	520,775
Police Department-----		9,587,462	9,684,642
Byrne Grant-----		159,589	
Byrne Grant Equipment-----		84,229	242,619
COPS Grant-----		170,843	234,310
K.C.J.A. Task Force-----		36,700	46,700
ADA Sidewalks-----		219,904	
Fire Department-----		7,553,083	7,614,083
General Government-----		131,750	412,025
Engineering Services-----		929,243	1,222,294
Streets/Garage-----		2,170,770	
Parks Department-----		1,694,573	1,706,598
Recreation Department-----		763,342	
Building Inspection-----		<u>707,232</u>	
TOTAL GENERAL FUND EXPENDITURES:		<u>\$29,615,924</u>	<u>\$30,725,887</u>

SPECIAL REVENUE FUND EXPENDITURES:

Library Fund-----	\$	1,284,625	
Community Development Block Grant-----		297,600	
Impact Fee Fund-----		925,000	
Parks Capital Improvements-----		676,600	736,600
Annexation Fee Fund-----		133,000	
Insurance / Risk Management-----		234,000	367,000
Cemetery Fund-----		249,464	
Cemetery Perpetual Care Fund-----		98,000	
Jewett House-----		17,790	22,090
Reforestation-----		3,000	32,500
Street Trees-----		75,000	
Community Canopy-----		1,200	
Arts Commission-----		6,650	
Public Art Funds-----		189,600	216,442
Kootenai Metropolitan Planning Org-----		<u>350,000</u>	

TOTAL SPECIAL FUNDS: \$4,541,529 \$4,795,171

ENTERPRISE FUND EXPENDITURES:

Street Lighting Fund-----	\$ 575,021	
Water Fund-----	7,394,451	7,837,951
Wastewater Fund-----	17,759,498	18,157,098
Water Cap Fee Fund-----	850,000	
WWTP Cap Fees Fund-----	802,750	
Sanitation Fund-----	3,229,772	3,354,772
City Parking Fund-----	177,957	931,257
Stormwater Management-----	<u>1,417,627</u>	
TOTAL ENTERPRISE EXPENDITURES:	<u>\$32,207,076</u>	<u>\$33,926,476</u>

FIDUCIARY FUNDS:-----	2,537,300	
STREET CAPITAL PROJECTS FUNDS:-----	7,570,000	
DEBT SERVICE FUNDS:-----	<u>1,500,680</u>	
GRAND TOTAL OF ALL EXPENDITURES:	<u>\$77,972,509</u>	<u>\$81,055,514</u>

BE IT FURTHER RESOLVED, that the same be spread upon the Minutes of this meeting and published in two (2) issues of the Coeur d'Alene Press, seven (7) days apart, to be published on August 10, 2012 and August 17, 2012.

BE IT FURTHER RESOLVED, that a Public Hearing on the Budget be held on the 21st day of August, 2012 at the hour of 6:00 o'clock p.m. on said day, at which time any interested person may appear and show cause, if any he has, why the proposed amended Budget should or should not be adopted.

STAFF REPORT: Mr. Tymesen noted that by setting this public hearing, it will allow the City to open the current budget to amend for unanticipated/ additional revenues and expenditures.

MOTION: Motion by Goodlander, seconded by Kennedy to adopt Resolution 12-034.

ROLL CALL: Kennedy, Aye; Edinger, Aye; Adams, Aye; McEvers, Aye; Goodlander, Aye; Gookin, Aye. Motion carried.

A-2-12 – FINDINGS AND ORDER FOR ANNEXATION/ZONING OF PROPERTY ON THE NORTH SIDE OF SELTICE WAY WEST OF THE MILL RIVER SENIOR FACILITY: Motion by Goodlander, seconded by Gookin to accept the Findings and Order for the public hearing held on July 17, 2012. ROLL CALL: Kennedy, Aye; McEvers, Aye; Adams, Aye; Edinger, Aye; Gookin, Aye; Goodlander, Aye. Motion carried.

ORDINANCE NO. 3446
COUNCIL BILL NO. 12-1021

AN ORDINANCE ANNEXING TO AND DECLARING TO BE A PART OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, SPECIFICALLY DESCRIBED PORTIONS OF SECTION 4, TOWNSHIP 50 NORTH, RANGE 4W, BOISE MERIDIAN; ZONING SUCH SPECIFICALLY DESCRIBED PROPERTY HEREBY ANNEXED;

CHANGING THE ZONING MAPS OF THE CITY OF COEUR D'ALENE; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

Motion by Edinger, seconded by Kennedy to pass the first reading of Council Bill No. 12-1021.

ROLL CALL: Kennedy, Aye; McEvers, Aye; Adams, Aye; Edinger, Aye; Gookin, Aye; Goodlander, Aye. Motion carried.

Motion by Edinger, seconded by Kennedy to suspend the rules and to adopt Council Bill No. 12-1021 by its having had one reading by title only.

ROLL CALL: Kennedy, Aye; McEvers, Aye; Adams, Aye; Edinger, Aye; Gookin, Aye; Goodlander, Aye. Motion carried.

PUBLIC HEARING – A-4-12: ANNEXATION/ZONING OF PROPERTY AT 1351 SILVER BEACH ROAD: Mayor Bloem read the rules of order for this public hearing. Tami Stroud, City Planner, gave the staff report.

Mrs. Stroud gave the applicant's name as Scott Stevens, the location of the request as a .234 acre parcel of property located at 1354 Silver Beach Road and the reason for the request as annexation with an R-5 zoning.

She gave the staff analyses for land use, neighborhood characteristics, utilities, streets, and fire service. She reported that on June 12, 2012 the Planning Commission reviewed the proposed zoning for this property and recommends approval with the following provisions:

“The approval of this annexation will require the need to provide public sewer force main from the east side of the Terraces to the subject property and obligate the applicant to the money necessary to upgrade Hagadone's private lift station to be a public lift station (as found in the Resort Golf Course annexation agreement).”

Mrs. Stroud reported that on July 20, 2012 six notices of tonight's public hearing were mailed to all property owners of record within three-hundred feet of the subject property.

DISCUSSION: Councilman Goodlander asked about the easement for a private drive. Mrs. Stroud noted that the applicant uses the adjacent property owner's driveway. Councilman Gookin asked about the lack of Certificate of Occupancy. Mrs. Stroud noted that if the property is annexed then it would be a nonconforming structuring within the City but the applicant would need to resolve the construction issues with the County.

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

DISCUSSION: Councilman Edinger noted that no hydrants are available so what would be the responsibility of the City if it was annexed. Attorney Gridley responded that the applicant would take the situation as it is and the City is not required to furnish a hydrant to his property at this

point and thus would not have a responsibility for this property. Mr. Markley noted that the nearest hydrant is in the area of the Terrace Condominiums. Scott Stephens, 1354 Silver Beach Road, noted that he would not be requesting sewer or water and thus would not be required to pay for the cap fees. In regard the hydrant he noted that there is a 3,000 gallon water tank available for fire suppression. He noted that if he were annexed into the City he would be able to get a Certificate of Occupancy as a non-conforming use. Councilman Kennedy noted that it appears that if this property is annexed, then the City would be condoning building structures without county authorization or permits. Mr. Stephens responded that he wasn't trying to be devious and he eventually did get building permits from the County to construct the building. Councilman McEvers noted that the setbacks would not meet either county or city standards, so how did he get a building permit. Mr. Stephens responded that he worked with Mr. Huber at the county to try to resolve this issue. He noted that it is his wish to "circumvent" the inability to allow the shop within County standards and he would be willing to pay city property taxes.

Councilman Goodlander noted that the Quonset hut was already in existence prior to building the second home. Mr. Stephens noted there are two separate lots and the Quonset hut was in existence when he constructed the second home. Councilman Goodlander asked how the City would handle this situation if they approved the annexation. Mr. Gridley noted that the City would enter into an annexation agreement prior to annexing the property. He noted that the PUD that exists with the Hagadone Corporation would be required to extend the sewer main when their property is developed and then Mr. Stephens would have to pay for extending that main to his property and any additional upsizing of the sewer main. Councilman Goodlander asked if the applicant would need to obtain a building permit from the City. Mr. Gridley noted that Mr. Stephens would have to resolve his issues with the County prior to authorizing the annexation into the City. Mr. Gridley added that he currently has a water well and septic and the City would not be obliged to provide these services.

Mayor Bloem asked how the applicant is going to be able to resolve his issues with the county if he is not annexed into the City. Mr. Gridley noted that he could get his Certificate of Occupancy prior to annexation. Chief Building Inspector Ed Wagner noted that he contacted the County and they informed him that they would not issue a Certificate of Occupancy but they would issue a statement at the construction was done to building code. Mr. Wagner noted that Mr. Stephens would not receive a Certificate of Occupancy with the City but he could issue a document stating that the building was constructed to county codes.

Councilman Kennedy asked if the land is transferred to someone else, and the subsequent owner has a failed septic tank, would the new owner be required to extend the sewer line at a major cost and could they then sue the City because we authorized the annexation without a certificate of occupancy. Mr. Gridley noted that the only time a homeowner would be required to connect to the sewer system in the event their septic tank fails is if there is a sewer line available. Don Kiel, Assistant Wastewater Superintendent, noted that Panhandle Health and City Engineer Gordon Dobler work together and if a home is more than 200 feet from a sewer line, then Panhandle would issue a new septic tank permit.

Mayor Bloem asked Mr. Stephens, if he could get everything lined up, what could he not do in the county that he would be able to do in the city. Mr. Stephens responded that the side yard

setback would be grandfathered in as a nonconforming setback. He noted that he is currently paying double fees to the County because he did not get the permits at the onset so he might be able to get a Certificate of Occupancy from the County. Mr. Gidley commented that his understanding is that the County cannot issue a Certificate of Occupancy because he does not meet the setbacks and he cannot get a city Certificate of Occupancy since he is not in the City. He could get a Certificate of Occupancy from the City if he is annexed and resolved the other issues with his property.

PUBLIC COMMENTS: Brenda Burk, 2600 E. Seltice Way, Post Falls, noted that she is a realtor who has been helping Mr. Stephens resolve his issues regarding his property. She believes that the way he originally constructed the home is now a moot point in that the issues are now the front yard and side yard setbacks. She believes that the violations made by the applicant within the county should be set aside and the issues should be resolved with this annexation. She noted that Mr. Stephens is now trying to resolve these issues including an equivalent to a Certificate of Occupancy.

Councilman Kennedy read a letter from the Leavitt's who voiced their concern that if the annexation and zoning are approved then their views and vistas would be impacted. Mrs. Burk responded that it is not Mr. Stephens property that would affect the views and vistas of the Leavitt property.

Councilman Gookin asked if the house is currently for sale. Mrs. Burk responded that the house cannot be currently sold without a Certificate of Occupancy. Councilman Gookin commented that Mr. Wagner had noted that construction was done without permits. Mr. Wagner responded that Mr. Stephens constructed the shop and some storage sheds without permits. Councilman Gookin asked in regard to the drain fields, what are the rules for these type of fields. Mr. Kiel noted that drain fields could not be could be constructed within 100' from the well. Mr. Stephen noted that the water well is in the front of the house and the drain fields are in the back of the house. Councilman Gookin asked where the 3,000 gallon water storage is placed. Mr. Stephens responded that it is also located in the front of the house. Councilman Gookin asked where the well is to the adjacent house that he previously owned. Mr. Stephens noted that their drain fields are in the back of their home and their 3,000 gallon water storage is shared by both properties. Mr. Stephens noted that this shared water storage does not have an agreement between the two properties.

Councilman Gookin asked about the height restrictions in the PUD. Mrs. Stroud responded that the PUD does have modifications to allow various heights within the PUD. Councilman Edinger asked why the Planning Commission approved this application. Mrs. Stroud noted that the Planning Commission only looks at the zoning not the annexation of property. Mr. Gridley noted that it is the Council who is to determine if the zoning is appropriate and if they want to annex the property into the City.

MOTION: Motion by Goodlander, seconded by Adams to approve the requested annexation and zoning of the property at 1351 Silver Beach Road, to direct staff to negotiate an annexation agreement and to direct staff to prepare the Findings and Order for this public hearing.

Mr. Gridley noted that the neighbor objected to the fact that there is no agreement on the shared water storage. Councilman Goodlander agreed that a resolution to this issue should be required in the annexation agreement.

DISCUSSION: Councilman Goodlander believes that this is the area in which our City will grow and thus would approve this annexation and would allow Mr. Stephens to resolve his issues regarding his buildings constructed on this property. This may create an island for the adjacent property owner but they also may need to annex into the City as well. Mr. Gookin believes that eventually this property could be annexed; however, not at this time due to all the issues involved with this property including no access to roadway, no water or sewer accessibility and the issue of a PUD which could adversely affect this property and the lack of permits being obtained, thus he cannot support the annexation at this time. Councilman Adams concurs with Councilman Goodlander. Councilman Kennedy asked Councilman McEvers and Mayor Bloem to provide their input into this issue since they served on the Planning Commission. Councilman McEvers believes that this is a strange way of going about this nonconforming home and other nonconforming homes along Coeur d'Alene Lake Drive which will eventually be annexed into the City. He sees this as a hoakus-poakus deal but the City could help the applicant out. Mayor Bloem noted that the PUD allows two high rise building sites. She believes that from a planning and zoning perspective this applicant should be approved as the property surrounded by this property is already in the city. She also noted that all the issues would have to be resolved prior to being annexed into the City through an annexation agreement. Councilman Edinger commented that if Mr. Stephens follows through with resolving all the issues included in the annexation agreement he is comfortable annexing this property.

ROLL CALL: Kennedy, Aye; Edinger, Aye; Adams, Aye; McEvers, Aye; Goodlander, Aye; Gookin, No. Motion carried.

EXECUTIVE SESSION: Motion by Goodlander, seconded by Adams to enter into Executive Session as provided by I.C. 67-2345 §C: To conduct deliberations concerning labor negotiations or to acquire an interest in real property, which is not owned by a public agency, and § 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. The mere presence of legal counsel as executive session does not satisfy this requirement.

ROLL CALL: Edinger, Aye; Adams, Aye; McEvers, Aye; Goodlander, Aye; Gookin, Aye; Kennedy, Aye. Motion carried.

The session began at 8:50 p.m. Members present were the Mayor, City Council, City Administrator, City Attorney, Deputy City Attorney, and Personnel Director.

Matters discussed were the Dixon case and various employee separation incentive proposals. No action was taken and the Council returned to its regular session at 10:50 p.m.

RESOLUTION NO. 12-035

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO
AUTHORIZING THE 2012 EMPLOYEE SEPARATION INCENTIVE - LETTER OF
AGREEMENT(s) (LOA).

Motion by Gookin, seconded by Kennedy to adopt Resolution 12-035.

ROLL CALL: Adams, Aye; McEvers, Aye; Goodlander, Aye; Gookin, Aye; Kennedy, Aye;
Edinger, Aye. Motion carried.

ADJOURMENT: Motion by McEvers, seconded by Adams that, there being no further
business before the Council, this meeting is adjourned. Motion carried.

The meeting adjourned at 10:51 p.m.

Sandi Bloem, Mayor

ATTEST:

Susan, K. Weathers, CMC
City Clerk