

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

DECEMBER 3, 2019

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, December 3, 2019 at 6:00 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

Woody McEvers) Members of Council Present
Amy Evans) Arrived at 6:30 p.m.
Loren Ron Edinger)
Dan Gookin)
Dan English)
Kiki Miller)

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

INVOCATION: Pastor Kevin Schultz with The Vine Church provided the invocation.

PLEDGE OF ALLEGIANCE: Councilmember McEvers led the Pledge of Allegiance.

AMENDMENT TO THE AGENDA: MOTION: Motion by Miller, seconded by Gookin to amend the Agenda to add, as an action item, Republic Parking's contest of the selection of Diamond Parking for Parking Management Services. The amendment is necessitated by an emergency involving the likelihood of immediate financial loss due to the imminent expiration of the existing contracts for Parking Management Services. This matter should be added to item # 4 under Other Business.

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

PUBLIC COMMENT:

Robert White, Athol, expressed concern about the urban renewal district creation for the Health Corridor, and said he believes the increase of property taxes will push people out of the County. He does not believe the citizens should pay for the cost of private business.

Christie Wood, Coeur d'Alene, spoken in support of the Health Corridor. She noted that, as a 15-year Trustee for North Idaho College, she has been involved in strategic planning that would enable students within the 5 northern counties to receive a seamless education locally. The acquisition of the old mill site was controversial and involved public funds and a request to the urban renewal agency for funding of improvements within the mill site for the education

corridor. It was controversial at the time and was during a time of less oversight. However, 12 years later they have opened the center for higher education within the education corridor property. She noted that their health programs are second to none and have waiting lists. They are in the process of an expansion of their Health Science building due to the on-going demand for health science degrees. The planning for the Health Corridor needs to be strategic to bring in higher paying jobs. Ms. Wood expressed that this type of strategic long-range planning is essential and that the college needs the partnership of the City. She asked the Council to make the long-term decision for generations to come and to approve the Health Corridor district. She said that she believes this will bring economic prosperity and additional health care resources to the community.

Bryan Jorgenson, Coeur d'Alene, said that he has been a business owner within the corridor for 43 years. He noted that the west end of the corridor has been developed by a small group, who did it wrong the first time and, if done right, it would not have to be redone. He noted that traffic flow on Ironwood will not get better until U.S. 95 and Northwest Boulevard are fixed. He commented that at last month's Council meeting there were a lot of unknown items and costs and believes there are too many unknowns to approve the district. The concept of eminent domain has been discussed in the 5th Amendment to the Constitution and could be a legal challenge against the City. He believes the request constitutes discrimination and bullying.

Christopher Drake, Coeur d'Alene, said that he is the President of a business on Ironwood. He noted that he is torn on the issue as he sees the benefits of the corridor and that it looks beautiful and nice. However, he believes the negatives outweigh the positives as the businesses are being gentrified, rather than included. The businesses also have ideas and want to be a part of the future planning. He said that he believes it seems to take away rights of the owners. He expressed concern about the future of eminent domain and hopes the Council sees that the bill is not written to benefit the small business owners and hopes they vote no.

Mary Souza, Coeur d'Alene, said she is speaking as a citizen and as the State Senator representing the district of Coeur d'Alene. As Senator she served on the interim committee that reviewed the urban renewal laws in the state, and that House Bill 606, passed in 2016, created a change in that prior to that Bill the urban renewal agencies were declared an independent agency but the Bill changed the role of the City Council and the Mayor to appoint or remove members of the board. She noted that the Council can become the Board for a year and/or vote to have the members stand for public election. She noted that she could not find a copy of the plan online, and that the feasibility study was enormous. She heard from people that the plan includes language that the Board can inspect the buildings and declare they are underperforming, which is language she has never heard before, nor the language of obsolete buildings, and she expressed concern as to who would make those determinations. She expressed concern with the public consumption of the plan, as she could not see it on the web site and hopes the Council will not approve but, rather would hold the vote and provide more time for the public to look it over.

Johnathan Leffler, Coeur d'Alene, said that he was recently disturbed by the Arts Commission approval of artwork that included a communist symbol. He believes they should hand in their resignations and believes them to be incompetent. Mr. Leffler said that he was disappointed that they recommended the purchase of an art piece without an appraisal. He believes the money

could be used for the North Idaho Museum relocation, the Byrd Museum, or the Coeur d'Alene Symphony, rather than sculptures.

Heidi Init, Coeur d'Alene, noted that the City Council are trusted to serve the citizens, as a lot of people work long hours and raise their children with no time to get involved. She expects the Council to safeguard the community's way of life and be careful with the tax money. She does not believe it's a good idea to mix government and private business, such as is the case with the urban renewal district. She expressed concern about the eminent domain, as it is unknown who will be in charge in the future. She noted that the plans states that \$3.4 million of tax dollars will be put in by the City of Coeur d'Alene, as well as \$19 Million in federal and state tax money, which is a lot of money to take away from other projects. She noted that she does not own property in Coeur d'Alene, but wants her children to be able to.

Norma White, Athol, said that she was speaking on behalf of the people that live in the County, noting that she is generally opposed to an URD as it takes tax money away from citizens and gives it to developers. She urged the Council to vote no on the URD.

Brent Regan, Kootenai County, spoke in opposition to the Health Corridor study and said that he felt it was "thick words." He noted that each Council member ran on the premise of maintaining Coeur d'Alene's character, personality, and things that make it attractive. He doesn't believe that a swath of the City should be removed and rebuilt to represent any other town, which is not the role of government. He does not believe the area is blighted and cannot attract economic development. Mr. Regan further commented that he believes the City should not have to micromanage development and that the City has planning and zoning as a tool. He noted that a URD utilizes increment tax, and that the city has to fund the growth in the URD so property taxes go up in the City and the County. He noted that growth is not funded and ends up as a tax increase and he asked the council not to approve corridor.

John Ness, Coeur d'Alene, said that he is the CEO of Kootenai Health. He thanked the Council for their consideration of the Health Corridor and the concerns expressed on the initiative, which will allow for a more thorough process. He reviewed the history of the request, so that an informed decision can be made, and commented that all of the work started in 2013 with the 2030 project, wherein over 6,000 residents answered the question, "What do you want to see for Coeur d'Alene?" In 2014, CDA 2030 was established as a 501c3 organization to help guide the plan. One of the elements in the plan is health and public safety. They coordinated with the Urban Land Institute for a technical assistance study which offers expert, unbiased recommendations regarding land use, real estate, and traffic questions along the Ironwood corridor. The Health Corridor concept came from their recommendation. It has been a collaborative, participative process including the citizens, Planning Commission, City Council, CDA 2030, ignite cda, Kootenai Health, Idaho Department of Transportation Department, private businesses, and Ironwood neighbors. He said that it is about job growth, traffic congestion and collaboration and partnerships. Out of the 20 fastest growing jobs in the United States, 12 are in health care. Kootenai Health is the largest employer in North Idaho and has 3,600 employees. The corridor includes complex traffic problems, and will provide solutions to create easy vehicle and pedestrian access and investing in roads, parking, pathways and greenspace. It is about strengthening the adjacent neighborhoods with affordable housing and

providing an integrated health community. In 1965, the community was asked to support the building of a new hospital at the intersection of U.S. 95 and I-90, which was a location considered way out of town. Today, they would call that decision visionary. Mr. Ness said that, tonight, they look to the Council to make a decision that establishes an equally thoughtful vision that will benefit the community over the next 20 years and beyond.

Trish Walker, Post Falls, said that her son attends Little Folks Daycare, the building and the church that would be removed under the plan, which would affect many working parents. She noted that it is one of the best daycares, which is difficult to find. She would like the Council to consider the daycare in making their decision.

Eileen Johnson, Coeur d'Alene, said that she drove the proposed route today and noticed several new homes and well-maintained existing homes and businesses and hopes they are not torn down. She did notice that Kootenai Health has already purchased buildings in the area and is making headway on expansion, which she believes they should continue to do privately. The only blighted area she noted was the Garden Motel and Shopko building area. She does not believe the taxpayers should be burdened and believes that Councilmember English should recuse himself as he sits on the Urban Renewal Board. Ms. Johnson said that once the Council votes yes, the citizens lose control forever.

Tracy Threet, Athol, said that upon first glance of the master plan she found that it gave the impression that it is unbiased, but she believes its sole beneficiary is Kootenai Health. The destruction of small business is unfortunate and she expressed concern about those jobs being lost. She said that she believes it allows Kootenai Health to be a monopoly and that County funds will be tapped into and their taxes keep going up. She noted that a lack of public open space was listed as a reason for approval; however, there are over 55 lakes in local driving distance and plenty of places to go and do things. She questioned what qualifies as an obsolete building, as the buildings are currently being used. Ms. Threet noted that she only dug into three pages of the plan, noting they were well-written, but very concerning, and wants the Council to consider all those that will be impacted and losing their jobs, and vote no.

Greg McKinsey, Coeur d'Alene, said that he does support Kootenai Health and supports their growth, but not in this way as it will increase taxes. He said that what he heard tonight makes him more concerned and hopes the Council votes no. He said that high paying jobs don't mean they can afford the high cost of living. He also encouraged Council to vote no to the art purchase.

Terry Godbout, Coeur d'Alene, said that he keeps hearing about 2030 and the great things they are doing; however, they do not publicly post agendas, don't have any meeting minutes, and are self-appointing members, while funds are received from the City and ignite. He spoke against the Health Corridor and noted a petition the "We the People" Facebook page recently started in opposition with 124 signatures, which he provided a copy of for the record. He explained that the group is not against the idea of the Health Corridor but against certain provisions, such as no contingencies for an economic downturn. They are opposed to eminent domain, and are uncomfortable with CDA 2030 and their influence on the City. He believes the corridor plan is vague, with no transparency, and questioned where obsolete buildings are and why town homes

and condominiums are noted without specific locations noted. He believes the plan needs more citizen involvement and time.

John Filler, Coeur d'Alene, said that he was a prior pastor at the church in the heart of the corridor. He noted that they were one of the first property owners on Ironwood Drive and eventually sold off some of the property. He requested that the Council honor the future in their decision, and felt that there were a lot of questions in the proposal and some things that need to involve more citizen responses.

Steve Abbot, Coeur d'Alene, said that the purpose of a URD would be to take a blighted area and revitalize it. He believes the area is vibrant and contains valuable property. He said that the proposed district would place a burden on the taxpayers. He noted that the area of Sprague Avenue was an area that was disparaged in that it causes higher crime; however, in the Ironwood area there isn't a large difference in income so there is no higher crime. Mr. Abbot said that if the Council votes yes, it makes the statement that this is a derogated area and feels the tax burden is arduous.

Ron Ayers, Hayden, spoke in support of the Health /corridor. He said that Kootenai Health is amazing and the community needs to support it. Private development needs incentives to take the risk to execute the plan, and as proof one can see that development does not happen organically. He encouraged the Council to have a broader perspective, and that approval of the corridor would be a bold step toward improving the community, such as with the Atlas Mill District. The next move for the creation of the Health Corridor is an extension of that project and he felt the Council needed to keep moving forward. He noted that he has participated in planning of the Corridor over the past three years, and doesn't understand why people do not think the information has been available. He clarified that the information is in the plan and already addressed and requested the Council support the creation of the district.

Scott Hoskins, Hayden Lake, said that he is the Chairman of ignite cda and commended the ignite board for their years of guiding and working with the City on many projects. Through the Council and the Board's wisdom, they have been able to help create the Library, McEuen Park, move the historic White house for the Museum of North Idaho, acquire the Atlas Mill site, develop the Kroc Center, and create the Higher Education corridor. He noted that he looks forward to working with the City into the future in the Health Corridor District.

Councilmember Gookin read a comment into the record from Jim Doty, who is a part-owner of Peak Fitness. Mr. Doty noted that he hoped the Healthcare Corridor did not go forward without major safeguards to protect current property owners and taxpayers. He suggested a study, as to who individually and corporately benefits, be completed to identify all conflicts of interest. He believes that this is another land grab similar to the educational corridor and McEuen and that the majority of the costs will ultimately be on the taxpayers.

Michelle Smith, Coeur d'Alene, said that she just found out about the request and rushed down to express her distress. She and her husband moved here from the deep south due to the unique opportunity and creativity in the community. She expressed concern about the lack of creativity that comes from Kootenai Health compared to the hundred other businesses. She noted that she

is a real estate agent and has not heard that the community wants to look more like Portland or Seattle, and likes Coeur d'Alene's uniqueness. She is concerned about the church on Ironwood Drive, as they have long range plans for their 3 acres, noting that if you shut down a church, you push hundreds of people out of their home each week.

Jennifer Drake, Coeur d'Alene, said that she is a pastor at the church and for decades they have been pouring investments into the property and that the land matters to them. She commented that Kootenai Health can develop with satellite locations. She encouraged the Council to say no until there are safeguards in place to protect those properties.

COUNCIL ANNOUNCEMENTS:

Councilmember English said that there is a lot of anxiety about the potential of eminent domain, which is a tremendous authority given to the urban renewal agencies. He encouraged citizens to look toward the Idaho legislature to change the law to take that authority away from urban renewal agencies.

Councilmember Evans apologized for her tardiness, noting that she just arrived from a meeting in Boise.

Councilmember Gookin said that in 2016, the City used eminent domain for property on Government Way at the Silverlake Mall. 1997, the Council formed the urban renewal agency with a split vote with the Mayor breaking the tie vote.

Councilmember Miller said that the Health Corridor Plan was included in the last Council meeting packet and asked if was available on-line. Mr. Berns confirmed that it is on line on the ignite website. Councilmember Gookin said that it is not on the State Tax Commission repository site.

CONSENT CALENDAR: Motion by McEvers, seconded by Evans, to approve the Consent Calendar.

1. Approval of Council Minutes for the November 19, 2019 Council Meeting.
2. Approval of Bills as Submitted.
3. Approval of the General Services Committee meeting Minutes from November 25, 2019.
4. Setting of General Services and Public Works Committees meetings for Monday, December 9, 2019 at 12:00 noon and 4:00 p.m. respectively.
5. Approval of a cemetery repurchase from Edward and Susan Leach, lot 5, Block 46, Section A, Forest Cemetery.
6. **Resolution No. 19-059 - A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE BELOW MENTIONED ACTIONS OF THE CITY OF COEUR D'ALENE INCLUDING APPROVAL FOR THE POLICE DEPARTMENT TO APPLY FOR AND ACCEPT A 2018 JAG GRANT, FOR THE PURCHASE OF 33 CRADLEPOINT IBR-900 ROUTER/MODEMS WITH 5 YEARS OF NETCLOUD MANAGEMENT FOR A TOTAL AWARD REQUEST OF \$39,600; APPROVAL FOR THE STREETS DEPARTMENT TO PURCHASE A 2020 TANDEM AXLE 12-YARD DUMP TRUCK FROM FREIGHTLINER NORTHWEST**

FOR \$169,125.00 THROUGH A PIGGYBACK BID WITH THE CITY OF SANDPOINT; APPROVAL OF A CONTRACT WITH SPECIALTY PUMP SERVICE, INC., FOR THE HONEYSUCKLE WELL PUMP REHABILITATION PROJECT IN THE AMOUNT OF \$64,261.00, WITH A CONTRACT AMOUNT NOT TO EXCEED \$92,000.00; AND APPROVAL OF A MEMORANDUM OF UNDERSTANDING WITH THE RIVIERA WALK AT RIVERSTONE HOME OWNERS ASSOCIATION FOR THE PURPOSE OF INSTALLING IRRIGATION LINES AND MAINTAINING A BEAUTIFICATION AREA IN CITY PROPERTY.

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

NAMING OF AN AREA WITHIN PERSON FIELD AS “RON EDINGER PARK.”

STAFF REPORT: Parks & Recreation Director Bill Greenwood said that the Parks and Recreation Commission unanimously voted to support the naming of a portion of Person Field Park as Ron Edinger Park. He commented that Ron Edinger’s dedication in the community is overwhelming with his 50 years of public service as a City of Coeur d Alene Councilman and a Parks and Recreation Commissioner. Some of Councilmember Edinger’s accomplishments while in public office include his involvement the City’s purchase of Tubbs Hill, the development of Independence Point, Riverstone, and the Kroc Center. He was also instrumental in preserving Person Field as public open space when it was slated to be developed otherwise. He also demonstrated dedication to local sports as an umpire for 26 years, officiating softball for Parks & Recreation games, American Legion baseball, as well as high school and college ball games. Ron and his two brothers were affectionately known as the “three blind mice” and were all inducted into the Idaho Hall of Fame for Umpires. The only cost associated with the request would be for signage, and the Parks Department has operating budget sufficient to cover that cost. There were three locations options for the signs; however, the family prefers the location of the backstop at 15th Street and Garden Avenue.

MOTION: Motion by English, seconded by Miller, to recommended an area in Person Field be designated as “Ron Edinger Park.”

DISCUSSION Mayor Widmyer noted that it has been a great honor to serve with Councilmember Edinger and this is a great recognition for his service.

Motion carried.

**ACCEPTANCE OF CANVASSED ELECTION RESULTS PURSUANT TO THE
NOVEMBER 5, 2019 ELECTION**

Kootenai County
November 5, 2019

City- School Trustee Zone- Fire District Election

Coeur d'Alene City								
Precinct	City Council Seat #1		City Council Seat #3		City Council Seat #5			
	Christie Wood	Elaine Price	Dan Gookin	Michael Pereira	Dan English	Tom Morgan	Roger Huntman	Lacey Moen
37	44	32	45	28	31	19	4	19
38	125	59	95	86	84	41	4	54
39	145	91	137	102	114	48	12	59
40	89	73	113	46	64	36	10	49
42	114	80	108	83	100	22	12	55
43	93	67	99	60	71	30	16	39
44	161	74	157	78	130	42	10	48
45	89	74	107	54	77	29	10	45
46	137	110	158	91	121	54	14	59
47	160	116	168	107	129	55	18	71
48	55	43	68	29	43	17	10	26
49	74	53	78	45	61	19	13	32
50	65	36	55	46	45	21	3	29
51	65	48	67	41	47	27	9	30
52	78	58	96	42	65	25	7	41
53	72	55	74	49	56	27	4	39
54	126	67	125	68	103	38	0	51
55	100	50	100	51	75	31	6	42
56	93	35	71	57	71	22	2	32
57	65	39	67	33	61	23	6	14
58	168	80	141	96	125	57	6	61
59	68	46	62	52	48	34	3	29
60	62	30	52	39	57	12	5	18
61	14	8	14	8	14	3	0	4
62	51	25	46	28	33	15	7	21
ABS CDA	905	452	854	480	723	283	74	259
TOTAL	3218	1901	3157	1899	2548	1030	265	1226

MOTION: Motion by McEvers, seconded by Edinger to accept the canvassed election results as presented by Kootenai County and that the results be reflected in the minutes of the meeting.
Motion carried.

RESOLUTION NO. 19-060

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE PURCHASE OF A GENERATOR FOR CITY HALL FROM WESTERN STATES CAT FOR THE AMOUNT OF \$48,878.00.

STAFF REPORT: Municipal Services Director Renata McLeod said that the generator located at City Hall is circa 1978. During the last substantial power outage in August, the generator failed. It is important because the City Hall location contains the server room that runs the city networks, including Police and Fire communications. The evening of the outage, the Police and Fire Department jointly opened and staffed a local Emergency Operations Center where they could monitor and assign appropriate resources to any incidents in the City. The City server going down caused the outage of the Spillman dispatch system that is utilized by both departments. Additionally, the City had another outage of a backup system in McEuen that further complicated the Police communication and networks. The City's staff were able to run new fiber between City Hall and the McEuen room to ensure that does not occur again (under the assumption that the City Hall server room has power). Both the Police and Fire Departments have expressed support in seeking a necessary redundant and backup power system to avoid this issue when the next incident takes place. In order to ensure that this project is completed before the height of winter, which may have a higher potential for power outages, staff seeks authority for funding to move forward with the purchase. The generator is an unbudgeted expense in Fiscal Year 2019-20. Funding would come from fund balance that is available from savings from Fiscal Year 2018-19 in the Building Maintenance Division. The savings occurred due to an inability to fill janitorial staff positions.

DISCUSSION: Councilmember McEvers noted that the generator held up for 40 years and he hopes to get 40 years out of the new one. Councilmember Gookin asked for clarification regarding the funding. Ms. McLeod explained that Building Maintenance had difficulty filling some positions, so they have some funds remaining and funds from another project to cover the costs.

MOTION: Motion by Gookin, seconded by Edinger to approve **Resolution No. 19-060**; authorizing the expenditure of funds for an unforeseen expense of the replacement of a 1978 generator at City Hall in the amount of \$48,878.00.

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

RESOLUTION NO. 19-061

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, ACCEPTING THE PROPOSAL OF DIAMOND PARKING, INC., FOR PARKING MANAGEMENT SERVICES WITHIN THE CITY OF COEUR D'ALENE AND APPROVING A PARKING MANAGEMENT AGREEMENT WITH DIAMOND PARKING, INC.

STAFF REPORT: Mr. Tymesen said that the City has received a protest to the recommended award of the Request for Proposals (RFP) to Diamond Parking (Diamond) from Republic Parking (Republic), which must be addressed tonight. He noted that the City advertised a Request for Proposals for Parking Management Services within the City, and responses to the Request for Proposals were opened on November 12, 2019. Three responses were received and Diamond was selected. Negotiations began promptly and Republic timely submitted their protest. The Council must review the protest, affirm staff's decision, or request the RFP process begin again. The determination of Republic's protest may financially impact the City, as the total cost is affected by the selection of the contractor. Staff has been in contact with Republic and the protest revolves around the scoring criteria. The staff report states that the primary reason for selecting Diamond was based on the financial proposal submitted; therefore, Republic submits that the scoring criteria was not followed, as the financial aspect is worth 20% of the points, and specifications and scope were not followed by Diamond's submittal. The RFP notes that the City reserves the right to select the contractor on the basis of the proposal submitted or to conduct interviews with the highest scoring contractors following evaluation of the proposals, whichever best suits the needs of the City. The City reserved the right to seek clarification and the selection would be based on the criteria included in the RFP. The selection committee scored each proposal and all scores placed Diamond at a higher rating than the other proposals. Republic believes that their proposal offers better customer service. The committee consider all aspects of the proposals including customer service in their recommendation of Diamond.

Mr. John Meek, with Republic Parking, stated that the RFP itself did not note the City's ownership of a mobile license plate recognition (LPR) system; therefore, they assumed all patrolling was done on foot. They did not include a mobile LPR, which would have been a dramatic reduction in labor of almost 60%. Additionally, the contract includes language that Diamond is not required to have a local office, which was a requirement within the RFP. Republic included \$36,000 for that requirement, to only find out it was not required. Their goal is to not stop the award, but to re-evaluate the RFP and reissue it in a more detailed manner, and Mr. Meek noted that they understand that is time consuming and costly. They suggest that the City allow the responders to resubmit a proposed budget based on the known information they have today.

DISCUSSION: Mayor Widmyer asked for clarification from staff regarding the mobile license plate reader. Mr. Tymesen said that there was a note within the RFP to contact the city with any questions and that Republic is in Spokane and could have come over at any point in time to witness the system in action. The Mayor asked legal counsel if there were any legal merit to the protested items. Mr. Gridley noted that questions from the vendors could have been asked at any point prior to submittal, so he didn't believe the issue with the LPR was valid. He clarified that there was no ironclad contract going into the RFP, as some items were left to be negotiated after the the proposal was selected by the selection committee. Mr. Tymesen commented that the selection committee reviewed the proposals and the contract consolidates several prior contracts into one document. He did clarify that they would amend the contract to add in the local office, which Diamond does have. Councilmember Miller said that she served on the selection committee and they went through all the details and there was a lot of latitude for a vendor to add efficiencies or ways to manage the parking better. The fact that a mobile LPR was not called out by name could have provided an opportunity for the best ideas to come forward from the

vendors. She noted that the selection committee also included Captain Hagar, Dan English, Randy Adams with the City Attorney's Office, and residents Ann Melbourne and Lacy Moen, who all reviewed the responses the week before they met. Councilmember Miller commented that she thinks that the City is too far down the road to reissue the RFP. Councilmember English said that one of the claims was that 90 minutes was not enough review time, and clarified that the responses were available ahead of time and that the 90 minutes was not the only time spent reviewing the proposals. Councilmember Miller also noted that there were three companies that made proposals and Republic's proposal was very professional and rated high and she appreciated their enthusiasm and hopes in the future they will submit again.

Councilmember McEvers said that it would be difficult to rebid, as all the proposals have become public knowledge, so they can see what their competitors have submitted. Mr. Tymesen clarified that the contracts that were in place with Diamond were shared with all responders. The challenge in the protest is the fact that they hadn't brought more questions forward during their research time. Mr. Tymesen clarified that it is not low bid process, but a request for proposals which was scored accordingly. Mr. Gridley noted that the RFP obligated all responders to check out the City's current system. Councilmember Evans asked for clarification as to the requirement for a local office. Mr. Tymesen said that he will add it into the Contract, as the City does want that and it is within one of the existing Diamond contracts.

STAFF REPORT CONTINUED: Mr. Tymesen thanked the organizations that submitted a proposal. He noted that the responses were evaluated by the selection committee and the response of Diamond Parking, Inc., received the highest score, primarily due to the competitive financial proposal, the City's prior experience with Diamond, and the fact that staff and infrastructure are in place. Staff then entered into negotiations with Diamond Parking, Inc., beginning on November 26, 2019, and reached an agreement as to the terms and conditions for the Agreement. The majority of terms and conditions are the same as were contained in the previous agreements with Diamond Parking. Diamond Parking will manage the City parking lots, the McEuen Parking Facility, the Coeur d'Alene Avenue Parking Garage, the mooring docks, the 3rd Street Boat Launch, and on-street parking in the Downtown Core, E. Rosenberry Dr., W. Hubbard Ave., and the Library parking lot. Diamond will work with the City to design and post new signage to provide better information and direction to the public. The parking management fees negotiated are comparable to the fees under the prior agreement. Mr. Tymesen explained that the total fees will rise due largely to the addition of the Coeur d'Alene Avenue Parking Garage. In summary, the management of public parking lots will guarantee the City \$90,000 per year. Diamond Parking will also pay the City 94% of annual net fees collected in excess of \$188,000 (under the prior agreement, the City was guaranteed \$90,000, with Diamond paying 92% of annual net fees in excess of \$165,000). The management flat fee for the parking garages remains unchanged, with the City paying operating expenses up to \$89,900 for the McEuen facility and \$67,400 for the Coeur d'Alene Avenue Garage (operating expenses for the McEuen facility were capped at \$72,396 under the prior agreement). For the mooring docks, the management flat fee will be \$300 per month (down from \$350 per month under the prior agreement). Mr. Tymesen further noted that the management fee for the boat launch remains unchanged; and for on-street parking, the management fee will be \$43,200 per year (under the prior agreement, the fee was \$39,300, but two streets outside the downtown core were added and the Library Parking Lot is included in the fee, instead of being a separate fee). Diamond will add

the management of the annual permits for City and County residents. Mr. Tymesen noted that the City will continue with license plate recognition.

DISCUSSION CONT.: Councilmember Miller asked about the term dates for the contract. Mr. Tymesen said that the Contract would go into effect January 1, 2020, for a three-year term, which will ensure that local permits will be ready for issuance at the beginning of the year. Councilmember Gookin said he would oppose the awarding of the contract as he has issues with Diamond and their customer service. Councilmember Miller said that the selection committee went through a real process and clarified that the LPR issue alone would not have put Republic ahead of Diamond in scoring and she does not think the committee could have done a better job. Councilmember Gookin said that he had concerns and does not feel they have enough questions answered and commented that the general public does not like the customer service, but he is not questioning the process. Mayor Widmyer said that the City has worked with Diamond and discussed customer service items that can be improved. Councilmember Edinger asked how many years Diamond has had a Contract with the City. Mr. Tymesen said that the City has worked with Diamond for 27 years.

MOTION: Motion by McEvers, seconded by Miller **Resolution No. 19-061**; Approving an agreement with Diamond Parking, Inc., for parking services management.

ROLL CALL: Evans Aye; Miller Aye; McEvers Aye; Gookin No; English Aye. Edinger Aye.
Motion carried.

COUNCIL BILL NO. 19-1018

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO, APPROVING THE URBAN RENEWAL PLAN FOR THE HEALTH CORRIDOR URBAN RENEWAL PROJECT, WHICH PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS AND OTHER TAXING ENTITIES; PROVIDING SEVERABILITY; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR PUBLICATION OF ORDINANCE OR SUMMARY THEREOF; AND PROVIDING AN EFFECTIVE DATE.

Mayor Widmyer recused himself from this item and turned the meeting over to Council President McEvers.

DISCUSSION: Councilmember McEvers asked Mr. Berns, the ignite cda Executive Director, to provide a history of the Urban Renewal Agency and provide some information as to how the Health Corridor came forward. Mr. Berns noted that the first district created in Coeur d'Alene was the Lake District in 1997. In 2003, the River District was formed and in 2018 the Atlas District was formed. He noted that the Lake District expires in 2021. The Health Corridor is being proposed as a 20-year term. He explained how the funding agreement for the Riverstone project came forward. In 1997, the Riverstone area was given a \$3 Million base value and, currently, which is at build out, it is valued at over \$90 Million. Councilmember McEvers stated

that the developer came to the agency and asked for help, then the developer paid for the infrastructure, and the Urban Renewal District reimbursed him back over time. Mr. Berns noted that the Riverstone area had a master plan; however, when the great recession hit and the plans changed and it affected the market, which resulted in some items being put on the side.

Councilmember Miller asked if there were another recession would tax payers outside of the district need to pay debt back. Mr. Berns clarified that they would not, that the district is a self-fund funding entity. If they entered into an agreement with a developer, the development would dictate how much increment would be raised, and if it comes in slower the reimbursement to the developer would slow down.

Councilmember English asked for clarification regarding the obsolete buildings and blight philosophy. Mr. Berns explained that an urban renewal agency operates under two sections of the Idaho code: one is in reference to economic development, and the other section focuses on deteriorated areas. He noted that the Health Corridor is focused on the economic development section. Councilmember Evans asked for clarification regarding the concerns from the church regarding the potential loss of their building. Mr. Berns clarified that the map presented includes a long-range vision project for the corridor and it simply overlays what could happen. He confirmed that the map will change as more information comes forward with a traffic study. He also clarified that roads may not get straightened out or cut through, as the first step after approval will be a formal traffic analysis to determine if the mobility suggests are the right way to move forward. The Agency is not looking to displace anyone. Councilmember Miller noted that the 2016 City use of eminent domain with the Silverlake Mall was a piece of the parking lot for Government Way and asked if ignite ever discussed use of eminent domain, or plans to do that in the corridor. Mr. Berns clarified that they have not used eminent domain and do not plan to. Councilmember Miller stated that eminent domain should only be in the control of elected officials; however, the law gave urban renewal agencies that authority, and noted that even if it were pulled from the plan, it would not change the state law that gave the authority to the agency. Mr. Berns noted a few project examples in which the agency talked annually with the property owners, who never agreed to sell. Therefore, the agency redesigned the projects, rather than use eminent domain.

Councilmember McEvers said that he thinks that people feel the City is not doing something fair or right, but when looking at master plans, it is intended to change over the year. He noted that the agency has done good things within other districts and hopes things keep growing.

Councilmember McEvers asked if they could simply draw a line around the Shopko property and call it good. Mr. Berns said that would be without a revenue allocation area, as was done in Lewiston and Twin Falls. The little areas noted for projects, then required an amend to the at that time, which would reset the base value each time it was amended; however, if you reset the base for each project it would difficult to have money to reimburse developers. Councilmember Edinger asked how difficult it would be to start all over, and create new plans. Mr. Berns said that they have spent \$350,000 to date and can start again but he does not know what the value would be to start again as they have gotten a lot of public input and the plan reflects that input. Councilmember Edinger asked for confirmation that the plan was taken to Planning Commission and they approved it. Mr. Berns confirmed that the Planning Commission has approved the plan. Councilmember English noted that the reality of the plan is that the agency can provide funding and coordination of a lot of moving parts. There are many funding options, and it is meant to be

a joint private partnership with the community. He reminded the community that Kootenai Health is one of only a few community hospitals left, and not a corporation based elsewhere. Councilmember Edinger said that in the past one would have to go to Spokane for certain medical services and it seems like it took us a while to get there and now we have opportunity to get more and he feels the City should take advantage of it. Councilmember Evans reiterated that this is our community hospital and we are privileged to have this in our community, not only for job creation but, additionally, for services provided locally. It is an asset to get health care needs met within the community and stay in your hometown. She noted that quality health care is integral to a thriving, growing community.

Councilmember Gookin said that this is not about Kootenai Health and noted that they did all their growth this far without urban renewal and they are not going away. It is a public hospital and they are growing by acquiring businesses surrounding them. He said he felt that the question is will the City allow the hospital to use public dollars to continue to grow. Councilmember Gookin said that he does not believe it is a fit for urban renewal, and other avenues to encourage development should be explored. He noted that the City allowed development that caused the traffic congestion, and it is not a blighted area. He further said that the hospital could use other funding sources such as bonds, levy, or a business improvement district, and reiterated that the hospital pays no property taxes on property they own. Councilmember Gookin said that he believes they should identify obsolete buildings and outline all public works projects within the plan, which fails to meet Idaho Code. He encouraged the Council to reject the plan and start over, as it threatens small businesses. Discussion ensued regarding eminent domain and the Idaho Code authority provided to agencies.

Councilmember Miller noted that there has been community outreach and discussion regarding conducting a traffic study in order to best fix the roads. The Agency has hired consultants to give sound reasoning and direction, which is what should be looked at, along with the public input. She concurred that hard costs are not known; however, estimates are provided and the plan should be fluid in order to negotiate opportunities as they arise. She further reiterated that the hospital is the largest employer in North Idaho.

Discussion ensued regarding tabling the matter for two weeks for additional information and what that information would include. No motion was made. Mr. Tymesen explained that the goal was to get the item to Council before the year end. Ms. Quade explained that Idaho Code Chapter 29 regulates the creation of the district and that the original feasibility study makes it eligible to become an urban renewal district. The locations and vision will be a process over time working with property owners and developers. Ms. Quade noted that the Council can remove eminent domain from the plan, but it does not change the agency's legal ability to utilize that tool.

MOTION: Motion by Evans, seconded by Miller, to dispense with the rule and read **Council Bill No. 19-1018** once by title only.

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

MOTION: Motion by Evans, seconded by English, to adopt **Council Bill 19-1018**, with removal of eminent domain from the plan.

DISCUSSION: Councilmember McEvers said that urban renewal has done some great things for the community. Councilmember Miller asked Mr. Ness why they are requesting urban renewal and no other funding options. Mr. Ness explained that the project has been named the Health Corridor but all the property in the area are included, such as hotels, restaurants, grocery stores, private physicians, all of which are struggling with what to do with Ironwood Drive as a public safety issue. He noted that they do have 3,600 employees and he needs to work with the City and ignite to deal with public infrastructure. He also noted that Kootenai Health also has the authority of eminent domain, and that they have never used it and have no plans to use it. Mr. Ness clarified that the items came forward due to public infrastructure issues and a community growing at a significant rate. The hospital cannot continue to grow due to their land-locked location. He noted that there are only 32 standalone hospitals their size left in the United States and they do not have resources to do this all by themselves, which is why they need partnerships. The population will continue to grow with many people of the age needing health care services. He commented that he believes they have the perfect location for a regional hospital, and urban renewal would be the most positive, productive way to partner with the City and the Idaho Transportation Department. Councilmember McEvers asked what options the 32 community hospitals have. Mr. Ness noted that the ones that can't make it sell to big corporations from out of state. Additionally, he noted that physician practices are the fastest growing within the hospital and they are located in leased space that are on the tax rolls. Councilmember Miller commented that while the hospital has the power of eminent domain, which it has never used, it has a publicly-elected board. Mr. Ness also noted that they have taxing authority, but have not used it since 1956, and they have no desire to institute any taxing, as they believe healthcare in the United States already costs too much and that would be another burden to the community. Councilmember McEvers asked how the county residents are affected. Mr. Ness noted that approximately 1/3 of patients come from outside of Kootenai County, as they are a regional medical/trauma center.

ROLL CALL: Miller Aye; McEvers Aye; Gookin No; English Aye; Edinger Aye; Evans Aye.
Motion carried.

RECESS: Councilmember McEvers called for a 5-minute recess at 9:11 p.m. The meeting resumed at 9:11 p.m.

RESOLUTION NO. 19-062

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE PURCHASE OF THE FORMER ARTCURRENTS SCULPTURE KNOWN AS "UNTITLED," RENAMED "OPEN ARMS," BY ARTIST DONALD CADDEN, SJ, IN THE AMOUNT OF \$7,210.00.

STAFF REPORT: Mr. Troy Tymesen noted that in June, 2015, the City of Coeur d'Alene Arts Commission issued a call to artists for the 2015/16 Fiscal Year ArtCurrents Program. One of the pieces selected was by artist Donald Cadden, SJ, originally titled "Unnamed." Father Cadden,

who died in 2018, was a Jesuit Priest who lived and worked at Gonzaga, and owned a studio/shop in Garwood. His art works are primarily held privately throughout the Northwest. Val Kunz, a close family friend and estate representative, has been working with Father Cadden's nephew, who is the heir to his artwork, and has offered the piece to the City of Coeur d'Alene at a reduced price. The original price of the statue was \$13,000, and if it had sold while in the ArtCurrents program, the artist would have received \$9,750, with the City receiving a 25% commission. After negotiation, the estate representative has indicated that they would be willing to reduce the price of the statue to \$7,100, which is about 45% off of the original asking price. The statue is currently in storage at the Street shop. It was previously on display on the corner of 6th & Sherman Avenue for over four years and has held up well. On November 26, 2019, the Arts Commission recommended the purchase of the statue, to be added to the City's permanent public art collection and eventually placed in the Atlas Waterfront development in the Lake URD District. The art piece was originally titled "Unnamed" for the reason that Father Cadden did not like to name his pieces because he wanted people to decide without pre-conceived ideas. Since that time, his family has decided that the title of the piece should be "Open Arms."

DISCUSSION: Councilmember McEvers asked if the City has purchased art from the program before. Mr. Tymesen confirmed that City has purchase art this way previously. Councilmember Gookin asked how one prices art. Mr. Tymesen said that one could appraise it, but this is an original piece so the question would be what to compare it to and what is it worth to the buyer of the art. Councilmember Miller asked if there an artist statement as to what the piece is about. Mr. Tymesen clarified that the artist wanted the viewer to make their own determination on what they see and did not provide a statement.

MOTION: Motion by McEvers, seconded by Gookin, to approve **Resolution No.19-062** - Approving the purchase of Donald Cadden Statue, "Open Arms," in the amount of \$7,100.00.

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

RESOLUTION NO. 19-063

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO,
APPROVING THE CITY OF COEUR D'ALENE EMPLOYEE BENEFITS TRUST
IRREVOCABLE TRUST AGREEMENT.

STAFF REPORT: Mr. Tymesen noted that On March 19, 2019, City Council approved funding for an actuarial study to assist the City in migrating to a self-funded health insurance program. Since that time, the actuarial study was completed and the required application for approval to begin a self-funded program was submitted to the Department of Insurance (DOI.) Most of the areas of the DOI application that have been under review are nearing a close and the City is making good progress towards the originally planned January 1, 2020 implementation date. The next required step by the DOI is proof of initial deposit of reserve funds into the City of Coeur d'Alene Employee Benefits Trust bank account. In order to satisfy the DOI for the January 1, 2020 implementation date, funds need to be deposited into the trust bank account by December 16, 2019. The initial deposit amount due by December 16, 2019, as outlined by the

actuarial certification received from Milliman, is \$600,000. A second reserve deposit of \$800,000 will need to be funded into the trust the first week of January 2020. These funds are required and will ensure there are adequate reserves to pay claims in the event of high medical utilization. Moving forward, the ongoing medical premium contributions will fund the trust to finance the medical benefits for City employees. The initial funding will come from the General Fund's fund balance, which is not included in the Fiscal Year 2019-20 Financial Plan but was anticipated during the budget planning. Upon approval, the expense will be included in the 2019-20 Budget Amendment. The City anticipates that transitioning from fully insured to self-funded will increase cost efficiencies of the City's medical plan and the trust will be able to provide greater flexibility (i.e. pharmacy, stop loss, disease management, etc.). The employees that have been accepted as trustees for the City of Coeur d'Alene Employee Benefits Trust by the DOI, and agreed upon by the Medical Review Committee, are Randy Adams, Vonnie Jensen, Melissa Tosi, Bill Dodd, and Brady Reed.

DISCUSSION: Mayor Widmyer asked what the estimated average return on investment of the trust fund would be. Mr. Tymesen noted that they are looking for ultra conservative investments, which would be approximately 2- 2.5%. Councilmember McEvers commented that the City used to be self-insured and then moved to private insurance. Mr. Tymesen explained that in the past the City had split the employees between a group plan and self-funded plan. The group of self-insured kept shrinking, so the City is now looking at a self-funded plan that has some immediate expected savings. Councilmember McEvers asked if it will help with budgeting going forward, as in no unexpected swings in costs from being privately held. Mr. Tymesen confirmed that the City will not see unexpected swings in cost. Councilmember Miller noted that the City has been working on the final state approval, and wondered if this is the final stop before confirmation of state approval. Mr. Tymesen noted that they are looking for a firm "yes" by mid-December. Councilmember Gookin thanked Mr. Helbling and Mr. Tymesen for their hard work that will result in a savings to the tax payers.

MOTION: Motion by McEvers, seconded by Edinger to approve **Resolution No.19-063** - Approving the City of Coeur d'Alene Employee Benefits Trust Irrevocable Trust Agreement.

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

ADJOURNMENT: Motion by McEvers, seconded by Evans that there being no other business this meeting be adjourned. **Motion carried.**

The meeting adjourned at 9:37 p.m.

Steve Widmyer, Mayor

ATTEST:

Renata McLeod, City Clerk