

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

May 27, 2025

The Mayor and Council of the City of Coeur d' Alene met in a continued session of said Council at the Coeur d' Alene City Library Community Room on May 27, 2025, at 12:00 p.m., there being present upon roll call a quorum:

Woody McEvers, Mayor

Kenny Gabriel)	Members of Council Present
Christie Wood)	
Amy Evans)	
Dan English)	
Kiki Miller)	
Dan Gookin)	

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

Mayor McEvers said the purpose of the workshop was to provide an opportunity for Council to have a dialogue regarding the vision and priorities for the City. He added that department heads are present if there are specific questions about their respective departments.

COUNCIL DISCUSSION:

Councilmember Evans noted that while the recent passage of the G.O. Bond is a cause for celebration, she is also interested in initiating discussions on reducing the City's reliance on bond funding. She suggested beginning to plan for alternative strategies that the City could implement over the next 5 to 10 years. Mayor McEvers agreed, adding that some of these considerations would depend on how the state funding trends within the region.

Councilmember Gookin expressed support for Councilmember Evans' proposal. He referenced the \$1 million received from the Coeur Terre annexation and recommended allocating it as a line item in the Fire Department's budget to serve as seed funding. He proposed that the City contribute an additional \$300,000 annually over the next five years, beginning in approximately 2.5 years, to support the phased purchase of fire apparatus. This approach, he explained, would help the City avoid the need to replace heavy vehicles every 10 years. While acknowledging the initial financial burden, he emphasized that the eventual retirement of the Bond would help balance things up. Councilmember Wood expressed support for the concept and emphasized the importance of establishing a Capital Improvements Fund. She highlighted the need to include public safety in the discussion, noting that the City must also purchase police vehicles regularly. She agreed that the City should prioritize capital improvement funding and commit to contributing as much as possible to the fund each year. He added that the \$1 million from the Coeur Terre annexation could serve as initial funding in the current budget cycle by creating a dedicated line item for fire apparatus.

Councilmember Gabriel noted that the Bond program began 20 years ago with no impact on the General Fund. He emphasized that the fire stations built at that time were necessary, and the challenge has always been securing consistent funding for such essential projects. He stated that the Bond has proven to be a highly successful solution.

Councilmember English acknowledged the limitations that the City faces, stating that it is not realistic to expect major projects to move forward without bond funding, given the constraints imposed by the legislature. He mentioned that urban renewal could have been a helpful funding tool but noted legislative restrictions. Despite the limited options, he stressed the importance of public understanding, especially given the strong voter support for the Bond.

Councilmember Gookin asked Fire Chief Tom Greif how Kootenai County Fire and Rescue fund their apparatus. Chief Greif explained that they passed a Bond two years ago for \$15 million. Their bond was used to purchase fire apparatus and build two new fire stations. Chief Greif pointed out that the major challenge for the City is not just funding equipment, but also staffing and securing property for future fire stations.

Councilmember Gabriel shared that he had a conversation with the Speaker of the House a couple of weeks ago about the local option tax. The concern is that funds would go into a statewide pot, leaving very little or limits the ability to retain and use funds locally. However, he noted that he supports a local option tax that would support the city needs, but not one that goes to the state.

Councilmember Wood recalled last year's discussion about forming a Budget Committee to develop a 10-year financial plan and suggested revisiting that idea. While a 10-year plan may seem massive, she proposed starting with a 3-year budget framework led by the administration, with active participation from the Council.

Councilmember Miller emphasized that budget discussions will always come back to payroll obligations and highlighted the need for stronger communication between the Council and department heads considering that no new revenue streams currently available. She also stressed the importance of addressing housing for City staff and recommended that the City closely monitor developments in the 2025 Land Use and Housing Study Committee as established by the Idaho Legislature under SCR103, as it could lead to legislative changes that directly impact the ability to attract and retain staff. Councilmember Miller urged the City to stay engaged, as potential legislative changes could present opportunities worth leveraging. Councilmember Wood suggested that a public-private partnership involving the City, the College, and the County could be a valuable opportunity to develop apartment-style housing specifically for employees. Councilmember Miller stated that the College has a Housing Commission that is still active. She mentioned plans for a housing forum this fall to discuss the Housing Authority. She also mentioned organizations like NIBCA, that are working on launching a volunteer-driven funding campaign to help buy down mortgages for local workers. She stressed the importance of the City staying engaged with these efforts and closely following the work of the 2025 Land Use and Housing Study Committee.

Councilmember Miller emphasized that payroll should remain the City's top priority. She expressed interest in how upcoming budget presentations and workshops will reflect the next three to five years. She raised concerns about the continued reliance on fund balance to meet financial obligations.

Councilmember Evans highlighted the importance of recognizing the volunteers, Committee, Commission, and Board members who generously contribute their time and talents to the City. She expressed interest in honoring them in an official capacity—such as hosting a BBQ event—to ensure they feel seen, valued, and appreciated for their service.

With regards to the downtown development regulations and design guidelines, Councilmember Gabriel expressed his interest in seeing the necessary changes implemented and understanding what the outcome will look like. He added that he would like to see the project through to completion.

Councilmember Gookin supported improving communication and prioritizing public safety. He recommended hiring an additional Building Inspector and increasing the pay for City Attorney and IT staff, suggesting IT become a separate department. He mentioned that he appreciates having electronic billing but reminded revisiting the idea of offsetting the \$1 electronic billing processing fee by splitting it between water and wastewater utilities. He also noted that the City is the only agency in Kootenai County not observing Juneteenth, which affects coordination with other agencies, and asked the City to look into recognizing the holiday.

Human Resources Director Melissa explained that, following discussions with employee groups and a review of holiday pay practices, the City currently observes additional holidays that are not federally recognized, such as the day after Thanksgiving and Christmas Eve. Rather than incurring an additional cost of approximately \$300,000 to add a new holiday, employee groups were asked if they would prefer to recognize Juneteenth in place of one of the existing non-federal holidays. However, there was no interest by those associations to make that change. Councilmember Wood suggested that the City consider whether to exchange an existing holiday for Juneteenth or recognize it as an additional paid holiday, emphasizing the importance of having a discussion on the matter. Councilmember Gookin supported the idea, noting that recognizing Juneteenth is important because City some staff face challenges completing their work when other agencies are closed for the holiday. Councilmember English added that Juneteenth is also a banking holiday.

Councilmember Miller stated that the City should pay attention to the issue of overpopulation of boats on Spokane River. In line with public safety, the City needs to be more proactive on what is happening on the lake as it gets more crowded, such as creating a non-motorized boat lane. She supported better communication between the Council, departments, and citizens, suggesting more information be shared on the City's website so citizens would be provided an opportunity to know the facts. However, she opposed the idea of creating a separate IT department at this time due to payroll concerns and emphasized the need for data and a long-term strategic plan. Municipal Services Director Renata McLeod shared that the City has been working on a five-year IT plan, especially in light of the past security breach; however, some sections would be protected security data. She emphasized the importance of bringing more data and looking at other cities before presenting the plan to Council.

Councilmember Miller stated that as the City continues to grow, the Council should also look at what the City must provide and reassess and trim some programs that the City does not have the ability to provide anymore. She added that the City should consider hiring a communications person, whose role could include grant writing and research. Councilmember Wood stated that the Parks and other departments are good at finding grants but someone central that could actually help them and plan ahead would be an advantage. Councilmember English stated that there are a lot of grants available and the communications staff position may be able to pay for itself with the admin fees involved in the grants.

As the City heads towards budget talks, Councilmember Wood suggested considering raising parking fees to help pay for park maintenance considering the increase of visitors every year.

Councilmember Gookin noted about having a discussion about urban renewal and the hospital district. Councilmember English supported the idea stating that it might present something worthwhile such as a joint meeting with ignite. Councilmember Miller shared that the concerns regarding the hospital district is that there is no activity coming out of the hospital district, that Kootenai Health has not paid their payment in lieu of taxes (PILOT), and the tax revenue from a hotel on Northwest Boulevard which is outside the hospital district and on the City's tax rolls. It was noted that while the PILOT is expected, it depends on the district's participation, which remains uncertain. Councilmember Miller stated recent developments such as the childcare facility and the difficulty of establishing a new district under current legislative constraints. She emphasized the hospital district's potential for positive impact, including attainable housing. Councilmember English responded by suggesting a thorough discussion to evaluate the district's liabilities and assets. Councilmember Wood supported the idea of meeting with the board to present their strategic plan to see the whole picture. Mayor McEvers stated that he initially questioned the purpose of keeping the hospital district open due to a lack of visible progress. However, he reconsidered after recalling how long it took for development to begin in Riverstone, noting that planning takes time. He stated that since maintaining the district doesn't currently cost anything, it might be worth keeping open for its future potential, with the option to close it later if needed. Councilmember English pointed out that much of the land within the hospital district is owned by Kootenai Health, making it non-taxable, unlike Riverstone, which was composed of high-value commercial property. He expressed interest in holding a workshop to thoroughly evaluate the district's future, including its assets and liabilities. He believes it is important to reassess the district's direction.

Councilmember Wood asked Finance to provide a written update on the Atlas District to outline details on revenue and how close the City is to paying off its loan. Councilmember Evans stated that it would be beneficial to bring Ignite and the City Council together for a joint meeting. Councilmember Miller noted that the ad hoc committee working on the final phase of the Mount Hink project and attainable housing is awaiting a few final pieces of information, with their next meeting expected in June. She suggested that if the Council plans to meet with Ignite, it would be best to schedule it after that point to ensure all relevant data and updates can be shared during the meeting.

In preparation for the upcoming budget meetings, Councilmember Wood asked for advance information on projected tax revenue figures and updates on any ongoing discussions with employee bargaining groups. Councilmember Gookin asked how the City's current projected revenues from the state compared to actual collections. Finance Director Katie Ebner responded that revenues were coming in significantly lower than projected. She noted that Council will be provided with an audit report in June. She added that the liquor tax is coming in short and highway user funds. She offered to compile a comparison of current revenues against prior years to provide further insight. Councilmember Wood asked for information on the impact of any proposal for tax increases.

Councilmember Gabriel mentioned about streamlining operations in the Building Department and stated that a key improvement in progress is the implementation of new software. Building Official Ted Lantzy confirmed that the software would significantly enhance customer service as residents currently must apply in person for certain permits rather than on-line. Councilmember Gabriel also emphasized the importance of ensuring the streets and engineering departments have the necessary funding—not just locked-in funds—to avoid falling behind on street maintenance and overlays. Lastly, he stressed the need for proactive succession planning in administration, noting that leadership changes are inevitable and that preparing early for transitions in key roles like City Administrator and department heads.

Councilmember Wood stated the need for a Council policy manual to guide procedures and reduce confusion during decision-making. She suggested forming a committee composed of the Council and Mayor to draft policies separate from personnel rules. Councilmember Miller asked for specific examples where a policy manual would have been beneficial for the City or the Council as a whole. She also inquired about the legal perspective on creating a policy manual in addition to the procedures and guidelines the City already follows. Councilmember Gookin highlighted the lack of process when a Mayor resigns or when there's a Council vacancy. Although state statute outlines the basic procedure, there was no clear internal process for the Council to follow, leading to uncertainty and unanswered questions, suggesting that a policy manual could provide clarity in such situations. Councilmember Miller expressed concern that any policies created now would primarily reflect the views of the current Council, which may not align with future councils. She noted that the flexibility and/or vagueness of current procedures allows each Council to interpret them as they see fit. Referencing the statute, she pointed out that it clearly states the Mayor appoints a Councilmember and the Council adopts the appointment, which, in her view, is what occurred. She stated hesitation about investing significant effort into developing a policy manual unless it includes guidelines that are flexible enough to remain relevant for future councils. Councilmember Wood stated that it wouldn't be difficult and expressed willingness to be part of the committee to help develop it. She emphasized that the goal was to ensure public process and transparency, which could be formalized through policy.

Councilmember English noted that many of the current discussions seem to revisit topics previously raised, such as the idea of establishing behavioral standards for the Council. He recalled that a committee had been formed to work on this. He expressed support for revisiting that effort, suggesting that having clear behavioral guidelines would be beneficial.

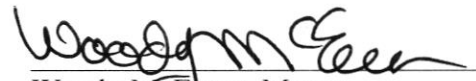
Councilmember Evans inquired about the next steps moving forward and the timeline. She noted that having a clear understanding of the upcoming process would be helpful not only for the Council but also for department heads, providing them with a sense of direction. Mayor McEvers emphasized the importance of open communication between the Council and City staff, noting that it's valuable for everyone to hear these discussions collectively. He encouraged councilmembers to engage directly with staff, as they often have the answers and are currently working hard on budget preparations. He acknowledged that department heads are meeting with councilmembers individually during this process and that administrative staff are keeping the Council informed.

City Administrator Troy Tymesen stated that a meeting with Ignite will be scheduled in the near future. He also mentioned that a study from the Fire Department regarding the ideal location for a new station is expected soon, with results likely available by July. Any related findings will be incorporated into the City's financial planning. He highlighted the City's rapid growth and the challenge of declining levy rates, explaining that new development is no longer generating the same level of revenue as in the past. Despite this, departments like Building and Planning are working hard to keep up with demand. On a positive note, the City's medical trust is performing well, helping to stabilize benefit costs. The City is currently in discussions with employee associations, aiming for a smooth negotiation process. A wage study is underway to address pay equity and ensure fair compensation across departments. He confirmed that efforts are underway to address concerns around compensation and staffing. He shared that the City has identified a reputable Idaho-based firm with experience working with large public entities to assist with a wage study. This study is expected to support smoother negotiations with the Police Officers Association and LCEA, with the goal of presenting a unified proposal to the Council. While Human Resources has some funding allocated for the study, it's not enough to cover the full scope, which includes updating job descriptions over a five-month period. The intent is to revise rather than completely rewrite these descriptions.

Councilmember Wood emphasized the need for clarity on the proposed salary study, expressing concern that some studies can be superficial. She stressed the importance of aligning job descriptions with actual duties rather than relying solely on wage comparisons. Ms. Tosi responded that the proposal includes a detailed scope and has been shared with employee associations for transparency. She highlighted significant changes since the last study in 2017, including COVID-19, rising housing costs, and increased competition for talent, especially from nearby cities like Post Falls. Councilmember Wood suggested exploring an in-house approach to reduce costs, but Ms. Tosi noted that while internal reviews have been done, a third-party consultant adds credibility. Councilmember Miller supported using internal data to cut costs but emphasized that wage increases alone won't solve broader issues like housing affordability. Ms. Tosi shared that the City found a more affordable consultant for \$55,000, down from an initial \$233,000 quote, noting that the selected firm has municipal experience. She acknowledged regional pay disparities and noted that while Coeur d'Alene employees reach maximum pay faster, the overall salary ranges still lag behind. Finally, Councilmember Wood pointed out that job titles don't always reflect actual duties across cities. Ms. Tosi agreed, stating that HR can help consultants understand these nuances to ensure accurate comparisons.

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

The meeting adjourned at 1:16 p.m.


Woody McEvers, Mayor

ATTEST:


Jo Anne Mateski
Executive Assistant