

MINUTES OF A REGULAR MEETING OF THE CITY  
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,  
HELD AT THE LIBRARY COMMUNITY ROOM,  
JULY 15, 2008

The Mayor and Council of the City of Coeur d'Alene met in a regular session of said Council at the Coeur d'Alene Library, July 15, 2008 at 6:00 p.m., there being present upon roll call the following members:

Sandi Bloem, Mayor

Al Hassell	)	Members of Council Present
Woody McEvers	)	
Mike Kennedy	)	
John Bruning	)	
Deanna Goodlander	)	
Loren Ron Edinger	)	

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

**INVOCATION** was led by Pastor Jonathan Owens, Heart of the City Church.

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

**PRESENTATIONS:**

PROPOSED JAIL EXPANSION: Tad Leach, Undersheriff in the Kootenai County Sheriff's Department, announced that the projected population of Kootenai County by 2020 is over 250,000 people. Commissioner Todd Tondee reported that the jail expansion has been an issue that the Commissioners have faced since he was elected. He noted that the plan presented this evening would be a plan into the future until 2020, and staff would be presenting the actual needs and associated costs for the Sheriff's facilities in order to allow the citizens to make an informed decision this coming November.

Undersheriff Leach presented the facility needs for the Sheriff's Office. He reported that the consultants believe that the Sheriff's Department has about ½ the amount of square footage needed for employees due to the Council increasing from 105 employees in 1988 to 280 employees today. The current facility does not have a break room, physical fitness room/tactical training room. He noted one room that houses police evidence contains just the evidence for the Duncan case which will probably need to be stored for the next 20 years. He reviewed the alternative solutions that the Sheriff's office looked at such as modular units, renting space, or building additional space which they believe is the most cost effective. He presented the current overcrowding conditions for evidence and records. He noted that the Sheriff's Department will be glad to do tours for any of the public interested in viewing the storage areas.

Lieutenant Neal Robertson, acting Jail Bureau Commander, presented the current conditions and operating costs of the existing jail. He reported that the jail was first constructed in 1987 and expanded in 2002. In 2006, due to overcrowding of the jail, the County tried sending inmates to other facilities; however, those facilities are filling up and will no longer accept Kootenai County inmates so the County is now increasing the distance to which they send inmates. The projected daily housing rate between 2009 to 2020 will be over \$20,882,311, transport cost will total \$20,002,485, and administrative costs will be \$2,130,106, for a total cost of \$51,904, 902. Undersheriff Leach noted that taxpayers are now paying for shipping out inmates.

Councilman Kennedy asked about Officer safety. Undersheriff Leach noted that when you pack in the number of inmates they currently house it increases the occurrence of fights which increases the risk for Sheriff's officers.

Councilman Kennedy asked about a regional facility and how about tents. Commissioner Tondee responded that they had researched the "tent City" of Sheriff Joe which showed that this program is for an extremely small amount of the inmates housed in Sheriff Joe's jails. Sheriff Joe has 7 different facilities and only one "tent city". He also noted that the staffing for tent city is a lot more than in the traditional facilities.

Councilman Goodlander asked about the effect on staffing when sheriff's officers transport inmates. Undersheriff Leach responded that that is done on overtime with a minimum of two officers for the transporting.

Councilman Edinger asked if taxpayers approve the jail – will you have to hire more employees and if that does happen where would the money come from. Undersheriff Leach responded that staff is based on the number of inmates and not the size of the building so, as the jail population grows, they will need to add staff no matter what the facility is. He added that if there is less overcrowding they can probably use fewer officers.

Councilman Edinger noted that Commissioner Currie did not agree with the \$1.45 million dollar price tag. Commissioner Tondee noted that although Commissioner Currie may not agree with the cost, he agrees that additional facilities are needed.

Councilman Edinger noted that it was stated that if this facility is built it is projected to accommodate the county's needs until the year 2020 which is only 12 years away. Shouldn't it be a little bit bigger with the facility plans to last for a longer period of time. Commissioner Tondee responded that the food and laundry facilities will be oversized which will accommodate future expansion of the inmate portion of the facility.

Councilman McEvers asked what would be the cost to the average citizen. Commissioner Tondee responded that it will cost the citizens nothing. He explained that it will increase sales tax with half of the sales tax revenue going back to property owners in the form of tax relief. The sales tax will pay for half of the cost of the jail facilities. He added that the Commissioners will then bond for the other half of the cost which would be paid

through property taxes that will be equivalent to the savings of the property tax relief so there will be no difference in property taxes. In other words, the only additional cost to citizens is the increased cost in sales tax.

Councilman Edinger asked if the sales tax initiative does not pass would the County then go through judicial validation. Commissioner Tondee noted that they would have to construct the facilities if the judges so order.

Mayor Bloem commented that between the savings of transporting prisoners, and tourists paying 33% of the sales tax revenue, citizens are being asked to actually fund \$46,000,000. Undersheriff Leach concurred.

**PUBLIC COMMENTS:**

JAIL EXPANSION: John Williams, 6222 Parkwood Drive, invited the Council to support the jail measure. He noted that he knows the conditions in the jail and this expansion is definitely needed. He commented that every city in the county has only one location to take the people they arrest and it is the County jail facilities.

LANDINGS PARK: Lou Soumas, 3900 Long Meadow Dr., reported that the Parks and Recreation Commission recommended that both Phases 1 and 2 be completed immediately. However, because of projected budgetary constraints additional staff for the Parks department is not in next year's budget plan for maintaining this park. They requested the Council incorporate the staff Doug needs to maintain this new park. Doug Eastwood reported that the proposal before the Parks and Rec. Commission was to do this in phases; however, the Parks and Recreation Commission recommended that both phases be done next year. The issue was additional staffing needed when Phase 2 is completed. With phase 2 being completed by August, 2009 additional staff will need to be added in next year's budget.

FIREWORKS: Glen Lauper, Deputy Fire Chief, reported on the 4<sup>th</sup> of July activities including issuance of 9 fireworks stand permits and a total of 144 fireworks complaints being received during the week of the 4<sup>th</sup> of July. One incident did occur where a child had thrown a firecracker in front of another family that resulted in a confrontation between the families which resulted in having the Police Department intervene. Councilman Kennedy commented that he is for safe and sane fireworks but does not support the igniting of illegal fireworks. He recounted an incident where he had approached a neighbor who was igniting illegal fireworks who in turn had threatened Councilman Kennedy with the end result of having the Police being called.

**CONSENT CALENDAR**: Motion by Hassell seconded by McEvers to approve the Consent Calendar as presented.

1. Approval of minutes for July 1, 8, 2008.
2. Setting General Services Committee and Public Works Committee meetings for July 21st at 12:00 noon and 4:00 p.m. respectively.
3. RESOLUTION 08-041: 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 AUTHORIZING THE RENEWAL OF THE MUTUAL AID AGREEMENT WITH THE CITY OF SANDPOINT FIRE DEPARTMENT; APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE BUREAU OF LAND MANAGEMENT (BLM) FOR THE PRAIRIE TRAIL LAND EXCHANGE AND APPROVAL OF AN AGREEMENT WITH THE COEUR D'ALENE SCHOOL DISTRICT #271 FOR SCHOOL RESOURCE OFFICERS FOR THE DISTRICT'S FISCAL YEAR 2008 – 2009

4. V-08-1 - Setting of public hearing for vacation of easements within the Riverstone West and Riverstone West 1st Addition subdivisions for August 19, 2008.
5. Approval of bills as submitted and on file in the Office of the City Clerk.
6. SS-6-08 - Approval of final plat for Parkside Condominiums
7. Setting of Public Hearings: A-3-08 (Riverstone West) for August 5, 2008.

ROLL CALL: Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye; McEvers, Aye; Bruning, Aye. Motion carried.

RECESS: Motion by Hassell, seconded by Edinger to have a 5- minute recess. Motion carried. The council recessed at 7:30 p.m. The meeting reconvened at 7:40 pm.

#### **COUNCIL COMMENTS:**

COUNCILMAN BRUNING: Councilman Bruning thanked the Parks and Recreation Departments for the Parks Day Celebration held last Saturday in Bluegrass, Ramsey and Riverstone parks and the grand opening of the Prairie Trail. He noted that there were approximately 1,000 people who participated in this event.

COUNCILMAN KENNEDY: Councilman Kennedy commended City Attorney Mike Gridley and credited him for the creation of the Prairie Trail.

COUNCILMAN HASSELL: Councilman Hassell thanked all the citizens who volunteered to help with this event.

COUNCILMAN EDINGER: Councilman Edinger thanked Matt and Jake for giving him a ride in their pedicab between the parks along the Prairie trail. Also, he congratulated Capt. Lee Holbrook who was named the American Legion's State Firefighter of the Year.

COUNCILMAN GOODLANDER: Reported that the Library is constantly "packed with people" this summer. She thanked the Library staff for working hard to serve our community. She noted that the Muddy and Millie project will be completed in September.

**MAYOR BLOEM**: Mayor Bloem congratulated Nancy Mueller, School District 271 teacher, who was also voted as the American Legions' State's School Teacher of the year.

**APPOINTMENT - PERSONNEL APPEALS BOARD**: Motion by Edinger, seconded by Goodlander to re-appoint Sharmon Schmitt and Ted Lloyd to the Personnel Appeals Board. Motion carried.

**ADMINISTRATORS REPORT**: Wendy Gabriel, City Administrator, congratulated the Mayor on receiving regional honors from the Salvation Army. The Library just

received an art gift from Art on the Green. The Police Dept. has been invited to apply for a \$500,000 grant for use in establishing computer forensics within the Police Dept. The Idaho Transportation Department will be hosting an open house for the public to discuss a statewide roadway funding program. She announced that Gov. Otter will be attending this open house as well. Mrs. Gabriel reported that with the rising cost of fuel there is a Ride Sharing Program in Kootenai County and Spokane County. For more information, you can go to their website at [www.rideshareonline.com](http://www.rideshareonline.com).

Councilman Hassell noted that with the increased fixed routes by Citylink ridership now has increased to over 33,000 riders per month.

#### RESOLUTION NO. 08-042

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING AN AGREEMENT OF INTENT TO LEASE CITY PROPERTY WITH ST. VINCENT DE PAUL.

Motion by Hassell, seconded by Goodlander to adopt Resolution 08-042.

ROLL CALL: Hassell, Aye; McEvers, Aye; Kennedy, Aye; Bruning, Abstained; Goodlander, Aye; Edinger, Aye. Motion carried.

**CARRIAGE RIDES IN THE DOWNTOWN AREA:** Deputy City Administrator Jon Ingalls presented a request from the Downtown Association to permit the Association in conjunction with the Spokane Teachers Credit Union to provide free horse-drawn carriage rides in the downtown area each Saturday from 7 p.m. to 10 p.m. beginning July 19th through August 30th. He noted that the Police Department was supportive of this request as long as the carriage obeys the slow moving vehicle regulations including appropriate signage. Mr. Ingalls also noted that on August 2nd and August 30th, Sherman Avenue has been approved for closure due to events planned by the Downtown Association and so he recommended that carriage rides not be allowed on those two occasions.

Motion by Edinger, seconded by Kennedy to approve the Downtown horse-drawn carriage rides from July 19th through August 23rd with the requirements set out in the letter of request and including that the carriage be posted with the appropriate slow-moving vehicle signage, that all rules relating to slow moving vehicles to adhered to, that picking up and dropping off clients will not be allowed in any lanes of traffic, and that carriage rides are not permitted on August 2nd and August 30th due to Sherman Avenue being closed to traffic.

Councilman Goodlander voiced her concern of doing horse drawn carriage rides in the summer when you mix horses with motorcycles and cars. Terry Cooper, Downtown Association Executive Director, responded that traffic is much lighter during the hours in which the carriage rides would be operated.

Motion carried.

RESOLUTION NO. 08-043

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 2008-2009, 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, 2008:

	FY 2005-06 ACTUAL	FY 2006-07 ACTUAL	FY 2007-2008 BUDGET	FY 2008-09 PROPOSED
<u>GENERAL FUND EXPENDITURES</u>				
Mayor and Council	\$171,870	\$192,544	\$193,585	\$196,635
Administration	450,224	496,191	787,352	807,460
Finance Department	585,352	665,351	771,370	753,392
Municipal Services	905,346	1,043,257	1,251,108	1,300,580
Human Resources	211,887	217,285	244,632	251,441
Legal Department	1,049,628	1,137,161	1,211,519	1,291,886
Planning	458,345	506,252	546,406	539,815
Building Maintenance	318,344	395,878	527,636	422,359
Police Department	7,000,913	8,044,123	8,675,965	9,246,765
Juvenile Incentive Grant	54,631	-0-	-0-	-0-

	FY 2005-06 ACTUAL	FY 2006-07 ACTUAL	FY 2007-08 BUDGET	FY 2008-09 PROPOSED
<u>GENERAL FUND EXPENDITURES CON'T</u>				
KCJA	76,027	76,093	24,340	51,640
Local Law Enforcement Grant	18,185	-0-	-0-	-0-
Fire Department	4,634,232	5,240,560	5,879,934	6,617,518
General Government	2,058,639	3,341,216	344,313	202,890
Engineering Services	1,713,208	1,158,958	1,310,081	1,241,233
Streets/Garage	2,332,259	2,328,016	2,351,755	2,657,117
ADA Sidewalk Abatement				211,814
Byrne Grant – Police Dept	38,615	39,390	45,730	80,662
Building Inspection	238,366	779,535	834,321	904,815
Parks Department	1,206,458	1,390,919	1,643,316	1,707,209
Recreation Department	660,477	788,599	800,110	762,233
<u>TOTAL GENERAL FUND EXPENDITURES:</u>	<u>\$24,386,854</u>	<u>27,919,290</u>	<u>\$27,501,534</u>	<u>\$29,247,464</u>
COPS Grant	203,848	77,962	58,061	-0-

	FY 2005-06 ACTUAL	FY 2006-07 ACTUAL	FY 2007-08 BUDGET	FY 2008-09 PROPOSED
<u>SPECIAL REVENUE FUND EXPENDITURES:</u>				
Library Fund	904,441	995,746	1,074,027	1,155,404
Impact Fee Fund	1,831,832	877,846	585,000	2,000,000
Parks Capital Improvement	901,437	510,485	487,500	1,578,000
Annexation Fee Fund	410,000	100,000	230,000	400,000
Self Insurance	247,427	271,236	310,500	318,000
Cemetery Fund	249,793	293,665	293,738	296,734
<u>TOTAL SPECIAL FUNDS:</u>	<u>4,544,930</u>	<u>3,048,978</u>	<u>2,980,765</u>	<u>5,748,138</u>

	FY 2005-06 ACTUAL	FY 2006-07 ACTUAL	FY 2007-08 BUDGET	FY 2008-09 PROPOSED
<u>ENTERPRISE FUND EXPENDITURES:</u>				

Street Lighting Fund	485,650	509,318	560,203	572,090
Water Fund	7,902,439	6,066,236	6,284,904	7,020,412
Wastewater Fund	15,538,664	7,611,957	13,001,464	17,180,612
Water Cap Fee Fund	1,756,013	206,406	960,000	1,000,000
WWTP Cap Fees Fund	5,193,810	1,802,931	2,482,683	3,798,325
Sanitation Fund	2,864,629	2,951,639	3,025,984	3,100,546
City Parking Fund	153,604	155,167	167,132	184,132
Stormwater Management	1,140,958	1,155,422	1,504,169	1,569,026
TOTAL ENTERPRISE EXPENDITURES:	<u>35,035,767</u>	<u>20,459,076</u>	<u>27,986,539</u>	<u>34,425,143</u>
TRUST AND AGENCY FUNDS:	805,528	3,185,711	2,647,708	3,709,548
CAPITAL PROJECTS FUNDS:	3,963,090	1,776,961	3,190,015	1,720,000
DEBT SERVICE FUNDS:	2,463,230	3,119,117	2,372,479	2,383,816
GRAND TOTAL OF ALL EXPENDITURES:	<u>\$71,199,399</u>	<u>\$59,509,133</u>	<u>\$66,679,040</u>	<u>\$77,234,109</u>

	FY 2005-06 ACTUAL	FY 2006-07 ACTUAL	FY 2007-2008 BUDGET	FY 2008-2009 PROPOSED
<u>ESTIMATED REVENUES:</u>				
Property Taxes:				
General Levy	10,712,147	11,228,773	12,811,905	13,821,946
Library Levy	856,336	950,838	1,058,677	1,129,565
Policeman's Retirement Fund Levy	152,076	150,639	152,000	152,000
Comprehensive Liability Plan Levy	50,028	106,303	108,257	108,257
Fireman's Retirement Fund Levy	250,000	250,000	250,000	250,000
2006 G.O. Bond Levy	1,081,463	985,186	1,000,000	1,000,000

<u>TOTAL REVENUE FROM PROPERTY TAXES:</u>	<u>\$13,102,050</u>	<u>13,671,739</u>	<u>\$15,380,839</u>	<u>16,461,768</u>
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	FY 2005-06 ACTUAL	FY 2006-07 ACTUAL	FY 2007-08 BUDGET	FY 2008-09 PROPOSED
<u>ESTIMATED OTHER REVENUES:</u>				
Interfund Transfers	13,562,222	6,064,456	6,660,061	9,573,294
Beginning Balance	33,113,392	29,841,796	32,738,405	33,087,612
Other Revenue:				
General Fund	12,009,740	13,167,252	12,210,067	12,933,893
Library Fund	16,034	60,497	15,350	25,839
Parks Capital Improvement Fund	148,994	515,168	114,500	153,000
Insurance/Risk Management	36,261	98,416	95,000	80,000
Cemetery	117,311	118,111	148,800	160,500
Annexation Fee Fund	50,871	355,951	100,000	100,000

	FY 2005-06 ACTUAL	FY 2006-07 ACTUAL	FY 2007-08 BUDGET	FY 2008-09 PROPOSED
<u>ESTIMATED OTHER REVENUES CON'T:</u>				
Impact Fee Fund	1,384,319	1,528,381	1,200,000	825,000
Street Lighting Fund	444,036	453,280	455,203	465,090
Water Fund	5,483,266	6,653,932	3,511,000	3,542,000
Wastewater Property Management	-0-	-0-	-0-	-0-
Wastewater Fund	7,949,173	7,219,124	10,341,255	6,484,165
Water Cap Fee	866,462	782,937	815,000	600,000

Fund				
WWTP Capitalization Fees	2,861,544	2,634,779	1,670,340	1,391,540
Sanitation Fund	2,990,818	3,031,174	3,126,632	3,144,000
City Parking Fund	190,519	229,058	150,000	150,000
Stormwater Management	1,250,934	1,281,114	1,296,000	1,318,000
Trust and Agency Funds	2,502,276	3,012,028	2,269,200	3,314,599
Capital Projects Fund	9,180,432	3,007,465	-0-	200,000
Debt Service Fund	2,731,350	1,474,942	1,266,000	1,035,370
SUMMARY:				
PROPERTY TAXES	13,102,050	13,671,739	15,380,839	16,461,768
OTHER THAN PROPERTY TAXES	96,889,954	81,529,861	78,182,813	78,583,902
<u>TOTAL ESTIMATED REVENUES</u>	<u>\$109,992,004</u>	<u>\$95,201,600</u>	<u>\$93,563,652</u>	<u>95,045,670</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 July 21, 2008 and July 28, 2008.

BE IT FURTHER RESOLVED, that a Public Hearing on the Budget be held on the 2nd day of September, 2008 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: Finance Director Troy Tymesen presented the preliminary budget for Fiscal Year 2008-2009. He noted that tonight the Council will need to set their preliminary budget and the decision before them is to determine if \$77,234,109 is sufficient. He reviewed the proposed changes to the preliminary budget. He reported that staff looked at the priorities the Council set when creating this budget and noted that the budget plan does have the construction of the Landings Park; however, no additional Parks Dept. staffing is included due to this park coming on board very late in the fiscal year. The only additional staffing in the General Fund was for the ADA Compliance Officer. Mr. Tymesen noted that there are a total of 3FTEs in the Wastewater Enterprise Fund and a ½ FTE in the Water Enterprise Fund. He announced that this year's new construction valuation is approximately \$79,000,000 less than last year. The total valuation of the City is down \$264,000,000 including new growth from last year which means the City's preliminary levy rate will be \$4.64/\$1,000 valuation compared to

\$3.98/\$1,000 valuation in 2008. Assuming your property valuation stays the same, you will not be paying more property taxes to the City next year since homeowners exemptions have increased. In regard to forgone taxes, staff is proposing that the City Council approve taking \$378,493 in foregone taxes to fix the mistake made by the County in not collecting the correct amount of property taxes last year, and \$200,000 for the ADA Sidewalk Abatement program.

Mr. Tymesen reported that as the City's Chief Financial Officer, he does not recommend the addition of any new staff positions in this year's budget as this would not be fiscally responsible in light of the declining valuation projections by the County. He noted that tonight the Council must decide to either adopt the proposed preliminary budget or increase the dollar amount of the proposed budget.

COUNCIL DISCUSSION: Councilman Edinger asked what the effect would have been on our budget if the County had not made the error in tax collections. Mr. Tymesen responded that the City would not have needed to use their foregone taxes to make up the difference between what was budgeted and what the County collected.

Councilman McEvers commented that now that the valuation is leveling off, what is the impact with URD's on the overall valuation of property. Mr. Tymesen explained that the levy rate is based on the entire city's valuation, and the City receives the base tax rate at the time the URD's were formed. The issue of decreasing valuation is the same dilemma that every city faces. Mr. Tymesen noted that when new construction slows, staffing reorganization will be necessary in order to balance the budget. Due to the State's laws the City can only raise their budget by 3% which equates to \$431,000; which he noted could be gone with one major incident in the city and added that just in plowing the streets this past winter it cost the City an additional \$100,000.

Councilman Kennedy asked Mr. Tymesen how could the City control personnel costs. Mr. Tymesen responded that there are several ways that the City looks at managing personnel costs including encouraging retirement, not filling vacant positions and looking at medical benefits for employees. Councilman Edinger noted that he would not be in favor of cutting medical benefits for employees.

Councilman Kennedy recalled how difficult it was to understand the budget and he had read articles in the newspaper stating there is an enormous amount of increase in the City's budget and he knows that the City can only increase the budget by 3% and asked how the City could better explain the budget process to citizens. Mr. Tymesen responded that although newspaper headlines may have been misleading the actual articles were pretty accurate. Some of the increases occur in the enterprise funds, impact fees, trust and agency funds and are not General Fund increases.

Mayor Bloem noted that Coeur d'Alene is in a better financial position than those cities that have not experienced growth this year. She further explained that tonight the budgeted amount the Council adopts will set the ceiling for next year's budget – in other

words the Council can decrease this amount but they cannot go above the dollar amount after they set the preliminary budget tonight.

Councilman Edinger commented that the budget includes the Landings park development, and he feels that with the increase in the number of parks, Doug Eastwood needs to have more staff. Mr. Tymesen responded that every staff position requested is justified; however, the day will come when new construction will level out and the Council will be faced with reorganizing or laying off staff and so as the City's Financial Director he cannot recommend adding staff at this time. Councilman McEvers commented that bottom line is we cannot add staff unless we can get the URD's to release some tax funds back to the City. Councilman Kennedy commented that the only tool the State gives cities is Urban Renewal, yet if the State legislature would allow for local option sales tax, we could charge hotel/motel bed tax; yet, the state legislators year after year will not give cities the authority to vote to tax themselves in sales tax.

Councilman Hassell complimented staff in balancing the budget in light of the decrease in valuation. Councilman Goodlander commented that this is the first year that foregone taxes have been used to balance the budget since she has been on the City Council. She believes that the City has done a great job at maintaining the budget and although the City would like to build a park this year, maybe building a new park will need to wait a year, as adding staff to the Library will have to wait a year. She added that as a service industry, the City departments have made hard decisions in balancing the preliminary budget.

**MOTION:** Motion by Goodlander, seconded by Hassell to adopt Resolution 08-043.

Councilman Kennedy noted that, although this is not the cap on the budget the Council would like, it is a responsible cap and Council should set the cap as recommended.

**ROLL CALL:** Bruning, Aye; Goodlander, Aye; Hassell, Aye; Kennedy, Aye; Edinger, Aye; McEvers, Aye. Motion carried.

**BUDGET WORKSHOPS:** Mayor Bloem asked if the Council's budget workshop has been set. City Administrator Wendy Gabriel responded that staff is looking at either August 5<sup>th</sup> following the City Council meeting or August 6<sup>th</sup> or even possibly the 2<sup>nd</sup> week in August. Mayor Bloem suggested that if the workshop is held on August 5<sup>th</sup> that either the Council meeting or the workshop start sooner than 6:00 p.m. It was decided that the budget workshop would be from 4 to 6 p.m. and Council meeting would start at its regular time.

**PUBLIC HEARING - I-1-08 - APPEAL OF NEW FEDERAL BUILDING**

**PARKING SPACES REQUIREMENT:** Mayor Bloem gave the rules of order for this public hearing. Dave Yadon, City Planning Director gave the staff report.

Mr. Yadon reported the under the prior codes, staff was required to apply existing parking standards that would have required 183 parking spaces at the new Federal Courthouse building. On March 11, 2008 the Planning Commission reviewed and recommended approval of an ordinance change that would separate courthouses as its own zoning use. Under the proposed codes, courthouses are to be brought before the Planning Commission for review (0-3-08). On April 15, 2008 the City Council approved the requested ordinance change. On April 15, 2008 ALSC Architects made a formal request for the Planning Commission to review the Federal Courthouse, located on Mineral Avenue, parking space requirement. On May 13, 2008 the Planning Commission determined that 183 parking spaces should be required. On June 16th, the applicant submitted an appeal of the Planning Commission's determination to the City Council.

Mr. Yadon explained that on April 14, 2008 ALSC Architects provided a break down of the uses by employee count and seating within the Federal Building and their request for an exterior parking surface parking lot and underground stalls for a total of 95-99 stalls. Staff reviewed their request and is recommending that a total of 105 stalls be required.

Councilman Bruning noted that there might be future expansion of the building and there was concern of not enough parking. Mr. Yadon responded that additional parking would be required if an expansion of the building was undertaken.

**PUBLIC COMMENTS:** John Luger, owner of JDL Enterprises, 405 Shoreland Dr, SE, Bellevue, WA, assured the Council that if there were a change in usage that the owners of the property would adjust the number of parking spaces required. John Manning, ALSC Architects, 203 Washington #403, Spokane, WA, commented that although the number of parking spaces recommended is higher than they requested, they are supportive of staff's recommendation. He explained the process his company went through to reach the number of parking spaces for the type of building being constructed. Scott Matson, General Service Administration of the U.S. Government based in Seattle, Washington, noted that a Federal Building does not require any public parking. He commented that Pocatello, which is approximately the same size as Coeur d'Alene, had required 95 parking spaces for the federal building in their city and he has never heard of any complaints about parking at that facility. He believes that a parking garage would increase their operating costs and increase liability to police officers and would require additional security.

Councilman Kennedy noted that any savings on this project will not go back to the taxpayers but to the developer. Mr. Matson responded that the increased cost of this project does not provide for an overall increase in profit by the developer, but by decreasing the number of required parking spaces, it gives him some negotiating room for

additional features to the facility. Councilman Hassell commented that staff's analysis makes sense because it is based on actual use of the building.

John Stone, S 104 Division, Spokane, noted that Riverstone had a similar situation with a parking garage and believes that the issue is the protection of the public and supports staff's recommendation.

Councilman Bruning asked if the Planning Commission had seen the staff analysis prior to their decision. Mr. Yadon responded that they were aware of staff's analysis. He added that the Planning Commission's concern was that of a peak event such as a high profile trial that would require more parking and they were more comfortable with requiring the developer to meet the peak demand than the every daily demand for parking spaces as staff is recommending.

**MOTION:** Motion by Goodlander, seconded by Edinger to deny the Planning Commission's determination of the required number of parking spaces and to set the number of spaces needed to serve the Federal Courthouse at 105 parking stalls as recommended by staff.

Councilman Bruning commented that he sees large parking lots all over town that are never full and believes staff's analysis is reasonable. Councilman Kennedy commented that he is going to vote in favor of the motion.

**ROLL CALL:** Bruning, Aye; McEvers, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye. Motion carried.

**EXECUTIVE SESSION:** Motion by Hassell, seconded by McEvers to enter into Executive Session as provided by I.C. 67-2345 SUBSECTION 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; and,

**ROLL CALL:** Bruning, Aye; McEvers, Aye; Edinger, Aye; Hassell, Aye; Goodlander, Aye; Kennedy, Aye. Motion carried.

The Council met in Executive Session at 9:35 p.m. Those present were the Mayor, City Council, City Administrator, and City Attorney.

Matters discussed were those of litigation. No action was taken and the City Council returned to their regular session at 9:45 p.m.

**ADJOURNMENT:** Motion by Kennedy, seconded by Edinger to recess this meeting to July 17, 2008 at 12:00 noon for a joint City Council/Planning Commission workshop to be held in the Old Council Chambers and then to August 5, 2008 at 4:00 p.m. in the Library Community Room for their budget workshop. Motion carried.

The meeting recessed at 9:46 p.m.

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Sandi Bloem, Mayor

ATTEST:

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Susan K. Weathers, CMC  
City Clerk