



Coeur d'Alene

CITY COUNCIL MEETING

October 19, 2010

MEMBERS OF THE CITY COUNCIL:

Sandi Bloem, Mayor

Councilmen Edinger, Goodlander, McEvers, Bruning, Hassell, Kennedy

CONSENT CALENDAR

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

October 5, 2010

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 October 5, 2010 at 6:00 p.m., there being present upon roll call the following members:

Sandi Bloem, Mayor

Mike Kennedy)	Members of Council Present
A. J. Al Hassell, III)	
John Bruning)	
Deanna Goodlander)	
Loren Ron Edinger)	
Woody McEvers)	

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

INVOCATION: The invocation was led by Pastor Dick Hege, Coeur d'Alene Bible Church.

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

PRESENTATION – ROLLING OUT “BIG BLUE”: Steve Roberge, Waste Management – Coeur d'Alene, and Steve Wulf, Kootenai County Solid Waste, presented the new recycling bin that will be distributed to each city residence during the month of October. Mr. Roberge noted that a calendar with the recyclable collection dates will be delivered as well as a list of the recyclables accepted. Mr. Wulf gave a brief powerpoint presentation on the processing of the recyclables.

PRESENTATION – WASTEWATER OPERATIONS: Wastewater Superintendent Sid Fredrickson introduced Dave Hauser who is a new treatment plant lab analyst. He presented an overview of the wastewater treatment plant operations as well as past, present and future planned upgrades to the facility.

PUBLIC COMMENTS:

NEW ANIMAL CONTROL OFFICER INTRODUCED: Police Captain Steve Childers introduced Laurie Deuse the newest Animal Control Officer for the City.

CONSENT CALENDAR: Motion by Hassell, seconded by Goodlander to approve the Consent Calendar as presented. Councilman Bruning declared a conflict of interest with item No. 8.

1. Approval of minutes for September 21, 2010.
2. Setting the General Services Committee and the Public Works Committee meetings for Monday, October 11th at 12:00 noon and 4:00 p.m. respectively.
3. RESOLUTION 10-037: A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING THE BELOW MENTIONED CONTRACTS AND OTHER ACTIONS OF THE CITY OF COEUR D'ALENE INCLUDING APPROVING THE 2010 – 2011 BENEFIT PLAN CHANGES AND RENEWAL RATES AND APPROVING CHANGE ORDER NO. 2 FOR CONTRACTORS NORTHWEST FOR THE WWTP PHASE 5B
4. Setting of Public Hearing – O-3-10 – Amendments to off-street parking for November 2, 2010.

5. Approval of cemetery lot repurchase from Gratia Griffith.
6. Approval of water main easement from North Idaho College
7. Approval of beer/wine license transfer for the Wine Cellar to Thomas and Patricia Powell.
8. Approval of electrical easement for Kootenai Electric located on the east side of Howard and south of Neider.

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

COUNCIL ANNOUNCEMENTS:

COUNCILMAN GOODLANDER: Councilman Goodlander complimented Howard Gould and Bette Ammon who have instituted some energy saving processes in the Library facility which has resulted in Avista utility bill savings.

COUNCILMAN EDINGER: Councilman Edinger commended Chief Wayne Longo for receiving the Executive Certificate, which is the highest certificate issued by the Peace Officer Standards and Training (P.O.S.T.).

COUNCILMAN BRUNING announced that Parks Director Doug Eastwood has just been elected the President of the Idaho Recreation and Parks Association.

COUNCILMAN KENNEDY: Councilman Kennedy wished his son Wil Happy 15th Birthday.

COMMITTEE APPOINTMENTS: Motion by Edinger, seconded by Kennedy to Nickolas Radobenko as the student representative to the Urban Forestry Committee, and re-appoint Gregg Peak to the Sign Board, Kris Buchler, Thomas Messina, and William Singleton to the Natural Open Space Committee, and Art Flagan and Ed Eichwald to the Jewett House Advisory Board. Motion carried.

ADMINISTRATOR'S REPORT: Deputy City Administrator Jon Ingalls announced that the 15th Street and Harrison Avenue Signalization Project starts its final phase this week. The intersection will be closed during the day only to install the signal equipment, and these closures may last one week. By October 15th, the new traffic signal should be operational. For more information, please call Chris Bates at 769-2228 or Dennis Grant at 769-2398. Chief Longo was presented with the Executive Certificate, which is the highest certificate issued by the Peace Officer Standards and Training (P.O.S.T.). Engineer Matt Smith was named the Fire Department's employee of the year. There are two vacancies on the city's Noise Abatement Board. If you are interested in serving, please contact Susan Weathers at 769-2231 for an application. The City of Coeur d'Alene continuously accepts applications for Police Officer, Secretarial/Clerical, Janitorial, Library Clerk, and Attorney. For applications and job information, please visit our website at www.cdaid.org or call the Human Resources Department at 769-2205. Ruth Pratt, Executive Director of the Coeur d'Alene Public Library Foundation was recognized with a Governor's Award in the Arts for "Support of the Arts." Please don't talk or text on your cell phone while driving or riding your bike. Distracted driving accounts for 20% of all traffic accidents! The American Legion of Idaho selected Inspector Bobby Gonder as Firefighter of the Year and Captain Bill Deruyter has been named Paramedic of the Year. On Wednesday, October 6th, the library will be closed until 3:00 p.m. for staff in-service training and there will be no reading programs that day. The students at Winton Elementary demonstrated that they are readers by being the first annual winners of the Coeur d'Alene Public Library Summer Reading Traveling Trophy. On Wednesday, October 6th, at 1:00 p.m., Bryan Elementary School 4th graders will help the Coeur d'Alene Street Maintenance Department celebrate the 11th year of the "Name the

Winter Storm” contest. Themes for the next three winters have been chosen and the winners are: 2010-2011, Logan Nosworthy, “Ski Runs;” 2011-2012, Erika Skindlov, “Berries of Idaho;” 2012-2013, Sarah Cobetto, “Bird Names.” On Friday, October 1, the library hosted the first of the Foundation’s monthly Friday Flix beginning at 7:00 p.m. in the Library Community Room. A recommended donation of \$5.00 will be used by the foundation to enhance the library’s DVD collection. Snacks will be available. For the title of the film, visit the library or call 769-2315. The “Volunteers in Pruning” (VIP for short) program trains local tree fans to prune young trees for form and structure. Individuals who are 16 years of age or older and interested in the V.I.P. program are invited to attend a three-hour training session on October 9th, at the Spokane County Conservation District Office. The training is free in exchange for putting in volunteer hours pruning public trees. Contact Katie at 415-0415 for more information. The Coeur d’Alene Arts Commission will hold the 15th Annual Mayor’s Awards in the Arts celebration on Thursday, October 21st, at 6:00 p.m., at the Coeur d’Alene Resort. For more information, please contact Amy Ferguson at 666-5754. The Coeur d’Alene Public Library’s Pageturner’s book club selection for October is “The War Lovers,” by Evan Thomas. The discussion will be led by Bob Bennett on Wednesday, October 27, at 10:15 a.m., in the Community Room at the library. Parks Director, Doug Eastwood, was selected to be the next Idaho Recreation and Parks Association President. Congratulations President Eastwood!!

WHOLESALE WATER TO THE CITY OF HUETTER: Motion by Hassell, seconded by Goodlander to deny the request for wholesale bulk water to the City of Huetter. Motion carried.

ORDINANCE NO. 3396
COUNCIL BILL NO. 10-1021

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D’ALENE, KOOTENAI COUNTY, IDAHO ADOPTING A NEW CHAPTER 13.32, ENTITLED ILLICIT DISCHARGE AND STORMWATER SEWER CONNECTION, TO PROVIDE FOR REGULATION OF ALL WATER DIRECTLY OR INDIRECTLY ENTERING THE CITY STORMWATER SYSTEM, INCLUDING DEFINITIONS, DISCHARGE REGULATION, MONITORING AND REPORTING REQUIREMENTS, PROHIBITING ILLICIT CONNECTIONS AND PROVIDING THAT ANY VIOLATION OF THE CHAPTER IS A MISDEMEANOR PUNISHABLE BY A FINE OF NOT MORE THAN \$1,000.00 OR BY IMPRISONMENT NOT TO EXCEED 180 DAYS OR BOTH; AMENDING SECTION 13.30.080 TO AUTHORIZE THE ADOPTION OF STORMWATER BEST MANAGEMENT PRACTICES BY RESOLUTION OF THE CITY COUNCIL; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDE FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

Motion by Bruning, seconded by Hassell to pass the first reading of Council Bill No. 10-1021.

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

Motion by Edinger, seconded by Goodlander to suspend the rules and to adopt Council Bill No. 10-1021 by its having had one reading by title only.

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

RESOLUTION 10-038

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO ADOPTING STORMWATER BEST MANAGEMENT PRACTICES.

Motion by Hassell, seconded by Goodlander to adopt Resolution 10-038.

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

RESOLUTION NO. 10-039

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING AN AGREEMENT FOR ENERGY CONSERVATION-FACILITY IMPROVEMENTS, WITH JOHNSON CONTROLS, INC. ITS PRINCIPAL PLACE OF BUSINESS AT 10289 WEST CENTENNIAL ROAD, LITTLETON, CO 80127.

STAFF REPORT: Jon Ingalls, Deputy City Administration presented an agreement with Johnson Controls, Inc. in the amount of \$800,184.00 for facility improvements. He noted that the City is the recipient of an Energy Stimulus Grant that the City applied for in early 2009. The City conducted a workshop in July of 2009 to gather input in areas where we could upgrade energy use and reduce energy consumption. This recommendation is the result of that input and an energy audit conducted by Johnson Controls over the past six months. The Energy Stimulus Grant was in the amount of \$191,700.00. The City will receive rebates in the amount \$118,820.00. The cost of the recommended improvements will be \$800,184.00 less the grant and rebates will bring the City's cost to \$489,664.00. The savings in energy consumption will pay for that cost over a period of approximately 14 years. Some of the energy conservation facility improvements will be paid sooner than that and some will take longer.

Motion by Kennedy, seconded by Edinger to adopt Resolution 10-039.

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

RESOLUTION NO. 10-040

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AMENDING THE CITY OF COEUR D'ALENE PERSONNEL RULES MANUAL BY CHANGING THE WORD "PERMANENT" TO "REGULAR APPOINTED" WHERE APPLICABLE IN PERSONNEL RULES; CHANGING "MEDICAL SAVINGS ACCOUNT" TO "VEBA" THROUGHOUT PERSONNEL RULES; AMENDING SECTIONS 14 AND 15 IN RULE I: GENERAL PROVISION; AMENDING SECTIONS 4 AND 5 IN RULE V: COMPENSATION; AMENDING SECTIONS 3, 4, 9, AND 11 IN RULE XI: ATTENDANCE AND LEAVES; AMENDING SECTION 2B IN RULE XIII: TRANSFER, PROMOTION, DEMOTION, SUSPENSION AND REINSTATEMENT; AND AMENDING SECTION 4 IN RULE XXI: DRUG POLICY.

COMMENTS: Mayor Bloem asked if there was anyone in the audience who wished to address the Council regarding this item with no response.

Motion by Hassell, seconded by Goodlander to adopt Resolution 10-040.

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

EXECUTIVE SESSION: Motion by Goodlander, seconded by McEvers to enter into Executive Session as provided by I.C. 67-2345, §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.

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

The session began at 7:28 p.m. Members present were the Mayor, City Council, City Administrator, Deputy City Attorney, Legal Counsel, Finance Director, and Deputy City Administrator.

Matters discussed were those of litigation. No action was taken and the Council returned to their regular session at 7:58 p.m.

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

The meeting adjourned at 7:58 p.m.

Sandi Bloem, Mayor

ATTEST:

Susan Weathers, CMC
City Clerk

RESOLUTION NO. 10-041

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 APPROVING AN AGREEMENT WITH HDR ENGINEERING, INC. FOR PREPARATION OF A WASTEWATER RATE STUDY AND FINANCIAL PLAN; APPROVAL OF A CONTRACT WITH JUB – EDUCATIONAL CORRIDOR; AND APPROVING THE ANNUAL WAIVER OF COVERED LOAD REGULATIONS CONTAINED IN M.C. 8.36.130 FROM MONDAY, NOVEMBER 9, 2009 THROUGH MONDAY, NOVEMBER 30, 2009 FOR THE ANNUAL FALL LEAF PICKUP PROGRAM.

WHEREAS, it has been recommended that the City of Coeur d'Alene enter into the contract(s), agreement(s) or other actions listed below pursuant to the terms and conditions set forth in the contract(s), agreement(s) and other action(s) documents attached hereto as Exhibits "1 through 3" and by reference made a part hereof as summarized as follows:

- 1) Approving an Agreement with HDR Engineering, Inc. for preparation of a Wastewater Rate Study and Financial Plan;
- 2) Approval of a Contract with JUB – Educational Corridor;
- 3) Approving the annual waiver of covered load regulations contained in M.C. 8.36.130 from Monday, November 9, 2009 through Monday, November 30, 2009 for the annual fall leaf pickup program;

AND;

WHEREAS, it is deemed to be in the best interests of the City of Coeur d'Alene and the citizens thereof to enter into such agreements or other actions; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the City of Coeur d'Alene that the City enter into agreements or other actions for the subject matter, as set forth in substantially the form attached hereto as Exhibits "1 through 3" and incorporated herein by reference with the provision that the Mayor, City Administrator, and City Attorney are hereby authorized to modify said agreements or other actions so long as the substantive provisions of the agreements or other actions remain intact.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk be and they are hereby authorized to execute such agreements or other actions on behalf of the City.

DATED this 19th day of October, 2010.

Sandi Bloem, Mayor

ATTEST

Susan K. Weathers, City Clerk

Motion by _____, Seconded by _____, to adopt the foregoing resolution.

ROLL CALL:

COUNCIL MEMBER BRUNING Voted _____

COUNCIL MEMBER GOODLANDER Voted _____

COUNCIL MEMBER MCEVERS Voted _____

COUNCIL MEMBER HASSELL Voted _____

COUNCIL MEMBER KENNEDY Voted _____

COUNCIL MEMBER EDINGER Voted _____

_____ was absent. Motion _____.

**PUBLIC WORKS COMMITTEE
STAFF REPORT**

DATE: October 11, 2010
FROM: David E. Shults, Capital Program Manager *DES.*
SUBJECT: Consultant Agreement for Wastewater Rate Study

DECISION POINT:

City Council approval is requested for the attached agreement for services with HDR Engineering, Inc. for preparation of a wastewater rate study and financial plan, for a total cost not to exceed \$135,338.

HISTORY:

HDR Engineering, with subconsultant Integrated Utilities Group, conducted the wastewater utility's latest rate study, dated November 2002. That rate study and financial plan resulted in a phased approach for establishing monthly user fees and new customer capitalization fees that allowed the necessary funding for operation and maintenance and capital improvements for the treatment, composting, and collection facilities. Phase 4 upgrades to the treatment plant included improvements that replaced outdated pumping and screening facilities, reduced odor potential, improved reliability, and provided architectural measures intended to blend the treatment plant with the surrounding properties. Phase 4B was the largest construction project ever undertaken by the City.

The previous financial planning and rate study are now outdated. The treatment plant 20-year facility plan has been recently amended to address new conditions created by the EPA-issued wastewater discharge permit. Phase 5 improvements are planned to enable the treatment plant to reduce discharged pollutants to permitted levels. Phase 5A improvements are already in place to assist with ammonia control. Phase 5B improvements are already designed and are being constructed. The improvements include a new digester, digester control building, biogas control building, utilidor extension, administration/laboratory building, and maintenance garage. Phase 5C improvements are underway with preliminary design and low phosphorus demonstration pilot facilities. Phase 5C improvements will include extensive addition of process facilities to remove phosphorus to a very low level. The Phase 5C design and construction project will require significant funding.

HDR Engineering has assisted the City with planning and design of Phase 4 and Phase 5 facilities, and is well-qualified to assist with the rate study. The proposed agreement includes tasks to provide the basis for monthly fees and connection charges that are necessary to fund the wastewater utility expenses anticipated for the next five to ten years.

FINANCIAL ANALYSIS:

Consultant services	135,338
Funding	City Budget FY 2009-10 \$150,000 (Not spent due to delay)
	City Budget FY 2010-11 \$100,000 (assumed study would begin in previous year)
	Sufficient cash is available from the Wastewater Fund to complete the study.

DISCUSSION:

The community's wastewater must be collected and treated according to the discharge permit that protects the water quality of the Spokane River. HDR Engineering has been instrumental in the planning and design that allows the utility to operate according to the EPA and Idaho DEQ- regulated requirements. The rate study is the next step in the planning process and will serve as the basis for the rate and connection charge ordinance that must equitably apportion the revenue needs of the utility to the billed customers. The study will include a cost-of-service analysis and will establish a funding plan that ensures adequate and stable revenues for operation, maintenance, replacement, and capital improvements. The capital improvements that are planned are included in the 20- year facility plan that the City Council approved in May 2009. The assistance will include presentations to the public and to the City Council, and will include options for the City Council's selection.

DECISION POINT/RECOMMENDATION:

City Council approval is requested for the attached agreement for services with HDR Engineering, Inc. for preparation of a wastewater rate study and financial plan, for a total cost not to exceed \$135,338.

Attachment

des1415

AGREEMENT
FOR
PROFESSIONAL SERVICES

between

CITY OF COEUR D'ALENE

and

HDR ENGINEERING, INC.

for

COMPREHENSIVE WASTEWATER RATE STUDY

THIS AGREEMENT, made and entered into this 20th day of October, 2010, between the CITY OF COEUR D'ALENE, Kootenai County, Idaho, a municipal corporation organized and existing under the laws of the state of Idaho, hereinafter referred to as the "City," and HDR Engineering, Inc., a Nebraska corporation, with its principal place of business at 412 E. Parkcenter Blvd., Suite 100, Boise, Idaho 83706, hereinafter referred to as the "Consultant."

W I T N E S S E T H:

WHEREAS, the City faces changing effluent discharge conditions in the Spokane River as a result of water quality studies conducted by the Washington State Department of Ecology and renewal of the City's effluent discharge permit by Region 10 of the Environmental Protection Agency;

WHEREAS, the City has undertaken an analysis of the implications of these regulatory actions in preparation of a "Wastewater Facility Plan Amendment";

WHEREAS, the City desires services to evaluate the impact of rates and fees of the wastewater department resulting from planned improvements at the wastewater treatment facility;

WHEREAS, Consultant is available and is willing to provide personnel and services to accomplish the work according to the City's schedule.

NOW THEREFORE, the City and the Consultant agree as follows:

Section 1. Definitions. In this agreement:

A. The term "City" means the City of Coeur d'Alene, 710 Mullan Avenue, Coeur d'Alene, Idaho 83814.

B. The term "Consultant" means HDR Engineering, Inc., 412 E. Parkcenter Blvd, Boise, Idaho 83706.

C. The term "Mayor" means the mayor of the City of Coeur d'Alene or his authorized representative.

D. The term "Cost Plus Fixed Fee" shall mean compensation based on Direct Labor times Overhead Multiplier plus reimbursable expenses plus payment of a fixed amount agreed upon in advance, subject to modifications and amendments, for Consultant's services.

E. The term "Reimbursable Expenses" shall mean the actual direct expenses incurred specifically for the Project, other than the Consultant's cost of labor, administrative overhead, and fixed fee, that are identified in Exhibit "A" and are included in the total estimated cost for the scope of work. Reimbursable Expenses will include a 0% markup over Consultant's cost. Such expenses include the cost of transportation and subsistence incidental thereto, toll telephone calls, express mail, facsimiles, reproductions, copies, and operating time for computers and highly specialized equipment. Reimbursable expenses shall also include subconsultant costs which will be allowed a 5% markup over Consultant's cost. The maximum estimated Reimbursable Expenses are listed under the columns "Direct Costs" and "Subconsultant" in Table 2 of Exhibit "A." The total estimated expenses shall not be exceeded without prior written approval of the City. The Consultant shall advise the City when 75% of the listed expenses are exceeded.

Section 2. Employment of Consultant. The City hereby agrees to engage the Consultant and the Consultant hereby agrees to perform the services hereinafter set forth.

Section 3. Scope of Services. The Consultant shall perform the services described in Exhibit "A," entitled Scope of Services, subject to and consistent with the terms of Exhibit "A," attached hereto and incorporated herein by reference.

Section 4. Personnel.

A. The Consultant represents that it has or will secure at its own expense all personnel required to perform its services under this agreement. Such personnel shall not be employees of or have any contractual relationship with the City.

B. All of the services required hereunder will be performed by the Consultant or under his direct supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services.

C. The Consultant agrees to maintain Workmen's Compensation coverage on all employees, including employees of subcontractors, during the term of this agreement as required by Idaho Code Section 72-101 through 72-806. Should the Consultant fail to maintain such insurance during the entire term hereof, the Consultant shall indemnify the City against any loss resulting to the City from such failure, either by way of compensation or additional premium liability. The Consultant shall furnish to the City, prior to commencement of the work, such evidence as the City may require guaranteeing contributions which will come due under the Employment Security Law including, at the option of the City, a surety bond in an amount sufficient to make such payments.

Section 5. Time of Performance. The services of the Consultant shall commence upon written "Notice To Proceed" following execution of this agreement and shall proceed in accordance with the project schedule as shown in Exhibit "A."

Section 6. Compensation.

A. For Engineering Services as described in Exhibit "A," payment shall be on the basis of Cost Plus Fixed Fee. The Fixed Fee shall be as provided in Exhibit "A." Labor Costs shall be an amount equal to the Direct Labor Cost times a factor of 2.75. Labor rates may be subject to change on an annual basis escalated to an amount equal to the annual rate of inflation only if the Scope of the Work listed in Exhibit "A" is accomplished within the budget and fee established in said exhibit. Reimbursable Expenses incurred in connection with such services shall be in addition to the foregoing compensation.

B. Total compensation for all services and expenses for the term of this Agreement shall not exceed the amount provided in Exhibit "A" without amendment of this Agreement. The amount of compensation shall be subject to renegotiation only if the scope of the services are significantly expanded or modified beyond the tasks identified herein.

C. Consultant is not obligated to continue performance hereunder or otherwise to incur costs in excess of the total estimated fee cited above as Consultant's compensation for all or part of the Project, unless and until the City has notified Consultant in writing that such total estimated fee has been increased and specifying the estimated fee then allocated for the Services to be covered by the Consultant's Compensation.

D. Except as otherwise provided in this agreement, the City shall not provide any additional compensation, payment, use of facilities, service or other thing of value to the Consultant in connection with performance of agreement duties.

Section 7. Method and Time of Payment. Consultant invoices will be submitted once every month and will be based upon services completed at the time of the billing. Invoices shall reflect the total work performed during the invoice period and shall show the costs incurred as well as a percentage of the total fixed fee. The invoicing of the fixed fee shall correspond to the Consultant's estimate of the work completed. The Consultant shall maintain records documenting all labor and material charges for this project. The Consultant will notify the City when 75% of the total cost is attained and will determine how the remainder of the work will be completed for the remaining cost authorization. Documentation of major expenditures shall be submitted with the monthly invoices. Payment will be made on the 4th Tuesday of the month for invoices that are received and reviewed as being acceptable by the second Tuesday of that month.

Section 8. Termination of Agreement for Cause. If, through any cause within Consultant's reasonable control, the Consultant shall fail to fulfill in a timely and proper manner his obligations under this agreement, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this agreement, the City shall thereupon have the right to terminate this agreement by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, and reports or other material prepared by the Consultant under this agreement shall at the option of the City become its property, and the Consultant shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and materials. Equitable compensation shall not exceed the amount reasonably billed for work actually done and expenses reasonably incurred.

Section 9. Termination for Convenience of City. The City may terminate this agreement at any time by giving ten (10) days written notice to the Consultant of such termination and specifying the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, and reports or other material prepared by the Consultant under this agreement shall at the option of the City become its property, and the Consultant shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and materials. Equitable compensation shall not exceed the amount reasonably billed for work actually done and expenses reasonably incurred.

Section 10. Modifications. The City may, from time to time, require modifications in the general scope of initial basic services of the Consultant to be performed under this agreement. The type and extent of such services cannot be determined at this time; however, the Consultant agrees to do such work as ordered in writing by the City, and the City agrees to compensate the Consultant for such work accomplished by written amendment to this agreement.

Section 11. Equal Employment Opportunity.

A. The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Consultant shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such actions shall include, but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; selection for training, including apprenticeship; and participation in recreational and educational activities. The Consultant agrees to post in conspicuous places available for employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin. The Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this agreement so that such provisions will be binding upon each subconsultant, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

B. The Consultant shall keep such records and submit such reports concerning the racial and ethnic origin of applicants for employment and employees as the City may require.

C. The Consultant will make efforts to award subconsultant agreements to Minority and Women-owned business (MBE/WBE). Consultant will document efforts to negotiate contracts with MBE/WBE firms.

Section 12. Interest of Members of City and Others. No officer, member, or employee of the City and no member of its governing body, and no other public official of the governing body shall participate in any decision relating to this agreement which affects his personal interest or the interest of any corporation, partnership, or association in which he is, directly or indirectly, interested or has any personal or pecuniary interest, direct or indirect, in this agreement or the proceeds thereof.

Section 13. Assignability.

A. The Consultant shall not assign any interest in this agreement and shall not transfer any interest in the same (whether by assignment or novation) without the prior written consent of the City thereto. Provided, however, that claims for money due or to become due to the Consultant from the City under this agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City.

B. The Consultant shall not delegate duties or otherwise subcontract work or services under this agreement without the prior written approval of the City.

Section 14. Interest of Consultant. The Consultant covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this agreement. The Consultant further covenants that in the performance of this agreement, no person having any such interest shall be employed.

Section 15. Findings Confidential. Any reports, information, data, etc., given to or prepared or assembled by the Consultant under this agreement which the City requests to be kept confidential shall not be made available to any individual or organization by the Consultant without the prior written approval of the City.

Section 16. Publication, Reproduction and Use of Materials. No material produced, in whole or in part, under this agreement shall be subject to copyright in the United States or in any other country. The City shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, electronic files, or other materials prepared under this agreement. Consultant shall provide copies of such work products to the City upon request.

City may make and retain copies of Documents for information and reference in connection with use on the Project by the City. Such Documents are not intended or represented to be suitable for reuse by City or others on extensions of the Project or on any other project. Any such reuse or modification without written verification or adaptation by the Consultant, as appropriate for the specific purpose intended, will be at the City's sole risk and without liability or legal exposure to the Consultant and Consultant's subconsultants.

Section 17. Audits and Inspection. Consultant shall provide access for the City and any duly authorized representatives to any books, documents, papers, and records of the Consultant that are directly pertinent to this specific agreement for the purpose of making audit, examination, excerpts, and transcriptions. Consultant shall retain all records pertinent to the project for three years after final payment and all other pending matters are closed.

Section 18. Jurisdiction; Choice of Law. Any civil action arising from this agreement shall be brought in the District Court for the First Judicial District of the State of Idaho at Coeur d'Alene, Kootenai County, Idaho. The law of the state of Idaho shall govern the rights and obligations of the parties.

Section 19. Non-Waiver. The failure of the City at any time to enforce a provision of this agreement shall in no way constitute a waiver of the provisions, nor in any way affect the validity of this agreement or any part thereof, or the right of the City thereafter to enforce each and every protection hereof.

Section 20. Permits, Laws and Taxes. The Consultant shall acquire and maintain in good standing all permits, licenses and other documents necessary to its performance under this agreement. All actions taken by the Consultant under this agreement shall comply with all applicable statutes, ordinances, rules, and regulations. The Consultant shall pay all taxes pertaining to its performance under this agreement.

Section 21. Relationship of the Parties. The Consultant shall perform its obligations hereunder as an independent contractor of the City. The City may administer this agreement and monitor the Consultant's compliance with this agreement but shall not supervise or otherwise direct the Consultant except to provide recommendations and to provide approvals pursuant to this agreement.

Section 22. Integration. This instrument and all appendices and amendments hereto embody the entire agreement of the parties. There are no promises, terms, conditions, or obligations other than those contained herein; and this agreement shall supersede all previous communications, representations or agreements, either oral or written, between the parties.

Section 23. City Held Harmless.

A. The Consultant shall save, hold harmless, indemnify, and defend the City, its officers, agents and employees from and against any and all damages or liability arising out of the Consultant's wrongful acts or negligence, including costs and expenses, for or on account of any and all legal actions or claims of any character resulting from injuries or damages sustained by any person or persons or property arising from Consultant's performance of this agreement and not arising from Consultant's professional services. To this end, Consultant shall maintain general liability insurance in at least the amounts set forth in Section 25A.

B. The Consultant shall save, hold harmless, indemnify, and defend the City, its officers, agents, and employees from and against any and all damages or liability arising out of the Consultant's negligent acts, errors, or omissions, including costs and expenses for or on account of any and all legal actions or claims of any character resulting from injuries or damages sustained by persons or property to the extent arising from Consultant's negligent performance of this agreement, including but not limited to Consultant's professional services. To this end, Consultant shall maintain Errors and Omissions insurance in at least the amounts set forth in Section 25B.

Section 24. Notification. Any notice under this agreement may be served upon the Consultant or the City by mail at the address provided in Section 1 hereof.

Section 25. Special Conditions. Standard of Performance and Insurance.

A. Consultant shall maintain general liability insurance naming the City, its entities, and its representatives as additional insureds in the amount of at least \$500,000.00 for property damage or personal injury, death or loss as a result of any one occurrence or accident regardless of the number of persons injured or the number of claimants, it being the intention that the minimum limits shall be those provided for under Chapter 9, Title 6, Section 24 of the Idaho Code.

B. In performance of professional services, the Consultant will use that degree of care and skill ordinarily exercised under similar circumstances by members of the Consultant's profession. Should the Consultant or any of the Consultants' employees be found to have been negligent in the performance of professional services from which the City sustains damage, the Consultant has obtained Errors and Omission Insurance in at least the amount of two million dollars (\$2,000,000.00). The Consultant shall maintain, and furnish proof thereof, coverage for a period of two years following the completion of the project.

C. The Consultant shall obtain and maintain auto liability insurance in the amount of \$1,500,000.00 for the duration of the project.

D. Prior to work under this agreement, the Consultant shall furnish to the City certificates of the insurance coverages required herein, which certificates must be approved by the City Attorney. Certificates shall provide cancellation notice information that assures at least thirty (30) days written notice to the City prior to cancellation of the policy for any reason.

IN WITNESS WHEREOF, this agreement executed the day and year first written above.

CITY OF COEUR D'ALENE

HDR ENGINEERING, INC.

Sandi Bloem, Mayor

Karen M. Doherty, Vice President

ATTEST:

ATTEST:

Susan K. Weathers, City Clerk

Name / Title

STATE OF IDAHO)
) ss.
County of Kootenai)

On this 19th day of October, 2010, before me, a Notary Public, personally appeared **Sandi Bloem** and **Susan K. Weathers**, known to me to be the Mayor and City Clerk, respectively, of the City of Coeur d'Alene that executed the foregoing instrument and acknowledged to me that said City of Coeur d'Alene executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate first above written.

Notary Public for Idaho
Residing at _____
My Commission expires: _____

STATE OF _____)
) ss.
County of _____)

On this _____ day of October, 2010, before me, a Notary Public, personally appeared **Karen M. Doherty**, known to me to be the Vice President, of **HDR Engineering, Inc.**, and the person who executed the foregoing instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate first above written.

Notary Public for _____
Residing at _____
My Commission Expires: _____

EXHIBIT A

CITY OF COEUR D'ALENE WASTEWATER DEPARTMENT
PROFESSIONAL SERVICES
FOR A
COMPREHENSIVE WASTEWATER RATE STUDY
SCOPE OF SERVICES AND SCHEDULE

INTRODUCTION

This scope of services provides the City with an understanding of our depth of knowledge and skills in developing wastewater rates and capital fees for governmental agencies. This approach uses “generally accepted” financial planning and rate-setting methodologies and techniques specifically tailored to reflect the City’s unique characteristics and circumstances. By tailoring these services, HDR will provide the specific information needed by the City to make sound and rational decisions concerning wastewater rates and fees for service.

In addition, the City is required by Idaho DEQ to review and update the user charge system at least biennially (every other year) during the life of the SRF Loan Agreement. This rate study will encompass one review of the user charge system.

Lastly, the City must update the basis of its user charge system to prepare for seeking judicial confirmation for entering into additional debt for future phases of the Phase 5 program (e.g., Phase 5C liquid process improvements). This rate study will set the foundation for the City’s effort with bond counsel to establish judicial validation.

SCOPE OF SERVICES

Task 100 – Project Management

Objective:

Plan and execute the comprehensive wastewater rate study in accordance with the schedule, budget, and quality expectations established.

HDR Approach:

- Conduct up to twelve 1-hour conference calls with City’s project manager to review project status and action items.
- Attend quarterly meetings with the City in Coeur d’Alene to review status of the planning effort. To extent practical, these will be coordinated with other meetings and workshops.
- Monitor project progress including work completed, work remaining, budget expended, schedule, estimated cost of work remaining, and estimated cost at completion.
- Provide quality control review of all work activities and project deliverables.

- Prepare and submit monthly narrative report and invoice for the duration of the project (see schedule, below).

Assumptions:

- City will participate in conference calls and meetings.
- City will review narrative reports and approve invoice.
- City will review and approve modifications to approach, schedule, and deliverables as appropriate.

Task Deliverables:

- Project management plan.
- One quality control review per key memorandum or report.
- Memoranda and meeting notes.
- Monthly narrative report and invoice.

Task 2—Initial Project Meeting

Objective:

Bring HDR and City management and staff together, at the start of the project, for both parties to have a mutual understanding of the goals, objectives, issues and concerns related to the study.

HDR Approach:

- Form the foundation for the rate study process by discussing the study's overall goals and objectives.
- Discuss issues and concerns regarding wastewater rates from the City of Coeur d'Alene and HDR.

Assumptions:

- The initial project meeting is a half day meeting with up to three HDR staff.
- The scope of services and fee for services may be revised depending on the City's final set of objectives for this study.

Task Deliverables:

- One-half day meeting.
- Confirmation of objectives, issues and concerns by both the City and rate study team via email to City project manager.

Task 3—Data Collection

Objective:

Provide a written request detailing the data required to complete the study and review and assess the City's existing wastewater funds, budget data, and facility needs and information.

HDR Approach:

- Provide a written data request to the City prior to the initial project kick-off meeting for discussion at the meeting and for quick resolution of problem data areas.

Assumptions:

- The City will provide a timely response for the data requested.

Task Deliverables:

- An initial written data request to the City and identification of any data constraints via email to City project manager.

Task 4—Development of Financial Policies

Objective:

Develop financial policies/practices around which rates should be set. These policies may include issues such as maintaining minimum reserve levels, meeting target debt service coverage requirements, properly funding from rates an amount for renewals and replacements (i.e., depreciation), etc. All policies/practices developed as a part of this study will conform to any existing financial/rate policies the City has in place, and will be based upon “generally accepted” financial/rate practices developed as a part of this study.

HDR Approach:

- Develop financial policies and practices to guide the development of the wastewater rate setting process for the wastewater utility.

Assumptions:

- HDR will utilize any existing current written, or unwritten, rate setting policies/practices the City has in place for the wastewater utility.
- Propose as necessary refinements or new rate setting policies/practices.

Task Deliverables:

- A set of financial policies/practices to guide the development of the wastewater rate setting process.

Task 5—Revenue Requirement Analysis

Objective:

Using generally-accepted rate-setting methodology, develop a 10-year financial plan for the City’s wastewater utility which will provide adequate funds for the wastewater operating and capital needs. Review various financial guidelines and parameters to fund the wastewater utility in a prudent financial manner over the time period reviewed.

HDR Approach:

- Develop a financial plan, or revenue requirement analysis, as a major analytical step in prudent utility financial planning.
- Review the various sources of funds (revenues) and compare them to the applications of funds (expenses).
- Consider the prudent and proper funding for O&M and capital expenditures and determine the need for rate adjustments over a 10-year time period, with the focus on the next three to five years for rate setting purposes.
- Plan for a fund dedicated to the repayment of principle on the Phase 5B State Revolving Fund (SRF) and American Recovery and Reinvestment Act of 2009 (ARRA) Loan (ARRA requirement).
- Plan for a fund dedicated to Capital Replacement (ARRA requirement).
- Plan for a fund dedicated to future improvements, betterment, and extension of works occasioned by increased usage on facility (ARRA requirement).
- Provide a more detailed discussion of the various steps involved in developing the City's financial plans/models and revenue requirement as provided below:
 - Select a projected time period and method of accumulating costs.
 - Develop a method to accumulate revenues and expenses, and review reserves and financial policies.
 - Develop the Capital Improvement Plan.

Selection of a Projected Time Period and Method of Accumulating Costs

For this study, a 10-year projected time period (e.g., 2011 – 2020) is proposed. By reviewing costs over an extended timeframe, the City can determine the future impacts of growth and changes in O&M and capital projects and potentially take steps today to help minimize future impacts. The method of accumulating costs for the cost of service will be the “cash basis” approach. This method sums O&M expenses, taxes, transfer payments, debt service and capital improvements funded from rates. The utility will be analyzed on a “stand alone” basis to be self-supporting.

Accumulation of Revenues and Expenses, Review of Reserves and Financial Policies

Revenue requirements are composed of two major types of costs; operational and capital expenses. The operational costs are generally projected from historical or budgeted costs, using escalation factors, and adjusted for any known changes in operations (e.g., additional personnel, growth, gasoline/supply prices, etc.). Revenues are increased according to projected growth rates, and can be adjusted annually. In developing the revenue projections, HDR will review customer data by class, customer usage, planned growth rates and existing rate schedules. This provides a solid foundation upon which any rate alternatives can be evaluated. As part of this analysis, a sensitivity analysis component is developed that can easily test various growth, inflation and other cost impacts in any future year. The impacts of these changes can be easily and quickly illustrated to provide feedback in the decision making process.

Part of the analysis included within the revenue requirements is to review fund balances and reserves and other financial indicators such as debt service coverage and asset replacement funding levels. HDR will recommend adjustments for the City's consideration.

Development of the Capital Improvement Plan

The starting point for projecting capital costs (expenditures) will be the City's Wastewater Facility Plan Amendment, capital budgeting documents, and other related infrastructure project cost estimates. In the financial planning process, consideration must be given to maximizing capital improvement expenditures for the system, while minimizing rate impacts to customers. The capital improvement financing plan will be developed on a year-by-year basis for each of the projected ten years. Emphasis will be placed on determining adequate funding for renewal and replacement capital projects, as well as any expansion, or growth, projects. Historically, the City's rates have not adequately funded for renewal and replacement projects. To better reflect financial sustainability, HDR will review the issue of existing assets and the depreciation associated with those assets. This is not to be considered a full depreciation study, however it will review the assets and assumed useful lives of up to 6 categories (i.e., pumping, treatment, collection lines, etc.) to determine a reasonable estimate of annual replacement funding. HDR recommends that, at a minimum, renewal and replacement projects should be funded at a level of annual depreciation. This allows payment for replacement of facilities from which existing customers benefit by the customers. The establishment and adoption of written policy statements concerning adequate replacement funding is one tool that may be used to consider the long-term financial sustainability of the utility.

A major component of any capital improvement plan is the "growth-related" component and its funding. The City has noted a slowing in revenue derived from capacity fees. The study should clearly track those "growth-related" capital costs that are funded from existing ratepayers. This will be accomplished by segregating the capital plan between replacement capital and growth capital. This will allow for a clear tracking within the revenue requirement and resulting rates of the proportion of existing rates funding growth-related capital projects.

HDR will review the impact of this funding approach with City staff and provide adjustments. Given a better understanding of the overall magnitude of the needed capital projects, the financing plan will meet the City's goals and objectives, while attempting to minimize wastewater rates over time.

Assumptions:

- The Idaho Department of Environmental Quality (DEQ) requires a review and update of the user charge system at least biennially during the life of the SRF Loan Agreement to assure that all costs including debt retirement, capital replacement, operation and maintenance are offset by sufficient revenues as a

condition of the Loan Agreement for the Phase 5B Solids Processing Improvements project.

- This scope of services consists of one update to the user charge system for SRF requirements.
- Up to three scenarios for modeling various growth, inflation and other cost impacts in any future year is included in this scope of services.

Task Deliverables:

- A projected revenue requirement analysis for a 10-year period that considers the necessary operating and capital needs of the wastewater utility.
- Recommendations regarding key financial indicators (e.g., debt service coverage, capital replacement, reserve levels, etc.).
- Develop a financing plan to reflect the funding of the capital improvement plan within the revenue requirement analysis.
- Specifically review up to three (3) alternatives available for funding Phase 5C and the resulting impacts to rates.
- Sensitivity analysis within the model to adjust growth and other factors impacting future costs and revenue.
- A transition plan to “phase in” any needed rate adjustments.

Task 6—Cost of Service Analysis

Objective:

To equitably allocate the costs of the utility to the cost components and customer classes in the manner in which those costs are incurred, resulting in average unit costs for each customer class.

HDR Approach:

- Develop an average embedded wastewater cost of service analysis to equitably allocate the revenue requirements to the various customer classes served by the City.
- Develop both the classification and allocation of costs to reflect the City’s system characteristics.
- At the conclusion of the cost of service analysis, provide a measure of the equitable allocation of costs to the various customer groups, along with the average unit cost of service (e.g., \$/customer/month, \$/1,000 gallons, etc.).
- Provide a review of the City’s system data and customer classes of service.
- Allocate the revenue requirement to the various classes of service.
- Prepare a summary of the cost of service (comparing present revenues to allocated revenue requirements), along with average unit costs (cost-based rates) for the various customer classes of service.

Task Deliverables:

- A cost of service analysis that equitably allocates the costs of the wastewater utility to the various customer classes of service in an Excel format.

Task 7—Review and Update of the Wastewater Capital Fee

Objective:

Develop a cost based and equitable capital fee for the City's wastewater utility. The analysis and resulting report will be legally defensible and the resulting report will be easily understandable in HDR's opinion and provide the cost-basis for the City Council to make policy decisions that balance the study's cost-basis with the need for capital fees that are sufficiently priced for "affordable" growth.

HDR Approach:

- Capital fees are concerned with the cost of developing new capacity to serve growth.
- Review and update the City's wastewater capital fee to incorporate the City's current capital plans and anticipated system growth. Provide a cost-based capital fee that reflects the legal requirements for establishing these fees in the State of Idaho.
- Consider both the existing capacity of infrastructure that is in place, along with the capital plan as it relates to growth, in the development of cost-based capital fees.
- Review the methodology used to establish the City's existing capital fee and provide recommendations regarding modifications.
- Discuss with City staff the current methodology and implementation for the updated calculation to meet City specific goals and objectives.
- Review with the City current administrative issues associated with the fees and determine if other approaches are available
- Develop capital fees in conformance with applicable legal constraints or limitations within the jurisdiction.
- Provide an electronic draft report for City staff review and comment.
- Incorporate City staff comments into a draft final report for City staff review.
- Provide a Final Capital Fee Analysis Report to the City.

Assumptions:

- City will review and comment on the draft capital charge analysis and report within 2 weeks.
- Capital fees are related to the issue of financing growth and who should pay or share in the cost of that growth. As a general philosophy, most utilities prefer to have "growth pay for growth." This statement implies cost-based capital fee.
- Cost-based capital fees collect an appropriate charge that considers both the cost of the available capacity, along with any new capacity that must be constructed. All costs are placed in current day dollars (inflated or deflated as appropriate). In the end, capital fees should be developed on the basis of the value of capacity, with the charges for a customer increasing in price in direct relationship to their expected capacity use of the system.

- Review and update of the City's existing capital fees will provide a cost-based capital fee that is in conformance with methodologies generally accepted in the industry.

Task Deliverables:

- Cost-based and equitable capital fees for the current capital plan time period.
- Capital fee report (electronic .pdf format delivered via email) detailing the calculation of the proposed capital fee.

Task 8—Rate Design Analysis

Objective:

Develop wastewater rates using cost information developed as a part of the previous tasks.

HDR Approach:

- Develop an understanding of the City's rate design goals and objectives.
- Provide City with examples of industry practices for rate making in Idaho and throughout the country.
- Review rate study goals with the City Council.
- Evaluate the City's existing rates by starting with the revenue requirement and cost of service information.
- Discuss with staff the City's billing system and its capabilities and limitations.
- Review with the City any current administrative issues associated with the existing rates and determine if other approaches are available.
- If requested, provide the City with up to three examples of other wastewater rate ordinances.
- Explore rate design alternatives that meet the goals and objectives with City staff.
- Verify that the alternatives chosen for development will also be compatible with the City's billing system.
- Develop up to three rate structure alternatives based on the cost of service information and City's specific usage information for the City Council's consideration.
- Develop rate designs that fund the revenue requirements for the rate setting period (e.g., next three to five years).
- Compare the City's present and proposed rate structures with those of surrounding utilities.
- Provide a bill comparison and graph for each rate design that shows a comparison between the present bill and the proposed bill at various levels of usage.

Assumptions:

- Potential goals include: sound rates based on generally accepted practices, revenue stability, equity, fairness, and ease in understanding and administration.
- Understanding the City's rate objectives will assist HDR in development of final rates.

- City policies provide the framework within which rates will be structured.
- Comparisons rate structures with surrounding utilities, while comparing apples and oranges due to operating, political, and geographic differences, can aid in better understanding current trends and ideas.
- Bill comparisons are useful in assessing the potential impacts to a wide variety of customers.

Task Deliverables:

- Review of the City's current wastewater rates.
- Development of up to three (3) rate design alternatives for the City Council's consideration.
- Bill comparisons and graphs for proposed rate alternatives.
- Comparison of the City's present and proposed rates to neighboring jurisdictions, if desired.
- A projection of final rate structures to generate adequate revenue for operations, infrastructure and reserves.
- Presentation at City Council by up to three HDR staff members.

Task 9—Public Presentations and Meetings

Objective:

Provide effective public presentations of the findings, results and recommendations of the study.

HDR Approach:

- Provide up to two meetings with the City Council and one open house/committee meeting with up to three HDR staff members to discuss the findings and conclusions of the study with the public.
- Follow the first City Council meeting with a summary of the meeting and direction for the study.
- Design the summary for the City to use in local media, newsletters, utility billings, web postings to inform customers of the rate study, and to encourage input.
- Present the findings, results and recommendations of the study at the second and final Council meeting.
- One teleconference to review draft results of the revenue requirements and cost of service, the other teleconference to review rate alternatives and select those to present to the City Council.

Assumptions:

- Two public presentations (meetings) with the City Council are anticipated, one initial meeting to get Council input near the start of the project.
- The open house/committee meeting and one City Council Meeting will be scheduled for the same date.
- Additional meetings can be provided on a time and materials basis.

- Project meetings with staff will be teleconferences.
- HDR's PowerPoint presentations to City Council will be provided for City's use with the media, website, or other public information/communication methods.

Task Deliverables:

- Up to two public presentations with the City Council and associated PowerPoint files.
- Up to two face-to-face meetings with City staff with up to three HDR staff members to review results to date.

Task 10—Written Report and Documentation

Task Objective:

Provide a report to summarize the findings, conclusions and recommendations of the study. The written report will be referenced in the rate ordinance and as such, will be written in a logical and easy to understand format in HDR's opinion that documents the steps and analyses undertaken as a part of the development of the study.

HDR Approach:

- Develop a written report, documenting assumptions, conclusions, and recommendations.
- Document the activities undertaken as a part of the project and present the plan and program for a user charge system for payment of operation and maintenance of facilities constructed under State Revolving Fund loans.
- Provide technical appendices of the technical analyses undertaken within our reports.
- Provide hard copy documentation of the financial plans developed.
- Provide an electronic draft report for review and comment by City staff.
- Incorporate City staff comments into a draft final report for review by City staff.
- Provide the City with the Final report on the Comprehensive Wastewater Rate Study.

Assumptions:

- City will provide a single set of reconciled review comments in track changes within two weeks of draft report being submitted for review.
- Submit the user charge system for approval by Idaho Department of Environmental Quality and enacted by the City of Coeur d'Alene prior to receiving final payment for the Phase 5B Solids Processing Improvements project.

Task Deliverables:

- An electronic draft report in Word that documents the steps and analyses undertaken in the study.
- 10 bound hard copies of the final report.

- An electronic pdf copy of the final written report via email to City project manager.

Task 11—Follow Up Services

Task Objective:

At the completion of the analysis HDR will be available to assist City staff with questions regarding the analysis, updating the model, or answering rate related questions.

HDR Approach:

- HDR will be available to assist the City with questions related to the development of wastewater rates and fees.

Assumptions:

- The City will contact HDR with a request for assistance.
- HDR will provide the City with a time and fee estimate.
- No travel will be necessary for the follow up services.

Task Deliverables:

- As requested/necessary.

PROJECT TIME SCHEDULE

Conduct the services in this scope of work in approximately 24 weeks. Issues which could extend the schedule include the amount of time required by the City to collect the necessary data, the ability to schedule meetings with City staff in a timely manner and, most importantly, receive policy direction and rate implementation timing from the City’s management and Council. Our team members are available and HDR has other financial services staffing resources, should the need arise. If the reviews by City staff or Council are delayed, the project time schedule will be adjusted by the corresponding number of days.

COMPENSATION

For services described in this Agreement, payment shall be made on a Cost Plus Fixed Fee basis.

The City shall pay Consultant’s direct expenses incurred in providing services, including the cost of sub-consultants. Consultant shall not mark up Consultant’s expenses. Normal charges for direct operating expenses are listed below:

- | | |
|------------------------------------|-------------------|
| • automobile travel | IRS-approved rate |
| • Other travel expenses | at direct cost |
| • technology charge | \$3.70/hour |
| • Telephone and video conferencing | at direct cost |
| • Fed-Ex, UPS, postage | at direct cost |

- Printing at direct cost

The City's total consideration, including fixed fee and expenses, shall not exceed \$135,338 without an amendment which significantly changes the services to be provided. An estimated task-by-task breakdown of project costs is shown in Exhibit B.

Consultant shall invoice City monthly for Consultant's services. Invoices shall itemize costs incurred for each task identified in the scope of work. A short summary project status memorandum will be provided with each invoice.

EXHIBIT B

**CITY OF COEUR D'ALENE WASTEWATER DEPARTMENT
PROFESSIONAL SERVICES
FOR A
COMPREHENSIVE WASTEWATER RATE STUDY**

COMPENSATION SCHEDULE

Task No./Task Name	Direct Labor	Indirect Labor Overhead	Direct Costs	Professional Fee	Total
Task 100 Project Management	\$2,891	\$5,059	\$3,250	\$874	\$12,075
Task 200 Initial Project Kick-Off Meeting	\$1,048	\$1,833	\$1,267	\$317	\$4,464
Task 300 Data Collection	\$107	\$187	\$29	\$32	\$356
Task 400 Financial Policies/Practices	\$1,053	\$1,843	\$89	\$319	\$3,303
Task 500 Revenue Requirements Analysis	\$7,684	\$13,446	\$625	\$2,324	\$24,079
Task 600 Cost of Service Analysis	\$3,668	\$6,418	\$384	\$1,109	\$11,579
Task 700 Review and Update of the Wastewater Capital Fee	\$6,303	\$11,031	\$1,029	\$1,907	\$20,270
Task 800 Rate Design Analysis	\$2,265	\$3,964	\$1,465	\$685	\$8,379
Task 900 Public Presentations and Meetings	\$3,357	\$5,874	\$2,715	\$1,015	\$12,961
Task 1000 Written Report and Documentation	\$2,109	\$3,690	\$1,382	\$638	\$7,819
Task 1100 Follow Up Services	\$9,610	\$16,818	\$718	\$2,907	\$30,054
Total	\$40,094	\$70,164	\$12,953	\$12,128	\$135,338

PUBLIC WORKS COMMITTEE

STAFF REPORT

DATE: October 11, 2010
FROM: Gordon Dobler, Engineering Services Director
SUBJECT: Additional Services for JUB Education Corridor contract

DECISION POINT

Staff is requesting Council approval to amend JUB's existing contract for consulting services for the Education Corridor to address stormwater issues.

HISTORY

In the process of evaluating the infrastructure for the Education Corridor, we have identified a need to evaluate the existing storm drain system for compatibility with the proposed roadway alignments. This is necessary in order to ascertain whether or not the existing lines which are currently located in the mill site, can be relocated to the proposed roadway.

FINANCIAL ANALYSIS

The estimated fee is \$10,900. This would be paid by the Stormwater Utility, from the professional services budget.

PERFORMANCE ANALYSIS

The analysis needs to be done in order to plan for future storm drain relocations and extensions. Leaving the existing mains in the mill site would hamper future development and present maintenance and access issues

RECOMMENDATION

Staff recommends that Council approve the amendment to the JUB's contract.



J-U-B ENGINEERS, Inc.
AGREEMENT FOR PROFESSIONAL SERVICES

Authorization for Additional Services

CLIENT: City of Coeur d'Alene

Project Name: Education Corridor

J-U-B Project Number: 20-10-018

1. *Additional Services.* The following additional items of work on the project referenced above have been or will be provided by J-U-B ENGINEERS, Inc. (J-U-B). These Additional Services are a supplement to the scope of services contained in J-U-B's existing Agreement for Professional Services for this Project, dated 07/06/10. All other TERMS AND CONDITIONS of said Agreement remain in full force and effect.

Additional Services: See Attachment 1-A

2. *Verbal Authorization by CLIENT, if Applicable.* J-U-B was verbally authorized by the CLIENT to provide these Additional Services by:

Name Date

3. *Payment for Additional Services.* Unless otherwise noted below, J-U-B will provide these Additional Services on a time and materials basis, using J-U-B's standard billing rates or, if applicable, the billing rates established in the initial Agreement for Professional Services.

Other Basis for Payment:

4. *Schedule of Services.* Due to the Additional Services, the Schedule of Services to be performed under the original Agreement for Professional Services is modified as follows:

Dated this _____ day of October, 2010

CLIENT

J-U-B ENGINEERS, Inc.

By: _____
Project Representative or Authorized Signatory for CLIENT

By: 
Project Representative or Authorized Signatory for J-U-B

Print or Type Name and Title

Brad Marshall, Senior Planner/Project Manager

Print or Type Name and Title

Budget: Task 1 on a lump sum basis of \$10,900
Task 2 on a time and materials basis as requested by the City

City Provided Information:

Data to be provided by the City of Coeur d'Alene, as available

Stormwater System

1. Pipe locations, size, and age.
2. Pipes invert elevations.
3. Manhole locations, size, and age.
4. Historical and expected maintenance issues.
5. Areas of known overflows.
6. Applicable historical reports and evaluations.
7. Construction As-Built Drawings.
8. Copy of existing Map Books including available rim and invert elevations at all manholes.
9. Previous master planning documents.
10. ARC/INFO - GIS based map and electronic files.

General

1. Existing Vertical and Horizontal Survey Data and Aerial Mapping including aerial orthophotos and digital elevation models for City of Coeur d'Alene Area of City Impact.
2. Existing City GIS database.
3. Assistance with physical investigations of system components.
4. Collection of critical data, if unavailable, will be paid on a time and materials basis, as mutually agreed to by the City and the Consultant.

Attachment 1-A

CITY OF COEUR D'ALENE EDUCATION CORRIDOR STORMWATER EVALUATION

Engineering Scope of Services

J-U-B ENGINEERS, Inc. shall furnish additional engineering services to the Education Corridor master plan in preparation of a storm water alignment and capacity evaluation. The work will be done as generally described as analyzing the existing storm water utility alignments and inverts within the Education Corridor to determine realignment options to match proposed street modifications. The specific tasks include:

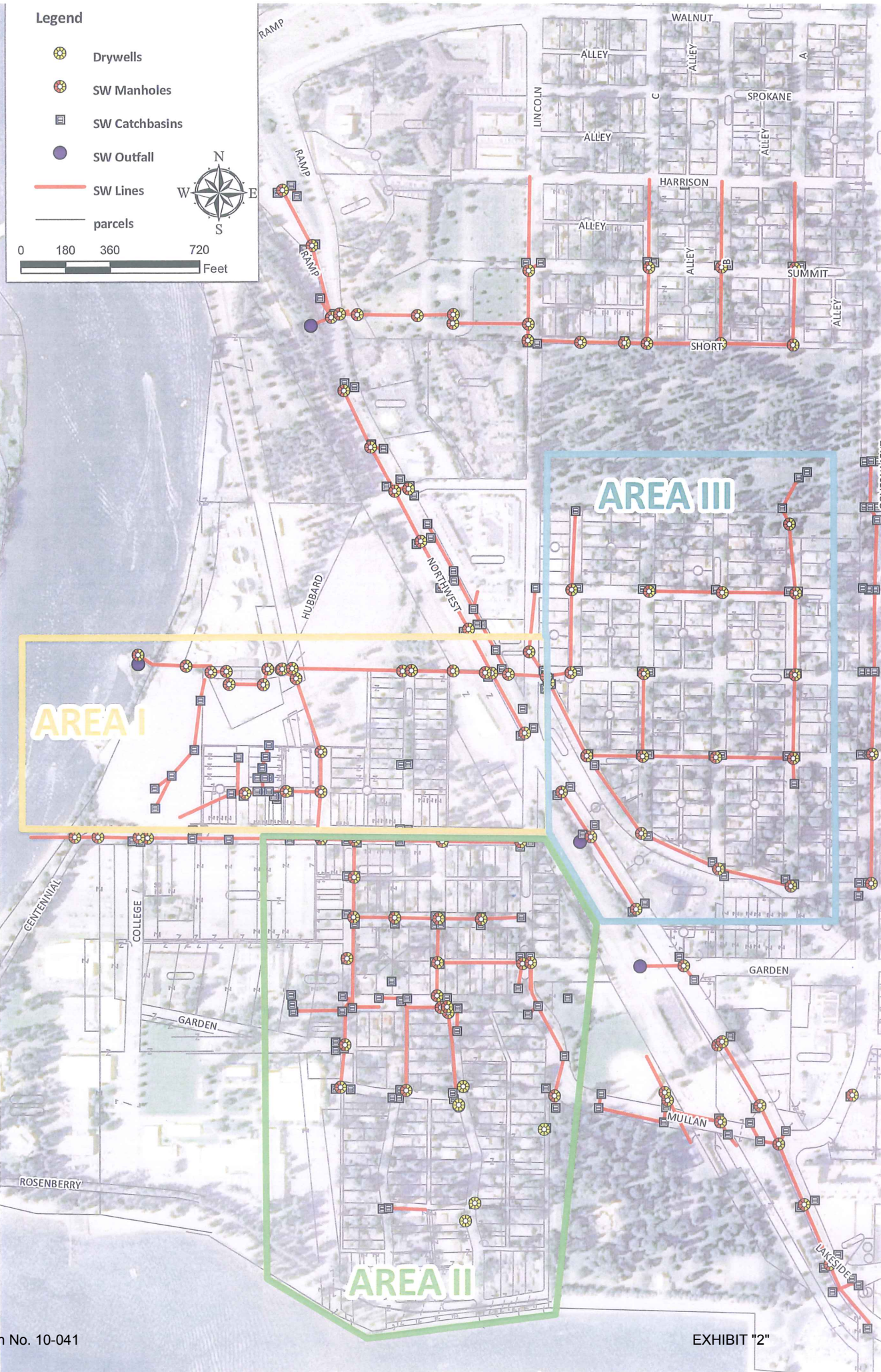
Task 1 - Stormwater Realignment Analysis

- A. Receive copies of all available existing system data, survey data, mapping, record drawings, and photography as detailed under "City Provided Information".
- B. Review existing records, plans, and data then visit with the City to determine the existing concerns with the system.
- C. Conduct field survey of existing manholes, catch basins and pipelines within area I (see attached figure) to collect information on sizes, invert elevations and locations of critical storm water elements.
- D. Calculate existing capacity of each pipeline using Manning's equation.
- E. Evaluate the impact to pipeline capacity of changing storm water line alignments in Area I to match the selected Education Corridor road alignment.
- F. Present results in a one page technical memorandum.

Task 2 - Additional services (T&M basis)

- A. Prepare preliminary budget costs for identified improvement options based on current costs with appropriate inflation factor.
- B. Assist the City in prioritizing recommended upgrades.
- C. Develop a Capital Improvement Plan including project phasing as established by City budgets and development.

Schedule: Draft memorandum within 30 days of notice to proceed



STAFF REPORT

DATE: October 11, 2010
TO: General Services Committee
FROM: Susan Weathers, City Clerk
RE: Request for Shooting Gallery Permit

DECISION POINT: Should the General Services Committee recommend Council approval of a shooting gallery permit?

HISTORY: Eric Johnson is requesting a permit from the City to operate a non-lethal marking cartridge shooting gallery to be located at 403 N. 2nd Street. Mr. Johnson is proposing to utilize Simunition brand marking cartridges in order to conduct training in firearms safety, provide experience building in the use of firearms and teach life saving exercises.

The Police Department has reviewed Mr. Johnson's request and have presented the following issues concerning the request for a permit:

1. Windows. Since there are projectiles, what safety guards will be in place on the windows to prevent accidental breakage and will those conform to the fire standards for evacuation?
2. Marking rounds or any other rounds used for training (including blanks) shall not be fired outside of the building.
3. Frangible ammunition should somehow be prohibited. These bullets can have lethal consequences.
4. Simunition is a brand name. The term "marking cartridges" or something similar should be used to indicate the ones with a marking agent. Simunition also makes the frangible rounds.
5. Safety rules should be prominently displayed.
6. Conversion kits should be used in weapons to ensure live rounds cannot be fired (protection of those in the business along with public safety).
7. Some rounds are very loud and realistic. If a permit is to be granted a condition needs to be set that the sounds of the rounds should not be discernable outside the building to prevent disturbing the peace, reports of shots fired in the area.

PERFORMANCE ANALYSIS: M.C. 9.52.030 provides for the Mayor and Council to allow a shooting gallery permit and under what rules/conditions it shall operate.

FINANCIAL ANALYSIS: There is no cost to the City if such a permit is granted.

DECISION POINT: Staff recommends that the General Services recommend approval of a shooting gallery permit with the following rules/conditions:

1. Applicant first obtains the necessary building permit prior to issuance of a shooting gallery permit.
2. Safety guards will be in place on the windows to prevent accidental breakage and shall conform to the fire standards for evacuation.
3. Marking rounds or any other rounds used for training (including blanks) shall not be fired outside of the building.
4. Frangible ammunition shall be prohibited as these bullets can have lethal consequences.
5. Only marking cartridges with a marking agent and blanks shall be used in this facility.
6. Safety rules shall be prominently displayed.
7. Conversion kits shall be used in weapons to ensure live rounds cannot be fired.
8. The sounds of the rounds shall not be discernable outside the building to prevent disturbing the peace and/or reports of shots fired in the area.

Proposed Simunition Training Facility

The proposed Simunition training facility is located at 403 N 2nd Street, Coeur d'Alene. The space is currently unoccupied and has been for the past two years. Minimal remodeling would be required to convert the space for the proposed facility.

With council approval this facility would be utilized by both law enforcement and general public. The first of its kind in the Northwest, this facility has already brought interest from law enforcement in both Washington and Montana and can add to downtown both economically and visually.

Simunition has been a pioneer in the most realistic short range training products since the early 1990s. The marking rounds that would be used in the facility are non-lethal, non-toxic and non-penetrating. The rounds are also quiet and require no special hearing protection. Simunition has been qualified and introduced as an essential component into federal and local law enforcement throughout the world.

As a professional firearms instructor I feel Simunition training is unmatched as a way to provide realistic training without the danger of live ammunition. The facility will train in firearms safety, provide experience building and ultimately teach life saving exercises.

Plans are being revised to meet city criteria.

Sincerely,

A handwritten signature in black ink that reads "Eric A. Johnson". The signature is written in a cursive, flowing style.

Eric A Johnson

Proposed Simunition Training Facility

With City approval, we would like to convert an empty downtown commercial space into a Simunition training facility.

About Simunition:

Simunition is a marking cartridge that is shot out of a converted firearm. Simunition is smokeless, non toxic, quiet and requires no special protection barriers as it will not penetrate. Simunition is used to train in cars, planes, buses, houses, etc.

Facility Information:

The proposed training facility space is located at 403 N 2nd Street. The space is currently unoccupied and has been so for the past two years. Minimal remodeling would be required to convert the space for the proposed facility.

If approved, the facility would be utilized by both law enforcement and the general public. Law enforcement from both Washington and Montana have expressed interest in using the proposed facility. A Simunition training facility as the one proposed is unique and would be the first of its kind in the Northwest, adding to downtown both economically and visually.

As an expert firearms instructor, I feel Simunition training is unmatched as a way to make the individual feel confident in the handling of a firearm. It allows realistic training without the danger of live ammunition. A facility like this would have year round attendance, would promote positive firearm training, and be a benefit for law enforcement.

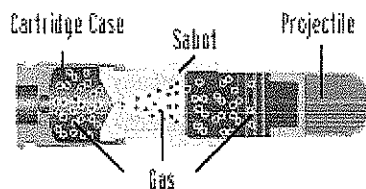
Included with this summary is a diagram of the space, including specifications explaining the facility and remodel costs and an information sheet on Simunition.

Simunition Information

In the late 1980's Simunition was developed to fulfill the growing need of law enforcement and military for more realistic training. Known as the world's most realistic training system, Simunition developed six munitions – The FX® Marking Cartridges allows force-on-force training scenarios to take place where participants can safely fire rounds at one another.

The FX® Marking Cartridge is a reduced-energy, non-lethal cartridge that leaves a detergent-based water soluble color-marking compound. The cartridges are non-toxic and non-penetrating so no special ballistic facilities are required during use. The rounds are quiet and require no hearing protection.

Simunition instructors are certified and required to attend a 24-hour refresher course every two years.



Eric A Johnson

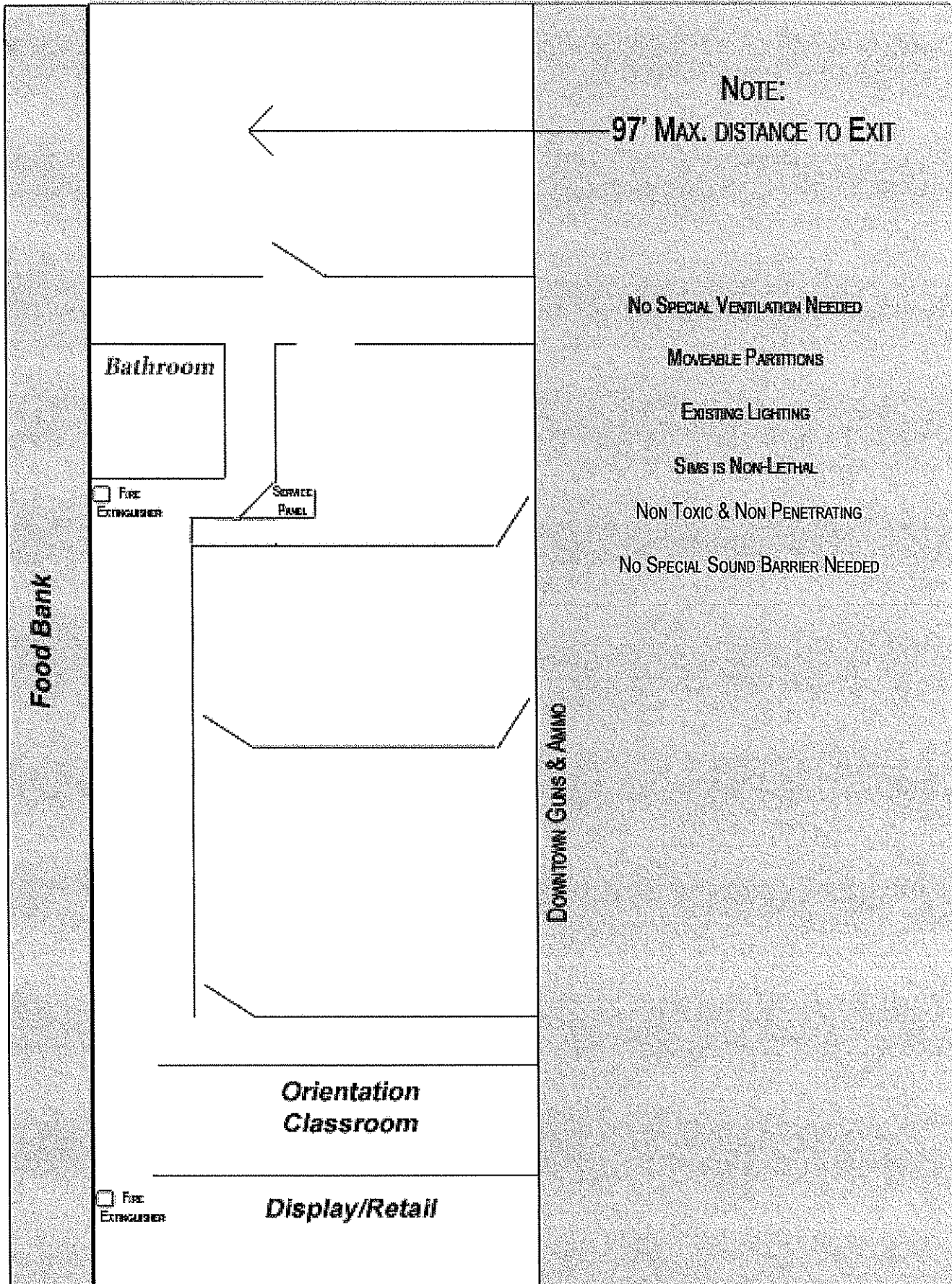
Qualifications/Training

- NRA Certified Instructor
- Pistol, Personal, Protection, Range Safety Officer
- Certified by Department of Justice State of California – Firearms Safety Instructor
- Safety Officer – International Defensive Pistol Association
- Firearms Instructor with Front Sight Training Institute

Schools

- Kyhber Interactive Wes Dos
- American Defense Enterprises
- Suarez International
- Front Sight Training Institute
- West Coast Tactical
- +P Proficiency

Simunition Training Facility



2nd Street

9.52.010: DEFINITIONS:

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

FIREARMS: Any instrument used in the propulsion of shot, shell or bullets, or other harmful objects by the action of gunpowder exploded within it, or by the action of compressed air within it, or by the power of springs and including what are commonly known as air rifles and BB guns.

9.52.020: DISCHARGE PROHIBITED:

It is unlawful for any person to discharge, within the limits of the city, any "firearms", as defined in section 9.52.010 of this chapter, slingshots, zip guns, or bows and arrows, except that military honor guards when performing at recognized cemeteries may discharge blanks with permission of the parks and cemetery director or his/her designee. Furthermore, military honor guards performing at Veterans' Park on Memorial Day or Veterans Day may discharge blanks. Furthermore, city of Coeur d'Alene fire or police honor guards or military honor guards may discharge blanks at the Cherry Hill Fallen Heroes Plaza to honor a fallen firefighter or police officer. Any discharge of firearms at Cherry Hill Fallen Heroes Plaza would require a permit from the parks director. (Ord. 3378 §1, 2010)

9.52.030: EXCEPTIONS:

- A. Shooting Galleries, Gun Clubs, Etc.; Permit Required: The mayor and city council may, upon application, grant permits to shooting galleries, gun clubs and other organizations to discharge guns, pistols, revolvers and bows and arrows within the city limits in localities satisfactory and under rules decided by the mayor and city council and such permits shall be in writing and issued by the city clerk under his signature and shall be subject to revocation at any time by the mayor and city council.
- B. Law Enforcement: This chapter does not apply to those persons listed in section 18-3302(12)(a through c), Idaho Code, while acting in their official capacity. (Ord. 3157 §5, 2003)

BEER, WINE, AND/OR LIQUOR APPLICATION Expires March 1 annually

City of Coeur d' Alene
 Municipal Services
 710 Mullan Avenue
 Coeur d' Alene, Idaho 83814
 208.769.2229 Fax 769.2237

[Office Use Only] Amt Pd 25-
 Rec No _____
 Date 10-06-10
 Date to City Council: 10-19-10
 Reg No. _____
 License No. _____
 By _____

Date that you would like to begin alcohol service _____

Check the ONE box that applies:

<input type="checkbox"/>	Beer only (canned and bottled) not consumed on premise	\$ 50.00 per year
<input type="checkbox"/>	Beer and Wine (canned and bottled) not consumed on premise	\$250.00 per year
<input type="checkbox"/>	Beer only (canned and bottled only) consumed on premise	\$100.00 per year
<input type="checkbox"/>	Beer and Wine (canned and bottled only) consumed on premise	\$300.00 per year
<input type="checkbox"/>	Beer only (draft, canned, and bottled) consumed on premise	\$200.00 per year
<input type="checkbox"/>	Beer and Wine (Draft, canned, and bottled) consumed on premise	\$400.00 per year
<input type="checkbox"/>	Beer, Wine, and Liquor (number issued limited by State of Id)	\$762.50 per year
<input checked="" type="checkbox"/>	Transfer of ownership of a City license with current year paid Beer-to go only \$6.25 Beer- Can, Bottled only \$12.50 Beer- Draft, can, bottled \$25 Consumed on premise yes no Transfer from _____ to _____	\$ <u>2500</u>

Transfer from The Office Tavern to Bo Jacks

Business Name	<u>Bo Jacks.</u>	
Business Mailing Address	<u>816 N 4th</u>	
City, State, Zip	<u>Coeur Id 83814</u>	
Business Physical Address	<u>816 N 4th</u>	
City, State, Zip	<u>Coeur Id 83814</u>	
Business Contact	Business Telephone : '9	Fax:
License Applicant	<u>Keq INV. LLC.</u>	
If Corporation, partnership, LLC etc. List all members/officers	<u>Kim Gittel</u>	

CEMETERY LOT TRANSFER/SALE/REPURCHASE PROCEDURE AND ROUTING SLIP

Request received by: Municipal Services Kathy Lewis
Department Name Employee Name
Request made by: Virginia Lewis 406-257-1796
Name Phone
330 Orchard Ridge Rd. Kalispell MT 59901
Address

The request is for: / / Repurchase of Lot(s)
 Transfer of Lot(s) from Alice Shove to Virginia Lewis and Steven Shove

Niche(s): _____
Lot(s): 09, _____, _____, _____, _____, _____ Block: 58 Section: A

Lot(s) are located in / / Forest Cemetery / / Forest Cemetery Annex (Riverview).

Copy of Deed or / / Certificate of Sale must be attached.

Person making request is / / Owner / / Executor* / / Other* _____

*If "executor" or "other", affidaviats of authorization must be attached.

Title transfer fee (\$ 40.00) attached**.

**Request will not be processed without receipt of fee. Cashier Receipt No.: 516303

ACCOUNTING DEPARTMENT Shall complete the following:

Attach copy of original contract.

Vonnie Jensen
Accountant Signature

CEMETERY SUPERVISOR shall complete the following:

1. The above-referenced Lot(s) is/are certified to be vacant: Yes / / No
2. The owner of record of the Lot(s) in the Cemtery Book of Deeds is listed as:
Alice Shove
3. The purchase price of the Lot(s) when sold to the owner of record was \$ 100.00 per lot.

DE 10/7/2010
Supervisor's Init. Date

LEGAL/RECORDS shall complete the following:

1. Quit Claim Deed(s) received: / / Yes / / No.
- Person making request is authorized to execute the claim: [Signature] 10-7-10
Attorney Init. Date

I certify that all requirements for the transfer/sale/repurchase of cemetery lot(s) have been met and recommend that that transaction be completed.

Susan K. Weather 10-11-10
City Clerk's Signature Date

COUNCIL ACTION

Council approved transfer/sale/repurchase of above-referenced Lot(s) in regular session on: _____
Mo./ Day /Yr.

CEMETERY SUPERVISOR shall complete the following:

Change of ownership noted/recorded in the Book of Deeds: / / Yes / / No
Cemetery copy filed / / ; original and support documents returned to City Clerk / /

Cemetery Supervisor's Signature Date

Distribution: Original to City Clerk
Yellow copy Finance Dept.
Pink copy to Cemetery Dept.

ANNOUNCEMENTS

OTHER COMMITTEE MINUTES
(Requiring Council Action)

October 11, 2010
**GENERAL SERVICES COMMITTEE
MINUTES**

COMMITTEE MEMBERS PRESENT

Mike Kennedy, Chairperson
Ron Edinger
John Bruning

CITIZENS PRESENT

Eric Johnson
Gay Glasson, Downtown Association

STAFF PRESENT

Susan Weathers, City Clerk
Jon Ingalls, Deputy City Administrator
Mike Gridley, City Attorney
Captain Steve Childers, Police Department
Lieutenant Bill McLeod, Police Department
Wendy Gabriel, City Administrator
Kathy Lewis, Deputy City Clerk
Troy Tymesen, Finance Director
Juanita Knight, Senior Legal Assistant

**Item 1. Simunition Training Facility / Request for Shooting Gallery Permit.
(Consent Calendar)**

Susan Weathers, City Clerk, is requesting Council approval of a shooting gallery permit for Eric Johnson. Ms. Weathers explained that Mr. Johnson would like to operate a non-lethal marking cartridge shooting gallery at 403 N. 2nd Street. Mr. Johnson is proposing to utilize Simunition brand marking cartridges in order to conduct training in firearms safety, provide experience building in the use of firearms, and teach life saving exercises. Ms. Weathers stated that the Planning Department approved for zoning and the Building Department said they would schedule a project review. If approved, the Police Department would recommend the following rules / conditions:

1. Applicant first obtains the necessary building permit prior to issuance of a shooting gallery permit.
2. Safety guards will be in place on the windows to prevent accidental breakage and shall conform to the fire standards for evacuation.
3. Marking rounds or any other rounds used for training (including blanks) shall not be fired outside of the building.
4. Frangible ammunition shall be prohibited as these bullets can have lethal consequences.
5. Only marking cartridges with a marking agent and blanks shall be used in this facility.
6. Safety rules shall be prominently displayed.
7. Conversion kits shall be used in weapons to ensure live rounds cannot be fired.
8. The sounds of the rounds shall not be discernable outside the building to prevent disturbing the peace and/or reports of shots fired in the area.

Mr. Johnson shared some of his training background as well as his vision of what the facility could offer to the community.

MOTION: by Councilman Bruning, seconded by Councilman Edinger, that Council approve the shooting gallery permit request to include the 8 conditions as presented.

Item 2. Year – End Review / Outdoor Eating – Sidewalk Encroachment.
(Resolution No. 10-042)

Jon Ingalls, Deputy City Administrator, is recommending Council revisit and/or modify the policy pertaining to Food and Alcoholic Beverage Service Areas on Public Sidewalks established by Resolution No. 06-033 as amended by Resolution No. 10-007. Mr. Ingalls reviewed some of the changes reflected in the amendment to include:

- 1) Requirements that alcohol serving establishments provide a menu as proof of meaningful food serving and a statement that food must be served during the range of hours that alcohol is served.
Discussion: This seems to be working well.
- 2) A reduction in the hours of allowed alcohol service in permitted Food and Alcohol Service Areas from 10:00 am to 11:00 pm to 10:00 am to 10 pm.
Discussion: Staff has received a great deal of comments on this, with no apparent consensus. Council may consider extending back to 11:00 p.m.
- 3) A statement was added regarding the sizing of sidewalk service areas to make it clear that in addition to a 42 inch minimum clear passageway, that the city will reserve the majority of the width of the sidewalk area.
Discussion: This seems to be working well.
- 4) The deletion from the previous policy of descriptive statements allowing tables to be placed by the curb (this was deleted in response to complaints over pedestrians having to “zig-zag” to walk along a sidewalk).
Discussion: This is working better, however, those establishments not currently using stanchions are still encroaching into the 42 inch minimum passage.
- 5) Stronger standards of care with respect to cleanliness.
Discussion: This seems to be working fairly well, although staff has had to make a few contacts to remind an establishment to clean.

Mr. Ingalls also noted that during discussions on the latest policy amendment, the City Council expressed interest in an annual review of this policy in order to facilitate any revisions. Also expressed was to review the appropriateness of the current fee of \$100/permit/season.

To assist in educating the permit holders, Captain Childers suggested that any report, letter, and/or complaints received in regard to any of the above items, be included in the weekly Bar Reports. Additionally, he recommended that the 11:00 p.m. curfew for alcoholic beverages on the sidewalks be enforced as experience has shown that patrons continued to consume alcohol after 10:00 p.m. by purchasing their drinks inside the building and bringing them outside to be consumed at the sidewalk tables.

Councilman Edinger asked if the Policy addressed revocation of a permit based on 1, 2, or 3 warnings, etc. Mr. Ingalls indicated that it does not. He would prefer to use discretion like maybe one warning, then a letter, then revocation of permit.

Gay Glasson, representing the Downtown Association, suggested permit holders be required to clean their establishments upon closing, not by 7:00 a.m. the next morning. The DTA hired an individual to power wash the sidewalks. However, they found it difficult to do so due to all the trash and having to move tables and chairs. Ms. Glasson noted that Jim Fromm was also hired from June – August. In addition to being another set of eyes and ears downtown, he would assist citizens by giving directions, directing to restaurants, advising bicycle and skateboard users of ordinance regulations, passing out coupons to area restaurants and shops, etc. Ms. Glasson conveyed that Mr. Fromm suggests two changes to the policy:

- 1) All sidewalk seating should be required to have semi-permanent partitions.
- 2) Limit how many tables can be put in an area.

Teresa Capone, restaurant owner, commented that it can be difficult to have sidewalks cleaned by 7:00 a.m. She suggested the cleaning be required at closing time. In regard to the sale / consumption of alcoholic beverages in the encroachment areas, as a downtown patron, Ms. Capone suggested the closing time be 11:00 or 12:00 p.m.

Captain Childers stated that after 11:00 p.m. the atmosphere in the downtown changes. It is no longer the casual environment it is before 11:00 pm.

Councilman Bruning commented that the Downtown Bar Report has become a beneficial communication tool for everyone. He suggested that allowing the sale / consumption of alcoholic beverages after 10:00 p.m. could be something to consider for the permit holders concerted effort for policing themselves.

MOTION: by Councilman Edinger, seconded by Councilman Bruning, that Council amend the Policy that prohibits the sale / consumption of alcoholic beverages in the encroachment areas to be extended to 11:00 p.m. instead of 10:00 p.m. The permit holder will receive one warning for non-compliance of any violations of the outdoor eating/sidewalk encroachment policy. The second offense, the permit will be revoked and the permit holder will need to come before the General Services Committee to request the permit be reinstated.

The meeting adjourned at 12:56 p.m.

Respectfully submitted,

Juanita Knight
Recording Secretary

**GENERAL SERVICES
STAFF REPORT**

DATE: October 11, 2010
FROM: Jon Ingalls, Deputy City Administrator

**SUBJECT: FOOD AND ALCOHOLIC BEVERAGE SERVICE AREAS ON
PUBLIC SIDEWALKS**

DECISION POINT:

Would the City Council wish to revisit and/or modify the policy pertaining to Food and Alcoholic Beverage Service Areas on Public Sidewalks established by Resolution No. 06-033 as amended by Resolution No. 10-007 (policy attached)?

HISTORY:

The City Council has established a policy that provides the standards and conditions that must be met by a restaurant applying for an annual encroachment permit for the use of a public sidewalk to serve food and alcoholic beverages. The policy was last amended this spring. Changes reflected in the amended policy adopted by Resolution No. 10-007 included:

- 1) Requirements that alcohol serving establishments provide a menu as proof of meaningful food serving and a statement that food must be served during the range of hours that alcohol is served.
- 2) A reduction in the hours of allowed alcohol service in permitted Food and Alcohol Service Areas from 10:00 am to 11:00 pm to 10:00 am to 10 pm.
- 3) A statement was added regarding the sizing of sidewalk service areas to make it clear that in addition to a 42 inch minimum clear passageway, that the city will reserve the majority of the width of the sidewalk area.
- 4) The deletion from the previous policy of descriptive statements allowing tables to be placed by the curb (this was deleted in response to complaints over pedestrians having to “zig-zag” to walk along a sidewalk).
- 5) Stronger standards of care with respect to cleanliness.

During discussions on the latest policy amendment, the City Council expressed interest in an annual review of this policy in order to annual to facilitate any revisions. Also expressed was to review the appropriateness current fee of \$100/permit/season.

FINANCIAL ANALYSIS:

Resolution No. 06-033 established an annual \$100.00 encroachment fee to be paid for establishing a Food and Alcoholic Beverage Service Area on a public sidewalk. The City Council may wish to revisit this fee for equitability. Applicants are required to pay appropriate per seat sewer cap fees (\$19.28/seat) relating to the impact that the additional seating has on sewer treatment loading.

PERFORMANCE ANALYSIS:

Key aspects of the Food and Alcoholic Beverage Service Areas on Public Sidewalks policy that the City Council may wish to consider (among others) are listed above.

Comments to staff over the summer suggest that most of the amendments reflected in the current policy were generally supported.

The majority of citizen comments and complaints over the summer focused on cleanliness. In August, the Deputy City Clerk in response to a number of complaints sent a reminder of the tightened cleanliness standard and reminded establishments that failure to adhere to the standards could result in revocation of their permits. Photos taken at random suggest that some establishments could do a better job in cleaning up prior to 7 am. Due to many complaints regarding “filthy sidewalks,” on August 11, 2010 all downtown businesses holding outdoor eating permits received a letter reminding them that a condition of their permit is that the sidewalks need to be cleaned each morning. Follow up inspections of the sidewalks were made and 24 hour notices were given to several establishments. The Downtown Association also received complaints from citizens and other business owners regarding some permit holders not adhering to cleanliness standards. Staff recommends the city maintain strict compliance with this standard.

The one policy element where that has generated considerable discussion and no apparent consensus is the appropriate hour in the evening to curtail alcohol service. The City Council may wish to review is this item in particular.

DECISION POINT/RECOMMENDATION:

Would the City Council wish to revisit and/or modify the policy pertaining to Food and Alcoholic Beverage Service Areas on Public Sidewalks established by Resolution No. 06-033 as amended by Resolution No. 10-007?

Attachment: Amended Policy - Food and Alcoholic Beverage Service Areas on Public Sidewalks

RESOLUTION NO. 10-042

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AMENDING THE POLICY FOR FOOD AND / OR ALCOHOLIC BEVERAGE SERVICE AREAS ON PUBLIC SIDEWALKS.

WHEREAS, the need for citywide policies regarding food and/or alcoholic beverage service areas on public sidewalks was established by Resolution No. 06-033, as amended by Resolution No's 08-015 and 10-007; and

WHEREAS, City Administration has proposed amendments to these policies, and the same were discussed at the General Services Committee meeting October 11, 2010; and

WHEREAS, it is deemed to be in the best interests of the City of Coeur d'Alene and the citizens thereof that such amendments to the policy be adopted; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the City of Coeur d'Alene that the amended policy, attached hereto as Exhibit "A", be and is hereby adopted.

DATED this 19th day of October, 2010

Sandi Bloem, Mayor

ATTEST:

Susan K. Weathers, City Clerk

Motion by _____, Seconded by _____, to adopt the foregoing resolution.

ROLL CALL:

COUNCIL MEMBER KENNEDY Voted _____

COUNCIL MEMBER HASSELL Voted _____

COUNCIL MEMBER MCEVERS Voted _____

COUNCIL MEMBER GOODLANDER Voted _____

COUNCIL MEMBER BRUNING Voted _____

COUNCIL MEMBER EDINGER Voted _____

_____ was absent. Motion _____.

AMENDED
POLICY

POLICY: FOOD AND ALCOHOLIC BEVERAGE SERVICE AREAS ON PUBLIC SIDEWALKS.

PURPOSE: TO ESTABLISH CRITERIA FOR ISSUING ENCROACHMENT PERMITS FOR THE PURPOSE OF ALLOWING THE SERVICE OF FOOD AND/OR ALCOHOLIC BEVERAGES FOR CONSUMPTION ON PUBLIC SIDEWALKS.

Purpose Statement:

The purpose of this policy is to establish the process for issuing annual encroachment permits allowing the service of food and alcoholic beverages for consumption on public sidewalks adjacent to restaurants within city limits. This policy also establishes the guidelines that must be followed by the licensed facility in order to retain the permit. No alcoholic beverages may be sold, served, or consumed at the outdoor eating facility except as may be authorized pursuant to this policy.

Application:

In order to be complete, the application must contain the following information or be accompanied by the following attachments:

1. An indication that that the applicant is seeking a food only or a food and alcohol permit. To qualify for a food and alcohol permit the eating establishment must meet the definition of eating establishment contained at M.C. 5.08.015.
2. If a food and alcohol permit is sought, a copy of the subject eating establishment's liquor licenses (including beer and/or wine) must be provided. Provided however that the applicant may apply for a City liquor license at the same time.
3. A drawing or other visual depiction of the type, layout and number of tables, chairs and the stanchion and barrier system and signage to be used in the encroachment area, if applicable, as well as the width of the sidewalk along the frontage of the eating establishment and all pathway obstructions in the sidewalk across the frontage. For the purpose of this policy, obstructions include but are not be limited to light poles, building facades, trees, tree grates, umbrellas, chairs/benches, tables, partitions, or other street furniture.

4. The appropriate fee as set by resolution of the City Council.
5. The appropriate per seat sewer cap fee.
6. A liability insurance policy, acceptable to the City Attorney, naming the City as an additional insured in the amount of \$500,000 for property damage or bodily or personal injury or death or loss as a result of any one occurrence or accident regardless of the number of person injured or the number of claimants. The policy must remain in effect for the term of the permit and provide for specific notification to the City in the event that the policy is cancelled.
7. The intent of this policy is to allow a restaurant to serve alcohol secondary to their primary business of serving food as a restaurant. Public sidewalk seating areas may not be allowed to function as “beer gardens” or drinking areas whereby they appear to function primarily for the purpose of drinking. For example, if the permittee curtails food service to the encroachment area at 8 pm then alcohol may not be served or consumed after 8 pm inside the permitted encroachment area. The applicant also must furnish a copy of the menu available for the sidewalk service area and the hours that food service is available to the outdoor seating area that demonstrates the primary business as a restaurant.

All applications shall be submitted to the City Clerk who will, upon compliance with this policy and other applicable laws and standards, issue the appropriate permit, which shall expire on December 31st of each year.

Design and Layout Standards:

1. The encroachment area must be designed to ensure a continuous 42” wide clear passage for pedestrians at a minimum and to ensure that the sidewalk meets ADA standards for accessible routes. In addition, the layout of the encroachment area must ensure that the tables, chairs and any other furniture or structure placed in the encroachment area does not interfere with other sidewalk furnishings or with the ability of a person to exit a vehicle parked at the curb.
2. The design will allow for a small/modest seating area thereby reserving the majority of the sidewalk width for pedestrian travel. A 42 inch minimum passage will only be approved in situations where a sidewalk is narrow.
3. Outdoor eating facilities located at intersections may not place tables or other vision obstructions within the vision triangle as defined by M.C. 12.36.425.
4. The encroachment area may not extend beyond the side walls of the principal eating facility perpendicular to the street and must be contiguous to the front of the building.

5. Tables placed on side streets may be no larger than 24” in diameter.

Food and Alcohol Permit Additional Design Requirements:

6. Approved semi-permanent partitions of the type depicted in this policy must be utilized to enclose the encroachment area. The stanchions must be affixed to the sidewalk by core drilling and placing a socket and cap fixture into the sidewalk with the top of the socket installed flush with the sidewalk. The stanchions must be a minimum of 36” tall and no higher than 42” and 1.5 to 2” in diameter and the socket depth must be at least 4”. The stanchions may be spaced no more than 10’ apart. An approved all weather material rope or light weight chain barrier must be securely attached to each stanchion and the building façade so as to enclose the encroachment area. The barrier must be attached in taut manner so as to maintain a rigid perimeter. If the top barrier is higher than 36”, a second barrier must be installed midpoint between the top barrier and the sidewalk. The stanchion and barriers must be locked or secured in such a manner that will prevent them from being detached or removed without the assistance of the establishment’s staff. When the stanchions are removed from the socket, a socket fixture cap must be installed and maintained in a level, secure manner.
7. A sign no smaller than nine inches (9”) by twelve inches (12”) must be posted at a height of five feet (5’) at each exit from the encroachment area. The sign must read: “It is unlawful to consume on these premises any alcoholic beverage not purchased here or to remove any open container of alcohol from the sidewalk eating area.”

Conditions of Approval

All permit holders:

The permit, if granted by the City, is conditioned on the permittee maintaining the encroachment area in the manner depicted in the application. In addition, the permittee must:

1. Take all necessary steps to prevent patrons, and/or employees from encroaching into the required clear passage area.
2. Maintain the encroachment area and surrounding areas in a clean and sanitary manner, including, but not limited to, maintaining appropriate trash receptacles on restaurant property as well as sweeping the full right-of-way on a daily basis. The permittee must also immediately clean any spills, food debris, broken glass and other trash which may accumulate on the sidewalk. Strict compliance with cleanliness standards is required for the public’s benefit and the encroachment area and entire business frontage must be

cleaned by 7 am each morning. Failure to comply with this requirement will result in loss of permit.

3. Promptly comply with all requests of a duly authorized representative of the City regarding removal of stanchions, street furniture or glassware in the event the City determines that the use of stanchions, street furniture or glassware creates a public safety hazard.
4. Comply with all other local, state, or federal laws, ordinances, and regulations, including but not limited to health rules, laws pertaining to the sale and consumption of alcoholic beverages, and fire code regulations.
5. Permits will be valid April 1 through October 15 annually.

Additional Conditions for Food and Alcohol Permit Holders:

6. Prohibit the sale or consumption of alcoholic beverages in the encroachment area between the hours of 11:00 p.m. and 10:00 a.m.

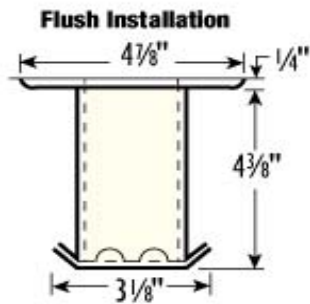
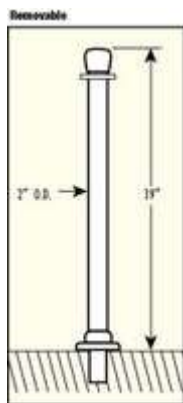
Take all necessary steps to prevent patrons from leaving the encroachment area with an alcoholic beverage.

7. Beverages may be poured from bottles into glass or plastic ware by employees of the restaurant provided that empty bottles are promptly removed. Wine, when purchased by the bottle, may be placed at the table or the wine may be transferred to a carafe. However, any unused portion to be removed from the premises must be packaged in a manner to prevent public consumption or an open container violation.
8. Not use glassware during the following events or other public events that the City determines creates a public safety hazard due to overcrowding, congestion or other public safety concerns. In the event that the City determines that glassware may not be used the City will endeavor to provide as much notice as is reasonably possible given the then existing circumstances.
 - a. Car d'Alene.
 - b. 4th of July.
 - c. Hog Rally

Denial and Revocation of Permits:

The process of revocation and the grounds therefore shall be governed by the encroachment permit. The City reserves the right to deny permits to eating establishments for any reason that would justify revocation of a permit.

Typical Stanchion and Socket:



PUBLIC HEARINGS

**PLANNING AND ZONING COMMISSION
STAFF REPORT**

DATE: October 19, 2010

FROM: Warren Wilson, Deputy City Attorney

SUBJECT: Revisions to the Shoreline Ordinance

DECISION POINT:

Provide a recommendation to the City Council regarding whether the proposed amendments to the shoreline ordinance should be approved.

HISTORY:

For a number of years the City has been involved in litigation regarding Sanders Beach. The parties to the various lawsuits are working towards a comprehensive resolution of the issues involved in the multiple cases including preservation of the swim area at Sanders Beach. The City Council has tentatively agreed, contingent on the public hearing process, to allow fences to be constructed on Sanders beach extending to the shoreline at locations where public and private property abut in order to provide both the public and the private property owners with a clear boundary between public and private property.

A separate issue has also recently come to staff's attention regarding use of an existing foundation. The City has been approached by a party wishing to place a roof on an existing legal non-conforming foundation. The roof would not further block views of the water but would allow the party to use the now enclosed area. This situation is unique and staff is unaware of any other property in this situation.

FINANCIAL ANALYSIS:

There is no direct financial impact to this ordinance. However, conclusion of litigation would save both the City and the Sanders Beach property owner's ongoing litigation expenses.

PERFORMANCE / QUALITY OF LIFE ANALYSIS:

The proposed ordinance will clarify the boundary between public and private property on Sanders Beach and foster the resolution of on-going litigation. Additionally, the ordinance will allow a property owner to use an existing foundation in a manner that will not impact views.

DECISION POINT/RECOMMENDATION:

Recommend that the City Council approve the proposed ordinance.

D R A F T

ORDINANCE NO. _____
COUNCIL BILL NO. -

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING _____; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HERewith; PROVIDING A SEVERABILITY CLAUSE; PROVIDE FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

WHEREAS, *after public hearing on the hereinafter provided amendments, and after recommendation by the Planning and Zoning Commission*, it is deemed by the Mayor and City Council to be in the best interests of the City of Coeur d'Alene that said amendments be adopted; NOW, THEREFORE,

BE IT ORDAINED, by the Mayor and City Council of the City of Coeur d'Alene:

SECTION 1. *That Coeur d'Alene Municipal Code Section 17.08.250 is amended to read as follows:*

17.08.250: ALLOWABLE CONSTRUCTION:

The provision of section [17.08.245](#) of this chapter shall not apply as follows:

- A. In the underlying DC zoning district.
- B. For construction which is necessary to replace or maintain existing essential public services such as streets, sidewalks, parking lots, streetlights, fire hydrants and underground utilities.
- C. For other public or private construction which is necessary to replace or maintain existing shoreline protective structures, fences, hedges and walls in their present location without extension toward the shoreline.
- D. Fences may be erected on Sanders Beach (south of East Lakeshore Drive between a line one hundred seventeen and one half (117.5') feet east of the east line of Eleventh Street extended and the east line of Fifteenth Street extended) perpendicular and extending to the shoreline (2,128 WWP Datum) wherever public and private property abut provided that the fences are no more than 50% sight obscuring and are otherwise in conformity with city code requirements. Chain link, cyclone or other similar industrial fencing is prohibited.
- E. Existing foundations built prior to 1982 may be enclosed and occupied in conformity with city code requirements provided that the size of the foundation is not enlarged and the

D R A F T

completed structure, at its highest point, is no more than four (4') feet above the preexisting grade measured at the wall closest to the public right of way.

SECTION 2. All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

SECTION 3. Neither the adoption of this ordinance nor the repeal of any ordinance shall, in any manner, affect the prosecution for violation of such ordinance committed prior to the effective date of this ordinance or be construed as a waiver of any license or penalty due under any such ordinance or in any manner affect the validity of any action heretofore taken by the City of Coeur d'Alene City Council or the validity of any such action to be taken upon matters pending before the City Council on the effective date of this ordinance.

SECTION 4. The provisions of this ordinance are severable and if any provision, clause, sentence, subsection, word or part thereof is held illegal, invalid, or unconstitutional or inapplicable to any person or circumstance, such illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, subsections, words or parts of this ordinance or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this ordinance would have been adopted if such illegal, invalid or unconstitutional provision, clause sentence, subsection, word, or part had not been included therein, and if such person or circumstance to which the ordinance or part thereof is held inapplicable had been specifically exempt therefrom.

SECTION 5. After its passage and adoption, a summary of this Ordinance, under the provisions of the Idaho Code, shall be published once in the official newspaper of the City of Coeur d'Alene, and upon such publication shall be in full force and effect.

APPROVED, ADOPTED and SIGNED this day of , 20 .

Sandi Bloem, Mayor

ATTEST:

D R A F T

Susan K. Weathers, City Clerk

D R A F T

SUMMARY OF COEUR D'ALENE ORDINANCE NO. _____

Insert brief description

Insert Title ; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH AND PROVIDING A SEVERABILITY CLAUSE. THE ORDINANCE SHALL BE EFFECTIVE UPON PUBLICATION OF THIS SUMMARY. THE FULL TEXT OF THE SUMMARIZED ORDINANCE NO. _____ IS AVAILABLE AT COEUR D'ALENE CITY HALL, 710 E. MULLAN AVENUE, COEUR D'ALENE, IDAHO 83814 IN THE OFFICE OF THE CITY CLERK.

Susan K. Weathers, City Clerk

D R A F T

STATEMENT OF LEGAL ADVISOR

I, Warren J. Wilson, am a Deputy City Attorney for the City of Coeur d'Alene, Idaho. I have examined the attached summary of Coeur d'Alene Ordinance No. _____, Insert Brief Description, and find it to be a true and complete summary of said ordinance which provides adequate notice to the public of the context thereof.

DATED this day of , 20 .

Attorney

Warren J. Wilson, Chief Deputy City

Applicant: City of Coeur d'Alene
Amendment to the Shoreline Ordinance
LEGISLATIVE (0-4-10)

Deputy City Attorney Wilson presented the staff report and then asked if the commission had any questions.

Commissioner Messina inquired regarding the intent of the homeowners wanting to place a fence on their property.

Deputy City Attorney Wilson explained that the City has been involved in on-going litigation with the people living in Sanders Beach, and if this request is approved, it will allow the property owners to put a fence between their property and public property.

Commissioner Luttrupp inquired if structures will be allowed on Sanders Beach if this is approved.

Deputy City Attorney Wilson responded that staff had a request from a Sanders Beach resident wanting to construct a roof on an existing legal, non-conforming foundation, for extra storage.

Commissioner Luttrupp requested the definition of a fence that is allowed 50% visibility.

Deputy City Attorney explained that the fence should not look like a solid wall.

Commissioner Luttrupp questioned the type of fence currently being used in this area.

Deputy City Attorney answered that there are cyclone fences in this area.

Commissioner Luttrupp inquired if this request is limited to Sanders Beach, or city-wide.

Deputy City Attorney answered that this request, if approved, would be city-wide, and is a unique situation. He explained the reason it was included in this staff report is that it happened to be in the same area.

Commissioner Jordan inquired regarding the number of fences that would need to be removed if this request is approved

Deputy City Attorney Wilson answered that two fences will need to be removed.

Commissioner Evans questioned who will be paying for the fence removals.

Deputy City Attorney Wilson answered that the property owner would be responsible for that expense.

Commissioner Evans commented that she understands the reason this request has been brought forward and feels that the property owners have a right to their privacy.

Motion by Messina, seconded by Evans, to approve Item 0-4-10. Motion approved.

DISCUSSION:

Commissioner Luttropp commented that he does not support this request and feels it goes against the current shoreline ordinance. He added that he feels it was inappropriate for staff to combine two different items on one staff report.

Commissioner Messina commented that he supports this request because it will allow property owners the right to place a fence to help distinguish their property from public property. He commented that the proposed structure will not obstruct views of the lake for the public.

OTHER BUSINESS

RESOLUTION NO. 10-043

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING AMENDMENTS TO THE EMPLOYEE CONTRACTS LISTED HEREIN.

WHEREAS, it has been recommended that the City of Coeur d'Alene enter into the contract(s) amendments listed below pursuant to the terms and conditions set forth in the contract(s) documents attached hereto as Exhibits "1 through 5" and by reference made a part hereof as summarized as follows:

- 1) Approving an Employee Contract Amendment No. 1 with the Coeur d'Alene Police Department Captains;
- 2) Approving an Employee Contract Amendment No. 2 with the Coeur d'Alene Firefighters Local No. 710, International Association of Firefighters;
- 3) Approving an Employee Contract Amendment No. 2 with the Lake City Employee Association (LCEA);
- 4) Approving an Employee Contract Amendment No. 1 with the Coeur d'Alene Police Department Lieutenants;
- 5) Approving an Employee Contract Amendment No. 1 with the Coeur d'Alene Police Department Association;

AND;

WHEREAS, it is deemed to be in the best interests of the City of Coeur d'Alene and the citizens thereof to enter into such contract amendments; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the City of Coeur d'Alene that the City enter into contract amendments, as set forth in substantially the form attached hereto as Exhibits "1 through 5" and incorporated herein by reference with the provision that the Mayor, City Administrator, and City Attorney are hereby authorized to modify said contract(s) so long as the substantive provisions of the contract(s) remain intact.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk be and they are hereby authorized to execute such contract(s) on behalf of the City.

DATED this 19th day of October, 2010.

Sandi Bloem, Mayor

ATTEST

Susan K. Weathers, City Clerk

Motion by _____, Seconded by _____, to adopt the foregoing resolution.

ROLL CALL:

COUNCIL MEMBER GOODLANDER Voted _____

COUNCIL MEMBER BRUNING Voted _____

COUNCIL MEMBER MCEVERS Voted _____

COUNCIL MEMBER HASSELL Voted _____

COUNCIL MEMBER KENNEDY Voted _____

COUNCIL MEMBER EDINGER Voted _____

_____ was absent. Motion _____.

**Exhibits for
Resolution 10-043
to be hand-carried**

INFORMATION SECTION

Including

Correspondence

Board, Commission, Committee Minutes

October 11, 2010
PUBLIC WORKS COMMITTEE
MINUTES

COMMITTEE MEMBERS PRESENT

Council Member Al Hassell
Council Member Woody McEvers
Council Member Deanna Goodlander

STAFF PRESENT

Dave Shults, Capital Program Mgr.
Amy Ferguson, Executive Assistant
Troy Tymesen, Finance Director

Gordon Dobler, Engineering Svcs Dir.
Jon Ingalls, Deputy City Administrator
Sid Fredrickson, WW Superintendent

Item 1 Agreement for Wastewater Utility Rate Study
Consent Calendar

Dave Shults, Capital Program Manager, presented a request for approval of an agreement for services with HDR Engineering, Inc. for preparation of a wastewater rate study and financial plan, for a total cost not to exceed \$135,338.

Mr. Shults stated in his staff report that HDR Engineering, with subconsultant Integrated Utilities Group, conducted the wastewater utility's latest rate study, dated November 2002. That rate study and financial plan resulted in a phased approach for establishing monthly user fees and new customer capitalization fees that allowed the necessary funding for operation and maintenance and capital improvements for the treatment, composting, and collection facilities. The previous financial planning and rate study are now outdated. HDR Engineering has assisted the City with planning and design of the Phase 4 and Phase 5 facilities, and is well-qualified to assist with the rate study. The proposed agreement includes tasks to provide the basis for monthly fees and connection charges that are necessary to fund the wastewater utility expenses anticipated for the next five to ten years.

Mr. Shults explained that the city is obligated by some of its loan funding agreements to be sure that its customers are paying the appropriate share of the cost of all of the utilities that they are served with. Typically rate studies have been conducted every 5 years or less, and will also follow after the completion of a 20 year facility plan update. The facility plan was amended a year ago and in that plan the phasing has changed. The capital improvements and operating costs have also changed. The 2002 rate study was mainly associated with Phase 4. The city is now spending money that was not anticipated during the last rate study. They already have some designs complete for the Phase 5 program, which is much more rigorous, onerous, and costly. The city now has the obligation to figure out how to see that program through with a capital plan, financial plan, rate study, and cap fee study.

Ms. Shults said that HDR Engineers is very experienced in providing rate studies and has been working with the city on the facility planning amendment and working closing with Mr. Fredrickson on the permit negotiation process. They understand the legal processes, financial implications, and financial mechanisms. They are also very involved in understanding the assets used to calculate the cost of service study that apportions the costs of the program to every existing user and the planned new customers in the

foreseeable future. Mr. Shults said that he feels HDR Engineering is the best equipped and capable of a quality, legally sustainable system analysis that will be the basis of the city's rate ordinance. The studies will take up to a year of accumulating data and relationships. HDR has proposed that they can do the rate study at a cost not to exceed \$135,338.

Mr. Fredrickson said in the 2001 facility plan it was anticipated that the city would need nothing more than secondary treatment for the next 20 plus years. That has since changed. In the 2009 facility plan amendment, it is clear that the city has no choice but to put in tertiary treatment which carries a different price tag than what was anticipated and the entire rate structure will change. Mr. Fredrickson further explained that the city has to follow a legal principle known as the "rational nexus" as far as how it allots or allocates the capital improvements that are associated with growth. Existing customers are not going to subsidize plant or system improvements that are associated with growth. The study will determine what percentage of capital costs will be allocated to new growth and what will be allocated to the existing customer base.

Mr. Shults confirmed that the rate study is included in the current fiscal year's financial plan.

MOTION by Goodlander, seconded by McEvers, to recommend that Council approve Resolution No. 10-041, authorizing an agreement with HDR Engineering, Inc. for preparation of a wastewater rate study and financial plan, for a total cost not to exceed \$135,338. Motion carried.

**Item 2 Additional Services for JUB Education Corridor Contract
Consent Calendar**

Gordon Dobler, Engineering Services Director presented a request for Council approval of the amendment of JUB's existing contract for consulting services for the Education Corridor to address stormwater issues. Mr. Dobler explained in his staff report that in the process of evaluating the infrastructure for the Education Corridor, they have identified a need to evaluate the existing storm drain system for compatibility with the proposed roadway alignments. This is necessary in order to ascertain whether or not the existing lines which are currently located in the mill site can be relocated to the proposed roadway. There is some evaluation that has to take place to make sure that the lines can be moved and also to check capacities in those lines.

Mr. Dobler further noted that the estimated consulting fees of \$10,900 would be paid by the Stormwater Utility, professional fees. He explained that the original education corridor contract was funded through partnerships, with the bulk of the money coming from the Lake City Development Corporation. Other participants included Wastewater, Stormwater, the local colleges, and the Idaho Transportation Department.

Mr. Dobler explained that the amendment was necessary because at the time the original contract was approved, they had not identified which storm lines would be affected and had not decided upon the final road alignment.

MOTION by McEvers, seconded by Goodlander, that Council approve Resolution #10-041 authorizing an amendment to the existing contract with JUB for consulting services for the Education Corridor to address stormwater issues in the estimated amount of \$10,900.00.

Councilman Hassell declared a conflict of interest. Motion carried with Councilman Hassell abstaining from vote.

The meeting adjourned at 4:25 p.m.

Respectfully submitted,

Amy C. Ferguson
Public Works Committee Liaison

CITY OF COEUR D'ALENE
Treasurer's Report of Cash and Investment Transactions

FUND	BALANCE 8/31/2010	RECEIPTS	DISBURSE- MENTS	BALANCE 9/30/2010
General-Designated	\$508,586	\$6,679	\$22,205	\$493,060
General-Undesignated	6,203,151	5,126,941	7,135,285	4,194,807
<u>Special Revenue:</u>				
Library	192,263	34,602	127,632	99,233
CDBG	(10,937)	315,186	295,485	8,764
Cemetery	(96,338)	131,630	32,700	2,592
Parks Capital Improvements	199,871	16,679	9,806	206,744
Impact Fees	1,791,227	12,780	7,847	1,796,160
Annexation Fees	85,038	20		85,058
Insurance	1,839,485	43,207	7,607	1,875,085
Cemetery P/C	1,913,448	5,250	98,109	1,820,589
Jewett House	9,968	518	832	9,654
KCATT	3,413	1		3,414
Reforestation	(11,191)	88,823	77,478	154
Street Trees	200,608	1,846	6,598	195,856
Community Canopy	777		20	757
CdA Arts Commission	365		151	214
Public Art Fund	4,377	10,915		15,292
Public Art Fund - LCDC	216,794	170,205		386,999
Public Art Fund - Maintenance	114,146	3,628	2,566	115,208
KMPO - Kootenai Metro Planning Org	18,946	63,847	81,891	902
<u>Debt Service:</u>				
2000, 2002 & 2006 G.O. Bonds	627,771	5,542	400	632,913
LID Guarantee	5,065	8,528		13,593
LID 124 Northshire/Queen Anne/Indian Meadows	2,753	3,865	6,618	-
LID 127 Fairway / Howard Francis	41		41	-
LID 129 Septic Tank Abatement	824	1,044	1,868	-
LID 130 Lakeside / Ramsey / Industrial Park	3,121			3,121
LID 146 Northwest Boulevard	78,885			78,885
<u>Capital Projects:</u>				
Street Projects	705,525	83,294	501,492	287,327
2006 GO Bond Capital Projects	-			-
<u>Enterprise:</u>				
Street Lights	59,606	40,745	65,976	34,375
Water	877,271	717,668	529,314	1,065,625
Water Capitalization Fees	973,720	17,275	57,609	933,386
Wastewater	7,386,120	4,270,772	2,124,653	9,532,239
Wastewater-Reserved	1,118,198	27,500		1,145,698
WWTP Capitalization Fees	1,343,078	23,693	9,163	1,357,608
WW Property Mgmt	60,668			60,668
Sanitation	(96,811)	393,914	296,348	755
Public Parking	649,732	17,566	39,666	627,632
Stormwater Mgmt	507,738	112,717	100,910	519,545
Wastewater Debt Service	465			465
<u>Fiduciary Funds:</u>				
Kootenai County Solid Waste Billing	179,726	198,453	179,726	198,453
LID Advance Payments	922	59	19	962
Police Retirement	1,406,419	20,223	37,257	1,389,385
Sales Tax	1,691	1,140	1,691	1,140
BID	173,051	4,701	1,000	176,752
Homeless Trust Fund	370	370	370	370
GRAND TOTAL	\$29,249,946	\$11,981,826	\$11,860,333	\$29,371,439

CITY OF COEUR D'ALENE
BUDGET STATUS REPORT
TWELVE MONTHS ENDED
30-Sep-2010

FUND OR DEPARTMENT	TYPE OF EXPENDITURE	TOTAL BUDGETED	SPENT THRU 9/30/2010	PERCENT EXPENDED
Mayor/Council	Personnel Services	\$183,234	\$184,820	101%
	Services/Supplies	14,360	12,472	87%
Administration	Personnel Services	483,605	482,726	100%
	Services/Supplies	5,500	4,672	85%
Finance	Personnel Services	637,704	603,902	95%
	Services/Supplies	121,940	100,581	82%
Municipal Services	Personnel Services	822,699	792,319	96%
	Services/Supplies	463,207	427,242	92%
Human Resources	Personnel Services	203,034	204,199	101%
	Services/Supplies	34,600	19,829	57%
Legal	Personnel Services	1,228,228	1,226,526	100%
	Services/Supplies	142,260	101,944	72%
	Capital Outlay			
Planning	Personnel Services	491,222	486,882	99%
	Services/Supplies	44,200	9,366	21%
Building Maintenance	Personnel Services	267,082	272,503	102%
	Services/Supplies	132,254	124,745	94%
Police	Personnel Services	8,557,592	8,064,494	94%
	Services/Supplies	728,106	593,647	82%
Fire	Personnel Services	6,391,258	6,363,882	100%
	Services/Supplies	383,290	328,554	86%
General Government	Services/Supplies	300,250	320,228	107%
Byrne Grant (Federal)	Personnel Services	88,000	94,791	
	Services/Supplies	682,890	485,564	71%
COPS Grant	Personnel Services	150,000	125,527	84%
CdA Drug Task Force	Services/Supplies	51,640	34,009	66%
	Capital Outlay	99,500	119,500	120%
Streets	Personnel Services	1,686,286	1,636,404	97%
	Services/Supplies	575,400	463,068	80%
ADA Sidewalk Abatement	Personnel Services	162,946	145,680	89%
	Services/Supplies	58,500	43,050	74%
Engineering Services	Personnel Services	382,292	356,215	93%
	Services/Supplies	1,026,361	600,373	58%
	Capital Outlay			

CITY OF COEUR D'ALENE
 BUDGET STATUS REPORT
 TWELVE MONTHS ENDED
 30-Sep-2010

FUND OR DEPARTMENT	TYPE OF EXPENDITURE	TOTAL BUDGETED	SPENT THRU 9/30/2010	PERCENT EXPENDED
Parks	Personnel Services	1,183,560	1,213,790	103%
	Services/Supplies	426,260	391,921	92%
Recreation	Personnel Services	607,312	532,872	88%
	Services/Supplies	171,150	144,715	85%
Building Inspection	Personnel Services	797,620	723,219	91%
	Services/Supplies	35,800	26,224	73%
Total General Fund		<u>29,821,142</u>	<u>27,862,455</u>	<u>93%</u>
Library	Personnel Services	941,698	924,608	98%
	Services/Supplies	191,000	175,407	92%
	Capital Outlay	60,000	59,974	100%
CDBG	Services/Supplies	304,576	390,748	128%
Cemetery	Personnel Services	148,024	147,321	100%
	Services/Supplies	90,650	81,120	89%
	Capital Outlay	120,000	123,361	
Impact Fees	Services/Supplies	830,000	782,573	94%
Annexation Fees	Services/Supplies	200,000	200,000	100%
Parks Capital Improvements	Capital Outlay	304,000	278,482	92%
Insurance	Services/Supplies	251,243	224,501	89%
Cemetery Perpetual Care	Services/Supplies	98,500	97,399	99%
Jewett House	Services/Supplies	17,100	12,884	75%
Reforestation	Services/Supplies	8,500	99,734	1173%
Street Trees	Services/Supplies	56,500	60,937	108%
Community Canopy	Services/Supplies	1,000	677	68%
CdA Arts Commission	Services/Supplies	6,600	5,758	87%
Public Art Fund	Services/Supplies	195,000	206,780	106%
KMPO	Services/Supplies	650,000	348,781	54%
Total Special Revenue		<u>4,474,391</u>	<u>4,221,045</u>	<u>94%</u>
Debt Service Fund		<u>2,640,383</u>	<u>2,979,008</u>	<u>113%</u>

CITY OF COEUR D'ALENE
 BUDGET STATUS REPORT
 TWELVE MONTHS ENDED
 30-Sep-2010

FUND OR DEPARTMENT	TYPE OF EXPENDITURE	TOTAL BUDGETED	SPENT THRU 9/30/2010	PERCENT EXPENDED
Kathleen / Howard Signal	Capital Outlay	125,000	147,698	118%
Govt Way - Dalton to Hanley	Capital Outlay	1,000,000	225,471	23%
Howard - Neider Extension	Capital Outlay	400,000	399,319	100%
Howard Street - North	Capital Outlay	410,000	793,072	193%
4th St - Lakeside to Harrison	Capital Outlay		613,907	
15th Street - Lunceford to Dalton	Capital Outlay	400,000	2,146	1%
3rd St & Harrison signal	Capital Outlay	275,000		
15th St & Harrison signal	Capital Outlay	350,000	298,999	
Intersection of Hanley & US95	Capital Outlay	115,000	110,382	
Fire Dept GO Bond Expenditure	Capital Outlay	7,833	7,833	
Total Capital Projects Funds		<u>3,082,833</u>	<u>2,598,827</u>	<u>84%</u>
Street Lights	Services/Supplies	655,571	578,862	88%
Water	Personnel Services	1,432,550	1,394,185	97%
	Services/Supplies	3,722,007	1,443,007	39%
	Capital Outlay	755,700	961,162	127%
Water Capitalization Fees	Services/Supplies	416,240	57,609	14%
Wastewater	Personnel Services	2,112,635	1,961,039	93%
	Services/Supplies	5,190,638	2,041,937	39%
	Capital Outlay	13,118,436	8,699,759	66%
	Debt Service	1,489,110	1,488,160	100%
WW Capitalization	Services/Supplies	1,026,993		
Sanitation	Services/Supplies	3,116,772	3,152,239	101%
Public Parking	Services/Supplies	190,957	184,329	97%
	Capital Outlay			
Stormwater Mgmt	Personnel Services	390,145	416,301	107%
	Services/Supplies	523,737	413,968	79%
	Capital Outlay	525,000	432,135	82%
Total Enterprise Funds		<u>34,666,491</u>	<u>23,224,692</u>	<u>67%</u>
Kootenai County Solid Waste		2,400,000	2,140,624	89%
Police Retirement		237,500	212,306	89%
Business Improvement District		142,000	91,000	64%
Homeless Trust Fund		5,000	5,524	110%
Total Fiduciary Funds		<u>2,784,500</u>	<u>2,449,454</u>	<u>88%</u>
TOTALS:		<u><u>\$77,469,740</u></u>	<u><u>\$63,335,481</u></u>	<u><u>82%</u></u>