

MARCH 31, 1971

Pursuant to a call by the Mayor the City Council of the City of Idaho Falls met in Special Session in the Council Chambers of City Hall, on the 31st day of March, 1971, at 7:30 P.M. for the purpose of conducting a public hearing for consideration of the proposed Annual Budget and Annual Appropriation Ordinance for the Fiscal Year 1971, pursuant to the provisions of Sections 50-1002 and 50-1003, Idaho Code; also, to consider a memorandum from the Purchasing Department asking for Council authorization to acquire poles for the Electrical Department.

There were present at said Meeting: Mayor S. Eddie Pedersen; Councilmen Jim Freeman, Dale Parish, Jack Wood, Paul Hovey, Melvin Erickson. Absent: Councilman Gordon Nelson. Also present: Arthur Smith, City Attorney and all Division Heads.

The Mayor announced that this was the time and the place, as advertised, for a public hearing on the 1971 Fiscal Year Budget to hear all interested persons who might appear to show cause, if any they might have, why said proposed budget should not be adopted or why the Annual Appropriation Ordinance should not be passed and enacted.

At the request of the Mayor, the City Attorney read aloud Sections 50-1002 and 50-1003 of the Idaho Code relating to the provisions of Idaho law applicable to municipal budgets and budgeting. The City Attorney then explained the reason for having public hearing on the last day of the first quarter of 1971 after having previously scheduled it earlier; namely, that the Council felt obliged to await a State Legislative decision on a bill that provided cities additional funds from the gas tax.

The Mayor said that, in his opinion, the proposed budget was a tight but workable one and that over \$1,500,000 had been trimmed from Division Head requests. He commended the Councilmen for the many hours of dedication, working with Division Heads, in finally arriving at a balanced figure of \$6,677,552. The Mayor drew attention to the fact that these proposed revenues reflected very little increase in mill levy and that the general fund mill levy was established at 15.8 mills, compared to the maximum limit of 30 mills as set by State law.

Councilman Parish, noting that this year's proposed budget exceeded last year's by about \$730,000, explained that this was occasioned primarily by \$150,000 from the State gas tax plus the usual anticipated growth in the City's three utilities; namely, electric, water and sewer, and garbage. Parish reiterated the Mayor's comments, observing that mill levy had increased only six mills in eight years.

Mr. Morris Pratt, 103 E. 19th Street, appeared before the Council with a series of questions and comments. He first drew attention to the fact that the cost of living index since 1964 has increased only 23%; yet, the City Budget has almost doubled during that time. Parish explained that he, as a taxpayer, should only be interested in cost to him through mill levy, in other words, taxes, and that, as previously explained, there had been very little change in this assessment. Pratt said he was not referring to mill levy, just total budget. Parish then again explained that the total budget had increased primarily because of items previously mentioned such as gross revenue from utility and the City's share of funds due the City from the State.

Mr. Grant Nadauld, 710 12th Street, appeared before the Council and asked why the mill levy had increased 2.6 mills. Parish explained that one additional mill was for the Police Retirement Fund, ½ mill for the Library Fund, ½ mill for the Fire Fund, and .6 of a mill additional for the General Fund.

He said the mill levy would not be certified to the County until August or September. In the interim period, if the Council were to see fit, the mill levy could be decreased, but not increased. Nadauld

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then asked why Pocatello, a City with substantially larger population than Idaho Falls, can get by with a budget of only \$4.8 million dollars. Parish answered by reminding Mr. Nadauld that they own neither an electric nor a garbage utility and that it obviously costs money in the form of man power and equipment to operate same. Parish noted that, because of said utilities, Idaho Falls is more fortunate than Pocatello in having a total mill levy of only 36 mills vs. Pocatello's 53.6 mills. Pratt proposed that money could be saved the City by letting the garbage out on contract.

Mr. Lester Beck, 420 E. 16th Street, appeared before the Council, concurring in the remarks of Messrs. Pratt and Nadauld that governmental expenses, generally, are too high and Idaho Falls is no exception. Beck asked if the primary sewage treatment plant was paid for and was answered in the negative Parish noted that the secondary sewage treatment plant, to be in operation by 1973, was necessitated by more stringent Federal regulations and the people overwhelmingly indicated their desire for this development at the polls last October.

Mrs. Luella Woodruff, address unknown, appeared before the Council to ask if the City's books were audited by an outside, independent auditor and was answered in the affirmative by the Mayor. Mrs. Woodruff then suggested that if all Councilmen were to approach public hearings of this nature by prayer, their prayers would be answered.

Mr. Leonard Wright, 1420 South Boulevard, appeared before the Council to ask how much profit the City realized from the electrical operation. Parish explained that, under the terms of the B.P.A. contract, the City was permitted to transfer a fixed figure of \$1,003,000 annually from the electrical to the general fund. Pratt suggested that, in view of this requirement, perhaps the City should acquire its electrical energy from Utah Power & Light. Councilman Erickson answered by saying this would cost the City about \$500,000 more a year than from B.P.A. Councilman Hovey added that Bonneville Power sees that none of their customers overcharge the public. The City must purchase more and more electrical power from B.P.A. as the need increases, inasmuch as the City's generating ability is limited. Mr. Wright then asked if there was any limitation on garbage, water or sewer rates. The Mayor told Mr. Wright that rates for all utilities operated by the City were low in relation to comparable sized cities in the area and the Councilmen have reportedly pledged themselves toward this end. The Mayor said the recent increase in sewer rates was the first in ten years and was occasioned because of the debt service cost of the bonds, plus plant operation and maintenance. The Mayor explained, further, that the City is not free to use water and sewer funds except in that department, inasmuch as it is a dedicated fund. Wright then drew attention to the urban renewal project which called for City participation in the amount of \$650,000. He asked where this showed up in the budget. The Mayor explained that said participation extends over a 4 year period and will be satisfied to a sizeable degree by something other than cash outlay, such as services rendered by the various departments, land acquisition, etc. Wright said he had calculated that costs of the urban renewal project would place a \$7.50 square foot value on the acquired land and, therefore, the land in question would be priced out of the market from the standpoint of ever realizing on the investment. City Planner Gilchrist reminded Mr. Wright that he probably had not

taken into consideration the resale of the land. The Mayor said one of the principal advantages derived from the urban redevelopment was to get land back on the tax rolls.

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Councilman Wood reminded Mr. Wright that a hearing had been held and the Council was given every reason to believe that the citizens favored this redevelopment. Mr. Pratt pointed out that, on all L.I.D.'s, the City is responsible for intersections and alleys. He said a hearing will be held on the downtown L.I.D. to ascertain whether or not there is sufficient interest to proceed. Councilman Hovey explained that, contrary to some public opinion, the Council generally proceeds with projects of this nature only if the majority of affected property owners indicate their approval.

Mr. Pratt reappeared again to discuss the fire improvements in 1965. He said that this bond issue was sold to the people on the grounds that insurance rates would then go down, but this never materialized after the improvements as a means of saving the tax payer money. Councilman Freeman explained that, by virtue of said improvements, insurance rates have not gone up as they otherwise would have and so the objective was accomplished. Councilman Hovey reminded Pratt that to revert back would eliminate, among other improvements, the West Side Fire Station which now protects the various west side improvements such as the airport, the high school and the computer center. Councilman Erickson drew Pratt's attention to the fact that the fire improvements were financed by a general obligation bond issue which was passed by the people. Erickson continued by saying that, even with the help of those improvements, the Fire Department facilities are still inadequate but that every effort is being made to hold the line. Pratt said he didn't object to the facilities; just the expense. He suggested that a volunteer fire department be investigated.

Pratt then inquired about the expense of operating the Parks, & Recreation Department. He was told that this year's budget was slightly less than last year's and was up only slightly since 1964. Pratt asked about the concessions at the park. Parks and Recreation Director Craner explained that these were operated by franchise and the City received 5% of the gross.

Dr. LeRoy Young, 109 W. 17th, appeared before the Council. He observed that the entire hearing, up to this time at least, had been dominated by those offering criticism. He asked if there was nothing constructive or encouraging about the budget. The Mayor said he thought this had been pretty well explained at the beginning by Councilman Parish; namely, that the proposed budget is up primarily because of increased revenue expected from City owned utilities which, in turn keeps the mill levy down. The Mayor reminded Dr. Young that this hearing had been legally advertised and publicized and the fact that only three appeared for purposes of protesting the budget should indicate that the majority of citizens were not critical of it. Mr. Nadauld took emphatic objection to this theory.

Mrs. Martin Benham, 500 Moonlite Drive, appeared before the Council with a word of commendation for having proposed, in the budget, a half of one mill increase in the library budget. She then asked what the budget provided in the realm of weed control. Councilman Parish explained that there was provision for a crew to work on weed in alleys and on vacant lots and it was anticipated that there would be broader coverage on this problem than previous years.

In the absence of further comment the Mayor invited action on the budget. Mr. Nadauld said he could not understand the purpose of calling for a hearing if the Council intended to pass the budget as proposed, giving no consideration to those who had registered protests. Asked if he had any constructive suggestions, Nadauld said that all divisions and departments should be cut so that it

would correspond to Mr. Pratt's formula of being up no more than 23% since 1964, based upon the cost of living index. Pratt said this should also apply to salaries. Councilman Freeman said the MARCH 31, 1971

budget, as proposed, was so tight that the Council was actually ashamed of the services it had to offer, particularly in the fields of street improvement and capital improvement. It was moved by Councilman Parish, seconded by Hovey, that the 1971 budget be adopted, based upon proposed totals as appear in the legal notice and also on Pages 545 and 546 in the Book of Minutes. Roll call as follows: Ayes, 5; No, none; carried.

ORDINANCE NO. 1290

AN ORDINANCE PROVIDING FOR THE ANNUAL APPROPRIATIONS OF THE CITY OF IDAHO FALLS, IN THE STATE OF IDAHO, AND FOR THE APPROPRIATION OF THE SEVERAL FUNDS AND PURPOSES DURING THE FISCAL YEAR 1971, AND PROVIDING THE AMOUNT OF PROPERTY TAX APPROPRIATED FOR EACH OF SAID FUNDS.

The foregoing Ordinance was presented in title. It was moved by Councilman Parish, seconded by Hovey, that the provisions of Section 50-902 of the Idaho Code requiring all Ordinances to be fully and distinctly read on three several days be dispensed with. The question being, "SHALL THE PROVISIONS OF SECTION 50-902 OF THE IDAHO CODE REQUIRING ALL ORDINANCES TO BE READ ON THREE SEVERAL DAYS BE DISPENSED WITH?" Roll call as follows: Ayes, 5; No, none; carried. The majority of all the members of the Council present having voted in the affirmative, the Mayor declared the rule dispensed with and ordered the Ordinance placed before the Council for final consideration the question being, "SHALL THE ORDINANCE PASS?" Roll call as follows: Ayes, 5; No, none; carried.

The City Clerk then presented and read this memo:

City of Idaho Falls
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8---100 Foot Cedar Poles
35--- 40 Foot Cedar Poles

Honorable Mayor and Councilmembers:

The Electric Light Division and the Purchasing Department request approval to purchase direct or purchase by formal bid the following cedar poles:

8---100 foot butt treated western cedar, peeled. Class I
35--- 40 foot butt treated western cedar, peeled. Class II

The 8---100 foot cedar poles are to be used on Highland Ball Park, and the 35---40 foot cedar poles are to make a full truckload of poles.

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These prices were quoted by B. J. Carney & Company of Spokane, Washington:

8---100 foot poles	\$464.40	\$3715.20
35--- 40 foot poles	62.30	<u>2180.50</u>
TOTAL:		\$5895.70

With delivery approximately two weeks from receipt of order, this recommendation is subject to your approval.

s/ W. J. Skow
Purchasing Department

The Mayor explained that these 100 foot poles would be used for replacement purposes at the Highland Ball Park and that an emergency exists, inasmuch as these poles have been found to be unsafe. It was moved by Councilman Hovey, seconded by Freeman, that authorization be granted to accept the quotation of B. J. Carney and acquire the poles in question through this source. Roll call as follows: Ayes, 5; No, none; carried.

There being no further business, it was moved by Councilman Freeman, seconded by Erickson, that the meeting adjourn at 9:15 P.M., carried.

ATTEST: s/ Roy C. Barnes
CITY CLERK

s/ S. Eddie Pedersen
MAYOR
