

MAY 28, 2002

The City Council of the City of Idaho Falls met in Special Council Meeting, Tuesday, May 28, 2002, in the Council Chambers at 140 South Capital Avenue in Idaho Falls, Idaho.

There were present:

Mayor Linda Milam
Councilmember Ida Hardcastle
Councilmember Bill Shurtleff
Councilmember Brad Eldredge
Councilmember Mike Lehto
Councilmember Joe Groberg
Councilmember Bruce Rose

Also present:

Dale Storer, City Attorney
Rosemarie Anderson, City Clerk
All available Division Directors

Mayor Milam presented the Municipal Services Division with an award "In Grateful Appreciation to City of Idaho Falls for Outstanding Service and Dedication to The American Red Cross Blood Services Program – 2002 – Lewis and Clark Region, Boise, Idaho".

The City Clerk read a summary of the minutes for the May 9, 2002 Regular Meeting. It was moved by Councilmember Eldredge, seconded by Councilmember Groberg, to approve the minutes as printed. Roll call as follows:

Aye: Councilmember Groberg
Councilmember Rose
Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Eldredge
Councilmember Lehto

Nay: None

Motion Carried.

CONSENT AGENDA ITEMS

The City Clerk presented several license applications, including BARTENDER PERMITS to Jeramie Deede, Dorna D. Dixon, Crystal R. Hemsley, and Gregory K. Scharer, all carrying the required approvals, and requested authorization to issue these licenses.

The City Clerk requested Council ratification for the publication of legal notices calling for public hearings on May 28, 2002.

The Airport Director submitted the following memo:

City of Idaho Falls
May 13, 2002

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Mike Humberd, Director of Aviation
SUBJECT: AUTHORIZATION TO BID – INSTALLATION OF PAPI LIGHTS ON
RUNWAY 20

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The Airport Division is requesting City Council ratification for authorization to bid the Installation of PAPI Lights on Runway 20.

The Airport Division recommends approval.

s/ Mike Humberd

The Municipal Services Director submitted the following memo:

City of Idaho Falls
May 22, 2002

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: S. Craig Lords, Municipal Services Director
SUBJECT: ADVERTISEMENT FOR BIDS

Municipal Services respectfully requests authorization to advertise and receive bids for City-owned vehicles and equipment listed on the attached list that are surplus and no longer needed nor used by the City of Idaho Falls.

s/ S. Craig Lords

The Public Works Director submitted the following memo:

City of Idaho Falls
May 23, 2002

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Chad Stanger, Public Works Director
SUBJECT: BID AUTHORIZATION – 9TH STREET WATER LINE (HOLMES AVENUE TO IDAHO CANAL)

Public Works requests authorization to advertise to receive bids for the 9th Street Water Line (Holmes Avenue to Idaho Canal) Project.

s/ Chad Stanger

It was moved by Councilmember Eldredge, seconded by Councilmember Groberg, to approve the Consent Agenda in accordance with the recommendations presented. Roll call as follows:

Aye: Councilmember Lehto
Councilmember Eldredge
Councilmember Hardcastle
Councilmember Groberg
Councilmember Rose

Councilmember Shurtleff

Nay: None

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Motion Carried.

REGULAR AGENDA ITEMS

Mayor Milam requested Councilmember Rose to conduct Annexation Proceedings for St. Clair Estates Addition, Division No. 10. At the request of Councilmember Rose, the City Clerk read the following memo from the Planning and Building Director:

City of Idaho Falls
May 22, 2002

MEMORANDUM

TO: Mayor and City Council
FROM: Renée R. Magee, Planning and Building Director
SUBJECT: ANNEXATION, FINAL PLAT, AND INITIAL ZONING OF R-1 FOR ST. CLAIR ESTATES ADDITION, DIVISION NO. 10

Attached are the Annexation Ordinance, Annexation Agreement, and Final Plat for St. Clair Estates, Division No. 10. This Plat consists of 29 single-family lots located west and south of Potomac Way. The requested initial zoning is R-1, Single-Family Residential. The Planning Commission considered this request at its February 5, 2002 Meeting and recommended approval. The Department concurs with this recommendation. This annexation request is being submitted to the Mayor and Council for consideration.

s/ Renée R. Magee

The Planning and Building Director located the subject area on a map and further explained the request. Following is a list of exhibits used in connection with this Annexation request:

Slide 1 Vicinity Map showing surrounding zoning
Slide 2 Aerial Photo indicating area under consideration
Slide 3 Final Plat under consideration
Slide 4 Revised Preliminary Plat showing access through area
Exhibit 1 Planning Commission Minutes dated February 5, 2002
Exhibit 2 Staff Report dated February 5, 2002

Daryl Kofoed, Mountain River Engineering, 1020 Lincoln Road, appeared as the representative for the Developer of this land. He stated that he was present to answer any questions. There were no questions from the Mayor and Council.

There being no comment either in favor of or in opposition to this annexation request, Mayor Milam closed the public hearing.

It was moved by Councilmember Rose, seconded by Councilmember Hardcastle, to approve the Annexation Agreement for St. Clair Estates Addition, Division No. 10 and, further, give authorization for the Mayor and City Clerk to sign said Agreement. Roll call as follows:

Aye: Councilmember Hardcastle
Councilmember Shurtleff

Councilmember Eldredge
Councilmember Lehto

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Councilmember Groberg
Councilmember Rose

Nay: None

Motion Carried.

At the request of Councilmember Rose, the City Attorney read the following Ordinance by title:

ORDINANCE NO. 2449

AN ORDINANCE ANNEXING CERTAIN LANDS TO THE CITY OF IDAHO FALLS, IDAHO; DESCRIBING THESE LANDS; REQUIRING THE FILING OF THE ORDINANCE AND AMENDED CITY MAP AND AMENDED LEGAL DESCRIPTION OF THE CITY WITH THE APPROPRIATE COUNTY AND STATE AUTHORITIES; AND ESTABLISHING EFFECTIVE DATE.

The foregoing Ordinance was presented by title only. Councilmember Rose moved, and Councilmember Hardcastle seconded, that the provisions of Idaho Code Section 50-902 requiring all Ordinances to be read by title, and once in full, on three separate dates be dispensed with, the Ordinance be passed on all three readings, and, further, give authorization for the Mayor and City Clerk to sign the necessary documents. Roll call as follows:

Aye: Councilmember Groberg
Councilmember Rose
Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Eldredge
Councilmember Lehto

Nay: None

Motion Carried.

It was moved by Councilmember Rose, seconded by Councilmember Hardcastle, to accept the Final Plat for St. Clair Estates Addition, Division No. 10 and, further, give authorization for the Mayor, City Engineer, and City Clerk to sign the Final Plat. Roll call as follows:

Aye: Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Rose
Councilmember Eldredge
Councilmember Lehto
Councilmember Groberg

Nay: None

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Motion Carried.

A public hearing was conducted to consider the initial zoning of the newly annexed area. There being no discussion, it was moved by Councilmember Rose, seconded by Councilmember Hardcastle, to establish the initial zoning of St. Clair Estates Addition, Division No. 10 as R-1 (Single-Family Residential) as requested, that the comprehensive plan be amended to include the area annexed herewith, and that the City Planner be instructed to reflect said annexation, zoning and amendment to the comprehensive plan on the comprehensive plan and zoning maps located in the Planning Office. Roll call as follows:

Aye: Councilmember Rose
Councilmember Eldredge
Councilmember Lehto
Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Groberg

Nay: None

Motion Carried.

The Idaho Falls Power Director submitted the following memo:

City of Idaho Falls
May 28, 2002

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Mark Gendron, Idaho Falls Power Director
SUBJECT: METRO FIBER OPTIC NETWORK BUSINESS PLAN

Attached for your consideration is the business plan for a metro fiber optic network, including appendices.

Idaho Falls Power respectfully requests Council adoption of the business plan as presented.

s/ Mark Gendron

The Idaho Falls Power Director appeared to introduce Jeff Osterman with CH2M Hill, who prepared the Metro Fiber Optic Network Business Plan. The Idaho Falls Power Director explained that this plan includes several components of market analysis, evaluation of several business models, economic and payback analysis, and a recommendation. The recommendation from CH2M Hill is the alternative to build a dark fiber network. That dark fiber network would provide leased fiber services to anyone in the community that wished to acquire such services. This alternative is the least costly of several alternatives that were considered. It is one that is very flexible and will accommodate in the future, bandwidth services if the demand for those services is desired. The cost of the dark fiber system is a total of \$2.7 Million. \$1.6 Million is the cost of the completion of the base line system or the

City's intergovernmental Ethernet system that is already being constructed. The incremental portion is necessary to build the dark fiber network. The two highlights of the payback analysis are that payback of this system is projected to occur within five to ten years,

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depending on some of the assumptions that were made; also, positive net revenues are projected to occur between year two and year four. It is important to note that adoption of the Metro Fiber Optic Network Business Plan is not a commitment at this time to fund the plan. That commitment will be part of the current budget preparation process.

Councilmember Groberg questioned how the Council would arrive at the cost per mile for service. The Idaho Falls Power Director explained that most of the systems that the charges are derived from are systems where longer runs of fiber are installed. With longer runs of fiber, lesser amounts are charged per unit for the fiber. The Engineer feels that the \$300.00 to \$500.00 charge per unit is reasonable and appropriate for the services provided. Market analysis has been conducted to determine these charges. Mayor Milam stated that the charges for this service are yet to be determined.

Councilmember Lehto stated that the object of the business plan was not to zero in on the price, but to give the City an idea what could be expected as a payback for the services.

Councilmember Rose questioned the time frame for a payback for these services. The Idaho Falls Power Director stated that the payback calculation depends on several issues. One variable is the charge per mile for service. Another variable is how many customers will actually want this service. The Engineers have used their best judgment, along with market analysis and surveys from similar cities to come up with a list of assumptions that lead to the conclusion that this should be paid back in five to ten years.

Councilmember Lehto commented that with the notion that this is just numbers and variables, one of the foundations of this revenue projection is that only 25% of the lines are leased. If more lines are leased, more revenue would be generated and the payback would be sooner.

Mayor Milam stated that the last time that the City of Idaho Falls went into a new business line was approximately 25 years ago. This would be a new business venture for the City. The adoption of this business plan is not a commitment of funds and it is not a commitment of time. This business plan is a blueprint. Mayor Milam, further, thanked the Idaho Falls Power Council Committee for the hours spent in analyzing the data in this business plan.

Councilmember Groberg stated that he has been reviewing other municipalities that have an electric utility and has determined that they are viewing this as a natural and complimentary extension of services.

The City Attorney stated that this provides a very effective right-of-way management tool. The City is receiving an increasing number of requests to lay lines in the City's rights-of-way. The City is continuing to experience denigration of pavement as the pavement cuts are made. The hope is that by building one large conduit, so to speak, this denigration will be minimized and the City will be able to exert a greater degree of control over right-of-way space.

Councilmember Shurtleff stated that this business plan is a blueprint. He stated that he was not totally happy with the business plan that is being presented. There are some weaknesses in the plan. However, he expressed his support for the plan as this will provide economic development in the City of Idaho Falls. With the economic pressures on the City at this time, that will be the determining factor in the future.

Councilmember Eldredge commented that in 1895, the City of Idaho Falls embarked in a major business of providing electric power. It took the City five years to get to a point of being able to install a generator and stringing electrical wires. This network is going to take the same amount of time to develop. One hundred years later, the City is plowing the same sort of ground that was plowed by our forefathers. It has been a good

decision for the City of Idaho Falls. This network will be an equally good decision. He is in support of this project.

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Councilmember Hardcastle questioned that if the Council passes the business plan at this time, what would the time line be. The Idaho Falls Power Director stated that the next two steps would occur simultaneously. The system will be designed and the budget will be discussed in the budgeting process for this fiscal year.

It was moved by Councilmember Lehto, seconded by Councilmember Shurtleff, to adopt the business plan for a metro fiber optic network, including appendices, as presented. Roll call as follows:

Aye: Councilmember Lehto
Councilmember Eldredge
Councilmember Hardcastle
Councilmember Groberg
Councilmember Rose
Councilmember Shurtleff

Nay: None

Motion Carried.

The Municipal Services Director submitted the following memos:

City of Idaho Falls
May 23, 2002

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: S. Craig Lords, Municipal Services Director
SUBJECT: BID IF-02-19, ONE (1) NEW COMPLETE AUTOMATIC THREE PHASE METER CALIBRATION SYSTEM

Attached for your consideration is the tabulation for Bid IF-02-19, One (1) New Complete Automatic Three Phase Meter Calibration System.

It is the recommendation of Municipal Services to accept the low bid meeting specifications of Watthour Engineering Company, Inc. to furnish a complete system (Model 2350) manufactured by the bidder for a total amount of \$37,810.00.

Please see the attached memo from the Electrical Engineer for documentation why the other two bids did not meet our bid specifications.

s/ S. Craig Lords

City of Idaho Falls
May 21, 2002

MEMORANDUM

TO: Willa Swim, Purchasing Agent – General Services

FROM: Scott McBride, Chief Engineer – Idaho Falls Power
SUBJECT: BID IF-02-19, ONE (1) NEW TRUE THREE PHASE METER
CALIBRATION SYSTEM

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I have reviewed the proposals received for the above subject bid and have the following recommendations:

I recommend that this bid be awarded to Watthour Engineering Company, Inc. for the amount of \$37,810.00 for the following reasons.

The low bid was from AVO International, however, the unit proposed does not meet our specifications in the following areas:

- The unit does not have the specified Radian Rm-10-06 standards and therefore will not be compatible with our High Accuracy Rm-11-01 calibration standard.
- They did not state the specifications for the computer system they proposed.
- Their system does not include an automatic testing scheme such as the "Turbo Test" which was specified.
- Their proposed optical pickup does not meet our specification.
- No "Opticom" optical communication port was provided as specified.
- The standards provided use a built-in PC board with software correction standards. This does not meet our specification.

The second low bid was from Utility Test Equipment Company and it also does not meet our specification in the following areas:

- The unit does not have the specified Radian RM-10-06 standards and therefore will not be compatible with our High Accuracy Rm-11-01 calibration standard.
- The computer proposed does not meet our minimum specifications for the computer system.
- Their system does not include an automatic testing scheme such as the "Turbo Test" which was specified.
- The potential circuit does not have sufficient volt/amp capacity and does not meet our specification.
- The optical pickup does not meet our specification, their pickup will not pickup the "Centron" emitter without an additional adapter.
- No "Opticom" optical communication port was provided as specified.
- The standards provided use a built-in PC board with software correction standards. This does not meet our specification.

s/ Scott McBride

It was moved by Councilmember Eldredge, seconded by Councilmember Groberg, to accept the low bid meeting specifications of Watthour Engineering Company, Inc. to furnish One (1) New Complete Automatic Three Phase Meter Calibration System as requested. Roll call as follows:

Aye: Councilmember Hardcastle
Councilmember Shurtleff
Councilmember Eldredge
Councilmember Lehto

Councilmember Groberg
Councilmember Rose

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Nay: None

Motion Carried.

City of Idaho Falls
May 23, 2002

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: S. Craig Lords, Municipal Services Director
SUBJECT: BID IF-02-20, DISTRIBUTION TRANSFORMERS

Attached for your consideration is the tabulation for Bid IF-02-20, Distribution Transformers.

It is the recommendation of Municipal Services to accept the lowest evaluated bid item meeting specifications, with the exception of the following:

- Item 7: The transformer proposed by the low bidder of Western States Electric/GE does not include bushing inserts as required per specifications.
- Item 8: The two apparent low bids submitted by Northern Power Equipment (Manufacturer's Howard Industries and ERMCO) do not include the specified vacuum fault interrupter as required per specifications.

The complete recommendation for award is listed per Attachment "A".

s/ S. Craig Lords

It was moved by Councilmember Eldredge, seconded by Councilmember Groberg, to accept the lowest evaluated bids per Attachment "A" for Distribution Transformers. Roll call as follows:

Aye: Councilmember Groberg
Councilmember Rose
Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Eldredge
Councilmember Lehto

Nay: None

Motion Carried.

The Planning and Building Director submitted the following memos:

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City of Idaho Falls
May 22, 2002

MEMORANDUM

TO: Mayor and City Council
FROM: Renée R. Magee, Planning and Building Director
SUBJECT: FIRST AMENDED PLAT OF ST. CLAIR ESTATES, DIVISION NO. 4

Attached is the Final Plat for First Amended Plat of St. Clair Estates, Division No. 4. This parcel is located east of St. Clair Road and south and adjacent to Sunny Pine Way. The Planning Commission considered the Final Plat at its May 7, 2002 Meeting and recommended approval. The Department concurs. This Final Plat is being submitted to the Mayor and Council for consideration.

s/ Renée R. Magee

The Planning and Building Director located the subject area on a map and further explained the request. Following is a list of exhibits used in connection with this Final Plat approval:

Slide 1 Vicinity Map showing surrounding zoning
Slide 2 Final Plat
Exhibit 1 Planning Commission Minutes dated May 7, 2002
Exhibit 2 Staff Report dated May 7, 2002

It was moved by Councilmember Rose, seconded by Councilmember Hardcastle, to accept the Final Plat for the First Amended Plat of St. Clair Estates, Division No. 4 and, further, give authorization for the Mayor, City Engineer, and City Clerk to sign said Final Plat. Roll call as follows:

Aye: Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Rose
Councilmember Eldredge
Councilmember Lehto
Councilmember Groberg

Nay: None

Motion Carried.

City of Idaho Falls
May 22, 2002

MEMORANDUM

TO: Mayor and City Council
FROM: Reneé R. Magee, Planning and Building Director
SUBJECT: FINAL PLAT, FIRST AMENDED PLAT OF CHANNING WAY
ADDITION, DIVISION NO. 5

Attached are the Final Plat and Development Agreement for Channing Way Addition, Division No. 5. This Division, which is located at the intersection of

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Coronado Street and Valencia Drive, is zoned R-3A. The Planning Commission considered the Final Plat at its March 5, 2002 Meeting and recommended approval with one condition which has been incorporated into the Development Agreement. The Department concurs with the Commission's action. This Final Plat and Development Agreement are being submitted to the Mayor and Council for consideration.

s/ Reneé R. Magee

The Planning and Building Director located the subject area on a map and further explained the request. Following is a list of exhibits used in connection with this Final Plat and Development Agreement approval:

Slide 1	Vicinity Map showing surrounding zoning
Slide 2	Aerial Photo
Slide 3	Preliminary Plat
Slide 4	Approved Final Plat
Slide 5	Amended Plat
Exhibit 1	Planning Commission Minutes dated March 5, 2002
Exhibit 2	Staff Report dated March 5, 2002

It was moved by Councilmember Rose, seconded by Councilmember Hardcastle, to approve the Development Agreement for the First Amended Plat of Channing Way Addition, Division No. 5 and, further, give authorization for the Mayor and City Clerk to sign said Development Agreement. Roll call as follows:

Aye: Councilmember Groberg
Councilmember Rose
Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Eldredge
Councilmember Lehto

Nay: None

Motion Carried.

It was moved by Councilmember Rose, seconded by Councilmember Hardcastle, to accept the Final Plat for the First Amended Plat of Channing Way Addition, Division No. 5 and, further, give authorization for the Mayor, City Engineer, and City Clerk to sign said Final Plat. Roll call as follows:

Aye: Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Rose
Councilmember Eldredge
Councilmember Lehto
Councilmember Groberg

Nay: None

Motion Carried.

MAY 28, 2002

The Public Works Director submitted the following memos:

City of Idaho Falls
May 23, 2002

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Chad Stanger, Public Works Director
SUBJECT: BID AWARD – SEAL COATING, 2002

On May 7, 2002, bids were received and opened for the Seal Coating, 2002 Project. A tabulation of the bid results is attached.

Public Works recommends the contract be awarded to the low bidder HK Contractors, Inc. in the amount of \$180,600.00; and, authorize the Mayor and City Clerk to sign the contract documents.

s/ Chad Stanger

It was moved by Councilmember Shurtleff, seconded by Councilmember Rose, to accept the low bid from HK Contractors, Inc. to complete the Seal Coating – 2002 Project and, further, give authorization for the Mayor and City Clerk to sign the necessary documents. Roll call as follows:

Aye: Councilmember Rose
Councilmember Eldredge
Councilmember Lehto
Councilmember Shurtleff
Councilmember Hardcastle
Councilmember Groberg

Nay: None

Motion Carried.

City of Idaho Falls
May 23, 2002

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Chad Stanger, Public Works Director
SUBJECT: BID AWARD – PAVING EQUIPMENT RENTAL – 2002

On May 7, 2002, bids were received and opened for the Paving Equipment Rental – 2002 Project. A tabulation of the bid results is attached.

Public Works recommends the contract be awarded to the low bidder TMC Contractors, Inc. in the amount of \$88,320.00; and, authorize the Mayor and City Clerk to sign the contract documents.

s/ Chad Stanger

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It was moved by Councilmember Shurtleff, seconded by Councilmember Rose, to accept the low bid from TMC Contractors, Inc. to complete the Paving Equipment Rental – 2002 Project and, further, give authorization for the Mayor and City Clerk to execute the necessary documents. Roll call as follows:

Aye: Councilmember Lehto
Councilmember Eldredge
Councilmember Hardcastle
Councilmember Groberg
Councilmember Rose
Councilmember Shurtleff

Nay: None

Motion Carried.

City of Idaho Falls
May 23, 2002

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Chad Stanger, Public Works Director
SUBJECT: BID AWARD – AIRPORT PARKING LOT AT INTERNATIONAL WAY

On May 21, 2002, bids were received and opened for the Airport Parking Lot at International Way. A tabulation of the bid results is attached.

Public Works recommends the contract be awarded to the low bidder HK Contractors, Inc. in the amount of \$249,457.40; and, authorize the Mayor and City Clerk to sign the contract documents.

s/ Chad Stanger

It was moved by Councilmember Shurtleff, seconded by Councilmember Rose, to accept the low bid from HK Contractors, Inc. to complete the Airport Parking Lot at International Way and, further, give authorization for the Mayor and City Clerk to sign the necessary documents. Roll call as follows:

Aye: Councilmember Eldredge
Councilmember Lehto
Councilmember Rose
Councilmember Groberg
Councilmember Shurtleff
Councilmember Hardcastle

Nay: None

Motion Carried.

Mayor Milam announced that the City of Idaho Falls Budget Open House is scheduled for Thursday, May 30, 2002 at 7:00 p.m.

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There being no further business, it was moved by Councilmember Lehto, seconded by Councilmember Groberg, that the meeting adjourn at 8:10 p.m.

CITY CLERK

MAYOR
