

AUGUST 24, 2000

The City Council of the City of Idaho Falls met in Regular Council Meeting, Thursday, August 24, 2000, in the Council Chambers at 140 South Capital Avenue in Idaho Falls, Idaho.

There were present:

Mayor Linda Milam
Councilmember Ida Hardcastle
Councilmember Mary Klingler
Councilmember Brad Eldredge
Councilmember Mike Lehto
Councilmember Joe Groberg
Councilmember Bruce Rose

Also present:

Shan Perry, Assistant City Attorney
Rosemarie Anderson, City Clerk
All available Division Directors

Mayor Milam requested Boy Scout Jake Cromwell to come forward and lead those present in the Pledge of Allegiance.

The City Clerk read a summary of the minutes for the August 10, 2000 Regular Meeting. It was moved by Councilmember Klingler, seconded by Councilmember Lehto, to approve the minutes as printed. Roll call as follows:

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

Nay: None

Motion Carried.

CONSENT AGENDA ITEMS

Mayor Milam requested Council confirmation for the following appointments: Brenda Pace to serve on the Historic Preservation Commission (Term to expire in September, 2003); Pam Jagosh to serve on the Historic Preservation Commission (Term to expire in September, 2001); and, Karen Abbott to serve on the Historic Preservation Commission (Term to expire in September, 2001).

The City Clerk presented several license applications, including BARTENDER PERMITS to Jason E. Denison, Thea E. Eater, Lorna M. Harrison, Becky L. Hiatt, Alan G. Moss, Lawana M. Parker, M. Lea Price, James L. Thomas, and Cameron P. Wallace, 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 August 24, 2000.

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

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

Nay: None

Motion Carried.

Mayor Milam expressed her appreciation for all of the citizens of Idaho Falls who volunteer for the City's boards, commissions, and advisory groups.

REGULAR AGENDA ITEMS

Mayor Milam requested Councilmember Klingler to conduct a public hearing, as legally advertised, to consider the imposition of new fees and fee increases greater than 5% for Fiscal Year 2000-2001. At the request of Councilmember Klingler, the City Clerk read the following memo from the Municipal Services Director:

City of Idaho Falls
August 15, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: S. Craig Lords, Municipal Services Director
SUBJECT: ADOPTION OF 2000-2001 PROPOSED FEE INCREASES

Municipal Services respectfully requests the Mayor and Council to approve the 2000-2001 proposed fee increases. The proposed increases were advertised August 13, 2000 and August 20, 2000 as required by Idaho Code.

The Public Hearing is scheduled for 7:30 p.m., Thursday, August 24, 2000, in the Council Chambers in the Electric Building at 140 South Capital Avenue in Idaho Falls, Idaho.

s/ S. Craig Lords

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that the City of Idaho Falls proposes to impose the following new fees and to increase existing fees by an amount that exceeds one hundred five percent (105%) of such fees collected in Fiscal Year 2000-2001. The additional fees and increases are necessary to cover increased costs associated with these programs.

<u>Source of Fees</u>	<u>Current Fees</u>	<u>Proposed New Fees</u>
Recreation Fee:		
Babe Ruth Baseball	\$5.00	\$6.00
Western Boys Baseball	\$5.00	\$6.00
Pony League Baseball	\$5.00	\$6.00

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<u>Source of Fees</u>	<u>Current Fees</u>	<u>Proposed New Fees</u>
<u>Parks:</u>		
Cemetery Fees:		
Opening and Closing Fee	\$200.00	\$225.00
Internment Fee	\$400.00	\$500.00
Golf-Driving Range:		
Large Bucket of Balls	\$2.50	\$3.00
Small Bucket of Balls	\$1.50	\$2.00
Zoo Education Programs:		
½ Day Zoo School – T.P.Z.S. Members	\$30.00	\$35.00
½ Day Zoo School – Non-T.P.Z.S. Members	\$45.00	\$50.00
1 Day Zoo School	\$10.00	\$15.00
Overnight Safaris – T.P.Z.S. Members	\$20.00	\$25.00
Overnight Safaris – Non-T.P.Z.S. Members	\$20.00	\$30.00
New Zoo Programs:		
Breakfast Tours – T.P.Z.S. Members	\$0.00	\$15.00
Breakfast Tours – Non-T.P.Z.S. Members	\$0.00	\$20.00
Behind the Scenes – T.P.Z.S. (Adults)	\$0.00	\$20.00
Behind the Scenes – T.P.Z.S. (Child)	\$0.00	\$15.00
Behind the Scenes – Non-T.P.Z.S. (Adult)	\$0.00	\$25.00
Behind the Scenes – Non-T.P.Z.S. (Child)	\$0.00	\$20.00
Birthday Parties – Per Child	\$0.00	\$7.50

Any person who desires to provide comments regarding such fee increases may appear at 7:30 p.m. on Thursday, August 24, 2000, at the City of Idaho Falls Council Chamber, Second Floor of the Idaho Falls Electric Building, 140 South Capital Avenue, Idaho Falls, Idaho.

s/ Rosemarie Anderson
Rosemarie Anderson
City Clerk

Publish: August 13th and 20th, 2000

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

It was moved by Councilmember Klingler, seconded by Councilmember Lehto, to approve the new fees and fee increases greater than 5% for Fiscal Year 2000-2001 as requested. Roll call as follows:

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

Nay: None

Motion Carried.

Mayor Milam requested Councilmember Klingler to conduct a public hearing, as legally advertised, to consider the adoption of the 2000-2001 Fiscal Year Budget. At the request of Councilmember Klingler, the City Clerk read the following memo from the Municipal Services Director:

AUGUST 24, 2000

City of Idaho Falls
August 15, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: S. Craig Lords, Municipal Services Director
SUBJECT: ADOPTION OF 2000-2001 FISCAL YEAR BUDGET

Attached for your consideration is a copy of the proposed annual 2000-2001 Fiscal Year Budget that was tentatively approved on August 10, 2000 by the Mayor and City Council and has been advertised as required by Idaho Code.

Municipal Services respectfully requests the adoption of the 2000-2001 Fiscal Year Budget in the amount of \$109,450,946.00 and the attached Appropriation Ordinance, appropriating the monies to and among the various funds.

s/ S. Craig Lords

**NOTICE OF PUBLIC HEARING
PROPOSED BUDGET FOR FISCAL YEAR 2000-2001
CITY OF IDAHO FALLS, IDAHO**

A public hearing pursuant to Idaho Code 50-1002, will be held for consideration of the proposed budget for the Fiscal Year from October 1, 2000 to September 30, 2001. The hearing will be held at the City of Idaho Falls Council Chambers located on the second floor of the Idaho Falls Electric Building, 140 South Capital Avenue, Idaho Falls, Idaho at 7:30 p.m. on Thursday, August 24, 2000. All interested persons are invited to appear and provide comments regarding the proposed budget. Copies of the proposed budget are available at the Idaho Falls City Controller's Office during regular office hours (8:00 a.m. to 5:00 p.m., weekdays). City Hall is accessible to persons with disabilities. Anyone desiring accommodations for disabilities related to the budget documents or the hearing, please contact the City Controller's Office at 529-1230 at least 48 hours prior to the public hearing. The proposed FY 2001 budget is shown below as FY 2001 proposed expenditures and revenues.

PROPOSED EXPENDITURES

<u>Fund Name</u>	<u>FY 1999 Actual Expenditures</u>	<u>FY 2000 Budget Expenditures</u>	<u>FY 2001 Proposed Expenditures</u>
General Fund			
Mayor and Council	\$ 113,038	\$ 127,730	\$ 145,662
Legal	90,534	170,037	176,097
Municipal Services	4,585,494	3,984,443	3,975,227
Police	6,973,858	7,117,098	7,524,565
Planning and Zoning	1,005,844	1,087,420	1,167,455
Parks	4,202,110	5,305,981	6,394,927
Public Works	862,864	1,176,875	1,186,884
Fire	5,854,014	6,002,192	6,283,963
General Fund Total	<u>\$ 23,687,756</u>	<u>\$ 24,971,776</u>	<u>\$ 26,854,780</u>

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Special Revenue Funds

Street Fund	\$ 2,830,195	\$ 2,937,600	\$ 3,056,322
Recreation Fund	891,945	951,377	989,666
Library Fund	1,555,963	1,639,223	1,676,663
Passenger Facility Fund	494,000	300,000	360,000
Municipal Equipment Replacement Fund	1,709,059	936,500	993,000
Electric Light Public Purpose Fund	-0-	500,000	500,000
Business Improvement District	98,710	85,500	565,500
Special Revenue Funds Total	<u>\$ 7,578,872</u>	<u>\$ 7,350,200</u>	<u>\$ 8,141,151</u>

Capital Projects Funds

Sanitary Sewer Capital Improvement Fund	\$ 108,185	\$ 400,000	\$ 1,100,000
Municipal Capital Improvement Fund	1,357,197	300,000	700,000
Street Capital Improvement Fund	1,019,915	-0-	850,000
Bridge and Arterial Street Fund	77,489	100,000	400,000
Water Capital Improvement Fund	113,313	500,000	1,700,000
Surface Drainage Fund	53,262	75,000	70,000
Capital Projects Funds Total	<u>\$ 2,729,361</u>	<u>\$ 1,375,000</u>	<u>\$ 4,820,000</u>

Debt Service Funds

Swimming Pool G. O. Bond Fund	\$ 185,355	\$ 190,950	\$ 195,825
Debt Service Funds Total	<u>\$ 185,355</u>	<u>\$ 190,950</u>	<u>\$ 195,825</u>

Enterprise Funds

Airport Fund	\$ 1,931,225	\$ 1,607,371	\$ 9,367,652
Water and Sewer Fund	7,359,734	9,503,521	13,286,672
Electric Fund	38,015,230	40,309,356	42,166,663
Sanitation Fund	2,321,064	2,591,117	2,676,656
Ambulance Fund	1,813,740	1,871,271	1,941,547
Enterprise Funds Total	<u>\$ 51,440,993</u>	<u>\$ 55,882,636</u>	<u>\$ 69,439,190</u>

Total All Funds	<u>\$ 85,622,337</u>	<u>\$ 89,770,562</u>	<u>\$ 109,450,946</u>
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PROJECTED REVENUES

<u>Fund Name</u>	<u>FY 1999 Actual Revenues</u>	<u>FY 2000 Budget Revenues</u>	<u>FY 2001 Projected Revenues</u>
Property Tax Levy			
General Fund	\$ 11,504,463	\$ 12,167,190	\$ 13,266,211
Recreation Fund	253,034	267,382	292,767
Library Fund	905,304	958,723	1,049,743
Municipal Capital Improvement Fund	362,677	384,188	420,662
Swimming Pool G. O. Bond Fund	182,464	190,350	-0-
Fire Retirement	613,600	634,300	670,000
Liability Insurance	230,600	250,000	203,000
Property Tax Levy Total	<u>\$ 14,052,142</u>	<u>\$ 14,852,133</u>	<u>\$15,902,383</u>

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Revenue Sources Other Than

Property Tax

General Fund	\$ 11,289,744	\$ 11,677,290	\$ 12,120,158
Street Fund	2,748,344	2,713,000	2,772,800
Recreation Fund	643,817	687,240	690,900
Library Fund	575,829	578,210	626,920
Passenger Facility Fund	318,185	300,000	360,000
Municipal Equipment Replacement Fund	334,104	225,000	225,000
Sanitary Sewer Capital Improvement Fund	200,047	96,250	103,750
Municipal Capital Improvement Fund	49,566	5,000	5,000
Electric Rate Stabilization	505,119	400,000	500,000
Business Improvement District	102,010	120,000	560,000
Bridge and Arterial Street Fund	191,413	96,000	116,000
Water Capital Improvement Fund	297,126	208,750	228,750
Surface Drainage Fund	42,459	29,000	28,500
Street Capital Improvement Fund	511,220	480,000	482,200
Electric Light Public Purpose Fund	-0-	500,000	675,000
Airport Fund	1,178,838	1,723,746	2,794,796
Water and Sewer Fund	7,458,248	7,854,200	7,887,000
Electric Fund	39,130,487	39,718,006	41,229,552
Sanitation Fund	2,023,759	2,210,000	2,252,500
Ambulance Fund	1,768,019	1,748,668	1,830,148
Fund Transfers	1,583,849	1,309,200	1,415,600
Fund Balance Carryover	<u>1,500,400</u>	<u>2,238,869</u>	<u>16,643,989</u>
Other Revenue Sources Total	<u>\$ 72,452,583</u>	<u>\$ 74,918,429</u>	<u>\$ 93,548,563</u>
 Total Revenues – All Funds	 <u>\$ 86,504,725</u>	 <u>\$ 89,770,562</u>	 <u>\$ 109,450,946</u>

I, Rosemarie Anderson, City Clerk of the City of Idaho Falls, Idaho certify that the above is a true and correct statement of the proposed expenditures by fund and the entire estimated revenues and other sources of the City of Idaho Falls, Idaho for the Fiscal Year 2000-2001; all of which have been tentatively approved by the City Council on August 10, 2000 and entered at length in the Journal of Proceedings.

Dated this 11th day of August, 2000.

s/ Rosemarie Anderson
Rosemarie Anderson
City Clerk

Publish: August 13th and August 20th, 2000

Councilmember Klingler made the following statement:

One of the best ways of visualizing the expenditures and revenues is shown as pieces of the pie. Even though it does not look like it is sliced equally, all the

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Divisions of this City are equal in their importance and their necessity to the most efficient and economical management of our City. The Mayor, the Council, the Division Directors, and their Staffs have worked long and hard to formulate this budget. My thanks to all of them.

Councilmember Klingler requested those with comments to come forward at this time.

Charles Wemple, 3037 Caysie Lane, appeared to question the proposed revenues. He requested to know what "Fund Transfers" and "Fund Balance Carryover" were. Mayor Milam explained that there are current revenues that will come in during the coming year. There are also funds that are considered as savings accounts. These are dollars that have accumulated in a variety of funds for planned future work. There are also transfers between funds within the City. Mr. Wemple questioned whether the work that will be taking place at the Airport would require bonding or whether the savings balances will cover those costs. Mayor Milam explained that the work at the Airport will be budgeted in this budget year, but will be paid for over the next couple of years. A significant portion of those funds will come from Federal Aviation Administration Funds, with the remainder of the costs coming from Airport revenues.

Councilmember Groberg made the following statement:

I remember once being asked to give some testimony on behalf of the City before the State Legislative Committee on Taxation and Revenue. As I waited in line for my testimony, and watched every body else hold forth on why this tax was impossible or that revenue was essential, I could see this little committee getting more and more discouraged because was no possible way to please every body. Finally, it came time for me to say something and I felt I couldn't make their lives any more miserable than they already were. And so, I opted to say, "It's actually a great blessing to be able to make our own decisions about how much we are going to tax ourselves and how we are going to spend it. And, rather than this being a great big burden on our shoulders, we ought to look at it as a blessing." I actually feel that way about property tax. With all of it's shortcomings - which in my opinion, it has many - still it is all raised and spent locally. We raise it, we pay it, and we spend it. It's our deal. In some ways that's a great blessing. And so, as I make these remarks, I hope that is understood, that I see it as an opportunity. Let me start at our budget process. The initial question put to us by our budget administrator was, should we assume the same mill levy. That was the initial out-of-the-shoots question. I felt that the answer then and now should be "yes". We shouldn't increase our share of the pie - that we should live with that mill levy. Realizing that that usually means a slight decrease in the mill levy because we always estimate that the actual increase in valuation would be less than it turns out to be. The reason that I felt that way is that I felt that the City should gradually reduce its mill levy until it is in the mid-range of cities in Idaho of comparable size. That varies every year, as you know. Right now, we are towards the upper end of that. In fact, the average mill levy of the 10 cities that I would compare us to, is only about 70 mils as opposed to 93 for us last year and to go to 97. I don't think that having the lowest mill levy is of great benefit to a City, because as I mentioned, we raise the money locally, we spend it locally, and we need to build our City that way. But, I felt that we should try to move it down gradually over time, looking for ways to raise revenues from other sources. I just feel like we shouldn't depart from that. By raising the mill levy, we are going to raise approximately \$500,000.00 additional money. I have believed, and don't really need to go into details because I have expressed them already, that we could increase that revenue from other sources such as increasing transfers from the

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Enterprise Funds into the General Fund, increase the net revenue from the Golf Courses and the Civic Auditorium, and have some small reductions in some of our General Fund expenditures. All of these have been discussed. I totally, completely honor the feelings on the other side of that issue. Because of that though, and because of my sense of going in the wrong direction here on the mill levy, I said in one of the meetings that I could not support an increase in the mill levy and I still feel that way. I think that we are building a great City with our taxes, but when I read things like this in a recent real estate flyer, "Property taxes are significantly lower outside the City of Idaho Falls. This may result in a lower mortgage payment for you or it may allow you to qualify for a larger mortgage amount", it troubles me and I ask myself, are we actually working against ourselves in this one area, in not providing what people perceive as the great bargain that it really is to live in the City of Idaho Falls. I think it is particularly difficult in a budget year like we have just had. And I don't want to minimize the challenges that every body faced. But I feel like it is not going to be any easier to tackle this next year, than this year. But I appreciate the commitment that I have heard all of the Councilmembers make to looking seriously at this problem.

Councilmember Lehto made the following statement:

It is almost a point/counterpoint, because we are going to most likely approve this tonight. I would just like to state that we've heard where you are coming from, Mr. Groberg. The benefits that we enjoy, I think, in this City, maybe negate that comment that you read to us from the real estate magazine. I feel that this City is probably one of the most sound financial cities in the State. As it was stated tonight by the Mayor, we are going to retire our only bond this next year. We have no debt and we are continuing to provide good, excellent services at low cost to the community. In the past, we have not taken the amounts that were allowed through the Idaho State Legislature. It was probably the feeling at this point in time that to sustain the growth and continue with the projects that this Council has a vision to go forward with – the Airport Renovation, the Recreation Center, the Waste Treatment Facility Upgrade, the Sunnyside Expansion – I think we all feel that this was an appropriate time to take an increase that was allowed by us through the State Legislature. I offer that in some small regard as a point/counterpoint to what is going to transpire here tonight with the vote.

It was moved by Councilmember Klingler, seconded by Councilmember Lehto, to approve the 2000-2001 Fiscal Year Budget in the amount of \$109,450,946.00. Roll call as follows:

Aye: Councilmember Klingler
 Councilmember Hardcastle
 Councilmember Rose
 Councilmember Eldredge
 Councilmember Lehto

Nay: Councilmember Groberg

Motion Carried.

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

ORDINANCE NO. 2386

THE ANNUAL APPROPRIATION ORDINANCE OF THE CITY OF IDAHO FALLS, IDAHO, FOR THE PERIOD COMMENCING OCTOBER 1, 2000 AND ENDING SEPTEMBER 30, 2001, APPROPRIATING AND APPORTIONING THE MONIES OF SAID CITY TO AND AMONG THE SEVERAL FUNDS OF SAID CITY AND DESIGNATING THE PURPOSE FOR WHICH SAID MONIES MAY BE EXPENDED; SPECIFYING THE AMOUNT OF MONEY PAID BY PROPERTY TAX TO BE APPROPRIATED TO SAID FUNDS; PROVIDING WHEN THE ORDINANCE SHALL BECOME EFFECTIVE.

The foregoing Ordinance was presented by title only. Councilmember Klingler moved, and Councilmember Lehto 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 Rose
Councilmember Lehto
Councilmember Klingler
Councilmember Hardcastle
Councilmember Eldredge

Nay: Councilmember Groberg

Motion Carried.

Mayor Milam stated that in the last few years, the City Council has taken the role of preparing the budget so seriously. This Council has been as involved as any that she has seen. They are aware, concerned, and caring about this process and what it means to the community. She complimented all six Councilmembers on their efforts. She thanked Councilmember Klingler for her efforts, while only being a member of the Council for such a short time.

Councilmember Klingler stated that she was very impressed at how everyone works together in this process.

The Airport Director submitted the following memos:

City of Idaho Falls
August 8, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Mike Humberd, Director of Aviation
SUBJECT: FOOTE DRIVE LLC LEASE AGREEMENT

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Attached for City Council approval is a Lease Agreement with Foote Drive LLC for the development of a State Police District Office in the Airport Industrial Park. The term of this Agreement is for 20 years with an option to sell or renew.

The City Attorney has reviewed this document.

The Airport Division recommends approval and requests the Mayor be authorized to execute the Agreement.

s/ Mike Humberd

It was moved by Councilmember Groberg, seconded by Councilmember Hardcastle, to approve the Lease Agreement with Foote Drive LLC for the development of a State Police District Office in the Airport Industrial Park 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 Klingler
 Councilmember Hardcastle

Nay: None

Motion Carried.

City of Idaho Falls
August 21, 2000

MEMORANDUM

TO: Honorable Mayor and Council
FROM: Mike Humberd, Airport Director
SUBJECT: AIRPORT OPERATIONS ORDINANCE

Attached for City Council approval is the Airport Operations Ordinance. The Ordinance adopts the Rules and Regulations as well as the Minimum Standards for Commercial Aeronautical Activities at the Airport. The previous Ordinance was approved in 1979.

The Airport Division recommends approval of the Ordinance and requests the Mayor be authorized to execute the documents.

s/ Mike Humberd

Councilmember Groberg explained that one of the issues was what could be stored in the hangars at the Airport. This Ordinance provides that if the principle purpose is to store an airplane and if an owner keeps other incidental things inside the hangar, that is acceptable.

At the request of Councilmember Groberg, the Assistant City Attorney read the following Ordinance by title only:

AUGUST 24, 2000

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF IDAHO FALLS, IDAHO, RELATING TO THE OPERATION AND MANAGEMENT OF THE IDAHO FALLS MUNICIPAL AIRPORT, FANNING FIELD; REPEALING ORDINANCE NO. 1024; ADOPTING NEW OPERATIONAL RULES AND REGULATIONS FOR THE OPERATION OF THE AIRPORT; REQUIRING RULES AND REGULATIONS TO BE KEPT AND MAINTAINED AT THE OFFICE OF THE DIRECTOR OF AVIATION; ALLOWING FOR PUBLICATION OF SUMMARY OF THIS ORDINANCE; ESTABLISHING PENALTY, PROVIDING FOR SEVERABILITY AND ESTABLISHING EFFECTIVE DATE.

The foregoing Ordinance was presented by title only. Councilmember Groberg moved, and Councilmember Hardcastle seconded, that the Ordinance be passed on the first reading only. Roll call as follows:

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

Nay: None

Motion Carried.

City of Idaho Falls
August 21, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Mike Humberd, Airport Director
SUBJECT: WORK ASSIGNMENT NO. 5 TO THE ENGINEERING AGREEMENT WITH DELTA AIRPORT CONSULTANTS, INC.

Attached for City Council approval is Work Assignment 5 to the Engineering Agreement for the Design, Bidding, and Construction of the Terminal Renovation. The total cost of this work is \$1,014,407.00.

An independent cost review was conducted by CH2M Hill and the FAA found these costs to be reasonable.

The Airport Division recommends approval of the Agreement and requests the Mayor be authorized to execute the documents.

s/ Mike Humberd

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Councilmember Groberg explained this Work Assignment further. Councilmember Eldredge stated that the Federal Aviation Administration is funding ninety percent (90%) of this cost, with the City of Idaho Falls funding ten percent (10%). Councilmember Groberg stated, further, that the Airport is completely self-sufficient. There are no tax moneys involved.

It was moved by Councilmember Groberg, seconded by Councilmember Hardcastle, to approve Work Assignment No. 5 to the Engineering Agreement with Delta Airport Consultants, Inc. and, further, give authorization for the Mayor and City Clerk to sign the necessary documents. Roll call as follows:

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

Nay: None

Motion Carried.

The Idaho Falls Power Director submitted the following memo:

City of Idaho Falls
August 10, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Mark Gendron, Idaho Falls Power Director
SUBJECT: CONFIRMATION AGREEMENTS WITH UAMPS

Attached for your consideration are two Confirmation Agreements to purchase power from UAMPS for the months of September and October. Each Agreement is for 5 megawatts.

Idaho Falls Power respectfully requests ratification of these Agreements.

s/ Mark Gendron

It was moved by Councilmember Eldredge, seconded by Councilmember Klingler, to ratify the two Confirmation Agreements to purchase power from UAMPS for the months of September and October. Roll call as follows:

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

Nay: None

Motion Carried.

AUGUST 24, 2000

The Municipal Services Director submitted the following memo:

City of Idaho Falls
August 18, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: S. Craig Lords, Municipal Services Director
SUBJECT: AMENDMENT TO LEASE AGREEMENT – EAST IDAHO CREDIT UNION

Attached for your consideration are copies of an Amendment to Lease Agreement between the City of Idaho Falls and East Idaho Credit Union for a decrease in size of the lease area and a rental adjustment accordingly. The City Attorney has reviewed and approved the Lease Amendment.

It is respectfully requested that the City Council approve and authorize the Mayor to execute said documents.

s/ S. Craig Lords

It was moved by Councilmember Klingler, seconded by Councilmember Lehto, to approve the Amendment to the Lease Agreement between the City of Idaho Falls and East Idaho Credit Union and, further, give authorization for the Mayor and City Clerk to sign the necessary documents. Roll call as follows:

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

Nay: None

Motion Carried.

The Parks and Recreation Director submitted the following memo:

City of Idaho Falls
August 4, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: David J. Christiansen, Parks and Recreation Director
SUBJECT: EAGLE ROCK ART GUILD MEMORANDUM OF UNDERSTANDING AGREEMENT EXTENSION

Attached for your consideration is a Letter of Request from the Eagle Rock Art Guild to extend the Memorandum of Understanding (MOU) for a period of three (3) years. The City of Idaho Falls and the Eagle Rock Art Guild on September

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26, 1996 entered into a Memorandum of Understanding for the purpose of providing for construction of a museum and arts education center. The request is being made to allow the Eagle Rock Art Guild to conclude raising the necessary funds needed for the project. The City Attorney has prepared the necessary Extension Agreement. It is therefore, submitted for your approval.

s/ David J. Christiansen

It was moved by Councilmember Hardcastle, seconded by Councilmember Rose, to approve the Extension Agreement to the Memorandum of Understanding with the Eagle Rock Art Guild and, further, give authorization for the Mayor to sign the necessary documents. Roll call as follows:

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

Nay: None

Motion Carried.

The Planning and Building Director submitted the following memo:

City of Idaho Falls
August 21, 2000

MEMORANDUM

TO: Mayor and City Council
FROM: Renée R. Magee, Planning and Building Director
SUBJECT: ORDINANCE ESTABLISHING REGULATIONS FOR SEXUALLY ORIENTED BUSINESSES

Attached is the Ordinance establishing regulations for sexually oriented businesses. This Ordinance has been prepared after staff has reviewed land use studies on the secondary effects of sexually oriented businesses in our own and other communities, and in light of such studies, this Division respectfully requests approval of this Ordinance.

s/ Renée R. Magee

Todd Meyers, Assistant Planning and Building Director, appeared and submitted the following information and exhibits in association with this Ordinance:

Exhibit 1 Summary of City of Idaho Falls Sexually Oriented Business Ordinance Community Survey dated January, 2000
Exhibit 2 City of Idaho Falls Sexually Oriented Business Ordinances Community Survey

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- Exhibit 3 Letter from Chief J. K. Livsey to Todd Meyers, Assistant Planning Director dated December, 1999 regarding a Sexually Oriented Business (SOB) Ordinance.
- Exhibit 4 Idaho Statute – Title 67 – State Government and State Affairs, Chapter 65 – Local Land Use Planning
- Exhibit 5 Idaho Statute – Title 18 – Crimes and Punishments, Chapter 41 - Indecency and Obscenity
- Exhibit 6 Idaho Statute – Title 18 – Crimes and Punishments, Chapter 15 - Children and Vulnerable Adults
- Exhibit 7 National Law Center for Children and Families Summary of the St. Paul, Minnesota Land Use Study dated April, 1988 (Supplemental to 1987 Study)
- Exhibit 8 National Law Center for Children and Families Summary of the Los Angeles, California Land Use Study dated June, 1977
- Exhibit 9 National Law Center for Children and Families Summary of the Garden Grove, California Land Use Study dated September 12, 1991
- Exhibit 10 National Law Center for Children and Families Summary of the Tucson, Arizona Land Use Study dated May 1, 1990
- Exhibit 11 National Law Center for Children and Families Summary of the Seattle, Washington Land Use Study dated March 24, 1989
- Exhibit 12 National Law Center for Children and Families Summary of the Phoenix, Arizona Land Use Study dated May 25, 1979
- Exhibit 13 National Law Center for Children and Families Summary of the Indianapolis, Indiana Land Use Study dated February, 1984
- Exhibit 14 National Law Center for Children and Families Summary of the Whittier, California Land Use Study dated January 9, 1978
- Exhibit 15 National Law Center for Children and Families Summary of the Cleveland, Ohio Land Use Study dated August 24, 1977
- Exhibit 16 National Law Center for Children and Families Summary of the Oklahoma City, Oklahoma II Land Use Study dated June, 1992
- Exhibit 17 National Law Center for Children and Families Summary of the Oklahoma City, Oklahoma Land Use Study dated March 3, 1986
- Exhibit 18 National Law Center for Children and Families Summary of the Beaumont, Texas Land Use Study dated September 14, 1982
- Exhibit 19 National Law Center for Children and Families Summary of the Amarillo, Texas Land Use Study dated September 12, 1977
- Exhibit 20 National Law Center for Children and Families Summary of the Austin, Texas Land Use Study dated May 19, 1986
- Exhibit 21 National Law Center for Children and Families Summary of the Dallas, Texas Land Use Study dated April 29, 1997
- Exhibit 22 National Law Center for Children and Families Summary of the Houston, Texas Land Use Study dated November 3, 1983
- Exhibit 23 National Law Center for Children and Families Summary of the Minneapolis, Minnesota Land Use Study dated October, 1980
- Exhibit 24 Garden City Police Department 1998 Crime Report
- Exhibit 25 Boise Police Department 1998 Crime Report
- Exhibit 26 Map of City of Idaho Falls showing the 2500-foot buffers of churches and schools
- Exhibit 27 Letter from Gayla Nickel (A Gift of Health School of Massage and Therapeutic Clinic) dated June 12, 2000, with following attachments:

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- (A) Code of Ethics
- (B) AMTA Code of Ethics
- (C) Model Massage Ordinance

Councilmember Lehto stated that he was not certain that the above material was useful as the City of Idaho Falls is a relatively small city in comparison with the large cities that have been mentioned. He questioned the Assistant Planning Director regarding whether there were any sexually oriented businesses in Idaho Falls. The Assistant Planning Director stated that there was one sexually oriented business in Idaho Falls.

Councilmember Hardcastle questioned how many residents were polled with the survey. The Assistant Planning Director stated that 100 were mailed out for the residential survey and 42 of the surveys were returned. He stated that 35 were mailed to the real estate professionals.

Councilmember Lehto commented that with only 42 respondents to the residential survey, he did not believe that Council could make an educated decision for the Ordinance.

Mayor Milam stated that a 42% response is an incredible accomplishment. Normally, with a survey, receiving 10% return is considered a good response.

Councilmember Eldredge stated that the intent of the Ordinance is to establish a community standard.

A brief discussion was held among the Mayor and Council regarding the process that has been taken to reach the Ordinance that is being considered. This process has been ongoing for more than seven years.

Councilmember Rose stated that many times the City Council has been accused of being reactive, and this is an opportunity to be proactive.

Councilmember Groberg stated that he agreed with Councilmember Rose. This is an opportunity to act.

Councilmember Lehto agreed and stated that he owed the Assistant Planning Director an apology. The Assistant Planning Director stated that the complete studies are on record in the Planning Office for further review. He found the studies to be solid.

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

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF IDAHO FALLS, IDAHO, ESTABLISHING REGULATIONS FOR SEXUALLY ORIENTED BUSINESSES AND LIMITING THEM TO SPECIFIED ZONING DISTRICTS; PROVIDING FOR LICENSING AND REGULATION OF SEXUALLY ORIENTED BUSINESSES AND EMPLOYEES; AND PROVIDING ADDITIONAL HEALTH AND SAFETY REGULATIONS FOR SEXUALLY ORIENTED BUSINESSES; AND REPEALING PRIOR ORDINANCES INCONSISTENT THEREWITH IN PROVIDING FOR SEVERABILITY AND ESTABLISHING EFFECTIVE DATE.

The foregoing Ordinance was presented by title only. Councilmember Rose moved, and Councilmember Eldredge seconded, that the Ordinance be passed on the first reading only.

Prior to roll call, Councilmember Eldredge stated that one of the provisions of the Ordinance would allow the sexually oriented businesses in an I & M Zone. That is done for constitutional reasons and these types of businesses cannot be banned. One thing that

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is lacking in the Ordinance at this time, is the ability for the public to comment on the establishment of these types of businesses. He requested the Mayor, Council, and City Attorney to look at whether or not including a Conditional Use Permit as part of that process could be used. That would give the public an opportunity to comment on the establishment of these types of businesses. Councilmember Eldredge stated that he did not want to hold up this process. He stated that he was seconding the motion, not requiring the Conditional Use Permit be made part of the Ordinance, but should be considered.

Councilmember Groberg stated that Section C of Section 3 of the Ordinance states, "Notwithstanding the distance requirements of subsection B above, the location of Sexually Oriented Businesses within retail shopping centers in such zones is permitted where such activities will have their only frontage upon enclosed malls or malls isolated from direct view from public streets". He expressed his concerns that technically speaking, someone could build two buildings in McNeil Business Park behind Thayer Bridge Addition, call them a retail shopping center, build a fence around them, and put in a Sexually Oriented Business. He wanted the Ordinance to pass and wants it to succeed if there is a challenge to its constitutionality. Councilmember Groberg was not sure whether to require a Conditional Use Permit or require a lesser distance.

The Assistant City Attorney stated that if the provision that Councilmember Groberg referred to were withdrawn from the Ordinance, the whole Ordinance would be unconstitutional. He stated that he would look at the options that have been presented from Council to determine their constitutionality.

Mayor Milam stated that if the Ordinance is passed on the first reading only, time would allow for further review. If it is determined that changes need to be made, those changes could be incorporated and the Ordinance would come before Council again for approval or denial.

A brief discussion followed regarding the difference between a Massage Therapist and a Massage Parlor.

The Assistant City Attorney stated that recently the United States Supreme Court came down with a decision regarding this type of Ordinance. The City's Ordinance mirrors that extensively.

Roll call as follows:

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

Nay: None

Motion Carried.

The Public Works Director submitted the following memos:

City of Idaho Falls
August 21, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Chad Stanger, Public Works Director
SUBJECT: BID AWARD – SOUTH BOULEVARD ALLEY SEWER BETWEEN
11TH AND 12TH STREETS

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On August 15, 2000, bids were received and opened for the South Boulevard Alley Sewer Between 11th and 12th Streets. A tabulation of the bid results is attached.

Public Works recommends award of this Contract to the low bidder, TMC Contractors, Inc., in the amount of \$131,133.50; and, authorization for the Mayor and City Clerk to sign the documents.

s/ Chad Stanger

It was moved by Councilmember Lehto, seconded by Councilmember Groberg, to accept the low bid from TMC Contractors, Inc. to complete the South Boulevard Alley Sewer Between 11th and 12th Streets and, further, give authorization for the Mayor and City Clerk to sign the necessary documents. Roll call as follows:

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

Nay: None

Motion Carried.

City of Idaho Falls
August 21, 2000

MEMORANDUM

TO: Honorable Mayor and City Council
FROM: Chad Stanger, Public Works Director
SUBJECT: BID AWARD – 10TH STREET WATER LINE AND SOUTHEAST BONNEVILLE DRIVE SANITARY SEWER LINE REPLACEMENTS

On August 15, 2000, bids were received and opened for the 10th Street Water Line and Southeast Bonneville Sanitary Sewer Line Replacements. A tabulation of the bid results is attached.

Public Works recommends award of this Contract to the low bidder, HK Contractors, Inc., in the amount of \$98,355.00; and, authorization for the Mayor and City Clerk to sign the documents.

s/ Chad Stanger

It was moved by Councilmember Lehto, seconded by Councilmember Groberg, to accept the low bid of HK Contractors, Inc. to complete the 10th Street Water Line and Southeast Bonneville Sanitary Sewer Line Replacements Project and, further, give authorization for the Mayor and City Clerk to sign the necessary documents. Roll call as follows:

Aye: Councilmember Lehto
Councilmember Groberg

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Councilmember Hardcastle
Councilmember Eldredge
Councilmember Rose
Councilmember Klingler

Nay: None

Motion Carried.

There being no further business, it was moved by Councilmember Lehto, seconded by Councilmember Rose, that the meeting adjourn at 8:40 p.m.

CITY CLERK

MAYOR
