

OCTOBER 11, 1977

Pursuant to a call by the Mayor the City Council of the City of Idaho Falls met in Special Session in the Bonneville Hotel on October 11, 1977, at 12:00 noon for the purpose of considering the award of a bid for construction of the new fire station, jointly with the Bonneville County Fire District; also, considering an airport use agreement with Trans Mountain Airlines, Inc.; considering any other business which might be appropriately presented. There were present at said meeting: Mayor S. Eddie Pedersen, Councilmen Paul Hovey, Jim Freeman, Mel Erickson, Ralph Wood, and Gil Karst. Also present: Roy C. Barnes, City Clerk; Arthur Smith, City Attorney; John Evans, City Controller; Pete Hill, Director of Aviation; Tom Miller, Assistant Director of Aviation; Les Corcoran, Fire Chief; Earl Booth, Local Architect. Absent: Councilman Campbell.

Councilman Wood rendered a brief economic and fiscal report of airport activities during the past several years for the purpose of emphasizing the need for a planned expansion program at the Airport. Asked for comment Director of Aviation Pete Hill said that the cost of such a program was estimated at \$2,600,000, that Federal Grants would subsidize a portion of said expansion and that a revenue bond issue in the amount of \$1,500,000 was planned to complete said improvements. Hill continued by saying it would be necessary within the near predictable future for a conference to be scheduled between certain appropriate City Officials, the designated Fiscal Agents and the bond attorney to determine a time schedule for the revenue bond election, as well as other issues in need of being resolved. In preparation for such a conference, Hill asked the question, would it be in order for said City Officials to travel to the San Francisco area for the purpose as indicated or to plan said conference in Idaho Falls? Councilman Erickson suggested with general Council concurrence, that the meeting be held in Idaho Falls so that the Mayor, all Councilmen and other interested or affected parties could participate. Wood registered an opinion to the effect that, inasmuch as the electric revenue bond election is planned for late January, 1978, as appropriate time for the Airport issue would be in March. Hill agreed and added that this would allow time for citizens' committees to assist in selling the issue. He said with a March election and assuming it passes, construction could likely start the latter part of 1978. By general Council agreement, Hill was authorized to arrange for a meeting as described here in the City.

Regarding the Trans Mountain Airport Use Agreement, tabled from the last Council Meeting, Councilman Wood reported that Ted Pike from the Office of the City Attorney has perused said agreement and had given it his approval,. Wood said that Trans Mountain was anxious to start service into Idaho Falls by October 15th. It was moved by Councilman Wood, seconded by Hovey, that this agreement be accepted and the Mayor and City Clerk be authorized to sign. Roll call as follows: Ayes, 5; No, none; carried.

This memo from the Director of Aviation was presented:

City of Idaho Falls
October 10, 1977

MEMORANDUM

TO: Mayor and City Council
FROM: Airport Committee
SUBJECT: PROPOSED LEASE – AIRPORT

Measurements, Inc. applies to lease Lots 4, 5, 6, & 7, Block 6, Division 3, approximately 6 acres, of the Airport Industrial Park. Prior application made June, 1975.

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Property in this area has not been leased heretofore, account methane gas emission occasioned by a prior landfill. The applicant proposes how to overcome this liability of the City's. The Building & Zoning Division interposed no objection to the proposed lease account self imposed restriction therein.

Assuming that the City desires to act as a commercial entrepreneur, three realtors have been consulted as to property value and rental. They estimate the value of property in this area in 5 acre plots-uncontaminated- to be \$25,000 to \$35,000 per acre. The attached chart indicates that the City has paid \$844.80 per acre of uncontaminated land under the last Federal project at the airport. This purchase was funded 84% Federal, 16% City. They would expect a 10 to 12% yield per acre. Accordingly, they would attempt to lease such property at an annual rental for 20 years for \$250 to \$420 per acre, or a total rental on 6 acres of \$1,500 to \$2,500 per annum; a cost of living index adjustment every 5 years to be included in the rental agreement.

The Airport Committee recommends: that the applicant be allowed to lease the property described in their application under their avowed conditions, plus a cost of living index increase for an annual rent at this time of \$2,400 per year. Further, that the Mayor and City Clerk be authorized to so execute such an agreement in behalf of the City.

s/ H. P. Hill

It was moved by Councilman Wood, seconded by Hovey, that the City Attorney be directed to prepare an appropriate lease agreement for Council consideration. Roll call as follows: Ayes, 5; No, none; carried.

The Mayor presented and read aloud this letter of resignation from Fire Chief Corcoran:

October 11, 1977

MEMORANDUM

TO: Mayor S. Eddie Pedersen
FROM: Fire Chief Les Corcoran
SUBJECT: LETTER OF RESIGNATION

On December 8, 1977, I will have completed 25 years service with the Idaho Falls Fire Department. They have been very rewarding years and the experiences I've had will always be remembered.

My relationship with you and the other members of the City Administration have always been great. I sincerely appreciate this. The fine relationship we have had makes it especially difficult for me to inform you that I have decided to leave the City of Idaho Falls to pursue other business interests. My last day on the job will be December 9, 1977.

I want to thank you for the support you have given me over the last 13 years. It has been a real pleasure to have worked for you.

s/ Les Corcoran
Fire Chief

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Both the Mayor and Councilman Freeman, as Chairman of the Council Fire Committee, expressed words of regret for this announcement but, also, words of appreciation for the dedicated services of Chief Corcoran during these 25 years and also, words of appreciation for the proficient manner in which he had administered a very efficient and capable department. It was moved by Councilman Freeman, seconded by Wood, that this resignation, effective on the date as indicated, be regretfully accepted. Roll call as follows: Ayes, 5; No, none; carried.

Councilman Freeman reported on a bid opening in the amount of \$200,949, that the second low bid from Clark Brothers Construction Company was in the amount of \$207,892 and that the architect's estimate was in the amount of \$160,000. Freeman also noted that the Burnside bid, inadvertently or otherwise, failed to provide information relative to their completion date. Freeman presented and read aloud this letter from Clark Construction, the second low bidder:

Clark Brothers
Construction Co., Inc.
469 W. 16th Street
Idaho Falls, Idaho
September 28, 1977

CITY CLERK
CITY OF IDAHO FALLS
P. O. BOX 220
IDAHO FALLS, IDAHO

RE: FIRE STATION #2
CITY OF IDAHO FALLS AND BONNEVILLE COUNTY

Dear Sirs:

We hereby file a complaint against the bidding of the project known as Fire Station #2, Idaho Falls and Bonneville County, bid opening September 27, 1977.

Under paragraph number ten of Instructions to Bidders, it states that all blanks must be filled in. Burnside Construction Company did not fill in the blank under "Liquidation Damages" as to how many days he would take to complete the project, which we feel is very important. This leaves an open end to his completion of the contract and does not constitute a proper bid. Time must be very important to levy a \$100.00 per day fine.

We therefore feel that under the fair practice of open bidding, their bid was incomplete and we should be awarded the contract.

Very truly yours,
s/ Vern Clark

Freeman said this letter of protest had been received by the City Clerk two days after the bid opening. Asked for comment, City Attorney Smith registered an opinion to the effect that the foregoing protest registered by Clark Construction was a valid one and should not be

considered lightly by the Council. Smith continued by saying that the instructions to bidders were clear on this point and, without this information it does in fact, leave an open end to the contract which theoretically could mean completion in six months, a year, or, to say the

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least, at the contractor's convenience. Smith said it is an omission of this nature that could invite a suit and represents a material element of the bid, especially one received by a public entity. Smith then noted that this bid was addressed to a straw man corporation by the name of Citizens Development, Inc. and that a representative from the Idaho Firsts National Bank was present and opened the bids. He said this project was a joint venture between the City and Bonneville County Fire District #1. Both of these entities, continued Smith, must agree on the successful bidder and then submit a joint recommendation to Citizens Development, Inc. Smith said after discussing this matter with the Attorney for the Fire District he had no assurance that that entity would concur with his opinion and recommendation. Smith said the law on such matters is quite clear and if this had been an invitation for bids by the City, it would be mandatory that the bid be rejected for this omission as stated but that private entities are not as closely bound as area governmental entities. Noting the architect's estimate on this project as heretofore stated, Councilman Erickson registered an opinion to the effect that the City would be within its rights to recommend rejection of all bids on the grounds that they were so far in excess of said estimate. Asked for comment by Councilman Freeman, Mr. Earl Booth, Architect on the fire station project, appeared briefly. Booth noted that this project was initiated many months ago, and by way of explanation as to why his estimate was so much lower than the bids, he said that, primarily, he had failed to take into consideration the higher labor costs since the conception of this project. Also, continued Booth, there had, in the interim period, been certain non-structural facilities added and also, some revision in the air conditioning system. Booth said that, even if the Clark Brothers bid was accepted, it would be a good bid and below the national average for a fire station of this proposed size and facilities. He said that, in his opinion, to get a lower bid through rejecting all bids and re-advertising, certain attractive features would have to be deleted. Councilman Karst noted that, if said features were deleted and added at a later date, they would undoubtedly be available only at a higher cost. It was moved by Councilman Freeman, seconded by Wood, that the City go on record as recommending to the Citizen's Development, Inc. and to the Fire District that the second low bid of Clark Construction in the amount of \$207,892 be accepted. Roll call as follows: Ayes, 4; No, one; carried. Councilman Erickson voting no.

There being no further business, it was moved by Councilman Freeman, seconded by Hovey, that the meeting adjourn at 1:15 P.M., carried.

s/ Roy C. Barnes
City Clerk

s/ S. Eddie Pedersen
Mayor

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