

March 5, 2018

The City Council of the City of Idaho Falls met in Special Meeting (Council Work Session), Monday, March 5, 2018, in the Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 3:00 p.m.

Call to Order and Roll Call:

There were present:

Councilmember Thomas Hally
Councilmember Shelly Smede
Councilmember Michelle Ziel-Dingman
Councilmember Jim Freeman
Councilmember Jim Francis
Councilmember John Radford (arrived at 3:06 p.m.)

Absent:

Mayor Rebecca L. Noah Casper

Also present:

Pamela Alexander, Municipal Services Director
Dana Briggs, Economic Development Coordinator
Brad Cramer, Community Development Services Director
Kerry Beutler, Community Development Services Assistant Director
Jackie Flowers, Idaho Falls Power Director
Chris Fredericksen, Public Works Director
Randy Fife, City Attorney
Kerry Hammon, Public Information Officer
Kathy Hampton, City Clerk

Mayor Pro Tem Hally called the meeting to order at 3:01 p.m. with the following:

Calendar, Announcements and Reports:

March 7, Public Power Governance Webinar; Idaho Transportation Department (ITD) District Stakeholder Meeting; and ITD Public Meeting
March 8, Idaho Falls Power (IFP) Board Meeting; Real Heroes Event; and City Council Meeting
March 9, City Training Tour
March 15, Chamber of Commerce Advocacy Committee Meeting; and Idaho Falls City Club

Liaison Reports and Concerns:

Councilmember Francis stated Fire Ops 101 will tentatively be held in April, this includes participation of the elected officials to participate in a fire situation. An open house will be forthcoming for the new Idaho Falls Fire Department (IFFD) recruits. Councilmember Francis also stated Human Resources will be holding supervisory training for Performance Appraisal Conversations (PAC) on March 27-29.

Councilmember Freeman stated he has received the priority assessments from the Idaho Falls Police Department (IFPD). There will also be a future meeting regarding the Fraternal Order of the Police (FOP) union issue.

Mayor Pro Tem Hally stated IFPD Chief Johnson will be participating on a panel related to sex trafficking. He also stated the Human Resources Department is working on a policy guide related to police duties.

Councilmember Dingman stated work is continuing with the Parks and Recreation (P&R) agreements. She noted the next Bonneville Metropolitan Planning Organization (BMPO) meeting will be held on March 21.

Mayor Pro Tem Hally stated the international president of Rotary will be in Idaho Falls in April with anticipated discussion regarding Heritage Park.

Councilmember Smede stated conversation is occurring regarding the redevelopment in the area south of Broadway and north of Pancheri Drive. She indicated this historical area has caused concerns to the residents, including interest in street paving and development of sidewalks and gutters. Councilmember Smede also indicated the Library Board is making progress with Bonneville County.

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Councilmember Radford reminded the Council that the March 8 IFP Board Meeting will be held at 7:00 a.m. He indicated Logan, Utah is exploring options of the Small Modular Reactor (SMR).

Travel Policy Discussion:

Director Alexander stated she has been working on the Travel Policy for approximately two (2) years with several discussions, reviews, and input from department directors. She is attempting to resolve issues regarding: use of City-issued credit cards, submittal of receipts, and, the most economical vehicle rate. Director Alexander stated the previous policy, effective in 2007, was maintained by the Municipal Services Department and was more of an administrative-nature policy. She briefly reviewed the Sales Tax Exemption on the Lodging Accommodations form(s) and noted the mileage rate has been updated per the Internal Revenue Services (IRS) standards. Director Alexander stated the incorporation of a credit card allowed flexibility for each department to initiate and manage their own travel arrangements which would help reduce the cash transactions. The credit cards are not tied to employee personal records as the cards are issued through a City account. Director Alexander also stated the previous policy did not require receipts for per diem and travel advance was used. She believes because there was no consistency within departments, this policy provided specific guidelines for travel and use of City tax payer funds. She indicated the use of credit cards reduced staff time and allowed reconciliation of receipts although there was department concern for the length of time to reconcile receipts. Director Alexander indicated the credit cards are working well for most employees although there can be difficulty chasing down credit card receipts. She also indicated there is an overwhelming preference to go back to per diem. Director Alexander stated if a personal vehicle is being used, the preference is to use the rental car mileage rate. Brief discussion followed regarding vehicle use. Director Alexander stated a hybrid method of credit card use for reservations, cash for per diem, and reimbursement of the most economical rate for personal vehicles could be utilized. Mayor Pro Tem Hally believes a hybrid method may be the best option as the decision should be made by the employee, not the department director. He also believes due to personal names listed on the credit card, this card may still affect individual credit scores. Councilmember Freeman believes ongoing training needs to occur for consistency. Councilmember Radford is in favor of per diem. He also wants to ensure the lack of a receipt will not cause a liability issue. He believes a portion of the IRS vehicle rate is for wear and tear on a personal vehicle. Councilmember Dingman stated she was unaware of the rental car option. Councilmember Francis does not want travel to be a burden although he believes there is a responsibility for public money. He is in favor of a hybrid method. Councilmember Smede believes there are administrative costs to compile and reconcile receipts. Director Alexander stated the per diem rate(s) apply to the travel location. Following additional discussion there was consensus of a hybrid model to use the credit card for reservations, per diem for meals, and the vehicle rate would be reimbursed on the IRS rate although a rental car should be used if possible. Follow-up discussion of this item will occur at a future Work Session.

Mayor Pro Tem Hally stated there is a conflict with Idaho Consumer Owned Utilities Association (ICUA) meeting and the regular Council Meeting on July 26. There was consensus to move the Council Meeting to August 2. Director Alexander stated there is also conflict with ICUA and the proposed budget sessions. She indicated authorization to publish the tentative budget and proposed fees would be required at the August 2 Council Meeting for timely publication on August 5.

Economic Development:

Ms. Briggs stated the Economic Development Coordinator position was created in August 2015, Regional Economic Development Eastern Idaho (REDI) was formed shortly thereafter. The major cities in the region are members of REDI. She indicated REDI is privately and publically funded, the City contributes \$60,000 annually, which is based on population. She also indicated she works with REDI in a collaborative partnership. Ms. Briggs reviewed the following:

- Population comparison for the previous twenty (20) years
- Population growth rates for the previous twenty (20) years
- Median household income for the previous twenty (20) years
- Average total labor force for the previous twenty (20) years
- District 91 Bond History/School district enrollment, including enrollment numbers and tax information

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- Surrounding School District total tax rates (for FY2017 only)
- City of Idaho Falls Net Taxable Value for the previous ten (10) years
- City of Idaho Falls General Fund since 2001

Ms. Briggs stated economic development can also be tracked in the TRAKiT software system. The City does not currently have a general business license although additional conversation will need to occur regarding this matter as relocation of businesses has been a concern for the IFFD for safety reasons. Ms. Briggs reviewed the Request for Information (RFI) forms, which include vacant land sites, utilities, water/sewer provider, electric provider, natural gas provider, and, miscellaneous. Councilmember Radford prefers to hear from business owners, large and small, to listen to their concerns, feedback, and challenges. General discussion and comments followed. Ms. Briggs noted the health care sector is largely expanding as the City is one of the regional hubs for health care. Ms. Briggs identified her areas of focus as: business retention and expansion; new business development; workforce development; City processes; and, tourism and quality of life. She indicated she is currently working on a variety of projects within a variety of City departments, local, and State entities.

Electric Line Extension Fee Waiver Briefing and Discussion:

Director Cramer stated a specific request has been received from Jackson Hole Junction (JHJ) to amend the current electric line extension map. Director Flowers reviewed the history of the electric line extension fee waiver policy, which began in 2014. She stated the inventory process has been occurring for approximately seven (7) years including identifying each work order with the associated material and labor costs to ensure the costs were appropriate. The objective was to ensure no customer classification was subsidizing any other customer classification. The line extension fees were then incorporated. Residential development has been based on a per lot fee. Commercial development varies substantially. Director Flowers stated material and labor costs are typically about equal. Of the equipment charges, approximately 50-60% of those costs are for transformers. In 2015 discussion with developers occurred including incentive redevelopment or infill development and the fee waiver policy. She indicated since going live with the fee waiver and map policy in January 2016, there have been 52 developments, seven (7) waivers have been granted, five (5) of which were full waivers. The typical waiver for material and labor is approximately \$22,000. Of those 52 developments, 45 developers have paid the line extension fees, totally more than \$1m, which were not paid for by existing customers. Director Flowers stated lengthy discussion occurred regarding finding the balance of rate payers and developers. She indicated there is no other utility that will extend the infrastructure at no cost. Councilmember Radford stated the map was specific to the waiver ability. Mayor Pro Tem Hally stated redevelopment areas are normally twenty (20) years, noting JHJ was compromised to thirteen (13) years. He questioned if any part of the electric development could go against the \$4m cap. Director Cramer indicated public infrastructure within an Urban Renewal District is eligible for reimbursement through the tax increment financing. Some electrical fees, those which would serve the community, would qualify as reimbursable, those which would serve a specific property, would not qualify as reimbursable. Director Cramer reviewed City Code 8-5-31. He indicated there were concerns with the original intent of the code, therefore the resolution and map were created to determine urban renewal districts, redevelopment areas, and infill sites. He noted, per the resolution, the map would be reviewed on an annual basis for any adjustments. Director Cramer stated the current request is to amend the map to include JHJ as an eligible location for the fee waiver, and, to waive the fees. He indicated the JHJ fee waiver request = \$215,070.19. Director Cramer believes the map could be adjusted. Mayor Pro Tem Hally questioned the underground utilities and the basalt issues. Director Flowers reviewed the utility infrastructure. She indicated the quote is for infrastructure on the project. Councilmember Smede believes the precedent of development needs to be considered. Councilmember Dingman believes the history of the ordinance is important and there were specific reasons for the map. She does not believe modifications are needed at this time. She indicated extension fee waivers were created for redevelopment of small parcels in less desirable locations and believes infill was the intent of the ordinance. She supports the ordinance as is. Councilmember Dingman stated the ratepayers are paying for these fee waivers and caution should be exercised when granting the waivers. She believes this is the cost of doing business. She indicated she would consider adding underdeveloped areas but she is not in support of adding JHJ to the map. Councilmember Francis believes the policy should not be amended for convenience. Councilmember Smede concurred. Councilmember Freeman questioned if any developer was caught in the middle of the fee waiver policy. Director Flowers stated all developers at that time applied to the policy at that time. After brief comments, there was consensus of the Council to leave the policy intact although the map should be reviewed in the near future.

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Floodplain Management Information:

Director Cramer stated the Idaho Department of Water Resources (IDWR) recently conducted an audit of the City's Floodplain Management Policies and Ordinances with favorable findings, with the exception of the Flood Control Ordinance which is out of date. The ordinance needs to be updated and approved prior to May 31, 2018. The updated ordinance is currently in the review process and will be included on a future Council Meeting agenda. Director Cramer stated Mr. Beutler is the Floodplain Administrator for the City. Mr. Beutler stated the floodplain is mainly the Snake River and is not a time consuming issue for the City. Director Cramer stated in the rare case of development within the floodplain, there should not be an obstruction created for water backup. He noted the floodplain has been included in the City Geographic Information System (GIS).

Area of Impact Discussion, Part II:

Director Cramer briefly reviewed the previous Area of Impact (AOI) discussion from the February 20 Work Session and indicated the Council needs to be in agreement with the map and policy. There were no concerns with the map and proposed boundaries. Director Cramer reviewed amendments to the AOI including the reduction of the City's Comprehensive Map and the existing land uses. He stated the City/Bonneville County standards within the subdivision ordinance will not be reviewed until the utility services policy has been completed. He believes the amendments to annexations is favorable as it addresses eligible properties. He also believes amendments to the City review is favorable as the City would have a full review based on standards adopted by Bonneville County. Director Cramer indicated the policy states the Planning and Zoning Commissions agree to meet annually, or as needed, to discuss the AOI and growth issues. He believes these changes will be a benefit to the City. Director Cramer reviewed the utility extensions in the proposed policy. He questioned if the current 250 parcels within the AOI should be addressed prior to other utility extensions. General comments followed. Director Cramer briefly reviewed Category A and Category B annexations. He stated if a property is not contiguous and wants utilities, the property cannot currently annex. It was noted the Local Improvement District (LID) taxation cannot occur until annexation. Director Cramer believes extending utilities is a way to promote development where utility does not already exist. Councilmember Smede believes the 250 parcels need to be a priority. Director Cramer stated the Councilmembers will need to meet jointly with the Bonneville County elected officials as part of the AOI process. He believes the County will oppose removing the utility extension from the AOI language although he also believes the County will be supportive of the City addressing the 250 parcels. Following brief discussion there was consensus to remove the utility extension section from the AOI language.

There being no further business, it was moved by Councilmember Freeman, seconded by Councilmember Smede, to adjourn the meeting at 5:34 p.m.

s/ Kathy Hampton

CITY CLERK

s/ Rebecca L. Noah Casper

MAYOR