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The City Council of the City of Idaho Falls met in Special Meeting (Council Work Session), Monday, March 11, 2019, 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:

Mayor Rebecca L. Noah Casper
Councilmember Thomas Hally
Councilmember Jim Francis
Councilmember Michelle Ziel-Dingman
Councilmember Shelly Smede
Councilmember Jim Freeman
Councilmember John Radford (arrived at 3:09 p.m.)

Also present:

Brad Cramer, Community Development Services Director
Greg Weitzel, Parks and Recreation Director
PJ Holm, Parks and Recreation Assistant Director
Chris Fredericksen, Public Works Director
Amanda Ely, Targhee Regional Public Transportation Authority (TRPTA)
Darrell West, Bonneville Metropolitan Planning Organization (BMPO)
Jeff Marker, Idaho Transportation Department (by telephone)
Rachel Palister, Idaho Transportation Department (by telephone)
Michael Kirkham, Assistant City Attorney
Randy Fife, City Attorney
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 3:01 p.m. with the following:

Acceptance and/or Receipt of Minutes:

It was moved by Councilmember Smede, seconded by Councilmember Freeman, to receive recommendations from the Planning and Zoning Commission. Roll call as follows: Aye – Councilmembers Smede, Hally, Dingman, Freeman, Francis. Nay – none. Motion carried.

Calendars, Announcements, and Reports:

March 12, District 91 Supplemental Levy Election
March 13, God Bless America Musical Presentation
March 14, Chamber Legislative Call; and, City Council Meeting
March 21, Chamber Legislative Call
March 25, City Council Work Session
March 27, Eastern Idaho Regional Medical Center (EIRMC) Burn Center Open House; BMPO Policy Board Meeting; and, Mayor Scholarship Fund Award Ceremony
March 28, Chamber Legislative Call; Idaho Falls Power (IFP) Board Meeting; City Club; and, City Council Meeting
March 30, 2019/20 Budget Kick-Off
April 4, Chamber Legislative Call; and, State of Downtown Annual Meeting
April 8, City Council Work Session

Mayor Casper stated future Work Sessions could be lengthy, there also may be the need for future Executive Sessions. Following brief discussion, there was consensus to add the Executive Sessions at the conclusion of regular Council Meetings, pending the timeframe of Council Work Sessions. Mayor Casper briefly reviewed current and pending House Bills with the State legislators. She also noted, per a recent press release regarding pot holes, Broadway and Yellowstone Avenue are the responsibility of the Idaho Transportation Department (ITD).

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Liaison Reports and Concerns:

Councilmember Hally stated Idaho Falls Police Department (IFPD) positions are being filled. He also recommended the Council pay attention to Federal legislation as these decisions impact cities.

Councilmember Smede stated there has been recent conversation regarding future annexations although any annexations have been delayed pending State legislation. She also stated the Library recently received a summer STEM grant, she briefly reviewed additional events occurring at the Library.

Councilmember Freeman reiterated the pot hole press release. He noted \$127,000 has been spent from the \$525,000 snow removal budget. Councilmember Freeman also stated David Smith, Wastewater Superintendent, will be retiring at the end of March; paving will be occurring on the north end of the City due to a State/Local agreement/grant award; and, the zoo is scheduled to open April 13 with a clean-up day occurring prior to opening day.

Councilmember Francis stated glass recycling is going well, the first shipment is anticipated to be transported in April. He also stated Alturas Academy has requested a recycle presentation by Councilmembers Francis and Freeman. Councilmember Radford stated fiber was launched in the previous week, he noted internet service providers are beginning to advertise for their services. He briefly reviewed State legislation. He recommended, due to the upcoming Budget Kick-off, the Council be aware of capital projects.

Councilmember Dingman stated Phase 1 of the Airport construction project will be forthcoming, there are no anticipated closures of the Airport during this project.

Board of Adjustment: Additional Responsibilities Proposal:

Director Cramer stated there is intent to shift some responsibilities from the Planning and Zoning (P&Z) Commission to the Board of Adjustment (BOA). Changes include variance requests and Conditional Use Permits (CUPs). These changes are intended to utilize the BOA on a more frequent basis. Brief general comments followed regarding CUPs. This item will be included within a Zoning Ordinance amendment on the March 13 Council Meeting agenda.

Spray Park Design Study Report:

Mayor Casper reminded the Council that \$50,000 has been budgeted for the spray park design study, including \$100,000 for authority to allow for spending in the event of a grant. Director Weitzel reviewed the seven (7) potential splash pad locations throughout the City – Reinhart Park, Hyland Park, Bel-Aire Park, Poitevin Park, Snake River Landing, Tautphaus Park, and, Sunnyside Park. He stated some of these locations could potentially replace playgrounds. There are currently 23 playgrounds, 16 playgrounds potentially needing replaced.

Director Weitzel reviewed Prices and Designs:

Play Now (estimated opening date: July 3)

- Sports Theme – Turn Key Ready = \$183,270
- Nature Theme – Turn Key Ready = \$206,719

Rain Drop Inc. (estimated opening date: early fall)

- Eagle Rock Theme – no concrete, no holding tank = \$101,223
- Reinhart Park Theme – no concrete, no holding tank = \$200,332

Splash Zone (estimated opening date: late summer/early fall)

- Basic Splash Pad Theme – no holding tank = \$221,379

Director Weitzel noted Turn Key Ready means if the spending were authorized the company would handle the entire project, with the exception of the utility. Director Weitzel presented the conceptual site plan for Reinhart Park, his recommended location. He reminded the Council of the citizen's petition in the previous year to turn the former pool into a splash pad. Assistant Director Holm stated, per conversation with Crosspoint Community Church, the church would be open to signing an agreement for use of the parking lot. He also stated IFP is willing to assist with the needed power pole infrastructure changes. The costs for the relocation of the power pole were unknown. Mayor Casper noted design of the driveway needs to be carefully designed so not to interfere with the power pole. Assistant Director Holm stated a holding tank of 8,000 gallons for the splash pad could also be used for irrigation. He briefly explained the water recycling process. Director Weitzel noted the amount of water used will depend on the usage of the park. He indicated water usage could be up to 8,000 gallons in an hour. To the response of Councilmember Francis, Director Weitzel indicated the option to install two (2) tanks was discussed and was added as an alternate in the bid specifications. To the response of Councilmember Hally, Director Weitzel stated there are no grant applications pending for this project.

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Director Weitzel reviewed potential funding options for the \$250,000 needed to build a splash pad:

Option 1: Excess snow removal funds (\$400,000 reallocated)

Option 2: Use Health and Accident Fund

Option 3: Use General Fund Balance

Option 4: Borrow against Heritage Park (\$500,000 for realigning power poles)

Option 5: Cut services, staff and Operations & Maintenance (O&M) in Parks and Recreation (P&R)

Option 1 – Mr. Hagedorn stated there is a \$1,000,000 cap of snow removal savings. This cap was reached in 2018. The current year's budgeted amount for snow removal was not used, therefore, based on the resolution passed for snow removal, this money can be reallocated. Option 2 – Mr. Hagedorn stated the City has an agreement with Blue Cross. Money has accumulated in this fund and was utilized in the previous year to balance the budget. He suggested using these funds for this project in a similar manner. Mayor Casper expressed her concern and suggested this option not be considered. Option 3 – Mr. Hagedorn stated use of the General Fund requires that future expenditures be less than revenues. He stated this fund has been used for previous projects. Mayor Casper again expressed her concern. Option 4 – Director Weitzel stated P&R has closely reviewed their budget and due to the decreased budget in the previous year, there is no excess funding in O&M. It was determined the capital fund was the only fund to borrow from. The money set aside for realigning power poles could be used but then would be returned by fall. Director Weitzel also noted this money would be requested in next year's budget. General discussion followed including eligibility for State grants. Option 5 – Director Weitzel stated this option is simply to cut operations and staff in P&R. Mr. Hagedorn stated Director Weitzel has typically been under budget due to projects being postponed or not yet completed, this is why Option 3 was being considered. Director Weitzel stated he has been under budget for the past 5-7 years although he does not believe he will be able to find the needed funds in his department for the current year. He also stated the P&R recommendation is to use the snow removal funds. Director Fredericken indicated there is an approximate \$400,000 excess of snow removal funds that will be allocated to the General Fund due to the cap. He stated the cap amount is \$1,000,000 with an additional \$525,000 budgeted. This results in \$1.5 million available for snow removal each year. He noted the overtime budget in the current year has increased slightly but the contractor work has been greatly reduced due to equipment purchases. General discussion followed regarding the current and previous snow accumulations.

Director Weitzel reviewed next steps:

The City Council to approve a funding option

Prepare bid specs for final design

Award a contract – allowing at least 10 to 12 weeks for construction

July 3rd ribbon cutting

Director Weitzel believes there would be corporate sponsors and foundation assistance with the project. He stated a restroom would also be required noting a standard restroom costs approximately \$30,000-\$40,000. Councilmember Freeman believes this projects' success could provide opportunity for future funding assistance for additional splash pads. Councilmember Dingman believes Reinhart Park would be the preferred location due to the current infrastructure and available amenities in place. Councilmember Francis believes Reinhart Park should be considered separately from the other suggested locations. He requested more information regarding on-going costs, a formal agreement for parking lot usage, clarification of the power pole relocation cost, the possibility of additional water storage, re-signage for parking on Washburn Avenue, and, safety on Washburn Avenue. He noted he is in favor of funding Option 1. Councilmember Dingman believes an itemized ongoing budget is needed for better clarity. Councilmember Smede questioned if re-directing funds will negatively impact the ongoing and needed projects elsewhere. Director Weitzel stated this project has been presented at the request of the P&R Council liaisons, this project is not considered a priority item within P&R. Councilmember Dingman believes this project will provide a water experience to the citizens at a much smaller cost than a future pool. Councilmember Radford noted the splash pad would be a replacement asset of the Reinhart Park swimming pool. Mr. Fife clarified this discussion is strictly conceptual and actual, specific bid conversations should be discussed at another time. Mayor Casper expressed concern about funding Option 1 stating other City departments might be interested in the these funds. She requested the Council take consideration and respect the budgets that have been put in place. Councilmember Radford concurs with Mayor Casper although this project is a highly discussed topic. Councilmember Smede expressed her

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appreciation for collaboration and inclusion of multiple departments. Councilmember Francis believes the July 3 date is too soon. Councilmember Freeman noted this project will not use the entire \$400,000 of snow removal funding.

Report to Council – TRPTA Director and Public Transit – BMPO and ITD:

Mayor Casper and Councilmember Dingman reminded the Council of the previous request for a TRPTA presentation prior to release of the quarterly funding. Ms. Ely represented the following with general discussion throughout:

Services TRPTA provides in Idaho Falls: Fixed Routes – 4 routes (within Idaho Falls); 3 Americans with Disabilities Act (ADA)/para transit (within Idaho Falls); and, 1 route between Idaho Falls/Rexburg. Demand Response – 5-6 buses within Idaho Falls, Ammon, Ucon, Iona (Bonneville County); Rigby into Idaho Falls; Rexburg into Idaho Falls; Shelley into Idaho Falls; and, Ammon into Idaho Falls. Ms. Ely stated these buses provide Medicaid services which is the biggest portion of revenue received. She also stated the number of passengers on fixed routes and demand response are similar.

Who TRPTA serves: seniors; disabled; veterans; students; Medicaid; and, general public.

Cost to Operate in Idaho Falls: Fixed Routes - basic operations cost = approximately \$343,509; Complimentary paratransit service mandated by ADA - basic operations cost = approximately \$192,836. This does not include administration or maintenance costs. Ms. Ely indicated without Medicaid, there are no paratransit buses. Demand Services basic operations cost = \$317,560. Maintenance cost = approximately \$90,500. Administration cost = approximately \$266,052 (urban only). Total cost estimate for Idaho Falls = \$1,210,000, total local match estimate needed = \$424,000.

Urban revenues vs expenses in Idaho Falls:

Local Match –

- Urban local government contributions: \$140,000 City of Idaho Falls, \$35,000 Bonneville County, \$1000 City of Ammon, \$1500 City of Ucon. Total = \$181,500
- Contract Services - \$235,840 as of FY 2018: \$168,276 Medicaid, \$32,000 Eastern Idaho Community Action Partnership (EICAP), \$10,000 Development Workshop Inc. (DWI) (Festival of Trees donation), \$25,564 Misc. (vocational rehab, health and human services). Total = \$235,840
- Total Urban Area Local Match = \$417,340

Other Revenues –

- Program Income = \$50,000
- Fares = \$40,000

How to reduce cost in FY19 to date:

- ~\$32,000 organizational restructure = approximately \$32,000 remainder of FY19 and over \$52,000 FY20 forward and, estimated savings of \$8000 by splitting position duties
- ~\$34,560 reduced operations labor - loss of operations staff can be a loss in revenue
- ~\$40,000 no overtime restrictions
- ~\$40,000 through increased monitoring of Medicaid brokerage processes
- ~\$20,000 PERSI/Worker's Comp reduction

Total = \$174,500

Benefits of TRPTA in Idaho Falls: quality transportation services; qualified, licensed and trained bus operators; minimal cost to ride public transportation; reduce emissions; ability to assist in reducing the number of cars on the road and conserving pavement; and, ability to move the community and visitors in large numbers.

Ms. Ely stated the Federal Grant does not provide for administration costs, some funds from the Federal Transit Administration (FTA) are received for administration costs, although these are not fully covered. She also stated TRPTA does not have a State level funding, there is only Medicaid, local cities and counties; and, federal match. Ms. Ely stated an audit was performed in June 2018, with 11 items needing corrections. Those corrective items are being finalized and will be submitted by March 21. Councilmember Dingman questioned why TRPTA is providing services to Rigby, Rexburg, Shelley when their municipalities do not provide financial services. Ms. Ely stated there are

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Memorandum of Understandings (MOUs) with these cities, these cities are Medicaid passengers. Councilmember Dingman believes the services TRPTA provides outside of Bonneville County may not be legal. Ms. Ely declined to discuss that matter. Councilmember Smede asked about the equity calculation that is used to determine how much the participating cities pay. Councilmember Dingman indicated that TRPTA does a presentation to the cities each year and those cities then decide what they will contribute. She questioned the contribution history of Rexburg, Rigby, Shelley. Ms. Ely indicated they do not contribute because they are under a Medicaid contract. Councilmember Dingman stated that Idaho Code states that resolutions must be enacted and elections held to create a transportation authority outside of the geographical jurisdictional limits that are provided within the TRPTA. At the request of Mayor Casper, Ms. Ely explained the difference between paratransit and demand response services. She noted paratransit is partially covered by Medicaid and is set up through a State Broker. Medicaid rates are currently being reviewed by the State Legislation. Ms. Ely indicated TRPTA has a Department of Housing and Urban Development (HUD) Grant and will also be applying for other smaller grants. She hopes to put some money aside to start replacing buses. She stated there are 37 buses and will try to replace 21 buses. Councilmember Freeman questioned if TRPTA is losing money for the rural routes (Rigby, Rexburg, Shelley). Ms. Ely believes they are not losing money on Medicaid although if the rural routes were cut they would lose the Medicaid funding. Councilmember Dingman stated that TRPTA was not set up to function out of Bonneville County although the audit report indicated the rural routes bring in the most income, but also cost the most. Ms. Ely indicated that all the buses run 3300 miles therefore, all costs are about the same. Councilmember Dingman believes there are issues with the policy and procedure handbook and the Bylaws. She stated the Board is currently operating under Bylaws signed in 2017, there are also voting members on the Board that are from municipalities that are not contributing. Ms. Ely indicated that Rexburg donates \$7,000, Madison County donates \$3500 (which is used for rural match), Teton County donates \$8000, and the City of Driggs donates \$2500. Mr. Kirkham reviewed State Code regarding public transportation. He stated an initiative for BMPO was placed on the Bonneville County ballot only in 1994. He stated when it was adopted there was one way to create a regional authority, and in 1996 the Code was amended to have multi-County jurisdiction including a legal description that the authority would occupy and residents in that area would be able to vote. Mr. Kirkham stated no resolutions or election has been located related to TRPTA in any of the counties that TRPTA is servicing outside of Bonneville County. Brief discussion followed regarding the TRPTA Board Members and the current vacancies. Mayor Casper believes there may be a problem which has been occurring over the course of time and it is a concern that tax dollars could be going to an illegitimately run organization. Mr. West believes the letter from FTA requesting corrective actions by TRPTA is delinquent. He indicated FTA stated TRPTA does not have the technical capacity to work within the Federal guidelines and this is a very serious matter. Councilmember Hally believes the downfall of TRPTA may be related to the absorption of the Community and Rural Transportation (CART) system as the cost was underestimated. He also believes there may be Medicaid broker problems. Councilmember Smede questioned TRPTA's 'why'. Ms. Ely stated TRPTA is to ensure there is public transportation at a low cost. Councilmember Smede questioned the empty buses. Ms. Ely stated a lot of the empty buses are due to people cancelling. Councilmember Francis questioned the makeup of the TRPTA board and why Idaho Falls is so under represented. Mr. Kirkham stated this was set by Code with the jurisdiction and bylaws, the City Attorney's Office is unable to find when or how the makeup of the Board was changed. Councilmember Radford stated TRPTA needs to create a Board that has more continuity and in order to gain his support he'd prefer a different makeup. General comments followed regarding board members. Mr. West believes that TRPTA decided it could engage other services through the MOU's. Councilmember Francis believes TRPTA may need restructured. Ms. Ely stated there has been excess revenue from Medicaid for several years. When Medicaid went to a Statewide brokerage it became a realization that there is not enough money being put into the system outside of Medicaid. She believes funding needs to be revisited. Councilmember Radford questioned the grant process and whether TRPTA can find something similar to the Pocatello model. Ms. Ely stated she is operating as lean as she can by using the model she has. She believes FY 2019 will break even as a whole, and that does not include depreciation. Ms. Ely stated TRPTA has 13 buses operating in the urban area, nine (9) for the rural area, and a total of 37 buses. Mayor Casper questioned the unused assets. Ms. Ely stated the FTA has not responded to her request to sell buses. Mr. Marker stated, per the letter submitted, FTA and ITD will not be able to provide future grant money for capital projects until satisfactory resolution to the audit findings are submitted, due to the delinquency of TRPTA's response. However, they will continue to provide grant money for current operational costs, provided TRPTA can show satisfactory payment and match. To the response of Councilmember Dingman, Mr. Marker confirmed the response from TRPTA is now delinquent. Councilmember

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Hally questioned the assets if TRPTA is liquidated. Ms. Palister stated the rural assets are titled in ITD's name, there is a specific process for disposition which would depend on the value of the vehicle. If the vehicle value is more than \$5000 FTA would require any excess money go back into public transportation. Councilmember Radford questioned Pocatello and Boise transportation. Ms. Palister stated they do fund the rural operations outside of the Pocatello area. Mayor Casper questioned the possibility that TRPTA has been operating as a regional authority but may only legally be a county authority. Mr. Marker stated they would defer to legal, however money provided for rural operations is separate from any State Code establishing an authority and is not relevant to distribution of rural dollars. Mayor Casper questioned if the Federal rules would require that the Board reflect the rural entities. Ms. Palister stated that would be on the State level. Councilmember Radford questioned the allocation of ITD funds for the rural area of Pocatello. Ms. Palister is unsure of the funding and clarified Pocatello is not an actual 'authority'. Mr. Marker stated something similar to the Pocatello model could be set up. Mayor Casper questioned the alternate providers for Medicaid riders. Mr. Marker stated there are other places that provide options on a smaller scale. Mr. West stated TRPTA consulted with a consultant years ago to find new options, however there were so many arguments they had to cut ties. He believes a fixed route will yield the highest productivity and trips at a lower cost, however, there is no infrastructure to support the operations in this area (i.e. curb cuts, signage, shelter). He stated fixed routes could be combined with a deviated fixed route system which would accommodate the paratransit. Mayor Casper questioned a ride-share program (Uber). Mr. West stated he is only aware of three (3) ride-share programs in the U.S. that can provide paratransit services. Councilmember Freeman asked if Medicaid would pay for other ride-share programs. Ms. Ely stated it is possible, Medicaid will use as many people as they can to provide the trips needed. To the request of Mayor Casper, Mr. West stated BMPO is responsible for programming and planning all federal dollars. He also stated the BMPO Policy Board makes funding decisions for highway, transit, etc. and works closely with TRPTA. He expressed his concern with the projects submitted by TRPTA and the fiscal restraint. He believes TRPTA needs to make sure the revenues are reasonably available and the revenues previously used carry forward. Councilmember Dingman questioned the Transportation Improvement Plan (TIP) that has been presented. Mr. West believes the \$135,000 extra in Medicaid needs a methodology with new riders and new rates being used. He stated a 5-year average instead of a 1-year average should be used. Councilmember Dingman questioned if there was a shortfall in dollars. Mr. West stated Federal revenue is fine, although local revenue is questionable with the 125% from Medicaid. He would prefer to operate a system with current revenue. Ms. Ely stated she is adding in the Medicaid increase, which is in the second leg of a three-leg legislative process, although the increase is unknown. Mr. West believes TRPTA is maxed out on Medicaid trips. Councilmember Dingman does not believe the TRPTA Board is concerned with the problems that TRPTA is facing. She also believes the TRPTA Board needs restructured and the additional counties should go through the legal process similar to the Bonneville County process. She does not believe it is responsible to invest general funds into something that is not going well. Councilmember Smede believes TRPTA is needed, but they need to operate within their means. Councilmember Freeman stated he is willing to give them another three (3) months and provide the next funding amount to see if TRPTA can straighten the problem. Councilmember Radford stated he sees concern, but not a solution. Councilmember Francis indicated they have the fiduciary responsibility not to waste money and if it is going to be sanctioned it needs to be held back. Councilmember Radford concurs with Councilmembers Freeman and Francis. Councilmember Hally does not believe TRPTA can make it work even with the money from the City. Brief discussion followed regarding the lack of financial information that would show how TRPTA was going to move forward. Ms. Ely indicated she will provide the funding information. Mayor Casper stated future discussion will occur once the FTA sanctions have been cleared, no funding will be released until that time.

There being no further business, the meeting adjourned at 6:32 p.m.

s/ Kathy Hampton

CITY CLERK

s/ Rebecca L. Noah Casper

MAYOR