

May 20, 2019

The City Council of the City of Idaho Falls met in Special Meeting (Council Work Session), Monday, May 20, 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:

There were present:

Mayor Rebecca L. Noah Casper
Councilmember Thomas Hally
Councilmember Shelly Smede
Councilmember Michelle Ziel-Dingman
Councilmember Jim Freeman
Councilmember Jim Francis
Councilmember John Radford (by telephone)

Also present:

Brad Cramer, Community Development Services Director
Lisa Farris, Grants Administrator
Pamela Alexander, Municipal Services Director
Arthur Kull, Civic Center for the Performing Arts Committee Chair
Carrie Scheid, Civic Center for the Performing Arts Committee Vice Chair
Bonnee Taggart, Civic Center for the Performing Arts Committee Member
Anne Staton Voilleque, Civic Center for the Performing Arts Committee Member
Roxane Mitro, AKM Architecture
Richard Dodge, Studio I
Dana Briggs, Economic Development Coordinator
Ryan Tew, Human Resources Director
AJ Argyle, Insurance Broker
Randy Fife, City Attorney
Kathy Hampton, City Clerk

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

Calendars, Announcements and Reports:

May 21, Eastern Idaho Public Transit Policymakers Discussion
May 24, Community Park Ribbon Cutting
May 25-27, Field of Honor
May 28, The Broadway Grand Opening
May 29, Idaho Transportation Department (ITD) I-15/US 20 Results and Discussion; and, Bonneville Metropolitan Planning Organization (BMPO) Joint Policy Board/Technical Advisory Committee (TAC) Meeting
June 3, Area of Impact Meeting
June 6, City Club

Acceptance and/or Receipt of Minutes:

It was moved by Councilmember Smede, seconded by Councilmember Dingman, to receive recommendations from the Planning and Zoning Commission pursuant to the Local Land Use Planning Act (LLUPA). Roll call as follows: Aye – Councilmembers Dingman, Radford, Francis, Smede, Hally, Freeman. Nay - none. Motion carried.

Mary Lund Library Board Reappointment:

Mayor Casper stated Ms. Lund's term expired on April 30, 2019, the Library Board will be requiring an action item prior to the May 23, 2019 Council Meeting when reappointments are typically approved. Therefore, it was moved by Councilmember Smede, seconded by Councilmember Freeman, to approve the reappointment of Mary Lund to the Library Board. Roll call as follows: Aye – Councilmembers Smede, Hally, Radford, Dingman, Freeman, Francis. Nay - none. Motion carried.

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Mayor Casper distributed Arbor Day and Red Poppy Days proclamations as well as Executive Order No. 2019-02 issued by Governor Brad Little, regarding a Regional Government Efficiency Working Group.

Liaison Reports and Concerns:

Councilmember Hally reminded the Council of upcoming Association of Idaho Cities (AIC) and Idaho Consumer Owned Utilities Association (ICUA) meetings.

Councilmember Smede stated the Library will be hosting two (2) upcoming conferences. She briefly reviewed upcoming Library events. She also stated the west side annexation will be included on the May 23 City Council Meeting agenda.

Councilmember Freeman stated the construction project map is active on the City website. He also reiterated the Community Park ribbon cutting. He commended the Idaho Falls Police Department for the recent arrest regarding the Angie Dodge case.

Councilmember Francis stated the Idaho Falls Fire Department is currently in negotiations with the Bonneville County Fire District. He also stated there is an election on May 21 regarding the Idaho Falls Auditorium District.

Councilmember Dingman stated a general aviation community update meeting occurred regarding a draft version of the Airport lease agreements. She believes Airport Director Rick Cloutier dispelled several rumors. She also believes there was consensus from those in attendance that the draft agreement is agreeable. Councilmember Dingman stated she will not be available for the May 21 Public Transit meeting. She indicated all Targhee Regional Public Transit Authority (TRPTA) employees have received their final paychecks. There has also been approval from the Federal Transit Authority (FTA) to receive match funds for the Paid Time Off (PTO) payout which will occur in the near future. The TRPTA Board of Directors are gathering information regarding outstanding debt. This will be discussed at a future TRPTA board meeting. Assets and sale of equipment will also be discussed.

Councilmember Radford had no items to report.

Community Development Block Grant (CDBG): Grant Funding Allocation Discussion:

Ms. Farris distributed information regarding the five-year plan and priorities. She indicated this information is a big driver for the activities and projects recommendations. She stated \$399,774 will be received for Program Year (PY) 2019 for activities and projects, this is a slight increase from the previous year.

Formula to reach minimum/maximum allowable percentage of allocation:

\$399,774-\$79,954 (Administration) = \$319,820

\$319,820 (70% minimum to benefit Low/Moderate Income (LMI) directly) = \$223,874 (must meet)

\$95,946 is left for Public Service (maximum is \$47,973) and Slum/Blight (maximum is \$95,946)

Ms. Farris briefly reviewed amount requested and activity/project descriptions for Public Service (15% maximum of total allocation), Slum/Blight by Area (30% maximum of total allocation), LMI Projects (70% minimum required), and, Administration (20% maximum allowed). She recommended total amount for Public Service as \$33,000; total amount for Slum/Blight as \$50,000; total amount for LMI Projects as \$236,820; and, total amount for Administration as \$79,954. Councilmember Francis expressed his concern for the lack of funding for the roof replacement project at the Idaho Falls Sr. Citizen Community Center as this is a City-owned building. He also expressed concern for long-term issues due to the roof. Ms. Farris stated the project is a routine maintenance issue and at this time it was not considered a high-priority project. Director Alexander stated, per the current agreement, roof maintenance would be the responsibility of the Senior Center Organization. General discussion followed regarding the LMI projects. There was concern of the Council to protect the City asset of the Sr. Citizen Community Center. Following additional discussion, there was consensus to allocate:

Idaho Legal Aid Idaho Falls - \$10,000

CLUB, Inc. Crisis Intervention - \$5,000

Behavioral Health Crisis Center of E. Idaho - \$18,000

Idaho Falls Downtown Development Corporation (IFDDC) - \$40,000

Public Works Curb/Gutter/Sidewalk - \$104,000

Idaho Falls Sr. Citizen Community Center - \$38,400

Eastern Idaho Community Action Partnership (EICAP) - \$9,000

Idaho Falls YMCA - \$72,000

Habitat 4 Humanity Idaho Falls Location-Elmore Street - \$30,000

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Ms. Farris also recommended the remaining 2018 TRPTA CDBG funds request of \$35,000 (due to the intention of TRPTA being dissolved) be redirected to the Habitat 4 Humanity – Elmore Street as a portion of this project will not be covered by Public Works. This \$35,000 will support Public Works as well as the affordable housing project. Ms. Farris noted the TRPTA CDBG funds are less than the 10% allocation maximum, therefore public outreach is not required. This item will be included on the May 23 Council Meeting agenda.

Idaho Falls Civic Center for the Performing Arts Presentation and Update:

Each Civic Center Committee member was introduced, Ms. Deidre Warden, who was absent, was also recognized. Mr. Kull stated the renovation of the Civic Center was divided into three (3) phases: Phase I – auditorium (this phase is anticipated to be completed by August 2019), Phase II – the back of the house, and, Phase III – the front of the house. He commended the Civic Center Committee members, City staff, Brandi Newton (Executive Director of the Idaho Falls Arts Council), and, the architects. Mr. Kull stated the Civic Center is the only performance venue in Idaho Falls with 1800+ seats and a large stage. The venue can accommodate large performances and touring shows. Ticket sales of \$1.5M per year, as well as cultural amenities, provide economic benefit to the City. The venue also supports many local organizations that bring performing arts to Idaho Falls. Mr. Kull briefly reviewed several of these local organizations. He indicated the Civic Center is an essential component of the quality of life for the citizens of Idaho Falls and the region. Therefore, the Civic Center Committee recommends the Council continue their commitment to invest in the renovation and in its continued ownership and operation by the City. Mr. Kull reviewed items completed in Phase I (2017-2019) Renovations. He stated Phase II and Phase III renovations for design and construction are proposed for 2020-2023. He reviewed the renovation items for each of the remaining phases with general comments throughout. Renovation funding, City = \$1,750,000 and Private/Public Donations = \$7,250,000. 2019-2020 Funding Needs: \$250,000 – City, \$250,000 – Private/Public Donations. Ms. Scheid indicated there is potential for large private donations, which cannot be thoroughly discussed at this time. Director Alexander believes there is potential for this beautiful facility. Mr. Dodge believes the Americans with Disabilities Act (ADA) accessibility need is a significant component.

Economic Development – Community Partnership Grant Briefing:

Ms. Briggs reviewed the Community Partnership Grant FY2019-2020 Process timeline (end of May through November); the funding parameters as determined by the City Council (\$130,000 total City FY18/19 budget allocated with \$35,000 maximum funding per applicant); Committee members (Ellie Hampton, Buddy Hall, Eric Liester, Mike Richards, Sunny Katseanes, and, Angie Lee); and, the number of FY2018/2019 applications received (28) and amount requested (\$472,072.13). She also briefly reviewed the Community Partnership Grant application noting there were minor adjustments from the previous year, including addressing incomplete applications and grant report language. Councilmember Francis requested thorough review from the committee members within the grant parameters. Councilmember Dingman questioned funding of additional governmental State or Federal agencies (school districts, taxing districts). Mr. Fife indicated this is determined by policy. Ms. Briggs stated she will clarify the application.

Economic Development – Semi-annual Report:

Ms. Briggs stated the Economic Development information on the City website has recently been updated. She also stated the current City website videos will be updated in the near future. She reviewed the updated Economic Profile including the recent purchase of mySidewalk software. She believes mySidewalk has been a helpful tool for City data. Ms. Briggs stated she recently attended a Site Selectors Guild Conference. She reviewed the following information from this conference with general discussion throughout:

Site Selectors Guild –

Founded in 2010, the only association of the world's foremost professional site selection consultants. Guild members provide location strategy to corporations across the globe for every industry, sector, and, function.

Best Practices: Amazon –

Regional approach; political support for incentives; and, Request for Information (RFI) response focused on talent pipeline now and ongoing.

Site Selection Transformation –

Insatiable desire for accurate data; risk assessments increasingly important; and, incentives are formulaic and performance based.

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Additional lessons –

State leadership is key (State Departments of Commerce are expected to be sophisticated and coordinated); legislature; and, communities often aren't looked at or considered if they are under 500,000 in population.

Distressed communities index – (Idaho index is Prosperous/Comfortable)

Economic opportunity is tied to location more than ever before.

So what/now what? –

Make ourselves special by making ourselves small; offer transparent, targeted, and thoughtful incentives; prepare for what we want in the future (infrastructure); mindset of recruiting people, not companies; leadership, competence, and succinctness is appreciated; Governor Brad Little's Economic Development priorities; Regional Economic Development for Eastern Idaho (REDI) leadership transition; and, we are fortunate to have opportunities and growth happening in Idaho Falls right now.

Mayor Casper stated Ms. Briggs is constantly working on attraction and attention for future businesses. She believes an Economic Development Coordinator is important for the City growth, quality of life, and, tax base issues. Ms. Briggs expressed her appreciation for the Council support.

City Employee Wages and Benefits Discussion, Part 3:

Mayor Casper stated consensus will be needed for a proposed amount of Cost of Living Adjustment (COLA) and benefits. This amount will help identify additional City priorities in the upcoming fiscal year. Director Tew stated Mr. Argyle was able to negotiate the benefit increase for the upcoming fiscal year. This negotiation reduced the increase to 9%, which reduces the employer portion by approximately \$85,000.

Updated 2019/2020 Medical/Dental/Vision Insurance Increase –

City Share	\$698,345
Employees Share	\$130,423
Total	\$828,768

Director Tew stated three (3) scenarios have been compiled based on the previous May 6 Work Session discussion: Total City Cost Reduction with Different Scenarios –

<u>Scenarios</u>	<u>City Cost</u>	<u>Reduction</u>
Current Split; Current Plan Design; No Plan Design Changes	\$698,345	
1. PPO 89/11; HSA 95/5; Increase Co-Pay	\$546,225	(\$152,090)
2. PPO 89/11; HSA 95/5; Increase Co-Pay & Out of Pocket Max	\$453,391	(\$244,954)
3. PPO 88/12; HSA 94/6; Increase Co-Pay	\$437,042	(\$261,303)

Director Tew stated there was preference to increase the Preferred Provider Organization (PPO) and Health Savings Account (HSA) together to prevent employees from choosing one plan or the other and increasing PPO costs. He noted PPO has the largest loss ratio. Mayor Casper stated a COLA is to help offset increases, including medical benefits. Director Tew noted the proposed COLA increase is 2.5%. He also stated information has also been compiled with Councilmember Francis' request of the lower step and grade employees. Councilmember Francis believes there needs to be a balance of COLA and medical benefits increases. He is in favor of splitting the 2.5% for COLA and medical benefits. Director Alexander indicated, per the March 30 budget discussion, the medical benefit increase was anticipated at \$775,000. Councilmember Freeman questioned a 2.5% COLA and increase of benefits. Mayor Casper stated this would reduce projects and funding for departments from the General Fund. Director Alexander stated there is current pressure on the General Fund. Councilmember Francis believes health care costs are part of the inflationary pressure. He also believes the City needs to move to a different sharing between employees and the City. Councilmember Radford stated health care costs will continue to grow, the City needs to show discipline somewhere else. Mayor Casper believes the City has the most generous health care package and the taxpayers are bearing a lot of this burden. Director Tew does not believe the City will get behind in salaries with a 2.5% COLA due to the additional step increase. Councilmember Hally is in favor of 1.5% COLA and Scenario #2. Mr. Argyle noted Scenario #2 may only impact 10-12% of employees. Councilmember Dingman believes the health care package is a balanced plan. She is in favor of Scenario #2. Councilmember Freeman concurred. He is also in favor of at least a 2% COLA. Following additional discussion, there was consensus for Scenario #2 and 1.5% COLA, providing a floor amount of

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\$379,000 with one-tenth of a percent increases up to 2% COLA. Councilmember Smede believes it's important how this affects taxpayers and ratepayers as well as City employees. Councilmember Dingman concurred. Mayor Casper stated the Enterprise Fund Departments may need to review their rates to ensure any COLA and benefits increase will not impact those rates. Mr. Argyle expressed his concern for future health care cost increases. Mayor Casper stated self-insurance may need to be considered.

There being no further business, the meeting adjourned at 5:54 p.m.

s/ Kathy Hampton
CITY CLERK

s/ Rebecca L. Noah Casper
MAYOR