

September 9, 2019

The City Council of the City of Idaho Falls met in Council Work Session, Monday, September 9, 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 (departed at 5:10 p.m.)
Councilmember Thomas Hally
Councilmember Shelly Smede
Councilmember Jim Freeman
Councilmember Jim Francis
Councilmember John Radford
Councilmember Michelle Ziel-Dingman (arrived at 3:04 p.m.)

Also present:

Bryce Johnson, Police Chief
Jeremy Galbreath, Police Captain
Pamela Alexander, Municipal Services Director
Dave Nelson, Garage Superintendent
Brad Cramer, Community Development Services Director
Kerry Beutler, Community Development Services Assistant Planning Director
Randy Fife, City Attorney
Kathy Hampton, City Clerk

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

Executive Session:

It was moved by Councilmember Radford, seconded by Councilmember Francis, to move into Executive Session. The Executive Session is being called pursuant to the provisions of Idaho Code Section 74-206(1)(c) to acquire an interest in real property which is not owned by a public agency. The Executive Session will be held in the City Annex Conference Room. At the conclusion of the Executive Session the Council will reconvene into Council Work Session. Roll call as follows: Aye – Councilmembers Radford, Freeman, Smede, Francis, Hally. Nay – none. Motion carried.

The City Council of the City of Idaho Falls met in Special Council Meeting (Executive Session), Monday, September 9, 2019, in the City Annex Conference Room in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 3:04 p.m.

There were present:

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

Also present:

PJ Holm, Parks and Recreation Director
Pamela Alexander, Municipal Services Director
Randy Fife, City Attorney

The Executive Session was called pursuant to the provisions of Idaho Code Section 74-206(1)(c) to acquire an interest in real property which is not owned by a public agency.

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There being no further business, this Executive Session concluded at 3:22 p.m.

The City Council of the City of Idaho Falls met in Special Council Meeting (Executive Session), Monday, September 9, 2019, in the City Annex Conference Room in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 3:23 p.m.

There were present:

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

Also present:

Bryce Johnson, Police Chief
Royce Clements, Police Captain
Jessica Clements, Police Department Public Information Officer
Pamela Alexander, Municipal Services Director
Randy Fife, City Attorney

The Executive Session was called pursuant to the provisions of Idaho Code Section 74-206(1)(c) to acquire an interest in real property which is not owned by a public agency.

There being no further business, this Executive Session concluded at 4:03 p.m.

Acceptance and/or Receipt of Minutes:

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

Calendars, Announcements and Reports:

Mayor Casper distributed proclamations for the months of June through September, 2019.

Mayor Casper stated a leadership training academy, offered by Human Resources, has been held over the course of the previous Fiscal Year for all 186 supervisors. The academy included ten (10), two-hour sessions. It was noted 121 supervisors participated in eight (8) or more of the sessions and 50 of those supervisors attended 100% of the sessions. Mayor Casper stated a lobbyist, hired by the Association of Idaho Cities (AIC), will be working on items prior to next years' legislative session. She requested any Director input/information. She also stated the AIC Academy will be held December 12, the fall legislative committee meeting schedule may be amended. Mayor Casper recognized the recent passing of Firth Mayor Vincent Larson. Mayor Casper stated any reimbursements of travel are not meant to make money from the City. She recommended using the City-issued P-Card versus per diem. She also recommended using a phone app for potential cost savings.

Liaison Reports and Concerns:

Councilmember Hally stated the Policeman's Ball will be held October 4.
Councilmember Smede stated the Library will no longer charge fines.
Councilmember Freeman stated the Aquatic Center has been closed for the repair of a broken pipe; Zoo Brew will be held September 13; and, the Zoo was re-accredited by the Association of Zoos & Aquariums (AZA).
Councilmember Freeman also stated paper and plastic will no longer be recycled by the City due to issues in China.

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He noted several upcoming Public Works construction projects. He also recognized the passing of Elaine Poulter, former matriarch of the Idaho Falls Fire Department (IFFD).

Councilmember Francis stated the IFFD will be receiving a national American Heart Association award on September 10; the first responders will be recognized on September 11 for the 9-11 anniversary; and, Fill the Boot campaign for Muscular Dystrophy will be held September 13-14. Councilmember Freeman indicated approximately \$25,000 is collected during this fundraiser.

Councilmember Radford stated issues regarding American Public Power Association (APPA) is progressing. He also stated the Jane Austin Ball (Library) will be held in the near future.

Councilmember Dingman stated the annual Save the One Memorial Walk will be held September 12. This walk is to honor those who have been lost to suicide, she will be reading the event proclamation. She also expressed her appreciation to the elected officials for their participation in the recent community food basket Hunger Games event, approximately \$18,000 was raised toward the warehouse purchase goal.

Fleet Leasing Pilot Project Discussion:

Mayor Casper stated questions were requested by Council following this item being tabled at the August 22 Council Meeting. Captain Galbreath reviewed the following with general discussion throughout:

System Comparison –

FY 2017-18

- Eight (8) vehicles purchased using Municipal Equipment Replacement Fund (MERF)
 - Vehicle Purchase Cost: \$28,800 to \$45,900
 - Upfitting: \$7,258 to \$31,257
 - Total Vehicle Cost: \$43,608 to \$64,250
 - FY 2016-17 Total Vehicle Cost – average \$48,060, 6% increase

FY 2018-19 (Proposed)

- 17 vehicles leased using MERF
 - Vehicle Purchase Cost: \$28,257 to \$37,278
 - Upfitting: \$8,177 to \$26,253
 - Total Vehicle Cost: \$41,300 to \$62,807
 - Five (5) annual payments per vehicle, \$199,271 – upfitting included, all 2020 vehicles, \$1 buy-out after five (5) years, average vehicle cost after lease, \$58,609

Lease Advantages –

- Piggy-backing a national program (program vetted regionally and in Idaho)
- Outdated equipment replaced faster (up-to-date safety and technology)
- Higher resale value that rolls back to the City
- Lower maintenance costs
- Short-term positive impact on MERF
- Purchase and upfit costs included in lease cost (decrease in failure points and idle time)
- Year-to-year flexibility (number of cars, lease periods)
- Allows for a shorter replacement schedule
- Majority of vehicle life is covered by manufacturer's warranty

IFPD fleet – 20 unmarked police vehicles and 85 marked police vehicles for total of 105 vehicles.

Criteria for replacement

- Age of vehicle
- Maintenance cost
- Safety and technology
- Mileage/engine hours

Vehicle upfit for unmarked and marked units were reviewed, upfit takes approximately three (3) months to complete. The computer is not included in upfit as the City's Information Technology (IT) Division can obtain computers at a lower cost and, license plates and fire extinguisher are not included as they are installed at the City garage.

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Captain Galbreath reviewed photos of current IFPD vehicles that are candidates for replacement.

Captain Galbreath reviewed the acquisition process and the disposal process including equipment removal and vehicle auction. Any money from a vehicle auction is allocated to the IFPD MERF.

To the response of Mayor Casper, Captain Galbreath stated the lease would cost \$200,000 each year for five (5) years and would include 17 vehicles. Mayor Casper questioned the MERF amount. Director Alexander stated \$409,000 was budgeted for 2018/19 for IFPD MERF, \$453,500 has been budgeted for 2019/20. She also stated conversation has occurred with IFPD staff regarding MERF. She realizes vehicles may be used as an office for officers although the integrity of MERF needs to be maintained. She indicated the IFPD is trying to reduce the time of vehicle replacement although there is concern for the on-going cash price. Director Alexander stated a lease program for all 105 IFPD vehicles could amount to \$4M as a long-term lease. She noted a short-term cost could be decreased which could build up the MERF over time. She also noted, on the average, eight (8) vehicles have been replaced annually which reduces the MERF rather quickly. She stated previous administration set the vehicle life at ten (10) years, there is recommendation to reduce vehicle replacement to 5-7 years although the cumulative effect would be very expensive. Mayor Casper believes the reduction in vehicle replacement could double the cost. The amount to MERF would need to be changed. Chief Johnson stated the plan is for a seven-year replacement. He also stated the leasing and the retention schedule needs to be separate conservations. He believes the \$4M would be spent regardless of leasing or buying. The lease buys several years to decide on a retention schedule. Any purchases would deplete the MERF, a lease would allow the MERF contribution to slowly increase. Chief Johnson believes, per staff conversation, there is a hesitancy and fear of spending the MERF. He clarified more MERF money will not be spent that is being contributed until the Council is comfortable. He believes any future MERF could possibly be spent on leasing. He reiterated more money will not be spent on leasing versus purchasing total. The MERF balance will remain whole and the Council could go back to purchasing at any time. Director Alexander stated the five-year lease is overall, in totality, the more competitive and least expensive price for the term. Chief Johnson indicated the least expensive lease is a three-year lease although he is not comfortable with that option at this time. He is hopeful to rotate vehicles on a seven-year timeframe. Brief discussion followed regarding the retention schedule, maintenance, and, maintenance costs. Councilmember Radford believes the lease option is cheaper up front. He noted the City of Rexburg is in year three (3) of a lease. Rexburg has indicated the lease works fantastically for them although Rexburg does not have a MERF. Councilmember Radford believes the choices go away in year three (3) or four (4). He also believes there needs to be discipline with either option. He is in favor of a two-year lease and then review the lease to determine the savings per vehicle. Mayor Casper stated the advantage is the quality of the experience the officers are having in the vehicles they drive. Chief Johnson stated the lease buys time to decide if money can be found. He also stated the purchase of vehicles for six (6) new officers would amount to \$300,000. The lease is substantially less in year one (1), ~\$250,000 could be saved in the first years. Mayor Casper stated MERF is already underfunded. She concurred this is a discipline issue. She expressed her concern for the ability of \$600,000-\$800,000 annually for MERF to sustain three (3) or four (4) years of leases. She believes it's wise to engage for 1-2 years, including tracking of data and hidden savings. Chief Johnson stated \$800,000, approximately \$400,000 in the current budget year and approximately \$400,000 in the 2019/20 budget year, would be spent in two (2) years. Director Alexander stated the five-year lease would allow needed vehicles and would allow build-up of MERF. She believes a five-year lease could work as a short-term compromise. Chief Johnson stated the lease would start with 17 vehicles in the current Fiscal Year (FY) and lease 17 more in the next FY, plus the six (6) add to fleet for the new officers. Mayor Casper cautioned the commitment of future budget spending to Police, this could mean future budget cuts. Chief Johnson stated the lease of 34 vehicles would cost less than purchasing eight (8) vehicles. He also stated the lease cost increase is similar to new vehicles increase for inflation. Director Alexander briefly reviewed 1%-1½% yearly increase. She stated, due to the lease being a national contract, there is a tax-free benefit. Councilmember Smede questioned the \$1 purchase at the end of the lease. Chief Johnson reiterated the flexibility. Following general discussion there was consensus of the Council to place the Master Lease on the September 12 Council Meeting agenda. Individual vehicle leases will require future Council approval.

Run-off Elections Discussion:

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Mayor Casper reminded the Council of previous policy options and Council actions: No change/do nothing; repeal the run-off provision; modify the run-off; change the electoral system; or, initiate a ballot question. She stated per previous discussion and research by Assistant City Attorney Michael Kirkham, the initiative for repealing a runoff election cannot be placed on a ballot. Mr. Fife stated in 2015 the State decided to consolidate County and City election efforts into a general election law, with the exception of Title 50. The consolidation allowed the County to handle the election with cities paying their share. Additional adjustments occurred over the course of several years. Mr. Fife stated earlier in the year, the City of Boise was interested in their citizens' thoughts on two (2) projects. There was a hybrid of an initiative and an idea of a City vote. The proponents did not like this option and believed it wasn't legal. The proponents requested the Secretary of State's (SOS) opinion for a ballot question. As result, a letter was written to the Attorney General's (AG) Office. The letter stated Idaho is a Dillon's Rule state therefore, cities only have the authority that are explicitly given to them. The letter also stated they did not have the authority to do the election, and, the State (in 2015) took the authority away from municipalities. Mr. Fife stated an initiative is citizens getting together to force something on the ballot to be accepted by the Council, and, a referendum will take something off of City Code, using the same process. He believes the Council does not have the tool to force an item on the County ballot to find out what voters want. The County, SOS, and, AG agrees. Mr. Fife stated the previous ballot decision was prior to the 2015 consolidation. Councilmember Hally is in favor of dropping this item and let citizenry initiative occur. Councilmember Radford believes a runoff election is financial burden to the City. General discussion followed.

City-initiated Annexation Update:

Director Cramer stated notifications have been sent to all property owners regarding two (2) upcoming annexations. He indicated a neighborhood meeting will be held September 17, the annexations are scheduled for the Planning and Zoning (P&Z) Commission on October 1, and, the annexations will be presented to Council in late November/early December. Director Cramer stated the remaining parcels were reviewed including parcels connected to utilities and parcels that were enclaved but not connected to utilities. He indicated staff will move forward with those properties connected to utilities, or properties that have an agreement to be annexed, or, half-in/half-out properties. He also indicated the properties have been divided into residential and non-residential groups. Director Cramer stated staff considered the remaining islands and enclaves that are not connected to utilities although, staff preferred to have a discussion with Council in spring 2020 as not all enclaves makes sense. Any annexations would proceed at that time. Director Cramer stated the annexations are being processed as Category B although some residential properties may be within the Category A boundaries. He reviewed the approximate 30 residential parcels, this does not include properties that would have leap-frogged other properties as Director Cramer believes these specific properties will become more contiguous to other properties. He noted there are residential properties spread out over the City. Director Cramer also reviewed commercial properties. He stated discussion has occurred with Public Works and the County Commissioners. He clarified the utility could include water and/or electricity and/or sewer. General discussion followed including utility services. Director Cramer indicated the County expressed their appreciation for the cleanup of enclaves. He also expressed his appreciation to Public Works staff for their assistance with the legal descriptions of properties.

There being no further business, it was moved by Councilmember Freeman, seconded by Councilmember Radford, that the meeting adjourn at 5:39 p.m.

s/ Kathy Hampton
CITY CLERK

s/ Rebecca L. Noah Casper
MAYOR