

**August 11, 2016**

The City Council of the City of Idaho Falls met in Regular Council Meeting, Thursday, August 11, 2016, in the Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 7:30 p.m.

There were present:

Mayor Rebecca L. Noah Casper  
Councilmember Ed Marohn  
Councilmember Michelle Ziel-Dingman  
Councilmember Barbara Ehardt  
Councilmember Thomas Hally  
Councilmember John B. Radford  
Councilmember David M. Smith (by phone)

Also present:

Randy Fife, City Attorney  
Kathy Hampton, City Clerk  
All available Department Directors

Mayor Casper invited Tim Downs, Idaho Falls Police Department officer, to come forward and lead those present in the Pledge of Allegiance.

Mayor Casper postponed public comment until the conclusion of Regular Agenda Item 5.A.1. Public Hearing – 2016/2017 Preliminary Fiscal Year Budget.

**Consent Agenda Items:**

The Mayor’s Office requested appointment of Ryan Tew to Human Resources Director.

Idaho Falls Power requested approval of Coffey Dam Design for the Upper Plant Sedimentation Removal Project.

Idaho Falls Power requested Ratification of Award of Upper Plant Boat Ramp Replacement Project.

The City Clerk requested approval of Expenditure Summary for the month of July, 2016.

<u>FUND</u>	<u>TOTAL EXPENDITURE</u>
General Fund	\$1,136,475.60
Street Fund	165,016.94
Recreation Fund	25,879.24
Library Fund	204,302.61
Municipal Equipment Replacement Fund (MERF)	182,016.57
Electric Light Public Purpose Fund	33,961.65
Golf Fund	49,259.99
Self-Insurance Fund	57,628.58
Street Capital Improvement Fund	10,793.16
Traffic Light Capital Improvement Fund	76,337.83
Airport Fund	779,779.52
Water and Sewer Fund	514,588.93
Sanitation Fund	3,721.08
Ambulance Fund	413,982.53
Electric Light Fund	2,494,979.50
Payroll Liability Fund	4,458,394.24
<b>TOTAL</b>	<b>\$10,607,117.97</b>

**August 11, 2016**

The City Clerk requested approval of Treasurer's Report for the month of July, 2016.

The City Clerk requested approval of Minutes from the June 30, and July 28, 2016, Idaho Falls Power Board Meetings; and, July 6, 7, and 8, 2016, Council Budget Sessions.

The City Clerk requested approval of License Applications, all carrying the required approvals.

It was moved by Councilmember Marohn, seconded by Councilmember Ehardt, to approve all items on the Consent Agenda according to the recommendations presented. Roll call as follows: Aye – Councilmembers Radford, Ehardt, Smith, Marohn, Dingman, Hally. Nay – none. Motion carried.

**Regular Agenda Items:**

Municipal Services Department submitted the following items for Council consideration:

Subject: Public Hearing – 2016/2017 Preliminary Fiscal Year Budget

Mayor Casper stated under the laws of the State of Idaho it is a primary responsibility of the City Council to adopt a budget on an annual basis. She believes the current Councilmembers have seriously and diligently pursued the role of the budget process. She stated City staff responsibility is to facilitate the Council's budget development process as the budget is a planning document for the upcoming fiscal year. She indicated the budget is comprehensive and governed by state statute. Mayor Casper reviewed the timeline of the budget process, which began in February, 2016, and stated numerous hours of conversations have occurred with and between City staff, the elected officials, City residents, and community members. She stated the tentative approval of the budget is a ceiling amount which cannot be increased. She indicated the public hearing for proposed fee increases will occur at a special meeting scheduled for August 18, 2016, with final approval of budget and fee schedule occurring at the August 22, 2016, Work Session.

Mayor Casper stated she believes the collective decisions related to the budget have been achieved by good, solid efforts on behalf of the Councilmembers. She expressed her appreciation to the Department Directors for their management, staffing, planning, and engineering professionalism. She stated a professional operation cannot be run with a coupon-clipping attitude as government services cost money. However, she indicated the City can achieve reduced costs for services through wise and strategic planning. She believes City employees take great pride in their work and is proud of the services delivered. Mayor Casper stated the executive team has clear vision with individuals of integrity and professionalism. She believes Idaho Falls is a leader among peers within the State; our City has a lot to preserve, a lot to protect, and a lot of people to lead. She stated monies included in the budget are received from taxpayers, ratepayers, and the State and it is the City's responsibility to maximize the value for spending.

Mayor Casper invited Municipal Services Director Pamela Alexander for brief presentation of the budget. Director Alexander expressed her appreciation to Mayor Casper and the Councilmembers for their guidance, direction, and patience during the budget journey. She also expressed her appreciation to the Finance Team consisting of Mark Hagedorn, Controller; Kenny McOmber, Treasurer; and Derick Sorensen, Accounting Intern, and well as to the Department Directors. Director Alexander reviewed the 2016/17 Budget Plan which includes: total budget increase of \$3.5 million, or 1.85% from fiscal year 2015/16; revenue earned from annexation and new construction growth from last year (2014/15); proposed 3% property tax levy dedicated to Streets; and cash reserve contribution of \$5.6 million. 2016/17 budget finding highlights include: 1.75% employee inflation wage adjustment; 6% plan cost increase to the employee PPO (Preferred Provider Organization) and HSA (Health Savings Account) health insurance plans; funding of \$1.5 million in general fund requests from Municipal Services, Community Development, Human Resources, Police Department, Fire Department, and Parks and Recreation; funding of \$3 million for Streets Maintenance and \$1.8 million for Street Capital Improvement Program requests; and funding of \$481,350 for Airport and Ambulance Enterprise fund requests. She stated

August 11, 2016

2016/17 Proposed Budget totals \$195,194,467. She briefly reviewed graphs indicating total expenditures by department, total revenues and other sources, total general fund expenditures, total general fund revenues, and total property tax allocation.

Councilmember Marohn stated the Enterprise Fund monies are received from fees for service whereas General Fund monies are based on levy amounts, sales tax, and fees related to other taxes which are allocated by the State.

Mayor Casper requested appropriate civility and decorum be observed for the public hearing and indicated the Council is interested in any ideas or solutions shared by the community.

Mayor Casper opened the public hearing.

Micki Schwartz, Idaho Falls, appeared. She stated she loves living in Idaho Falls as the community is a nice place for families. She has been a resident of Idaho Falls for 15 years. She expressed her concern as parent regarding the number of facilities and fields. She's involved with Lacrosse Club and would like to see the club continue but believes the facilities are stretched and the use of fields is going away. She stated the program is willing to raise funds or become a partnership and indicated through conversation with other parents, other sports programs are experiencing similar issues. Ms. Schwartz would like to see solutions in a 1-2 year timeframe. She is proposing to set aside a fund, similar to the Capital fund, to develop areas and facilities.

Fred Hughes, President of Fluor Idaho, appeared. Mr. Hughes expressed his appreciation for the support of the Arts community and indicated this was a strong point when Fluor was putting together their proposal. He believes a vibrant arts community is essential to attract new talent to a company, adds to the quality of life and provides experience to all ages, and provides contribution to economic development of this community. Mr. Hughes stated Fluor Idaho appreciates the leadership that the City of Idaho Falls has taken to support the arts.

Jill Kirkham, Idaho Falls, appeared. Ms. Kirkham believes the best investments are to improve the exterior of a home and the same is true for a City as the Parks are the exterior of our City. She is proud of the Parks & Recreation Department and Director Greg Weitzel for his ability to create revenue. She believes urban planning and green space is important. Ms. Kirkham encouraged the City Councilmembers to complete Connecting Our Community plan. She is proud to live in Idaho Falls.

Timothy Downs, resident and Idaho Falls City employee for 22 years, appeared. Mr. Downs indicated for the first time in 22 years he will take a pay cut. He stated due to his current pay structure it will not affect him a whole lot, but it's still a pay cut. He believes if he's paying additional taxes and losing money from his pocket he is unsure what he's getting for his dollar. He stated there is no information on the website to cover the budget, specifically the additional \$4 million to the Council budget. He believes the budget should be more transparent.

Brandi Newton, representative of the Idaho Falls Arts Council (IFAC), appeared. Ms. Newton expressed her gratitude for actions of the Councilmembers to continuously be looking forward. She also expressed her gratitude for the steps taken in this past year to prioritize the Civic Auditorium long-term availability for the community. She indicated the IFAC appreciates the Councils funding support for the arts programs and activities.

Sharon Price, Chair of IFAC and past president of the Idaho Falls Symphony. Ms. Price believes strong arts culture makes living in Idaho Falls attractive for businesses as well as citizens and is important for growth and success. She believes people are drawn to the community for the Colonial Theatre, the Symphony, the art galleries, and exhibits at the Museum of Idaho. She appreciates past support provided by community grants. She stated the arts organizations depend on the partnership between the City and local organizations for their success. Ms. Price is urging Councils continued support of the community grants for the arts.

August 11, 2016

Brian Stutzman, Lincoln Road, appeared. Ms. Stutzman stated he owns several rental properties in Idaho Falls and is concerned for assessments indicating values are going up and levy rates are going up. He stated this is the third time in a row the City is spending more money from the rainy day account and believes that is wrong. He stated fees seem to be increasing, and this is not good government. Good government is spending less, keeping taxes even, and keeping fees in line. Mr. Stutzman believes the officials are setting themselves up for one-time election due to yearly tax increases. He appreciates the work but believes the budget should not be approved.

Lindsay Dexter, Senior Director of Policy at the Idaho Freedom Foundation, appeared. Ms. Dexter stated the Idaho Freedom Foundation is available to provide information to Idahoans. She is requesting a delay of passage of budget as it is not fully transparent and she believes there is no substance in budget. She indicated the public has not had time to review the budget and therefore she cannot comment on specific items.

Mayor Casper expressed her appreciation for the public comments. She closed the public hearing.

Councilmember Hally stated he personally reviewed the economic activity in the area and sees rapid growth of City facilities, programs, and road usage. He believes it's important to forecast the future growth to provide adequate services.

Mayor Casper requested any public comment not related to items on the agenda. No one appeared.

Subject: Recommendation to Reject IF-16-06, Two Backhoe Loaders for Public Works

The City issued a bid for two (2) backhoes, one for the Water Division and one for the Street Division. The bid was written to combine the backhoes in a single bid anticipating a better purchase price. However, during the bid evaluation process, it was determined that the bid's discretionary options portion did not adequately address the individual needs of the divisions. It is therefore the recommendation of the Public Works and Municipal Services Departments to reject all bids to reevaluate the divisions' needs and reissue the bids at a later date.

It was moved by Councilmember Marohn, seconded by Councilmember Radford, to reject all bids to reevaluate the divisions' needs and reissue the bids at a later date. Roll call as follows: Aye – Councilmembers Smith, Hally, Radford, Dingman, Ehardt, Marohn. Nay – none. Motion carried.

Subject: Bid IF-16-25, Entry Door Upgrade Project

It is the recommendation of Public Works and Municipal Services Departments to accept the lowest responsive, responsible bid from River's West Construction, Inc. in the amount of \$67,038.00. This project will install upgraded security entry doors with Schlage brand hardware at eighteen (18) locations. The funding source for this project will be from the 2015/16 Water Division budget.

It was moved by Councilmember Marohn, seconded by Councilmember Smith, to accept the lowest responsive, responsible bid from River's West Construction, Inc. in the amount of \$67,038.00, for installation of upgraded security entry doors and authorize the Mayor to sign contract documents. Roll call as follows: Aye – Councilmembers Dingman, Smith, Marohn, Ehardt, Hally, Radford. Nay – none. Motion carried.

Idaho Falls Power (IFP) submitted the following item for Council consideration:

Subject: Approve Pole Attachment License Agreement with Crown Castle LLC

Idaho Falls Power has received a request from Crown Castle LLC to attach communication infrastructure to power poles. Crown Castle LLC is the nation's largest provider of shared wireless infrastructure, and they collaborate with wireless carriers, communities, governments, and property owners to provide access to needed

August 11, 2016

infrastructure. For consideration is Idaho Falls Power's standard Pole Attachment License Agreement. This document was developed by the American Public Power Association and has been reviewed by the City Attorney.

Idaho Falls Power Director Jackie Flowers indicated requests are being submitted to IFP for pole attachments. These agreements will set standards as well as a fee formula per FCC (Federal Communications Commission) guidelines.

It was moved by Councilmember Hally, seconded by Councilmember Marohn, to approve the Pole Attachment License Agreement with Crown Castle LLC and authorize the Mayor to sign the documents. Roll call as follows: Aye – Councilmembers Marohn, Dingman, Ehardt, Hally, Radford, Smith. Nay – none. Motion carried.

Public Works submitted the following items for Council consideration:

Subject: Professional Services Agreement for Construction Materials Testing on the Grandview Drive; Skyline Drive to Saturn Avenue Project

For consideration is a Professional Services Agreement with Strata, Inc., to conduct fill material, concrete and asphalt mix testing. Under the agreement, Strata, Inc. will perform testing services on the Grandview Drive, Skyline Drive to Saturn Avenue project, for a not-to-exceed amount of \$50,000.00. The City will be responsible for 7.34% of this amount. This agreement has been reviewed by the City Attorney.

It was moved by Councilmember Ehardt, seconded by Councilmember Dingman, to approve of the professional services agreement with Strata, Inc., and give authorization for the Mayor to sign the necessary documents. Roll call as follows: Aye – Councilmembers Smith, Hally, Dingman, Radford, Ehardt, Marohn. Nay – none. Motion carried.

Subject: Engineering Services Agreement – Task Order No. 03, HDR Engineering, Wastewater Treatment Plant National Pollutant Discharge Elimination System Permit Reapplication

For consideration is proposed Task Order No. 03 for an Engineering Services Agreement with HDR Engineering in an amount of \$33,496.78. This Task Order provides for professional services to prepare and submit a reapplication for the National Pollutant Discharge Elimination System (NPDES) permit for the Wastewater Treatment Plant.

Public Works Director Chris Fredericksen believes the previous renewal of this agreement occurred in 2010. He stated the change of the allowable amount allowed into the river has dramatic financial impacts to the plan and the ability to meet the NPDES permit.

It was moved by Councilmember Ehardt, seconded by Councilmember Dingman, to approve of Task Order No. 03 with HDR Engineering and, give authorization for the Mayor to sign the necessary documents. Roll call as follows: Aye – Councilmembers Hally, Marohn, Radford, Dingman, Smith, Ehardt. Nay – none. Motion carried.

Subject: Bid Award - Bel Aire Concrete Improvements – 2016

On August 3, 2016, bids were received and opened for the Bel Aire Concrete Improvements – 2016 project. Public Works recommends approval of the plans and specifications, award to the lowest responsive, responsible bidder, 3H Construction, LLC, in an amount of \$47,840.00.

Councilmember Ehardt stated this is the final planned project for the Community Development Block Grant (CDBG) Funds for this particular neighborhood.

August 11, 2016

It was moved by Councilmember Ehardt, seconded by Councilmember Dingman, to approve of the plans and specifications and award to the lowest responsive, responsible bidder, 3H Construction, LLC, an amount of \$47,840.00, and give authorization for the Mayor and City Clerk to execute the necessary documents. Roll call as follows: Aye – Councilmembers Ehardt, Radford, Smith, Marohn, Dingman, Hally. Nay – none. Motion carried.

Subject: Water Line Easement Vacation – Lot 29, Block 64 of the Highland Park Addition, 1080 Elmore Avenue

As earlier authorized, the City Attorney has prepared the documents to vacate the water line easement at Lot 29, Block 64 of the Highland Park Addition, 1080 Elmore Avenue.

It was moved by Councilmember Ehardt, seconded by Councilmember Dingman, to approve the Vacation Ordinance for water line easement at Lot 29, Block 64 of the Highland Park Addition, 1080 Elmore Avenue, under the suspension of the rules requiring three complete and separate readings and that it be read by title and published by summary. Roll call as follows: Aye – Councilmembers Radford, Ehardt, Hally, Smith, Marohn, Dingman. Nay – none. Motion carried.

At the request of Mayor Casper, the City Clerk read the ordinance by title only:

ORDINANCE NO. 3081

AN ORDINANCE OF THE CITY OF IDAHO FALLS, IDAHO, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO; PROVIDING FOR THE VACATION OF A WATER LINE EASEMENT LOCATED WITHIN THE CITY OF IDAHO FALLS AND LEGALLY DESCRIBED IN SECTION 1 OF THIS ORDINANCE; PROVIDING THAT TITLE TO SAID VACATED EASEMENTS SHALL VEST AS SPECIFIED IN SECTION 3 OF THIS ORDINANCE; PROVIDING THAT THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT FROM AND AFTER PASSAGE, APPROVAL AND PUBLICATION ACCORDING TO LAW.

Subject: Right-Of-Way Use Agreement – Crown Castle

For consideration is a proposed Right-of-Way Use Agreement for Crown Castle to install fiber optics in public right-of-way. The Agreement was prepared by the City Attorney and has been reviewed by Idaho Falls Power.

It was moved by Councilmember Ehardt, seconded by Councilmember Dingman, to approve the Right-of-Way Use Agreement with Crown Castle and, give authorization for the Mayor and City Clerk to execute the necessary documents. Roll call as follows: Aye – Councilmembers Marohn, Dingman, Ehardt, Hally, Radford, Smith. Nay – none. Motion carried.

Mayor Casper stated this year the Councilmembers made great effort to direct staff to prepare a budget that was transparent. She indicated the non-departmental account, which previously existed for miscellaneous expenses, was eliminated and all funds have been reallocated to the appropriate departments, including the Mayor and Council budgets. The reallocation was a first step in moving to a Priority-Based Budgeting process. Councilmember Radford suggested a notation for this explanation.

There being no further business, it was moved by Councilmember Hally, seconded by Councilmember Marohn, that the meeting adjourn at 8:50 p.m. which motion passed following a unanimous vote.

s/ Kathy Hampton  
CITY CLERK

s/ Rebecca L. Noah Casper  
MAYOR