

MINUTES OF A REGULAR MEETING OF THE CITY
COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO,
HELD AT THE LIBRARY COMMUNITY ROOM

March 7, 2023

The Mayor and Council of the City of Coeur d'Alene met in a regular session of said Council at the Coeur d'Alene City Library Community Room on March 7, 2023, at 5:00 p.m., there being present the following members:

James Hammond, Mayor

Dan Gookin) Members of Council Present
Dan English)
Woody McEvers)
Amy Evans)
Christie Wood)
Kiki Miller)

CALL TO ORDER: Mayor Hammond called the meeting to order.

EXECUTIVE SESSION (*Action Item*)- Pursuant to Idaho Code 74-206(1)(b), to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent.

MOTION: Motion by Gookin, seconded by Wood, to enter into Executive Session pursuant to Idaho Code 74-206(1)(b), to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent.

ROLL CALL: English Aye; Wood Aye; Evans Aye; Miller Aye; McEvers Aye; Gookin Aye.
Motion carried.

The City Council entered Executive Session at 5:00 p.m. Those present were the Mayor, City Council, and City Administrator. Council returned to regular session at 5:58 p.m.

INVOCATION: Bob Rinehart of the Baha'i Faith led the invocation.

PLEDGE OF ALLEGIANCE: Councilmember Evans led the pledge of allegiance.

Mayor Hammond said an allegation of an Open Meeting law violation had been made by a member of the public which said internal City staff meetings conducted after the February 7, Council meeting and before the February 21, Council meeting regarding the Coeur Terre Annexation request violated the Open Meeting law. These meetings did not involve members of the City

Council or the Planning and Zoning Commission, therefore, were not subject to Open Meeting law, Pursuant to Idaho Code 74-208.

PRESENTATIONS:

PRESENTATION OF THE HEART OF HISTORY AWARD - Councilmember Miller thanked everyone who worked on the Historic Preservation Commission and the award committee and introduced Historic Preservation Commission Chair Walter Burns, and Heart of History Award Subcommittee Chairman Sandy Emerson. Mr. Burns said the Historic Preservation Commission was established in 2020, with the goal of accelerating and preserving the city's rich heritage, and since its creation had adopted a Historic Preservation Plan which they used as a blueprint on how to move forward with the Commission's work. He said they were currently working on a nomination of the downtown Garden District to the National Register of Historic Places. Mr. Emerson introduced Commission members who had assisted with the award. He thanked Don "Pepper" Smock and former Mayor Steve Widmyer for purchasing the home, known as the Hamilton House, located at 627 Government Way, saving it from demolition, and to all those who were involved in the preservation efforts. Mr. Burns said the home was recognized on the National Register of Historic Places, and was the current home of the Music Conservatory of Coeur d'Alene. Julianne Dance of the Music Conservatory, thanked local Eagle Scout Alex Kaschube and his Troop, along with Kent Kimble, who had completed the rock bedding in the landscape, and the Hawkins Family of Boise, Idaho, who had worked and contributed funds to make the house look as it did today. She noted there were many others who had contributed time and money in restoring the home. Mr. Burns presented the "Heart of History" award to those who had participated in the amazing effort. Mayor Hammond said he and Council were appreciative of all of the efforts to preserve Coeur d'Alene's history, were very thankful for all the hard work and planning that went into the award, and congratulated the "Heart of History" award recipients.

PROCLAIMING MARCH 2023 RED CROSS MONTH – Mayor Hammond read and presented the proclamation to Tina Piaskowski, Red Cross Lead Volunteer of the Greater Inland Northwest Chapter of the American Red Cross.

MID-YEAR BUDGET UPDATE – Comptroller Vonnie Jensen gave an overview of the current budget status. She explained the definitions of Fund Balance (difference between assets and liabilities) and Unassigned Fund Balance (residual classification for the government's fund which included all spendable amounts not contained in other classifications). She said the Unassigned Fund Balance as of September 20, 2022, was \$11,880,092 which represented 24.5% of budgeted expenses. She noted the Government Finance Officers Association recommended at a minimum that agencies maintain a balance of no less than two-months regular general fund operating expenses which equaled 16.7%. She said the difference between 24.5% and 16.7% was a depletion of \$3.8 million, and the current budget included a depletion of \$1,998,625 to fund capital purchases. She gave an overview of the revenue history in the General Fund from Fiscal Years (FY) 2019, 2020, 2021, and 2022, and the projected revenue in FY24 of \$51,810,428. She said projected General Fund expenses in FY24 were \$52,851,600. She noted expenses included COLAs for Police and Fire contracts, merit increases, but did not include a COLA for Lake City Employees Association (LCEA) or any increases to health insurance premiums. She said there were six (6)

positions (Electrician Apprentice, Heavy Equipment Operator, Communications Specialist, Department Support, IT Technician, and Applications Analyst) budgeted in FY23 which had not been filled and if remained vacant would equal a savings of \$436,354, and recommended they not be filled in FY23 or FY24. Ms. Jensen noted a budget amendment was not needed as no new revenues had been received, and recommended waiting until the end of the fiscal year to make any amendments, if needed. She mentioned General Fund department budgets were tracking well and within the approved FY23 budgeted amounts.

DISCUSSION: Councilmember Gookin asked if the 0% COLA for LCEA had already been negotiated, with Ms. Jensen responding it had not. Councilmember Gookin asked if the merit increases included employees from the Water and Wastewater Departments, with Ms. Jensen responding they were not, as those included in the presentation were related to the General Fund. Councilmember Wood asked why wait to amend the budget as she would prefer an accurate historic budget, with Ms. Jensen responding it would require a public hearing and that there was no need to amend it at this time as there were no new revenues to report. Councilmember McEvers asked since there was a budget shortage, was the recommendation to save money and not make purchases such as tires, with Ms. Jensen responding fund balance was in a good position and employee costs were the issue, not the purchase of needed supplies, as ongoing revenue was needed to support employee wages which is why she did not recommend filling the new positions which had been budgeted in FY23. Councilmember McEvers said he appreciated staff's conservative estimates when preparing the City's departmental budgets. Councilmember Gookin asked if the City was upside down for the current or next year's budget, with Ms. Jensen explaining the shortage would be for the next year's budget. She noted the current vacancies would provide salary savings which would see the City through the current fiscal year. Councilmember Wood reiterated that a budget amendment should be made in order to show an accurate historic budget, with Councilmember Gookin also in support of the request.

ANNOUNCEMENTS:

Councilmember Gookin read an email provided by Suzanne Knutson regarding March as National Disabilities Awareness Month, which asked to increase public awareness of the needs and potential of those with developmental disabilities, and to encourage the citizens of Coeur d'Alene to recognize and celebrate the attributes and contributions of those with disabilities. This year's theme was "Through my Eyes," which asked the community to see the world through the viewpoint of those with disabilities.

Councilmember Wood mentioned an incident that had happened at Lake City High School. She asked Police Chief White and Deputy Chief Bill Deruyter to report on the incident. Chief White said last Wednesday they had an unplanned drill of their plans and procedures. He said a school resource officer stationed at the school was alerted to an active shooter threat, and was able to look at the cameras, many officers responded to the school within 2 minutes, and roughly 15-20 officers were on-site within 4 minutes. He said the Fire Department set up the unified command. They determined the alert was most likely a hoax as similar threats had been received in other states, yet as a precaution, decided to have officers search the school. He said they used the time to run a drill of their unified incident command procedures. Deputy Chief Deruyter said they train for

incidents which they hope never happen and the procedures they had in place worked. He said he was impressed with the response of the Police and Fire Departments, along with the response of other public safety organizations. Councilmember Wood said it was a frightening event and it was a comfort to the community to know how prepared the City's Public Safety Departments were.

CONSENT CALENDAR: Being considered routine by the City Council, these items will be enacted by one motion unless requested by a Councilmember that one or more items be removed for later discussion.

1. Approval of Council Minutes for the February 21, 2023, Council Meeting.
2. Approval of General Services/Public Works Committee Meeting Minutes for February 27, 2023.
3. Approval of Bills as Submitted.
4. Setting of General Services/Public Works Committee Meeting for March 13, 2023.
5. Setting of a Public Hearing for March 21, 2023; 5:00 P.M.: A-4-22- Annexation of +/- 440 Acres from County AG Suburban to City R-3, R-8, R-17, C-17L, & C-17 (Commonly Known as Coeur Terre) plus Approval of an Annexation and Development Agreement. Location: N. of I-90, S. of W. Hanley Ave. E. of Huetter Rd.; Applicant: Kootenai County Land Company, LLC
6. Approval of SS-22-10 – Final Plat for Woodman Acres: 3829 N. Schreiber Wy (East side of the West entrance of Schreiber Way, South of Kathleen Avenue).
7. **Resolution No. 23-017-** A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, DECLARING THAT A 2002 CHEVROLET TAHOE AND A 2005 CHEVROLET IMPALA FROM THE POLICE DEPARTMENT ARE SURPLUS AND AUTHORIZING THE SALE OF THE SURPLUS PROPERTY AT AUCTION; AUTHORIZING A REFUND PAYMENT TO THE CITY OF DALTON GARDENS IN THE AMOUNT OF \$233,691.80 FOR THE EXCESS SANITARY SEWER FUNDING ASSOCIATED WITH THE GOVERNMENT WAY WIDENING PROJECT; AMENDING PERSONNEL RULE 27, FLSA EXEMPT EMPLOYEES, TO ADD THE DEPUTY FIRE CHIEFS INTO THE RULE; AND APPROVING THE POLICE CAPTAINS MEMORANDUM OF UNDERSTANDING (MOU) FOR THE TERM OF OCTOBER 1, 2022, THROUGH SEPTEMBER 30, 2023.

MOTION: Motion by McEvers, seconded by Miller, to approve the Consent Calendar as presented, including **Resolution No. 23-017**.

ROLL CALL: Wood Aye; Evans Aye; Miller Aye; McEvers Aye; Gookin Aye; English Aye.
Motion carried.

PUBLIC COMMENTS:

Brian Rogers, Post Falls, spoke about Milgram experiments and outcomes.

Katherine Hall, Coeur d'Alene, stated she had concerns about those impacted by the Coeur Terre project. She requested Council preserve her Indian Meadows neighborhood.

Mark Jacobi, Post Falls, spoke about the Coeur Terre annexation proposal, the Planning Department's land use handbook, and noted the current zoning of the surrounding property wasn't a good match to the project's proposed R-17 zone. He suggested the developer donate property in order that Huetter Road be expanded.

Ron McGhie, Post Falls, stated the City of Hayden had just realigned their zoning code in their neighborhood context in order to add a fair and balanced approach for both developers and current property owners. He noted the 300' noticing requirement of surrounding property owners was not adequate and to consider further outreach.

RESOLUTION NO. 23-018

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING CITY OF COEUR D'ALENE PERSONNEL RULE 11: UNPAID LEAVE OF ABSENCE.

STAFF REPORT: Human Resources Director Melissa Tosi said the proposed amendments to Rule 11 required additional explanation from the employee of the reason for the leave and length of the leave, why it was necessary, and any additional information that would be helpful in making a final determination on the request. She mentioned the main amendment to the current language changed the approval process for unpaid leave beyond twelve weeks, from City Council approval to being approved by the City Administrator, after conferring with the applicable Department Head and Human Resources Director. She said the proposed change would be a more standard internal approval process for employees related to leave and also protect any discussions that are related to protected medical/health information. She noted one change to the policy was the City Administrator, along with Human Resources, and the Department Director would approve the leave request instead of it coming before the City Council. She noted the proposed amendments had been discussed by the Executive Team and posted for all employees to review. She said additionally, the Lake City Employees Association (LCEA), Police Association, and Fire Union were notified of the changes and had no concerns. She said there were no hard costs associated with the amendments to Rule 11, and they were necessary to provide consistent and clear policies with up-to-date, relevant information to staff.

DISCUSSION: Councilmember Wood said she didn't have any issues with the additional information being added, yet was not in favor of removing Council's authority. Councilmember Gookin agreed that Council should remain a part of the approval process, and would like it to remain the way it was. Ms. Tosi said she had researched other cities and counties' policies and did not find another policy at any other agency in which Council was an approver or decision maker in similar policies. Mayor Hammond said it wasn't something that should come before Council as it was part of the city's daily operations of managing staff, rather than a policy decision.

MOTION: Motion by Evans, seconded by Miller, to approve **Resolution No. 23-018** – Approval of Amendments to Personnel Rule 11, Unpaid Leave of Absence.

ROLL CALL: Evans Aye; Miller Aye; McEvers Aye; Gookin No; English Aye; Wood No.
Motion carried.

(LEGISLATIVE) MODIFICATIONS TO MUNICIPAL CODE CHAPTER 13.08 AND 13.16 FOR THE PURPOSE OF ESTABLISHING NEW WASTEWATER USER CHARGES AND FEES. RATE AND CAPITALIZATION FEE STUDY

STAFF REPORT: Wastewater Superintendent Mike Anderson said he had brought the proposed modifications to Chapters 13.08 and 13.16 of the Municipal Code for the purpose of establishing new wastewater user charges and capitalization fees. He said the modifications would establish the new wastewater user charges and capitalization fees for the five-year period from April 1, 2023, through March 31, 2028. He noted the new charges and fees would replace those defined in the 2017 Comprehensive Wastewater Rate Study. He introduced Shawn Koorn of HDR Engineering who said the recent rate study by HDR Engineering had taken into account the numerous operational and capital improvements made to the wastewater collection, treatment, and compost facilities during the past five years, as well as anticipated future expenditures. He said the rate study performed revenue requirement analysis, cost of service analysis, and rate design analysis to develop user rates and fees that adequately met the wastewater utility's operating and capital expenses with revenues from customers. The study also addressed the fairness and equity of the current and proposed rates among the various customer classes. He noted Fernan customers should be transitioned over a five-year period to the actual cost of providing the service. He said other costs were identified in the 2018 Facility Plan Update and included planning, design, and construction of repairs to the secondary treatment process and expansion of the tertiary treatment process. He mentioned the proposed modifications would provide the revenue required for the continued efficient operation of the facilities and enable the City to meet the discharge permit requirements through the City's Advanced Wastewater Treatment Facility. Mr. Anderson noted major changes between 2017 and now were a water volume increase of 2%, underground pipe footage increased by 4%, and there was a 12% increase in pounds of waste coming into the facility. He said in 2017 effluent going out of the plant was 200,000 pounds and in 2022 it was 6,000 pounds which equaled a reduction of effluent of 97% being discharged into the river.

DISCUSSION: Councilmember McEvers asked the difference between rates and capitalization fees, with Mr. Anderson responding rates paid for the cost to collect, treat, and discharge the wastewater. He explained capitalization fees were a one-time charge for a residential or commercial building's connection to the system. Councilmember McEvers asked what would happen to capitalization fees when growth stopped, with Mr. Koorn responding staff had been looking at the issue and it was included in long-term planning. Councilmember McEvers asked if Covid had impacted the five-year plan, with Mr. Koorn responding it did play into the study yet there were no major shifts from prior studies. Councilmember McEvers asked if the City's high-tech treatment system made it more expensive to treat the wastewater, with Mr. Koorn responding a higher level of treatment normally made it more expensive, yet City staff had looked at the issue and past investment and management had kept the city fees at a lower amount. Councilmember Miller asked if the proposal and rates had been made public to the local building industry, with Mr. Anderson responding staff had made it available to the building industry and had received no comments from them. Councilmember Miller mentioned in the past, an issue had been brought up regarding a separate meter for irrigation in a commercial/residential building, with Mr. Anderson responding the only way to do it would be installing the separate meter for irrigation, yet it was challenging to determine commercial classes within residential as there were many

variances and difficult to establish a flat rate. Councilmember English noted the capitalization fees were reasonable when placed in context of the cost of providing the service.

Mayor Hammond opened the public testimony portion of the hearing, and hearing none, closed public testimony.

COUNCIL BILL 23-1004

AN ORDINANCE REPEALING SECTIONS 13.08.020 AND 13.16.010 OF THE COEUR D'ALENE MUNICIPAL CODE; ADOPTING NEW SECTIONS 13.08.020 AND 13.16.010 OF THE COEUR D'ALENE MUNICIPAL CODE, TO ESTABLISH USERS CHARGES AND THE CAPITALIZATION FEE SCHEDULE FOR THE COEUR D'ALENE PUBLIC WASTEWATER COLLECTION AND TREATMENT WORKS; AMENDING SECTION 13.16.30 OF THE COEUR D'ALENE MUNICIPAL CODE TO CLARIFY ADJUSTMENTS TO THE POPULATION EQUIVALENT CHARGE; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THE ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE THEREOF

MOTION: Motion by McEvers, seconded by Evans, to dispense with the rule and read **Council Bill No. 23-1004** once by title only.

ROLL CALL: Miller Aye; McEvers Aye; Gookin Aye; English Aye; Wood Aye; Evans Aye.
Motion carried.

MOTION: Motion by McEvers, seconded by Evans, to adopt **Council Bill No. 23-1004**.

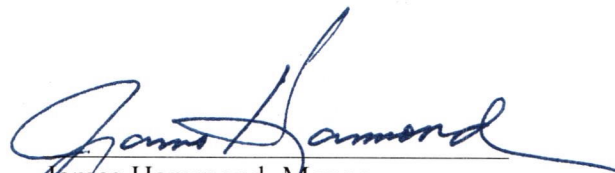
ROLL CALL: Miller Aye; McEvers Aye; Gookin Aye; English Aye; Wood Aye; Evans Aye.
Motion carried.

ADJOURNMENT: Motion by Miller, seconded by Evans, that there being no other business this meeting be adjourned. **Motion carried.**

The meeting adjourned at 7:44 p.m.

ATTEST:


Sherrie L. Badertscher
Executive Assistant


James Hammond, Mayor