

WELCOME
To a Regular Meeting of the
Coeur d'Alene City Council
Held in the Library Community Room

AGENDA

VISION STATEMENT

Our vision of Coeur d'Alene is of a beautiful, safe city that promotes a high quality of life and sound economy through excellence in government.

NOTE: The City is utilizing Governor Little's Stage 4 Rebound Idaho guidance for its public meeting. As such, we are abiding by the social distancing guidelines of 6' within the physical meeting room, and limiting seating, seating will be first come first serve. The meeting can be viewed live through Facebook live and/or the City's YouTube channel or on Spectrum Cable Channel 1301. The meeting is rebroadcast on Spectrum Cable channel 1301 and on YouTube through a link on the city's website (www.cdaid.org).

The purpose of the Agenda is to assist the Council and interested citizens in the conduct of the public meeting. Careful review of the Agenda is encouraged. Testimony from the public will be solicited for any item or issue listed under the category of Public Hearings. Any individual who wishes to address the Council on any other subject should plan to speak when **Item E - Public Comments** is identified by the Mayor. The Mayor and Council will not normally allow audience participation at any other time.

October 19, 2021: 6:00 p.m.

A. CALL TO ORDER/ROLL CALL

B. INVOCATION: Pastor Jeff Smith with Northwest Family

C. PLEDGE OF ALLEGIANCE:

D. AMENDMENTS TO THE AGENDA: Any items added less than forty-eight (48) hours prior to the meeting are added by Council motion at this time.

E. PUBLIC COMMENTS: (Each speaker will be allowed a maximum of 3 minutes to address the City Council on matters that relate to City government business. Please be advised that the City Council can only take official action this evening for those items listed on the agenda.)

*****ITEMS BELOW ARE CONSIDERED TO BE ACTION ITEMS**

F. ANNOUNCEMENTS:

1. **City Council**
2. **Mayor Appointments:**
 - a. *Bev Moss, Arts Commission*
 - b. **Appointment of the following Student Representatives:** *Sienna Hepworth, Arts Commission (Reappointment); Adeline Smith, Alternate Arts Commission; Claire Pratt, Childcare Commission; Claire Swanby, Alternate Childcare Commission; Eleanor Walsh, Library Board (Reappointment); Georgia Mau, Alternate Library Board; Alysha Villelli, Parks & Recreation Commission; Brighton Spencer, Alternate Parks & Recreation Commission; Rylee Strobel, Urban Forestry Committee; Sage Pedersen, Alternate Urban Forestry Committee.*

G. 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 October 5, 2021 Council Meeting.
2. Approval of Bills as Submitted.
3. Approval of Financial Report.
4. Setting of General Services/Public Works Committee meeting for Monday, October 25, 2021 at 12:00 noon.
5. Approval of a Cemetery Lot Repurchase from Pat Ferriola; Lots 01A and 01B; Block 43; Section G, Forest Cemetery

As Recommended by the City Clerk

6. **Resolution No. 21-062 -**
 - a. Acceptance of the abandonment/vacation of Easement located lot 5, block 7, Coeur d'Alene Place Thirty-Second Addition from Sorbonne Homes, LLC.
 - b. Approval of the waiver of covered load regulations from November 8, 2021 through December 3, 2021 for the annual City Leaf Pick Up program.

As Recommended by the Streets and Engineer Superintendent

H. OTHER BUSINESS:

1. **Resolution No. 21-063-** Approval of an Agreement with HMH Engineering for the stormwater design project near Sanders Beach.

Staff Report by: Chris Bosley, City Engineer

2. Wastewater 2018 Facility Plan Update

Staff Report by: Mike Anderson, Wastewater Director

3. **Council Bill No. 21-1024** – Authorizing the issuance and sale of the City’s Wastewater Revenue Refunding Bonds, series 2021A a (tax-exempt), and Wastewater Revenue Refunding Bonds, series 2021B (taxable), in the aggregate principal amount of not to exceed \$31,245,000 to provide funds necessary to prepay and refund certain outstanding wastewater revenue bonds of the city; delegating certain authority to the designated representative; authorizing preliminary and final official statements; and pledging revenues for payment of the 2021 bonds.

**Staff Report by: Troy Tymesen, City Administrator
Eric Heringer, Piper Sandler, Managing Director and
Christian Anderson, Zion’s Public Finance, Vice President
Laura McAloon, Bond Counsel**

I. ADJOURNMENT



Coeur d'Alene CITY COUNCIL MEETING

October 19, 2021

MEMBERS OF THE CITY COUNCIL:
Steve Widmyer, Mayor
Council Members McEvers, English, Evans, Gookin, Miller, Wood

ANNOUNCEMENTS

Memo to Council

DATE: October 5, 2021

RE: Appointment to Boards/Commissions/Committees

The following re-appointment is presented for your consideration for the October 19, 2021, Council Meeting:

BEV MOSS

Arts Commission (Re-appointment)

Sincerely,

Sherrie Badertscher
Executive Assistant

cc: Renata McLeod, City Clerk

MEMO TO COUNCIL

DATE: OCTOBER 12, 2021

RE: APPOINTMENTS TO BOARDS/COMMISSIONS/COMMITTEES

The following appointments are presented for your consideration for the October 19, 2021, Council Meeting:

SIENNA HEPWORTH	Student Representative (Reappointment)	Arts Commission
ADELINE SMITH	Alt. Student Representative	Arts Commission
CLAIRE PRATT	Student Representative	Childcare Commission
CLAIRE SWANBY	Alt. Student Representative	Childcare Commission
ELEANOR WALSH	Student Representative (Reappointment)	Library Board
GEORGIA MAU	Alt. Student Representative	Library Board
ALYSHA VILLELLI	Student Representative	Parks & Recreation Comm.
BRIGHTON SPENCER	Alt. Student Representative	Parks & Recreation Comm.
RYLEE STROBEL	Student Representative	Urban Forestry Committee
SAGE PEDERSEN	Alt. Student Representative	Urban Forestry Committee

Copies of the data sheets are in front of your mailboxes.

Sincerely,

Sherrie L. Badertscher
Executive Assistant

cc: Renata McLeod, City Clerk
Sherrie L. Badertscher, Arts Commission Staff Support
Kelley Setters, Childcare Commission Liaison
Michael Priest, Library Board Liaison
Bill Greenwood/Melissa Brandt, Parks & Rec Commission Liaison
Nick Goodwin, Urban Forestry Committee Liaison

CONSENT CALENDAR

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

October 5, 2021

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 October 5, 2021, at 6:00 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

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

Dan English) Members of Council Not Present

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

INVOCATION: Pastor Mike Slothower of River of Life Friends Church provided the invocation.

PLEDGE OF ALLEGIANCE: Brian Newberry and the Girl Scouts of Eastern Washington & Northern Idaho led the Pledge of Allegiance.

The Mayor proclaimed October 2021 as Safe Infant Sleep Awareness Month. Liz Montgomery, Executive Director of Northwest Infant Survival and SIDS Alliance accepted the proclamation and noted that Sudden Unexpected Infant Death (SUID) kills more children in the United States than opioids, guns, and suicide combined. She stated that last year there were 3,500 SUID deaths in the United States, and it was the number one cause of death for children between the ages of 28 days to 1-year old. She noted 90% of deaths were preventable and over 50% happened while sharing a sleep surface with an adult. She said she hoped to bring awareness about SUID and the immediate need for safe sleep education. She stated Northwest Infant Survival and SIDS Alliance provides information on safe sleep awareness, training, and bereavement support. She thanked Council for requiring the Safe Sleep 101 class for all licensed childcare providers in the City of Coeur d'Alene.

ANNOUNCEMENTS:

Councilmember Miller stated Library visitor traffic had ramped up to pre-covid numbers, and the pumpkin give-a-way, in conjunction with the Wastewater Department, is scheduled for October 22, and will be a drive-through event (Event date rescheduled to Oct 15). She stated the Regional

Housing and Growth Issues Partnership currently had a poll out requesting direction regarding three (3) options related to the formation of a regional housing management structure.

Mayor Widmyer asked for the Appointments of Dave Walker and Lisa Straza to the Historic Preservation Commission.

MOTION: Motion by Evans, seconded by McEvers, to appoint Dave Walker and Lisa Straza to the Historic Preservation Commission. **Motion carried.**

Councilmember Miller noted Dave Walker has been a longtime community supporter and has done great work throughout the City, and Lisa Straza was somewhat new to the area when newly appointed but has done an excellent job on the Commission as well, and she was supportive of both reappointments.

CONSENT CALENDAR:

1. Approval of Council Minutes for the September 21, 2021, Council Meeting.
2. Approval of Bills as Submitted.
3. **Resolution No. 21-060-** A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, ACCEPTING A GRANT DEED FOR THE PURCHASE OF RIGHT-OF-WAY LOCATED AT 280 W. KATHLEEN AVENUE FROM HK IDAHO, LLC, IN THE AMOUNT OF \$43,846.50; AND APPROVING LETTER OF AGREEMENT WITH KOOTENAI COUNTY FOR PUBLIC TRANSPORTATION.

MOTION: Motion by McEvers, seconded by Evans, to approve the Consent Calendar as presented, including **Resolution No. 21-060.**

DISCUSSION: Councilmember Gookin mentioned the consent resolution grant deed purchase of right-of-way was related to Kathleen Avenue street widening and has been in the works for a while. He said it would be a much-needed improvement to traffic flows when the project was complete.

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

RESOLUTION NO. 21-061

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AMENDING THE CITY OF COEUR D'ALENE PERSONNEL RULES, AND THE CLASSIFICATION AND COMPENSATION PLAN.

STAFF REPORT: Human Resources Director Melissa Tosi noted she had brought two (2) items forward for approval. The first item to consider was an amendment to the Classification of the Wastewater Superintendent SCADA Electro Technician position based on the Wastewater Department's needs. Upon review of the amendments, and the recommendation by Ameriben,

Human Resource Consulting, it was recommended the classification title be changed to an Automation Engineer to better reflect the overall duties, and the wage leveling be increased from pay grade 12 to pay grade 13. The SCADA Electro Technician position was approved in the budget in 2020 as a new classification. The specific duties include installation, maintenance, and repair of electrical, electronic, and instrumentation systems. The position is responsible for the layouts, tests, and calibrating and installing instruments and related devices used for controlling automatic equipment measuring flow, pressure, temperature, etc., in the Wastewater Treatment Plant, pumping stations, and composting facility. The amended classification updates the title to an Automation Engineer. The specific amended duties include administering and managing all automation projects for the City's Wastewater Facility and control systems. The position requires the ability to write and debug PLC code, develop SCADA and HMI screens for machinery, deploy automated processes, provide technical and equipment support, and plan, design and implement control system replacements and/or upgrades. The primary duties have evolved much more into a programming position that has significant savings to the City compared to hiring consultants to perform the work. The change of leveling for the SCADA Electro Technician from pay grade 12 to pay grade 13 will result in an 8% increase in the pay range. The current employee is qualified to complete the necessary duties of the amended position. For fiscal year 21-22, the financial impact for the current employee moving to a pay grade 13 is \$4,721. This fiscal year's cost to the City would be absorbed by current vacancies in the Wastewater Department's budget.

The second item for consideration was amendments to Personnel Rules, entitled "**Rule 1. General Provisions.**" The amendments add a general purpose to the Rules, add clarity and simplify the language, as well as delete redundancy and outdated language. Additionally, the Personnel Officer (City Administrator) reference is being removed from the Personnel Rules and would be replaced throughout the Rules by the classification necessary to complete the work. Ms. Tosi noted the amendments to Rule 1 was the beginning of a complete review of the Personnel Rules with the intent of bringing each Rule up to date. The proposed amendments to the Personnel Rules have been posted for all employees to review. Additionally, the Lake City Employees Association (LCEA), Police Association, and Fire Union expressed no concerns with the proposed amendments to the Personnel Rules. She highlighted a change made to section 8, probation period, and noted lateral police 12 months, recruits 18 months.

DISCUSSION: Councilmember Wood asked for a little more time to review the amendments to the Rule 1 portion of the item in regards to the transfer of authority, and suggested approving the Classification and Compensation Plan to amend the position of SCADA Electro Technician, pay grade 12 to Automation Engineer Pay grade 13, and tabling the amendments to Rule 1.

MOTION: Motion by Wood, seconded by Gookin, to approve **Resolution No. 21-061**, to approve the Classification and Compensation Plan to amend the position of SCADA Electro Technician, pay grade 12 to Automation Engineer Pay grade 13.

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

DISCUSSION: Mayor Widmyer stated he did not see any transfer of decision making authority when reading the proposed changes and asked who had the authority now, with Ms. Tosi responding it was the City Administrator. Mayor Widmyer asked where the authority would go if

the Personnel Officer language references were changed, and felt Rule 1 could remain as-is. Ms. Tosi clarified that removing the references to Personnel Officer in Rule 1 would not transfer authority to the Personnel Director. Mayor Widmyer stated the authority should stay the same. Councilmember McEvers asked for clarification from Councilmember Wood on where she was looking to make changes, with Councilmember Wood explaining she was requesting additional time to review as the transfer of authority language was important. Chief Deputy City Attorney Randy Adams stated there was only one reference to Personnel Officer, located in Section 9, where a change of authority occurred, transferring the authority to the Human Resources Director for classification, which was a direct HR function within the Human Resources Director's expertise. Ms. Tosi stated the City Administrator was the sole classification who may discipline an employee outside of an employee's department. Councilmember Miller stated there were many changes in the proposed document and would appreciate Ms. Tosi bringing back the changes with a presentation which explained each change in detail. Ms. Tosi stated her intent was to show all changes and remove redundancies, duplications, and outdated language. Councilmember McEvers stated he felt they were "getting in the weeds" and that Ms. Tosi had experience in updating personnel documents and had done a good job. Councilmember Evans stated she was comfortable approving the changes to Rule 1 as proposed, as she had read the proposed changes and they were language updates and housekeeping items, and was in support of the amendments. Councilmember Wood stated she wanted to be more comfortable when Council passed the Personnel Rule amendments and reiterated, she would like more time to review.

MOTION: Motion by Wood, seconded by Gookin, to table amendments to Personnel Rule 1, entitled General Provisions.

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

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

The meeting was adjourned at 6:35 p.m.

ATTEST:

Steve Widmyer, Mayor


Sherrie L. Badertscher
Executive Assistant

CITY OF COEUR D'ALENE
Treasurer's Report of Cash and Investment Transactions

CITY CLERK

FUND	BALANCE 8/31/2021	RECEIPTS	DISBURSE- MENTS	BALANCE 9/30/2021
<u>General-Designated</u>	\$1,871,586	\$32,889	\$43,483	\$1,860,992
<u>General-Undesignated</u>	15,604,701	6,771,929	9,372,089	13,004,541
<u>Special Revenue:</u>				
Library	466,867	4,727	156,281	315,313
CDBG	(65,502)	75,246	62,294	(52,550)
Cemetery	208,688	38,078	37,824	208,942
Parks Capital Improvements	437,830	127,098	65,662	499,266
Impact Fees	5,506,829	69,782	146,983	5,429,628
Annexation Fees	329		2	327
American Recovery Plan	4,329,665			4,329,665
Cemetery P/C	1,248,948	24,888	37,417	1,236,419
Jewett House	140,884	670	4,572	136,982
Reforestation	29,027	4	3	29,028
Street Trees	168,477	6,027	519	173,985
Community Canopy	2,899			2,899
Public Art Fund	51,458	14,310	2,575	63,193
Public Art Fund - ignite	565,122	67,981	7,082	626,021
Public Art Fund - Maintenance	128,225	6,996	35	135,186
<u>Debt Service:</u>				
2015 G.O. Bonds	103,872	1,250	32	105,090
<u>Capital Projects:</u>				
Street Projects	587,603	43,940	117,166	514,377
<u>Enterprise:</u>				
Street Lights	150,881	52,365	59,520	143,726
Water	779	1,732,494	2,355,980	(622,707)
Water Capitalization Fees	8,605,407	177,942	873	8,782,476
Wastewater	10,282,842	1,205,823	1,219,342	10,269,323
Wastewater - Equip Reserve	1,419,753	27,500		1,447,253
Wastewater - Capital Reserve	2,500,000			2,500,000
WWTP Capitalization Fees	5,741,945	168,388	419	5,909,914
WW Property Mgmt	60,668			60,668
Sanitation	1,794,683	517,034	550,902	1,760,815
Public Parking	588,914	87,989	96,585	580,318
Drainage	1,440,099	84,880	98,578	1,426,401
Wastewater Debt Service	2,411,423	264,497	322,655	2,353,265
<u>Fiduciary Funds:</u>				
Kootenai County Solid Waste Billing	303,016	228,810	531,826	-
Police Retirement	631,546	14,605	30,043	616,108
Sales Tax	2,899	2,010	2,899	2,010
BID	240,517	19,194	1,025	258,686
Homeless Trust Fund	577	647	1,224	-
GRAND TOTAL	\$67,563,457	\$11,869,993	\$15,325,890	\$64,107,560

I HEREBY SWEAR UNDER OATH THAT THE AMOUNTS REPORTED ABOVE, ON THE CASH BASIS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



Vonnice Jensen, Comptroller, City of Coeur d'Alene, Idaho

CITY OF COEUR D'ALENE
 BUDGET STATUS REPORT
 TWELVE MONTHS ENDED
 September 30, 2021

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CITY CLERK

FUND OR DEPARTMENT	TYPE OF EXPENDITURE	TOTAL BUDGETED	SPENT THRU 9/30/2021	PERCENT EXPENDED
Mayor/Council	Personnel Services	\$243,342	\$244,369	100%
	Services/Supplies	8,400	5,474	65%
Administration	Personnel Services	214,699	214,255	100%
	Services/Supplies	3,000	1,141	38%
Finance	Personnel Services	695,484	682,094	98%
	Services/Supplies	568,665	559,804	98%
Municipal Services	Personnel Services	1,278,345	1,211,359	95%
	Services/Supplies	699,561	714,607	102%
	Capital Outlay	10,000	9,715	97%
Human Resources	Personnel Services	342,230	340,207	99%
	Services/Supplies	76,595	66,691	87%
Legal	Personnel Services	1,265,260	1,222,542	97%
	Services/Supplies	48,153	34,693	72%
Planning	Personnel Services	641,592	619,919	97%
	Services/Supplies	120,395	109,122	91%
	Capital Outlay			
Building Maintenance	Personnel Services	336,901	271,511	81%
	Services/Supplies	213,125	208,849	98%
	Capital Outlay			
Police	Personnel Services	15,119,101	14,016,313	93%
	Services/Supplies	1,735,885	1,479,990	85%
	Capital Outlay	171,238	204,312	119%
Fire	Personnel Services	10,361,973	10,174,919	98%
	Services/Supplies	686,471	670,099	98%
	Capital Outlay	101,000	148,211	147%
General Government	Services/Supplies	1,298,678	1,318,291	102%
	Capital Outlay			
Police Grants	Personnel Services		67,413	
	Services/Supplies	80,782	75,829	94%
	Capital Outlay			
CdA Drug Task Force	Services/Supplies		1,868	
	Capital Outlay			
Streets	Personnel Services	3,073,344	2,944,476	96%
	Services/Supplies	1,947,165	1,185,509	61%
	Capital Outlay	185,500	162,894	88%
Parks	Personnel Services	1,751,110	1,538,538	88%
	Services/Supplies	697,620	685,838	98%
	Capital Outlay			

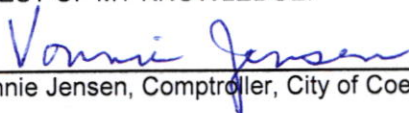
CITY OF COEUR D'ALENE
 BUDGET STATUS REPORT
 TWELVE MONTHS ENDED
 September 30, 2021

FUND OR DEPARTMENT	TYPE OF EXPENDITURE	TOTAL BUDGETED	SPENT THRU 9/30/2021	PERCENT EXPENDED
Recreation	Personnel Services	561,328	514,905	92%
	Services/Supplies	183,880	110,907	60%
	Capital Outlay		19,337	
Building Inspection	Personnel Services	918,356	912,632	99%
	Services/Supplies	40,129	23,584	59%
	Capital Outlay			
Total General Fund		<u>45,679,307</u>	<u>42,772,219</u>	<u>94%</u>
Library	Personnel Services	1,330,045	1,271,257	96%
	Services/Supplies	241,300	195,430	81%
	Capital Outlay	180,000	168,603	94%
CDBG	Personnel Services	74,754	67,679	91%
	Services/Supplies	620,278	422,219	68%
Cemetery	Personnel Services	200,837	188,151	94%
	Services/Supplies	105,950	136,303	129%
	Capital Outlay			
Impact Fees	Services/Supplies	596,500	151,851	25%
Annexation Fees	Services/Supplies	195,000	184,000	94%
Parks Capital Improvements	Capital Outlay	713,260	669,336	94%
Cemetery Perpetual Care	Services/Supplies	166,500	165,035	99%
Jewett House	Services/Supplies	26,353	15,636	59%
Reforestation	Services/Supplies	6,500	5,242	81%
Street Trees	Services/Supplies	112,000	60,576	54%
Community Canopy	Services/Supplies	1,500	365	24%
Public Art Fund	Services/Supplies	271,300	89,025	33%
		<u>4,842,077</u>	<u>3,790,707</u>	<u>78%</u>
Debt Service Fund		<u>876,281</u>	<u>876,281</u>	<u>100%</u>

CITY OF COEUR D'ALENE
BUDGET STATUS REPORT
TWELVE MONTHS ENDED
September 30, 2021

FUND OR DEPARTMENT	TYPE OF EXPENDITURE	TOTAL BUDGETED	SPENT THRU 9/30/2021	PERCENT EXPENDED
LaCrosse Ave / NW Blvd	Capital Outlay	1,200,000	127,405	11%
Seltice Way Sidewalks	Capital Outlay			
Traffic Calming	Capital Outlay	15,997	9,652	60%
Kathleen Avenue Widening	Capital Outlay	885,635	117,760	13%
US 95 Upgrade	Capital Outlay			
15th Street	Capital Outlay		11,070	
Industrial Park Loop & Atlas	Capital Outlay			
Downtown Signal Imprvmnts	Capital Outlay	100,000		
Atlas Waterfront Project	Capital Outlay		118,991	
NW Blvd Traffic Signals	Capital Outlay		5,351	
		<u>2,201,632</u>	<u>390,229</u>	<u>18%</u>
Street Lights	Services/Supplies	733,250	622,183	85%
Water	Personnel Services	2,315,352	2,152,503	93%
	Services/Supplies	4,952,518	2,297,776	46%
	Capital Outlay	7,298,500	5,008,127	69%
Water Capitalization Fees	Services/Supplies	5,300,000		
Wastewater	Personnel Services	2,959,700	2,838,542	96%
	Services/Supplies	7,392,415	3,028,865	41%
	Capital Outlay	7,205,000	1,657,024	23%
	Debt Service	3,634,263	4,899,730	135%
WW Capitalization	Services/Supplies	1,484,809		
Sanitation	Services/Supplies	4,645,002	4,179,199	90%
Public Parking	Services/Supplies	1,627,036	650,126	40%
	Capital Outlay	40,000		
Drainage	Personnel Services	222,668	224,477	101%
	Services/Supplies	944,195	402,747	43%
	Capital Outlay	535,000	247,029	46%
Total Enterprise Funds		<u>51,289,708</u>	<u>28,208,328</u>	<u>55%</u>
Kootenai County Solid Waste		2,800,000	2,919,498	104%
Police Retirement		188,132	186,961	99%
Business Improvement District		176,000	41,000	23%
Homeless Trust Fund		5,300	8,877	167%
Total Fiduciary Funds		<u>3,169,432</u>	<u>3,156,336</u>	<u>100%</u>
TOTALS:		<u>\$108,058,437</u>	<u>\$79,194,100</u>	<u>73%</u>

I HEREBY SWEAR UNDER OATH THAT THE AMOUNTS REPORTED ABOVE, ON THE CASH BASIS, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



Vonnie Jensen, Comptroller, City of Coeur d'Alene, Idaho

RECEIVED

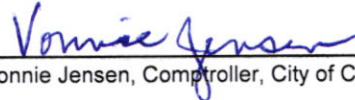
OCT 9 2021

CITY CLERK

City of Coeur d Alene
Cash and Investments
9/30/2021

Description	City's Balance
U.S. Bank	
Checking Account	3,164,399
Checking Account	72,772
Checking Account	64,303
Investment Account - Police Retirement	613,859
Investment Account - Cemetery Perpetual Care Fund	1,213,106
Idaho Central Credit Union	
Certificate of Deposit	276,218
Idaho State Investment Pool	
State Investment Pool Account	57,416,182
Spokane Teacher's Credit Union	
Certificate of Deposit	258,041
Numerica Credit Union	
Certificate of Deposit	1,027,130
Cash on Hand	
Treasurer's Change Fund	1,350
Library Change fund	180
Cemetery Change Fund	20
Total	64,107,560

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ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



Vonnice Jensen, Comptroller, City of Coeur d'Alene, Idaho

CEMETERY LOT TRANSFER/SALE/REPURCHASE PROCEDURE AND ROUTING SLIP

Request received by: Municipal Services Kelley Setters 9.17.21
Department Name / Employee Name / Date

Request made by: Pat Ferriola 208-699-3665
Name / Phone

5789 E OHIO MATCH ROAD Hayden, ID 83835
Address

The request is for: Repurchase of Lot(s)
 / / Transfer of Lot(s) from _____ to _____

Niche(s): _____
Lot(s): 01A, 01B, _____, _____, _____. Block: 43 Section: G

Lot(s) are located in Forest Cemetery / / Forest Cemetery Annex (Riverview).
Copy of / / Deed or / / Certificate of Sale must be attached.
Person making request is / / Owner / / Executor* / / Other* _____

*If "executor" or "other", affidaviats of authorization must be attached.

Title transfer fee (\$ _____) attached**.
**Request will not be processed without receipt of fee. Cashier Receipt No.: _____

ACCOUNTING DEPARTMENT Shall complete the following:

Attach copy of original contract.

Vonnie Jensen
Accountant Signature

CEMETERY SUPERVISOR shall complete the following:

1. The above-referenced Lot(s) is/are certified to be vacant: Yes / / No
2. The owner of record of the Lot(s) in the Cemtery Book of Deeds is listed as:
George + Pat Ferriola
3. The purchase price of the Lot(s) when sold to the owner of record was \$ 500.00 per lot.
MB 9/17/21
Supervisor's Init. Date

LEGAL/RECORDS shall complete the following:

1. Quit Claim Deed(s) received: / / Yes / / No.
- Person making request is authorized to execute the claim: _____
Attorney Init. Date

I certify that all requirements for the transfer/sale/repurchase of cemetery lot(s) have been met and recommend that that transaction be completed.

City Clerk's Signature Date

COUNCIL ACTION

Council approved transfer/sale/repurchase of above-referenced Lot(s) in regular session on: _____
Mo./ Day /Yr.

CEMETERY SUPERVISOR shall complete the following:

Change of ownership noted/recorded in the Book of Deeds: / / Yes / / No
Cemetery copy filed / /; original and support documents returned to City Clerk / /

Cemetery Supervisor's Signature Date

Distribution: Original to City Clerk
Yellow copy Finance Dept.
Pink copy to Cemetery Dept.

RESOLUTION NO. 21-062

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, ACCEPTING THE ABANDONMENT OF AN EASEMENT AND APPROVING THE WAIVER OF COVERED LOAD REGULATIONS FOR THE ANNUAL CITY LEAF PICK-UP PROGRAM.

WHEREAS, it has been recommended that the City of Coeur d'Alene take the actions listed below, pursuant to the terms and conditions set forth in the other action documents attached hereto as Exhibits "A" and "B" and by reference made a part hereof as summarized as follows:

- A) Acceptance of the Abandonment of Easement located Lot 5, Block 7, Coeur d'Alene Place Thirty-Second Addition from Sorbonne Homes, LLC; and
- B) Approving the waiver of covered load regulations (M.C. Section 8.36.130: Dumping, Dropping or Depositing of Material) from November 8, 2021, through December 3, 2021, for the annual City Leaf Pick-Up program; and

WHEREAS, it is deemed to be in the best interests of the City of Coeur d'Alene and the citizens thereof to enter into such agreements or other actions.

NOW, THEREFORE,

BE IT RESOLVED by the Mayor and City Council of the City of Coeur d'Alene that the City take the actions described in Exhibits "A" and "B," which are incorporated herein by reference, with the provision that the Mayor, City Administrator, and City Attorney are hereby authorized to the action documents, so long as the substance of the actions remain as described.

BE IT FURTHER RESOLVED that the Mayor and City Clerk be and they are hereby authorized to execute such documents as may be required on behalf of the City.

DATED this 19th day of October, 2021.

Steve Widmyer, Mayor

ATTEST:

Renata McLeod, City Clerk

Motion by _____, Seconded by _____, to adopt the foregoing resolution.

ROLL CALL:

COUNCIL MEMBER ENGLISH Voted

COUNCIL MEMBER MILLER Voted

COUNCIL MEMBER GOOKIN Voted

COUNCIL MEMBER EVANS Voted

COUNCIL MEMBER MCEVERS Voted

COUNCIL MEMBER WOOD Voted

_____ was absent. Motion _____.

**CITY COUNCIL
STAFF REPORT**

DATE: October 19, 2021

FROM: Dennis J. Grant Engineering Project Manager

SUBJECT: **Approval of the Abandonment of Drainage Easement on the Property Owned by Sorbonne Homes LLC located at – Coeur d’Alene Place Thirty-Second Addition, Lot 5, Block 7.**

DECISION POINT

Should Council approve the Abandonment of the Drainage Easement on the property owned by Sorbonne Homes LLC?

HISTORY

During the construction on Coeur d’Alene Place Thirty-Second Addition, a drainage easement was recorded on lot 5, block 7 of this plat. To allow for the construction of a new home, a new drainage easement was recorded (see attached) to make the easement width 2 feet smaller than the original easement. The existing drainage easement would then need to be abandoned per council approval (see attached). The City Engineer approved this change because it still meets the City’s stormwater needs.

FINANCIAL ANALYSIS

No cost will be incurred by the City for this abandonment.

PERFORMANCE ANALYSIS

Approval of this Drainage Easement allows Sorbonne Homes LLC to meet setbacks to construct a new home.

DECISION POINT RECOMMENDATION

Council should approve the abandonment of the Drainage Easement on property owned by Sorbonne Homes LLC.

RECORDING FEE: \$15.00

DE



When recorded return to:

Sorbonne Homes LLC

1421 N Meadowwood Lane, Suite 200
Liberty Lake, WA 99019

Document Title: *Grant of Drainage Easement*

Grantor(s): *Sorbonne Homes LLC*

Grantee(s): *City of Coeur d'Alene Address: 710 E. Mullan Avenue Coeur d' Alene, Id 83814*

Abbreviated Legal Description: A portion of Lot 5, Block 7 of Coeur D' Alene Place Thirty-Second Addition, Recorded in Book L, Pages 525 thru 525D, located in the Southeast Quarter of Section 27, Township 51 North, range 4 West, B.M.

GRANT OF DRAINAGE EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that the Grantors, Sorbonne Homes LLC, a Washington Limited Liability Company, for and in consideration of Mutual Benefits, the receipt of which is hereby acknowledged, grants to City of Coeur d'Alene, a Drainage a Easement over, under, upon and across the real property situated in the City of Liberty Lake, County of Spokane, State of Washington, legally described below,

BEGINNING at the Southwest corner of said Lot 5; thence S74°12'34"E along the South Line of said Lot 5 a distance of 72.48 feet; thence N16°02'40"E a distance of 17.50 feet; thence N74°12'34"W a distance of 72.49 feet to the West Line of said Lot 5 and the beginning of a non-tangent curve concave to the Southeast and having a radius of 2265.50 feet and a chord bearing and distance of S16°00'42"W, 17.50 feet; thence Southwesterly along said curve through a central angle of 00°26'33" an arc distance of 17.50 feet to the POINT OF BEGINNING.

WHEREAS, Grantor desires to make provision for and grant a seventeen and a half foot wide easement to the Grantee over a portion of the described properties for the construction, improvement, operation and maintenance of a stormwater drainage line over, under, upon and across the properties as further described herein.

NOW, THEREFORE, Grantors hereby declare the Properties described herein shall be held, sold and conveyed subject to the following easement which shall run with the Properties and shall be binding on all parties having any rights, title, or interest in the Properties.

ABANDONMENT OF EASEMENT

(BOOK L, PAGE 525C, INSTRUMENT # 2792025000, RECORDED DATE 11/16/2020)

KNOW ALL MEN BY THESE PRESENTS, that the City of Coeur d’Alene, whose address is 710 East Mullan Avenue, Coeur d’Alene, Idaho, 83814, the dominant tenant of the easement described herein, for and in consideration of good and valuable consideration, paid by Sorbonne Homes, LLC., the servient tenant of the easement described herein, receipt of which is acknowledged, does hereby abandon the following described easement:

Drawing and Legal Description, attached as Exhibit “A”

over and through the following described property:

Lot 5, Block 7 of COEUR D’ ALENE PLACE THIRTY-SECOND ADDITION, as recorded in Book “L” of Plats, Page 525, Instrument # 2792025000, records of Kootenai County, Idaho, and Proust Drive.

IN WITNESS WHEREOF, the undersigned have executed this instrument on this 19th day of October, 2021.

Steve Widmyer, Mayor, Dominant Tenant

Attest:

Renata McLeod, City Clerk

Sorbonne Homes, LLC, Servient Tenant

STATE OF IDAHO)
) ss.
COUNTY OF KOOTENAI)

On this 19th day of October, 2021, before me, a Notary Public, personally appeared **Steve Widmyer and Renata McLeod**, known to me to be the Mayor and City Clerk, respectively, of the City of Coeur d'Alene that executed the foregoing instrument and acknowledged to me that said City of Coeur d'Alene executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate first above written.

Notary Public for Idaho
Residing at _____
My Commission expires: _____

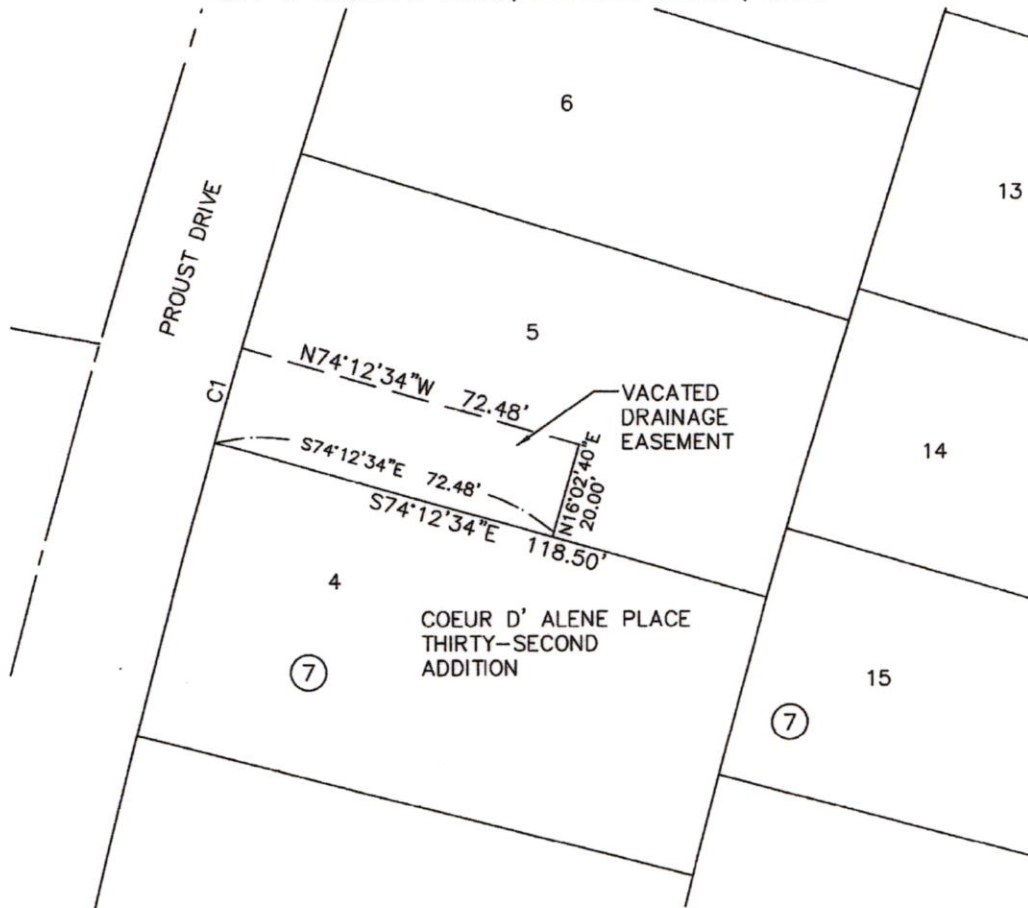
STATE OF IDAHO)
) SS
COUNTY OF KOOTENAI)

On the ___ day of October, 2021, before me, a Notary Public, personally appeared _____, known to me to be the _____ of **Sorbonne Homes, LLC.**, and the person who executed the foregoing instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate first above written.

Notary Public for Idaho
Residing at _____
My Commission Expires: _____

EXHIBIT "A"
FOR
LEGAL DESCRIPTION FOR VACATION OF A DRAINAGE EASEMENT IN LOT 5
BLOCK 7 COEUR D' ALENE PLACE THIRTY-SECOND ADDITION
LOCATED IN THE SE 1/4 OF SECTION 27, TOWNSHIP 51 NORTH, RANGE
4 WEST, B.M.
CITY OF COEUR D' ALENE, KOOTENAI COUNTY, IDAHO



CURVE TABLE					
CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	2265.50'	20.00'	20.00'	S 16°02'36" W	0°30'21"



SCALE: 1 INCH = 30 FEET



RFK LAND SURVEYING INC.. 1420 WEST GARLAND AVENUE SPOKANE, WA 99205 TEL: (509) 324-7861 FAX: (509) 327-7249 E-MAIL: rudy@rfklandsurveying.com	DRAWN	APPROVED	PROJECT
	MEM	MEM	20-120
	DATE	DATE	SHEET
	10/12/21	10/12/21	1 OF 1

Legal Description

For

Vacation of Easement on Lot 5, Block 7
of Coeur D' Alene Place Thirty-Second Addition

A drainage easement on a portion of Lot 5, Block 7 (Detail F) of Coeur D' Alene Place Thirty-Second Addition, Recorded in Book L, Pages 525 thru 525D.

Containing 1,450 square feet more or less.





City of Coeur d'Alene - Leaf Fest Begins Monday, November 8th

Monday, November 8th, marks the start of the CITY OF COEUR D ALENE annual leaf pick-up program. **Please be sure to keep leaves on your property until November 1st, 2021.** Please rake your leaves and pine needles about one foot away from the gutter/curb line to allow for water drainage. City crews and equipment are limited, so we need your help. Leaves will be picked up only once. Please do not put leaves in the street after city crews have completed your area and **do not** include bagged leaves, branches, debris, or trash.

Due to weather conditions, equipment, and unforeseen circumstances, City crews are unable provide a precise schedule of where leaf pick-up will take place. Pick-up will start south of Sherman Avenue and move north. Completion is expected by Friday, December 3rd, 2021.

Leaf-fest 2021 Tips

Do:

- Keep leaves/needles on your property until Sunday, November 1st
- Please move cars off of the street, if at all possible, during leaf pick-up
- Keep the leaves about one-foot off the curb line to facilitate storm water flow
- Be alert for leaf pick-up equipment traveling through your neighborhood
- Keep a safe distance away from leaf pick-up heavy equipment
- Recognize that we have a tough job to do in a very short window between when the leaves fall and when the snow flies
- Understand that city and private trucks are exempted from covering loads during the leaf pick-up period. Sweepers will follow city trucks to collect remaining/excess leaves

Do NOT:

- Place bagged leaves in street.
- Mix branches, rubble or other refuse in with the leaves.
- Miss the deadline... we only have time for one pass!

If you have questions or need additional information, please check the website www.cdavid.org/leafpickup or call the Street Maintenance Information line 208.769.2233.

OTHER BUSINESS

**CITY COUNCIL
STAFF REPORT**

DATE: October 19, 2021
FROM: Chris Bosley – City Engineer
SUBJECT: HMH Engineering Stormwater Design Agreement

=====

DECISION POINT:

Staff is requesting approval of the Stormwater Design Agreement with HMH Engineering.

HISTORY:

Much like the previous Stormwater Outfall Volume Reduction project, the Northwest Boulevard/US-95 swale, City staff has identified another opportunity to eliminate or reduce the amount of stormwater discharging into our surface waters. This time, the proposed project would include two outfalls at or near Sanders Beach. One is located at the swimming beach at the end of 12th Street; the other is at the marina at the end of 11th Street. Staff has been evaluating the feasibility of reducing or eliminating the volume of stormwater that discharges into Lake Coeur d’Alene at these two outfalls and has recently applied for a grant with the Idaho Department of Environmental Quality to receive funding for this project and others that would reduce the amount of phosphorus that enters the Lake. Staff met with HMH Engineering to discuss this project and prepare a cost estimate to perform a hydraulic analysis of the stormwater system and design a stormwater system that could handle the expected stormwater. This would likely be accomplished through a combination of swales and subsurface storage/filtration units, but will be ultimately determined during design.

FINANCIAL ANALYSIS:

The cost for the design is \$48,680, which would be funded through the Drainage Utility funds. The funding may be considered as funding match if the IDEQ grant is awarded to the City and could improve the City’s chances of obtaining the grant money.

PERFORMANCE ANALYSIS:

Approval of this agreement will enable HMH to analyze the stormwater system and design a storage/filtration system. If the City is awarded the IDEQ grant, construction money would be allocated for a contractor to complete the work. If the City is not successful in the grant award, City crews intend to work on portions of the project as time allows, reduce the outfall volume incrementally. Completion of this project could potentially eliminate a stormwater outfall, as recommended by our Municipal Separate Storm Sewer System (MS4) permit.

DECISION POINT/RECOMMENDATION:

Staff recommends that City Council approve the Stormwater Design Agreement with HMH Engineering.

Stormwater Outfall Volume Reduction Program



**Sanders Beach
October 19, 2021**



Sanders Beach Outfalls







Staff recommends that City Council approve the Stormwater Design Agreement with HMH Engineering.



RESOLUTION NO. 21-063

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH HMM ENGINEERING FOR THE STORMWATER DESIGN PROJECT NEAR SANDERS BEACH.

WHEREAS, the City Engineer of the City of Coeur d'Alene has recommended that the City of Coeur d'Alene enter into a Professional Services Agreement with HMM Engineering for the design of a stormwater project near Sanders Beach pursuant to terms and conditions set forth in said Professional Services Agreement, a copy of which is attached hereto as Exhibit "1" and by reference made a part hereof; and

WHEREAS, it is deemed to be in the best interests of the City of Coeur d'Alene and the citizens thereof to enter into such Professional Services Agreement.

NOW, THEREFORE,

BE IT RESOLVED by the Mayor and City Council of the City of Coeur d'Alene that the City enter into a Professional Services Agreement with HMM Engineering for the design of a stormwater project near Sanders Beach, in substantially the form attached hereto as Exhibit "1" and incorporated herein by reference, with the provision that the Mayor, City Administrator, and City Attorney are hereby authorized to modify said Professional Services Agreement to the extent the substantive provisions of the agreement remain intact.

BE IT FURTHER RESOLVED that the Mayor and City Clerk be and they are hereby authorized to execute such Professional Services Agreement on behalf of the City.

DATED this 19th day of October, 2021.

Steve Widmyer, Mayor

ATTEST:

Renata McLeod, City Clerk

Motion by _____, Seconded by _____, to adopt the foregoing resolution.

ROLL CALL:

COUNCIL MEMBER EVANS Voted

COUNCIL MEMBER MILLER Voted

COUNCIL MEMBER GOOKIN Voted

COUNCIL MEMBER ENGLISH Voted

COUNCIL MEMBER MCEVERS Voted

COUNCIL MEMBER WOOD Voted

_____ was absent. Motion _____.



AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES (“Agreement”) is entered into effective this ____ day of _____, 2021, between HMH, LLC, an Idaho limited liability company (“HMH”), and the City of Coeur d’Alene (“CLIENT”).

This Agreement consists of the following documents which are incorporated herein by reference:

- a. Terms and Conditions (Exhibit A);
- b. Detailed Scope of Work (Exhibit B); and

IT IS HEREBY AGREED by and between the undersigned as follows:

1. Scope of Engagement. Client has engaged HMH to perform the following described services (collectively “Services”)
 - Assist City with routing existing City stormwater into underground storage/infiltration facilities around the Sanders Beach area as described in the Detailed Scope of Work (Exhibit B).

Should the scope of the Project be changed by circumstances beyond the control of HMH, the parties shall renegotiate the terms and conditions of HMH’s engagement, including scope of services and cost.

We have agreed that our engagement is limited to performance of the services described above. Our acceptance of this engagement does not involve an undertaking to perform any services other than those outlined above. We may agree with you to limit or expand the scope of our representation from time to time, provided that any such change is confirmed in writing.

- a. Exclusions. Services that are not included in the Scope of Engagement, but may be provided at additional expense, are as follows:

- i. See Exhibit B, Detailed Scope of work.
- ii. Geotechnical Engineering or Percolation Testing
- iii. Construction Phase Services
- iv. Construction Cost Estimate
- v. Special Provisions

- b. General Assumptions. The Detailed Scope of Work outlined above is subject to the following general assumptions made by the parties hereto:

- vi. See Exhibit B, Detailed Scope of work.

c. Course of Construction. If the Scope of Engagement does not include construction phase services for this project, Client acknowledges that it assumes all responsibility for interpretation of the project documents and for construction observation and waives any claim against HMH in connection with same.

2. Fees. HMH shall be compensated for all Services as outlined above on a time and materials basis not to exceed \$48,680.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

HMH, LLC
3882 N. Schreiber Way, Suite 104
Coeur d'Alene, ID 83815

By: _____

Name: _____

Member _____

CITY OF COEUR D'ALENE
710 E. Mullan Ave
Coeur d'Alene, ID 83814

By: _____
Steve Widmyer, Mayor

ATTEST

Renata McLeod, City Clerk

EXHIBIT A

TERMS AND CONDITIONS

1. Fees. Our current billing rates for the professionals that are likely to work on this Project are outlined in Exhibit B. The fees that we charge for our services are based on a variety of factors, the most important of which is the amount of time spent on a particular engagement by our professionals. Our billing rates are subject to change from time to time, with 30 days advance notice. Other factors also may be taken into consideration in determining our fees, including the novelty and complexity of the engagement; the skill requisite to perform the services properly; the experience, reputation, and ability of those performing the services; the time limitations imposed by you or the circumstances.

a. Alternate Fee Arrangements. There are circumstances in which we may provide professional services to you other than on a standard hourly rate arrangement, for example, on a flat-fee basis for certain well-defined services, or other alternate fee basis when appropriate. Any service arrangements other than our standard hourly rates will be effective only after we have discussed the arrangements with you, you have approved the arrangements, and the details of the arrangements have been confirmed in a written fee agreement between you and us.

2. Costs. During the course of performing the Services for you, we may be obligated to make payments to third parties for various services. You will be responsible to reimburse us for any third-party charges which we may advance on your behalf. Examples include government and quasi-governmental agency fees, filing and recording fees, significant document duplication projects, overnight or express mail services, charges for outside consultants and research services, and travel expenses. In some circumstances, arrangements with your approval may be made for third parties to bill you directly for those costs. We will not charge you for certain internal services that we provide in connection with our Services (e.g., routine duplication, postage, faxing, and long-distance charges). We will itemize in detail any costs and charges that we advance on your behalf in the invoices that we send to you.

3. Retainer. We may ask clients to provide an advance deposit with our firm, typically equal to the fees and costs likely to be incurred during a two-month period. We also reserve the right to require additional deposits in advance of undertaking a substantial amount of work. Unless otherwise agreed, any advance deposits will be held in trust for application to the final invoice for the work undertaken under this Agreement. Upon request, we will provide you with an accounting of all monies held in trust.

4. Estimates of Fees and Costs. HMH will, to the best of its ability, perform the Services and accomplish the objectives defined in this Agreement within any written cost estimate provided by HMH. Client recognizes that changes in scope and schedule, and unforeseen circumstances can all influence the successful completion of Services within the estimated cost. The use of an estimate of fees or of a "not to exceed" limitation is not a guarantee that the Services will be completed for that amount; rather, it indicates that HMH shall not incur fees and expenses in excess of the estimate or limitation amount without obtaining

Client's agreement to do so.

5. Payment of Invoices. Our standard practice is to issue invoices monthly for work performed and expenses incurred during the previous month. Payment is due promptly upon receipt of our invoice, and our firm will charge a late payment fee of 1 1/2% per month (18% per annum) on invoices not paid within 30 days of receipt. Please bring any questions about inaccurate, inappropriate, or uncertain charges to the attention of the supervising engineer responsible for your engagement, within 30 days of the date of the invoice in question. Typically, we are able to resolve billing questions and problems promptly to the satisfaction of our clients with little inconvenience or formality. HMH reserves the right to exercise statutory lien rights to secure any sums due without prior notice.

6. Standard of Performance; Disclaimer of Warranties.

a. Level of Services. HMH offers different levels of professional services to suit the desires and needs of differing projects and clients. Although the possibility of error can never be eliminated, more detailed and extensive Services yield more information and reduce the probability of error, but at increased costs. Client must determine the level of Services adequate for its purposes. Client has reviewed the Scope of Engagement and has determined that it does not need or want a greater level of Services than that being provided.

b. Standard of Care. Subject to the limitations inherent in the agreed Scope of Engagement as to the degree of care, the amount of time and expenses to be incurred, and subject to any other limitations contained in this Agreement, HMH will perform its Services consistent with that level of care and skill ordinarily exercised by other professional engineers practicing in the same locale and under similar circumstances at the time the Services are performed.

c. No Warranty. No warranty, express or implied, is included or intended by this Agreement.

7. Changed Circumstances. If HMH discovers conditions or circumstances that it had not contemplated at the commencement of this Agreement and/or which are inconsistent with the general assumptions of the parties as articulated herein, HMH will notify Client in writing of the changed conditions. Following notification, Client and HMH shall renegotiate the terms and conditions of this Agreement in good faith. If HMH and Client cannot agree upon amended terms and conditions within 30 days after notification of the changed conditions, HMH may terminate this Agreement and shall be compensated for all work performed as of the date of termination.

8. Hazardous Environmental Conditions of Materials. HMH's services exclude any services related to hazardous materials or a hazardous environmental condition, including hazardous materials as defined by federal, state and local law. Discovery of hazardous materials after the date of execution of this Agreement mandates renegotiation of HMH's scope of work or suspension or termination of services.

9. Assistance with Permits, Governmental Approval. If the Scope of Engagement includes assistance with seeking governmental permits and/or approval, Client understands and agrees that HMM does not warrant or guarantee that any permits or approvals will be acted upon favorably by the appropriate agency. Should Client have any questions regarding applicable laws, regulations, or laws, including but not limited to a determination of which permits or approvals are required for the Project, it agrees that it shall seek independent legal advice. Absent specific directives from the Client to do so, HMM shall have no liability for failing to apply for any requisite governmental permits or approval for the Project.

10. Advise About Possible Outcomes. Either prior to or at the commencement of our engagement, we may have expressed opinions or beliefs concerning the engagement, possible designs, courses of action, and results. Any such statements made are intended to be an expression of opinion only, based upon information then known or available to us, and should not be construed as a promise or guarantee of a particular result or outcome.

11. Opinions of Construction and Project Costs. HMM may be asked to provide opinions of probable construction or Project costs as part of the professional services under this Agreement. Client acknowledges that construction and project development are subject to many influences that are not subject to precise forecasting and are outside of HMM's control. Client understands and agrees that: HMM has no control over the cost of labor or materials furnished by others or market conditions; HMM's opinions of probable cost are based on HMM's experience and judgment; HMM does not guarantee or warrant that bids or estimates prepared by contractors will not deviate from opinions of probable cost provided by HMM; and HMM is not responsible for variations between actual construction bids or costs and HMM's opinions regarding probable construction costs.

12. Allocation of Risk.

a. Indemnification of Client. Subject to the provisions and limitations of this Agreement, HMM agrees to indemnify and hold harmless Client, its shareholders, officers, directors, employees, and agents from and against any and all claims, suits, liabilities, damages, expenses (including without limitation reasonable attorney's fees and costs of defense), or other losses (collectively "Losses") to the extent caused by HMM's negligent performance of its Services under this Agreement.

b. Indemnification of HMM. Client will indemnify and hold harmless HMM Entities from and against any and all Losses to the extent caused by the negligence of Client, its employees, agents and contractors. In addition, except to the extent caused by HMM's sole negligence, Client expressly agrees to defend, indemnify and hold harmless HMM Entities from and against any and all Losses arising from or related to the existence, disposal, release, discharge, treatment or transportation of Hazardous Materials, or the exposure of any person to Hazardous Materials, or the degradation of the environment due to the presence, discharge, disposal, release of or exposure to Hazardous Material.

c. Consequential Damages. Neither Client nor HMH will be liable to the other for any special, consequential, incidental damages or penalties, including but not limited to losses, damages or claims related to the unavailability of property or facilities, shutdowns or service interruptions, loss of use, profits, revenue, or inventory, or for use charges, cost of capital, or claims of the other party and/or its customers.

d. Continuing Agreement. The indemnity obligations and the limitations of liability established under this Agreement will survive the expiration or termination of this Agreement. If HMH provides Services to Client that the parties do not confirm through execution of an amendment to this Agreement, the obligations of the parties to indemnify each other and the limitations on liability established under this Agreement apply to such Services as if the parties had executed an amendment.

13. Insurance. HMH agrees to procure and maintain, at its sole expense, if reasonably available, the following insurance coverage:

- a. Statutory Workers' Compensation/Employer's Liability Insurance;
- b. Commercial General Liability Insurance with minimum limits of \$1,000,000.00 combined single limit for personal injury and property damage;
- c. Automobile Liability Insurance, including liability for all owned, hired and non-owned vehicles with minimum limits of \$1,000,000.00 combined single limit for bodily injury and property damage; and
- d. Professional Liability Insurance of \$1,000,000.00 per claim and annual aggregate for protection against claims arising out of the performance of services under this agreement caused by negligent acts, errors, or omissions for which HMH is legally liable.

Upon request and at Client expense, Client can be made an additional insured on HMH's commercial general liability and automobile liability insurance policies and certificates of insurance will be furnished to the Client.

14. Client's Responsibilities. In addition to full and timely payment for the Services performed under this Agreement, Client agrees to:

a. Cooperation. Assist and cooperate with HMH in any manner necessary and within its ability to facilitate HMH's performance under this Agreement.

b. Representative. Designate a representative with authority to receive all notices and information pertaining to this Agreement, communicate Client's policies and decisions, and assist as necessary in matters pertaining to the Project and this Agreement. Client's representative will be subject to change by written notice.

c. Rights of Entry. Provide access to and/or obtain permission for HMH to enter upon all property, whether or not owned by Client, as required to perform and complete the Services. HMH will operate with reasonable care to minimize damage to the Project Site(s). However, Client recognizes that HMH's operations and the use of

investigative equipment may unavoidably alter conditions or affect the environment at the existing Project Site(s). The cost of repairing such damage will be borne by Client and is not included in the fee unless otherwise stated.

d. Relevant Information. Supply HMM with all information and documents in Client's possession or knowledge which are relevant to HMM's Services. Client warrants the accuracy of any information supplied by it to HMM and acknowledges that HMM is entitled to rely upon such information without verifying its accuracy. Prior to the commencement of any Services in connection with a specific property, Client will notify HMM any known potential or possible health or safety hazard existing on or near the Project Site, with particular reference to Hazardous Materials or conditions.

e. Subsurface Structures. Correctly designate on plans to be furnished to HMM, the location of all subsurface structures, such as pipes, tanks, cables and utilities within the property lines of the Project Site(s). HMM is not liable to Client for any losses, damages or claims arising from damage to subterranean structures or utilities.

15. Document Ownership, Retention and Destruction. All documents prepared or obtained through the course of the project, including electronic files, are the property of HMM and Client. Upon request and payment of all fees and costs, Client is entitled to a copy of the complete project files, including paper and electronic versions. Client agrees that no work product may be used or reused by the Client other than for the construction, operation and maintenance of the Project, without prior written authorization of HMM. Client acknowledges that any other use of HMM's work product by Client will be at Client's sole risk without liability of HMM. Client shall timely pay, assume, defend, indemnify and hold HMM harmless from any claims, damages, losses and expenses, including attorney's fees, arising from unauthorized reuse of all work product prepared by HMM.

For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of our own files within a reasonable time after the termination of the engagement in accordance with our records retention policies. HMM normally does not retain files for more than 5 years after an engagement is concluded.

16. Termination of Engagement. The obligation to perform under this Agreement may be terminated by either party upon 30 days written notice. Such termination shall be based upon substantial lack of performance by the other party under this Agreement, including but not limited to, Client's failure to pay monthly invoices. HMM may terminate services under this agreement upon 7 days written notice if Client requires or demands that HMM perform services in conflict with HMM's professional responsibilities and Client hereby waives any and all claims against HMM for such termination. If this Agreement is terminated by either party, HMM shall be timely paid for services rendered and for direct expenses incurred to the date of such termination plus close-out or suspension costs including but not limited to document management, rescheduling or re-assignment of personnel, and documentation as to status of work tasks.

17. Miscellaneous.

a. Merger. All oral and written representations, warranties, agreements and contracts discussed or entered into by the parties hereto or their representatives before the effective date of this Agreement relating directly or indirectly to the subject matter set forth in this Agreement are merged into and superseded by this Agreement and this Agreement constitutes the sole and the entire contract between the parties hereto relating to the transactions set forth in this Agreement.

b. Paragraph headings. The paragraph headings used herein are for convenience only and are not a part of this Agreement and shall not be used to interpret it.

c. Severability. In the event any portions of this Agreement shall be deemed to be void, voidable or unenforceable, the remaining portions shall remain in full force and effect.

d. Choice of law and consent to jurisdiction and venue. This Agreement shall be governed by the laws of the State of Idaho. The parties hereby consent to the jurisdiction and venue of the district court located in Kootenai County, Idaho in the event of any legal proceeding with respect to the negotiation, execution or delivery of this Agreement, or the enforcement of any obligation, right of remedy thereunder, or the assertion of any claim, defense, set off or counterclaim in connection therewith.

e. Construction. As used in this Agreement, the masculine, feminine or neutral gender, and the singular or plural number, shall each be deemed to include the others whenever the context so indicates. This Agreement shall be construed without regard to the party or parties responsible for its preparation and shall be deemed to have been prepared jointly by the parties hereto. The parties hereto agree that any rule of construction to the effect that any ambiguities are to be or may be resolved against the drafting party shall not be employed in the interpretation of this Agreement to favor one party against the other.

f. Counterparts. This Agreement may be executed in one or more counterparts, each of which when executed and delivered shall be an original, and all of which, when executed, shall constitute one and the same instrument. Several duplicate originals of this Agreement shall be signed and each such signed duplicate original for all purposes.

g. Facsimile Copies. The parties agree that facsimile copies of the signatures to this Agreement shall be treated as original signatures, are acceptable to each other, and shall bind the parties' respective rights and obligations under this Agreement, to the same extent as if such signatures were original signatures.

h. Time of the Essence. Timely and prompt performance of each provision of this Agreement is of the essence and shall be required.

i. Notices. Notices required hereunder shall be in writing and shall be delivered to the parties by hand, or certified mail, return receipt requested, at the addresses first listed above and shall be effective upon delivery.

j. Modifications. This Agreement may not be amended, canceled, revoked or otherwise modified except by written agreement subscribed to by each of the parties hereto or their authorized representatives.

k. Agreement Binding on Successors. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective past, present and future successors in interest, partners, directors, officers, owners, stockholders, administrators, executives, employees, agents, representatives and all parent, subsidiary, allied or affiliated corporations or survivors by merger.

l. No Third Party Beneficiaries. There shall be no designated or intended third-party beneficiaries to this Agreement. This Agreement is for the sole and exclusive benefit of the parties.

m. Waiver of Jury Trial. Both parties forever waive any and all rights to a trial by jury in any action or proceeding to enforce or defend any rights or remedies under this Agreement, or any action or proceeding in any way arising out of or in connection with this Agreement, whether in contract or tort, at law or in equity, or mixed, and agree that any such action shall be tried by a judge and not by a jury.

n.

Attorney's Fees. In the event the parties are unable to resolve a dispute arising under this Agreement and litigation or arbitration is filed to resolve the dispute, the prevailing party shall be entitled to an award of their reasonable attorney's fees and costs

EXHIBIT B

10/5/2021

DETAILED SCOPE OF WORK CITY OF COEUR D'ALENE SANDERS BEACH OUTFALL FILTER PROJECT

Project Description

The City of Coeur d'Alene has various stormwater outfalls that discharge directly into Lake Coeur d'Alene. Two of the City's stormwater outfalls are located at Sanders Beach and the Sanders Beach marina. The drainage areas that contribute to the two outfalls are referred to herein as Sand 1 and Sand 2. The City intends to re-route stormwater destined to these out falls and deliver it to underground storage/infiltration systems at various locations in the near proximity. The intent is to leave the outfalls in place as overflow for large events, but capture, store and infiltrate the 25-year storm events. This project will provide the design, plans, and specifications for routing existing City stormwater to the various filter systems in an effort to reduce the amount of stormwater discharging into Lake Coeur d'Alene.

HMH will assist the City by evaluating the existing City stormwater system and providing design for the new treatment area. HMH will develop constructable plans and specifications. If the City requests additional services not specifically called out, they can be added as additional services if they become necessary.

Project Understanding

For items or tasks left out or specifically not included in this scope, these services may be added as additional services at the Cities request if they become necessary.

1. The City will provide traffic control as necessary for survey work.
2. Landscaping is not included in this scope. The City will provide all landscaping elements to include, seeding, and erosion control measures for the project.
3. A geotechnical consultant is not included in this scope.
4. No environmental element is included in the scope.
5. It is understood the City will provide all necessary erosion and sediment control and permitting for the project during construction, including a SWPPP if necessary.
6. HMH will call for utility locates and survey-tie any marked utilities but the scope does not include coordinating existing or future work with utility entities.
7. This project will be developed using ISPWC and City standards and details on 11"x17" plan sheets.
8. This scope assumes the required field work survey will occur during non-winter conditions. Snow on the ground may delay survey work.

Scope of Services

The scope is organized by the following tasks:

Task 1	Project Administration
Task 2	Survey
Task 3	Hydraulics
Task 4	Coordination Meeting
Task 5	Conceptual Design

EXHIBIT B

Task 6 Final Design

Task 1 Project Administration

This will consist of the management of the project and involve administrative tasks that are required of the Consultant during the course of project development, including setting up and maintaining project accounting procedures, billing coordination, monitoring project budget, and general project coordination. Invoices will be submitted monthly via email in PDF format.

Task 2 Survey

HMH will perform the topographic surveying for the project, itemized as follows:

- The topographic survey will encompass the Sand 1 and Sand 2 Areas. HMH will survey the mostly likely stormwater filter system locations in detail.
- HMH will determine through the One Call process existing underground utilities within the project area.
- HMH will process survey field data to be imported into AutoCAD. Quality control and assurance will be performed on all linework to verify horizontal and vertical accuracy.

Task 3 Hydraulics

HMH will examine the existing storm drain systems in Autodesk Storm and Sanitary Analysis using the 25-year flows, 24-hour duration storm events. This analysis will determine the existing drainage system capacity and highlight any deficiencies. This scope of work does not include any subsurface engineering or geotechnical work. HMH will make an assumption on the percolation rates for the Sand 1 and Sand 2 Area watersheds for the purpose of design. These rates will need to be verified by the City.

HMH will estimate stormwater discharges into the proposed stormwater filter systems and work with a vendor to determine the optimum stormwater filter system.

Task 4 COORDINATION MEETING

HMH assumes several agencies will be interested in the project. This scope provides time for HMH to attend two agency meetings.

Task 5 Conceptual Design

This task includes preparing the Conceptual Design of the stormwater filter system. Plan and profile sheets will be prepared. Existing and proposed manholes will be identified with invert elevations. The proposed stormwater filter system will be detailed.

The Conceptual Design will be shared with the City for approval and comment and followed up with a working meeting for review with the City.

EXHIBIT B

Task 6 Final Design

HMH will prepare a Final Design based on the Conceptual Design and review comments provided by the City. Final Design will include constructable plans and specifications for the proposed design work.

**CITY COUNCIL
STAFF REPORT**

DATE: October 19, 2021
FROM: Mike Anderson, Wastewater Director
SUBJECT: Wastewater 2018 Facility Plan Approval

DECISION POINT: The Wastewater Department recommends acceptance of the Wastewater 2018 Facility Plan Update.

HISTORY: Incompliance with the Idaho DEQ, the City is required to maintain an approved Facility Plan for its Wastewater Treatment Facility. In 2001, the Coeur d'Alene Wastewater Department developed its Facility Plan to address "high peak flows, regulatory changes, aging facilities, rapid growth, and encroaching development." The plan was updated in 2009 and again in 2012 which focused on, among other things, tertiary treatment of the wastewater for CBOD, phosphorous, and ammonia removal.

Completed by HDR, the process for this most recent update began in 2018 and was intended to address several processes and components throughout the plant wherein issues have been identified. This plan certainly addresses permit requirements but also delves into the sustainability and operability of the Treatment Facility as well as addressing how the Facility fits within our community.

FINANCIAL ANALYSIS: This plan spans the next decade and has identified \$6.5M in repair/upgrade work required within the Facility and \$23.8M in expansion and process improvements. This plan works hand in glove with our rate study to ensure adequate funding for the required maintenance and upgrades.

PERFORMANCE ANALYSIS: Facility Planning has been critical to forecast action plans and costs associated with the growth of our area and age of our infrastructure. Through our 2009 Facility Plan, we identified an alternative treatment method we termed Tertiary Membrane Filtration (TMF) which saved the City tens of millions of dollars. We have been exceptionally pleased with the value these plans provide.

DECISION POINT/RECOMMENDATION: Council should accept the 2018 Wastewater Facility Plan Update.



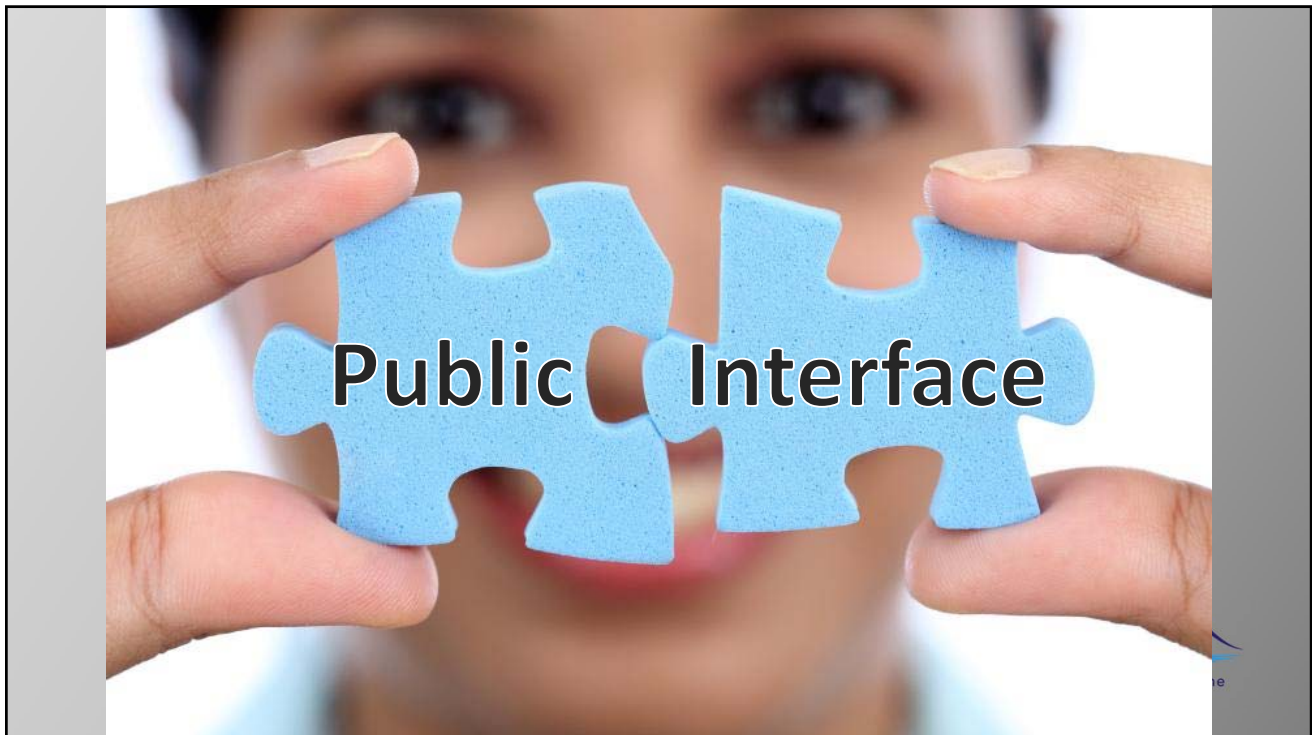
2018 Wastewater Facility Plan

**CITY OF COEUR D'ALENE
WASTEWATER DEPARTMENT**



Projects Identified...

- **Public Interface**
 - Odor Control
 - Water Reuse
- **Process Expansion**
 - Implementation Triggers



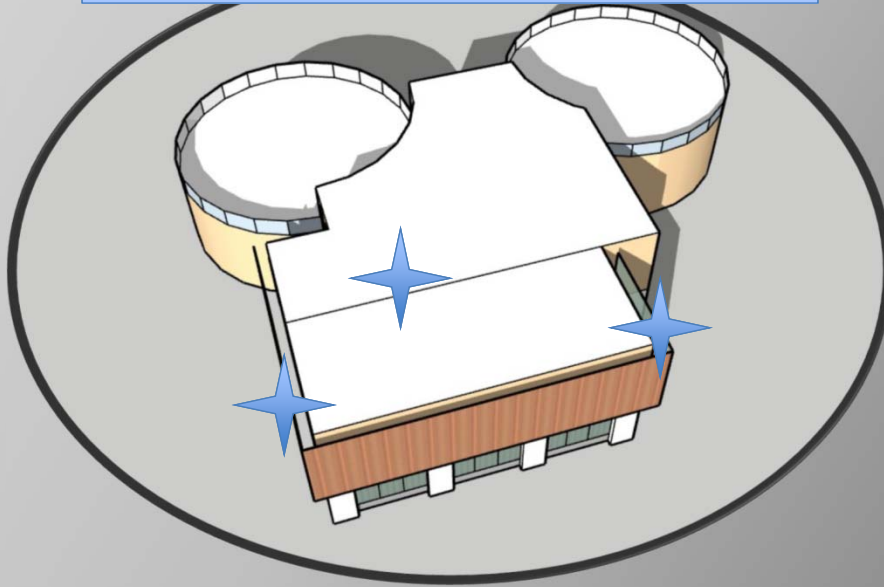
Foul Odor Control



Dewatering Building



Covered Dewatering Building



Future Water Reuse Opportunities





Future Expansion Triggers

- **Ammonia Load**

Sample Location	2018	2019 (+3.5%)	2020 (+5.0%)	2021 (+6.2%)	2021 (Feb-Oct)
Influent	33.9 mg/L (964 lbs.)	35.1 mg/L (1045 lbs.)	35.7 mg/L (1028 lbs.)	36.0 mg/L (1056 lbs.)	36.0 mg/L (1055 lbs.)
TMF	15.7 mg/L (528 lbs.)	15.3 mg/L (552 lbs.)	11.7 mg/L (402 lbs.)	14.0 mg/L (524 lbs.)	13.5 mg/L (508 lbs.)
Effluent	9.9 mg/L (277 lbs.)	0.2 mg/L (4.7 lbs.)	0.3 mg/L (9.0 lbs.)	1.3 mg/L (35 lbs.)	0.3 mg/L (8.6 lbs.)



TMF is capable of removing ≈ 21 mg/L of ammonia

Sample Location	2018	2019 (+3.5%)	2020 (+5.0%)	2021 (+6.2%)	2021 (Feb-Oct)
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TMF Mixing Tank Expansion

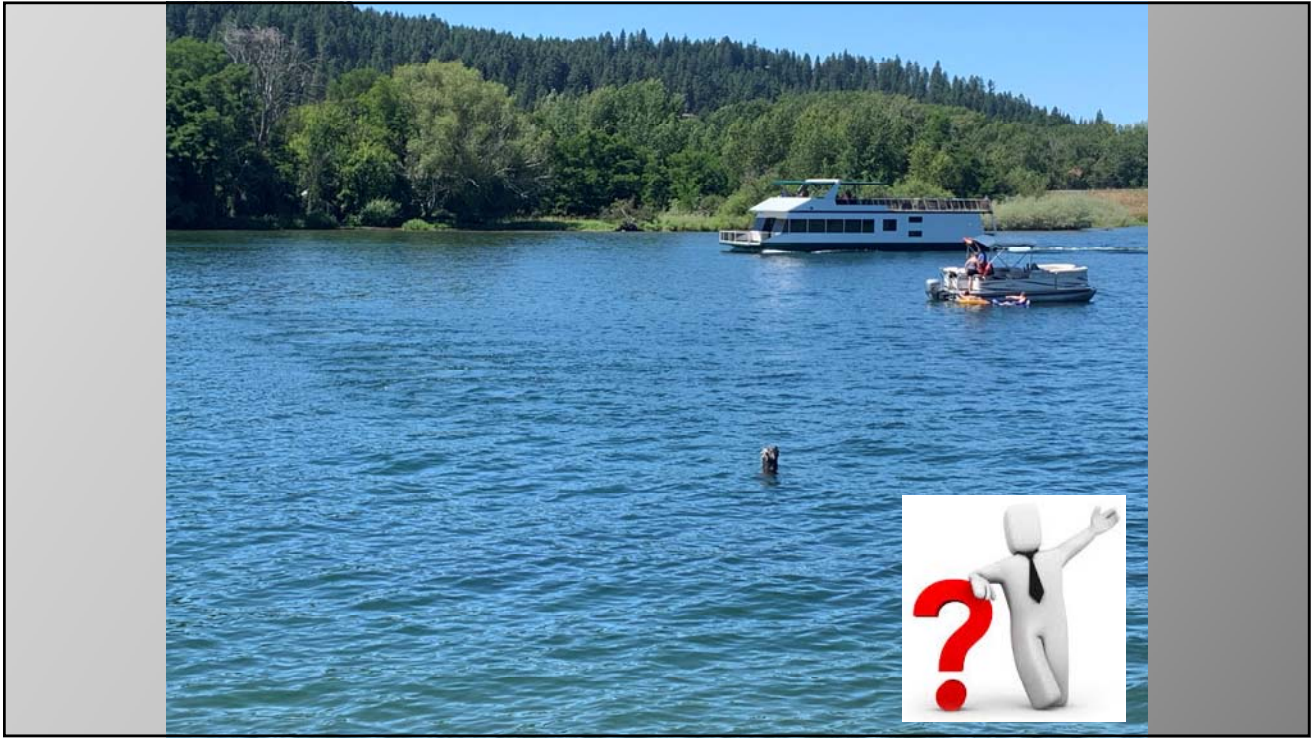
Problem:

Increasing population, even with decreased water usage, causes an increase in pounds of ammonia.

Solutions:

- Short term solution is to increase aeration in existing "mix tanks".
- Long term solution is increase capacity of tankage. This is a multi-year project estimated at \$7M.
 - Multiple benefits includes increased capacity for carbon removal.





**CITY COUNCIL
STAFF REPORT**

DATE: October 19, 2021
FROM: Troy Tymesen, City Administrator
SUBJECT: Sewer Revenue Refunding Bonds Ordinance

DECISION POINT: Should the City Council adopt Council Bill 21-1024 authorizing the issuance and sale of the City's wastewater revenue refunding bonds, series 2021a (tax-exempt) and series 2021b (taxable), in the aggregate principal amount of not to exceed \$31,245,000?

HISTORY: The Wastewater Department is currently making annual payments on three revenue bond issues from 2012, 2015, and 2020, with coupon rates of 5%, 2%, and 2.75%. The 2015 and 2020 bonds were for DEQ loans. The 2012 bond was for an IBBA loan. The maturity dates of these issues range from 2027 to 2040.

FINANCIAL ANALYSIS: In the current market, the aggregate all-in true interest cost of the refunding bonds would not exceed 2%. The City, therefore, could realize an estimated savings of over \$2,000,0000 with a maturity date in 2040. If new bonds are structured to a 13-year issue (maturity date in 2034), the savings could be over \$4,000,000.

PERFORMANCE ANALYSIS: The savings realized from refinancing the wastewater bonds could make it possible for the Wastewater Utility to make future improvements without having to take on new debt. The City has been working with Bond Counsel from McAloon Law and Hawley Troxell to determine the potential savings, and to prepare the Bond Ordinance, Notice of Sale, Preliminary Official Statement (POS), and other required documents.

DECISION POINT/RECOMMENDATION: Council should approve Council Bill 21-1024 and authorize the issuance and sale of the City's wastewater revenue refunding bonds, series 2021a (tax-exempt) and series 2021b (taxable), in the aggregate principal amount of not to exceed \$31,245,000.

City of Coeur d'Alene

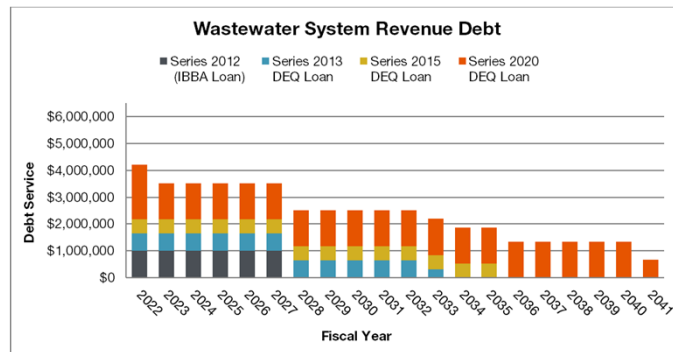
Wastewater System Revenue Bond Refinancing Update

Eric Heringer
 PIPER SANDLER, MANAGING DIRECTOR
 Tel: +1 208-344-8561
 Email: eric.heringer@psc.com

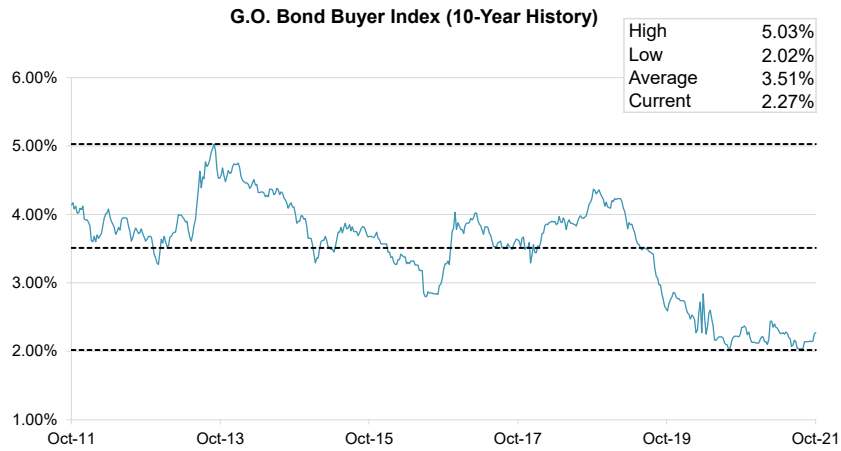
Christian Anderson
 ZIONS PUBLIC FINANCE, VICE PRESIDENT
 Tel: +1 208-501-7533
 Email: christian.anderson@zionsbancorp.com

Debt Map – Sewer Revenue Bonds (as of 11/1/2021)

Series	Lender	Purpose	Original Principal Issued	Principal Outstanding	Call Date & Price	Coupon Rate	Final Maturity	DSRF Requirement
2012	Bond Bank	Refinance 2007 DEQ	15,000,000	5,120,000	9/15/2022 @ par	5.00%	9/15/2027	Yes
2013	DEQ	System Improvements	12,260,000	7,197,695	Anytime @ Par	0.50%	3/13/2033	Yes
2015	DEQ	System Improvements	8,670,000	6,421,442	Anytime @ Par	2.00%	7/30/2035	Yes
2020	DEQ	System Improvements	20,500,000	20,500,000	Anytime @ Par	2.75%	10/15/2040	Yes
Total			56,430,000	39,239,137				



Current Municipal Bond Market Conditions (Week of Oct. 11, 2021)



PIPER SANDLER | 2

Savings Update – Accelerated Amortization Structure

Interest Rates (as of)	October 12 (UPDATE)	September 13 (PREVIOUS)
Par Amount	\$27,505,000	\$27,125,000
All-in True Interest Cost	1.62%	1.40%
Final Maturity (all bonds)	2034	2034
Cash Flow Savings	\$3,783,879	\$4,333,941
Net PV Savings \$	\$2,820,869	\$3,445,385
Net PV Savings %	9.02%	11.02%

*Savings amounts shown above are net of estimated issuance costs of approximately \$390,000.

PIPER SANDLER | 3

Savings Structure - Maintain Existing Bond Payment

Interest rates as of 10/12/2021

Structure: Maintain combined level debt service at ~\$3.51 million			
Fiscal Year	Existing Wastewater System Debt Service	Debt Service After Refunding	Refinancing Savings (Level Savings by Issue)
2022	4,194,991	4,182,798	(12,192)
2023	3,520,329	3,511,291	(9,038)
2024	3,515,829	3,509,191	(6,638)
2025	3,519,579	3,509,741	(9,838)
2026	3,516,079	3,512,791	(3,288)
2027	3,520,579	3,513,141	(7,438)
2028	2,512,579	3,508,041	995,462
2029	2,512,579	3,509,241	996,662
2030	2,512,579	3,511,841	999,262
2031	2,512,579	3,510,641	998,062
2032	2,512,578	3,510,641	998,063
2033	2,190,158	3,509,220	1,319,062
2034	1,867,738	1,060,800	(806,938)
2035	1,867,738	-	(1,867,738)
2036	1,339,516	-	(1,339,516)
2037	1,339,516	-	(1,339,516)
2038	1,339,516	-	(1,339,516)
2039	1,339,516	-	(1,339,516)
2040	1,339,516	-	(1,339,516)
2041	669,758	-	(669,758)
Totals	47,643,252	43,859,375	(3,783,878)

PIPER SANDLER | 4

Sewer Revenue Bond Refunding Summary

- Assumes interest rates as of 10/12/2021
- Assumes refinancing closes on 12/1/2021
- **Structure – Accelerated Amortization (keep combined annual payments at ~\$3.51 million)**

REFUNDING CANDIDATE	2012 IBBA Bond	2015 DEQ	2020 DEQ
Call Date & Price	9/15/2022 @ par	Anytime @ par	Anytime @ par
Callable Principal	\$4,355,000	\$6,421,442	19,717,280
Callable Maturities	2023-2027	2022-2035	2022-2040
Average Coupon	5.00%	2.00%	2.75%

ESTIMATED REFUNDING RESULTS			
All-In True Interest Cost	1.76%	1.21%	1.69%
Cash Flow Savings	\$359,062	\$542,254	\$2,882,563
Net PV Savings \$	\$348,867	\$332,629	\$2,139,373
Net PV Savings %	6.81%	5.18%	10.85%
Tax Status	Taxable	Tax-Exempt	Tax-Exempt

*Savings amounts shown above are net of estimated issuance costs of approximately \$390,000.

PIPER SANDLER | 5

Existing Debt Service Reserve Funds

Debt Service Reserve Funds – 2012 Bond Bank

- The 2012 Sewer Revenue Bond required a dedicated Debt Service Reserve Fund (“DSRF”)
- A DSRF will not be required on a refinancing bond/loan. The existing debt service reserve will become unrestricted.
- **The DSRF requirement for the Bond Bank Bonds is \$1,008,000**

Debt Service Reserve Funds – DEQ BONDS

- The 2015 and 2020 DEQ Bonds require a DSRF in the amount of an annual bond payment to be funded over 10 years from the closing date of the DEQ Loan.
- A DSRF will not be required on a refinancing bond/loan. Moneys accumulated in the DEQ DSRF reserve for the 2015 and 2020 Bonds will become unrestricted and/or no longer need to be funded.
- **The DSRF requirements for the 2015 and 2020 DEQ Bonds total \$1,867,700**

Proposed Schedule

Bond Sale Schedule	
9/21	Review Refinancing opportunity with City Council
Ongoing	Prepare Bond Sale Documents
10/13	Distribute Ordinance & draft Preliminary Official Statement to City for Council packets
10/19	Bond Rating Review (S&P Global) – conference call
10/19	City Council Meeting to approve bond sale <ul style="list-style-type: none"> • Adopt Bond Ordinance authorizing bond sale subject to parameters, and delegate authority to City Officials to complete the bond sale
10/28	Receive Bond Rating
11/1	Post Preliminary Official Statement – premarket bonds to investors
11/10	Bond Sale – Lock interest rates
12/1	Close Bonds <ul style="list-style-type: none"> • Repay DEQ loans • Fund Refunding Escrow for Bond Bank Bonds

Review Pricing Parameters

The following are specific limitations that are included in the Delegation Authority:

- 1) **Principal amount of 2021A Bonds cannot exceed \$26,125,000**
 - *This amount represents the principal amount outstanding on the 2015 and 2020 DEQ Loan.*
- 2) **Principal amount of the 2021B Bonds cannot exceed \$5,120,000**
 - *This amount represents the principal amount outstanding on the 2012 IBBA Bond*
- 3) **The aggregate all-in true interest cost on the 2021 Bonds does not exceed 2.00%**
 - *This puts an effective floor on savings in the following amounts:
~\$2.86 million cash flow savings
~\$1.83 million present value savings or 5.9% of the amount refinanced*
 - *Interest rates would need to increase by approximately 0.35% before this threshold kicked in.*



City of Coeur d'Alene, ID

**2021 WASTEWATER REVENUE
REFUNDING BONDS, SERIES A & B**

COUNCIL BILL NO. 21-1024

Laura McAloon
Bond Counsel

**\$26,125,000 Wastewater Revenue Refunding
Bonds, Series 2021A (Tax-Exempt)**

- Purpose: refund the 2015 Bond and the 2020 Bond (DEQ Loans) to achieve debt service savings

**\$5,120,000 Wastewater Revenue Refunding
Bonds, Series 2021B (Taxable)**

- Purpose: advance refund the outstanding 2012 Bond (IBBA Loan) to achieve debt service savings

Council's Delegation of Authority for Future Sale of 2021 Bonds

- Appoint Mayor and City Administrator as Designated Representative
- ✓ Authorize refinancing of 2012, 2015 & 2020 Bonds
- ✓ Approve final pricing details of the 2021 Bonds according to specific parameters
- ✓ Ratify Official Statement
- ✓ Approve and execute Bond Purchase Contract with Piper Sandler & Co.
- ✓ Execute closing documents/certificates

McAloonLaw
—PLC—

Parameters of Delegation

- Aggregate principal amount of 2021A Bonds does not exceed \$26,125,000
- Aggregate principal amount of the 2021B Bonds does not exceed \$5,120,000
- Aggregate all-in true interest cost on the 2021 Bonds (A&B) does not exceed 2.00%

McAloonLaw
—PLC—

How Will The Funds Be Spent?

- First, to pay off and defease the Refunded Bonds (2012, 2015, 2020)
- Second, to pay the Costs of Issuance
- Third, deposit any remaining proceeds into the Debt Service Account for the 2021 Bonds

McAloonLaw
PLC

Questions?

McAloonLaw
PLC

CITY OF COEUR D'ALENE, IDAHO
WASTEWATER REVENUE REFUNDING BONDS, SERIES 2021A (TAX-EXEMPT)
AND
WASTEWATER REVENUE REFUNDING BONDS, SERIES 2021B (TAXABLE)

ORDINANCE NO. _____

COUNCIL BILL NO. 21-1024

AN ORDINANCE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE ISSUANCE AND SALE OF THE CITY'S WASTEWATER REVENUE REFUNDING BONDS, SERIES 2021A (TAX-EXEMPT), AND WASTEWATER REVENUE REFUNDING BONDS, SERIES 2021B (TAXABLE), IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$31,245,000 TO PROVIDE FUNDS NECESSARY TO PREPAY AND REFUND CERTAIN OUTSTANDING WASTEWATER REVENUE BONDS OF THE CITY; DELEGATING CERTAIN AUTHORITY TO THE DESIGNATED REPRESENTATIVE IN CONNECTION WITH THE SALE AND ISSUANCE OF THE 2021 BONDS AND OTHER TERMS OF THE 2021 BONDS UNDER THE CONDITIONS SET FORTH HEREIN; AUTHORIZING PRELIMINARY AND FINAL OFFICIAL STATEMENTS; PLEDGING REVENUES FOR PAYMENT OF THE 2021 BONDS; PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO; AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

PASSED ON October 19, 2021

Prepared by:

MCALOON LAW, PLLC
Spokane, Idaho

CITY OF COEUR D’ALENE, IDAHO

ORDINANCE NO. _____

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* This Table of Contents and the cover page are provided for convenience only and is not a part of this ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE ISSUANCE AND SALE OF THE CITY'S WASTEWATER REVENUE REFUNDING BONDS, SERIES 2021A (TAX-EXEMPT), AND WASTEWATER REVENUE REFUNDING BONDS, SERIES 2021B (TAXABLE), IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$31,245,000 TO PROVIDE FUNDS NECESSARY TO PREPAY AND REFUND CERTAIN OUTSTANDING WASTEWATER REVENUE BONDS OF THE CITY; DELEGATING CERTAIN AUTHORITY TO THE DESIGNATED REPRESENTATIVE IN CONNECTION WITH THE SALE AND ISSUANCE OF THE 2021 BONDS AND OTHER TERMS OF THE 2021 BONDS UNDER THE CONDITIONS SET FORTH HEREIN; AUTHORIZING PRELIMINARY AND FINAL OFFICIAL STATEMENTS; PLEDGING REVENUES FOR PAYMENT OF THE 2021 BONDS; PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO; AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

WHEREAS, the City of Coeur d'Alene, Kootenai County, Idaho (the "City") is a body politic and corporate duly organized, operating and existing under and pursuant to the provisions of the Constitution and the laws of the State of Idaho; and

WHEREAS, the City Council (the "Council") of the City is authorized and empowered by the Revenue Bond Act, Idaho Code Sections 50-1027 through 50-1042, inclusive, and the Municipal Bond Law of the State of Idaho, being Idaho Code, Title 57, Chapter 2 (collectively, the "Act"), to authorize, issue, sell and deliver revenue bonds to finance the acquisition and construction of improvements and additions to the wastewater system of the City (the "System"); and

WHEREAS, on November 29, 2001, the District Court of the First Judicial District of the State of Idaho, in and for the County of Kootenai (the "Court"), in Case No. CV-01-6145, issued Findings of Fact, Conclusions of Law and Judgment finding, among other things, that the City has the authority to issue revenue bonds in the total aggregate amount of \$28,000,000; and

WHEREAS, on November 29, 2012, the Council adopted Wastewater Bond Ordinance No. 3453 (the "Master Wastewater Bond Ordinance") providing for the issuance and sale of

revenue bonds pursuant to the Act to finance or refinance Projects, as defined thereunder, by adoption of supplemental ordinances thereto; and

WHEREAS, on April 15, 2013, the Court, in Case No. CV-13-338, issued its Judgment (the “Judicial Confirmation”) ordering and decreeing, among other things, that the City has the authority to issue revenue bonds, without a public vote, to finance improvements to the City’s System in the total aggregate amount of \$33,590,000; and

WHEREAS, pursuant to the Master Wastewater Bond Ordinance, Supplemental Ordinance No. 3454 and the terms of a loan agreement with The Idaho Bond Bank Authority (the “2012 Loan Agreement”), the City issued its tax-exempt Sewer Revenue Refunding Bond, Series 2012, in the original principal amount of \$10,435,000, dated as of December 20, 2012, and currently outstanding in the principal amount of \$5,120,000 to provide the funds necessary to refund the 2007 Bond (the “2012 Bond”). The following Repayment Installments remain outstanding on the 2012 Bond (the “Outstanding 2012 Bond Repayment Installments”):

Period Ending	Principal Amount	Interest
September 15, 2022	\$765,000	3.00%
September 15, 2023	790,000	5.00
September 15, 2024	825,000	5.00
September 15, 2025	870,000	5.00
September 15, 2026	910,000	5.00
September 15, 2027	960,000	5.00

; and

WHEREAS, pursuant to the Master Wastewater Bond Ordinance, Supplemental Ordinance No. 3459 (the “2013 Supplemental Ordinance”) and the terms of a loan agreement with the Idaho Department of Environmental Quality (the “2013 Loan Agreement”), the City issued its taxable Sewer Revenue Bond, Series 2013, in the original principal amount of \$12,257,859.40, dated as of March 13, 2013, and currently outstanding in the principal amount of \$7,196,095.45 (the “2013 Bond”); and

WHEREAS, pursuant to the Master Wastewater Bond Ordinance, Supplemental Ordinance No. 3512 and the terms of a loan agreement with the Idaho Department of Environmental Quality (the “2015 Loan Agreement”), the City issued its taxable Sewer Revenue Bond, Series 2015, in the original principal amount of \$8,670,367, dated as of July 30, 2015, and currently outstanding in the principal amount of \$6,409,336.16 (the “2015 Bond”); and

WHEREAS, pursuant to the Master Wastewater Bond Ordinance, Supplemental Ordinance No. 3661 and the terms of a loan agreement with the Idaho Department of Environmental Quality (the “2020 Loan Agreement”), the City issued its taxable Sewer Revenue Bond, Series 2020, in the original principal amount of \$20,500,000, dated as of October 15, 2020, and currently outstanding in the principal amount of \$19,717,279.72 (the “2020 Bond” and together with the 2012 Bond and the 2015 Bond, the “Refunded Bonds”); and

WHEREAS, the Outstanding 2012 Bond Repayment Installments are subject to prepayment, at the option and written direction of the City, with the consent of The Idaho Bond Bank Authority, as a whole or in part from any moneys deposited with the Trustee (as such term is defined in the 2012 Loan Agreement), on any date on or after September 15, 2022 (the “2012 Bond Redemption Date”), at the price of par plus accrued interest, if any, to the date of prepayment; and

WHEREAS, the 2015 Bond is subject to redemption prior to maturity in whole or in part on any date, at par; and

WHEREAS, the 2020 Bond is subject to redemption prior to maturity in whole or in part on any date, at par; and

WHEREAS, after due consideration the City has determined that the prepayment and refunding of the Refunded Bonds will achieve a substantial savings for the City and its ratepayers; and

WHEREAS, in order to carry out the prepayment and refunding of the Refunded Bonds, the City is proposing to issue two series of wastewater revenue refunding bonds on a parity of lien with the 2013 Bond of the City and pursuant to the Master Wastewater Bond Ordinance; and

WHEREAS, it is deemed necessary and advisable that the City now issue and sell its tax-exempt wastewater revenue refunding bonds in the principal amount of not to exceed \$26,125,000 (the “2021A Bonds”) to provide the funds necessary to refund the 2015 Bond and the 2020 Bond and to pay the costs of issuance of the 2021A Bonds; and its taxable wastewater revenue refunding bond in the principal amount of not to exceed \$5,120,000 (the “2021B Bonds” and together with the 2021A Bonds, the “2021 Bonds”) to provide funds necessary to prepay and advance refund the Outstanding 2012 Bond Repayment Installments and to pay the costs of issuance of the 2021B Bonds; and

WHEREAS, Section 50-1030, Idaho Code, authorizes the issuance of bonds for the purpose of refunding bonds issued pursuant to The Revenue Bond Act (Sections 50-1027 through 50-1042, inclusive, Idaho Code) and this Bond Ordinance as defined in the Master Wastewater Bond Ordinance; and

WHEREAS, the City wishes to delegate authority to the Designated Representative (as hereinafter defined) to approve the final principal amounts of the 2021 Bonds, the dates of the 2021 Bonds, and the interest rates, tax status, payment dates, redemption provisions, and maturity dates of the 2021 Bonds under such terms and conditions as are approved by this ordinance; and other matters relating thereto.

NOW, THEREFORE, THE MAYOR AND CITY COUNCIL OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, FURTHER ORDAIN AS FOLLOWS:

Section 1. Definitions. As used in this Bond Ordinance, the following definitions shall apply unless a different meaning clearly appears from the context. Capitalized terms used in this Bond Ordinance that are not specifically defined have the meanings given such terms in the Master Wastewater Bond Ordinance; provided, capitalized terms used in this Bond Ordinance that differ from the meanings given such terms in the Master Wastewater Bond Ordinance are supplemented for the purposes set forth in Section 20(a) of the Master Wastewater Bond Ordinance; and further provided, new capitalized terms used only in this Bond Ordinance and not in the Master Wastewater Bond Ordinance shall only apply to the 2021 Bonds:

Additional Bonds shall mean and include any future obligations issued under the Master Wastewater Bond Ordinance from time to time pursuant to a Supplemental Ordinance, having a lien upon the Net Revenues for the payment of the principal thereof and interest thereon, equal to the lien of the Parity Bonds.

Annual Debt Service means the amount required in a Fiscal Year for the payment of the principal of and interest on Parity Bonds, except interest capitalized from the proceeds of Parity Bonds.

Average Annual Debt Service means the average amount of Annual Debt Service which will become due on any Parity Bonds for the period from the date of such calculation until the final maturity date of the Parity Bonds then Outstanding.

Bond Counsel means McAloon Law, PLLC, Spokane, Washington, or another attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States.

Bond Fund means the “City of Coeur d’Alene Sewer Revenue Bond Fund” which includes a Debt Service Account, and subaccounts thereunder, for the purpose of paying the principal of and interest due on Parity Bonds, as applicable, renamed herein as the “City of Coeur d’Alene Wastewater Revenue Bond Fund.”

Bond Ordinance, as used herein, means “Supplemental Ordinance” as defined in the Master Wastewater Bond Ordinance, and shall mean and include this Bond Ordinance authorizing the sale and issuance of the 2021 Bonds in the aggregate amount of not to exceed \$31,245,000.

Bond Registrar, as it relates to the 2021 Bonds, means any person or qualified entity appointed by the City for purposes of registering and authenticating the 2021 Bonds, maintaining the Bond Register, effecting transfer of ownership of the 2021 Bonds, and paying interest on and principal of the 2021 Bond. The initial Bond Registrar shall be Zions Bancorporation, National Association.

City means the City of Coeur d’Alene, Kootenai County, Idaho, a body politic and corporate duly organized and existing under and by virtue of the Constitution and laws of the State of Idaho.

City Administrator means the chief administrative officer of the City.

City Clerk or **Clerk** means the *de facto* or *de jure* City Clerk of the City, or other officer of the City who is the custodian of the records of the proceedings of the City, or his/her successor in function, if any.

City Council means the City Council of the City, as the same shall be duly and regularly constituted from time to time.

Code means the Internal Revenue Code of 1986, as amended, together with corresponding and applicable regulations and revenue rulings issued with respect thereto by the Treasury Department or the Internal Revenue Service of the United States.

Costs of Issuance Account means the account created by Section 7 of this Bond Ordinance for the payment of the costs of issuance of the 2021 Bonds.

Costs of Issuance Agreement means the Costs of Issuance Agreement between the City and the Escrow Agent, to be dated the date of closing and delivery of the 2021 Bonds.

Designated Representative means the Mayor, the City Administrator, Treasurer or any City employee designated by either of them.

Escrow Agent means the financial institution selected by the City pursuant to Section 5 of this ordinance.

Escrow Agreement means the Escrow Deposit Agreement between the City and the Escrow Agent, to be dated as of the date of closing and delivery of the 2021 Bonds.

Fiscal Year means the year commencing October 1 and ending the following September 30.

Government Obligations means the state and local government securities and other direct, non-callable obligations of the United States of America acquired by the Escrow Agent under the terms of this Bond Ordinance and the Escrow Agreement. .

Letter of Representations means the Blanket Issuer Letter of Representations from the City to DTC authorized under Section 3 of the Master Wastewater Bond Ordinance to be executed and filed with DTC.

Master Wastewater Bond Ordinance means Ordinance No. 3453 of the City, adopted by the City Council on November 29, 2012, providing for the issuance and sale of revenue bonds pursuant to the Act to finance or refinance Projects, as defined thereunder, by adoption of supplemental ordinances thereto.

Maximum Annual Debt Service means, at the time of calculation, the maximum amount of Annual Debt Service that will be payable in the current Fiscal Year or any future Fiscal Year on all Parity Bonds.

Mayor means the *de facto* or *de jure* Mayor of the City, or any presiding officer or titular head of the City or his/her successor in functions, if any.

Municipal Advisor means, with respect to the 2021 Bonds, Zions Public Finance, Inc., Boise, Idaho.

Net Proceeds, when used with reference to the Bonds, means the face amount of the Bonds, plus accrued interest and original issue premium, if any, and less original issue discount and proceeds deposited into a Reserve Account, if any.

Net Revenues means, for any period, the Revenue of the System after the deduction of Operation and Maintenance Expenses.

Operation and Maintenance Expenses means all reasonable expenses incurred by the City, paid or accrued, of operating, maintaining, and repairing the System or of levying, collecting and otherwise administering the Revenue of the System for the payment of Parity Bonds, but shall not include any payment for debt service or deposits into a Reserve Account, depreciation or taxes levied or imposed by the City of payments to the City in lieu of taxes, or capital additions or capital replacements to the System, and the term includes (except as limited by contract or otherwise limited by law) without limiting the generality of the foregoing:

(a) Engineering, auditing, reporting, legal and other overhead expenses of the various City departments directly relating and reasonably allocable to the administration of the System;

(b) Fidelity bond and property and liability insurance premiums appertaining to the System, or a reasonably allocable share of a premium of any blanket bond or policy pertaining thereto;

(c) Payments to pension, retirement, health, and hospitalization funds and other insurance related to the operation of the System;

(d) Any taxes, assessments, excise taxes or other charges which may be lawfully imposed on the City, the System, revenues therefrom, or any privilege in connection with their operation;

(e) The reasonable charges of the fiscal or paying agent, Bond Registrar, commercial bank, trust bank or other depository bank appertaining to Bonds or appertaining to a Project, if any;

(f) Contractual services, professional services, salaries, other administrative expenses, the cost of materials, supplies, repairs and labor, appertaining to the issuance of Bonds and to the System; and

(g) All other administrative, general and commercial expenses.

Outstanding, when used with reference to a Bond or Bonds, as of any particular date, means all Bonds which have been issued, executed, authenticated and delivered by the City, except (a) Bonds cancelled because of payment or redemption prior to their stated dates of maturity, and (b) any Bond (or portion thereof) for the payment or redemption of which there has been separately set aside and held funds for the payment thereof.

Parity Bonds means any revenue bonds or revenue warrants issued by the City which have a lien upon Net Revenues for the payment of the principal thereof and interest thereon equal to the lien created upon Net Revenues for the payment of the principal of and interest on the 2021 Bonds, the 2013 Bond and any Additional Bonds issued on parity therewith.

Parity Requirement means Net Revenues equal to or greater than:

- (a) 125% of Maximum Annual Debt Service for all Parity Bonds; and
- (b) 100% of Maximum Annual Debt Service for all subordinate lien evidences of indebtedness secured by Revenue of the System.

Private Person means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

Private Person Use means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such

community groups on an equal basis and such community groups are charged only a de minimis fee to cover custodial expenses.

Rate Covenant means Net Revenues in each Fiscal Year at least equal to 125% of the amounts required in such Fiscal Year to be paid as scheduled debt service (principal and interest) on all Parity Bonds.

Registered Owner or **Registered Owners** mean the person or persons whose names and addresses shall appear on the Bond Register maintained by the Bond Registrar in accordance with the terms of the Master Wastewater Bond Ordinance, as the owner or owners of a specific Bond or Bonds. For so long as the 2021 Bonds are held in book-entry form, DTC shall be deemed to be the sole Registered Owner.

Refunded Bonds, as used in this Bond Ordinance, means the 2012 Bond, the 2015 Bond and the 2020 Bond being refunded pursuant to this Bond Ordinance and the Master Wastewater Bond Ordinance.

Revenue Fund means the fund designated the “City of Coeur d’Alene Sewer Revenue Fund,” previously created by the City into which all of the Revenue of the System is pledged to be deposited.

Revenue of the System or **Revenue** means all earnings, revenue and moneys received by the City from or on account of the operation of the System, including income from investments of money in the Bond Fund or from any other investment thereof, except the income from investments irrevocably pledged to the payment of any other revenue obligations of the City pursuant to a plan of retirement or refunding. The term Revenue of the System shall include any federal or state reimbursements of Operation and Maintenance Expenses to the extent such expenses are included as Operation and Maintenance Expenses.

Supplemental Ordinance means any ordinance adopted by the City supplementing the Master Wastewater Bond Ordinance to authorize the issuance of Bonds. For purposes of the 2021 Bonds, **Supplemental Ordinance** shall mean this Bond Ordinance.

System means the wastewater system of the City, including the assets, real and personal, tangible and intangible, and as it may later be added to, extended and improved, and shall include buildings, structures, utilities or other income producing property from the operation of or in connection with which revenues for the payment of Parity Bonds will be derived, and the lands

appertaining thereto, including, without limitation, any Project(s) to be acquired with the proceeds of Bonds issued under the Master Wastewater Bond Ordinance.

Treasurer means the duly appointed Treasurer of the City, or his/her successor in function, if any.

Underwriter means, with respect to the 2021 Bonds, Piper Sandler & Co., Boise, Idaho.

2021 Bond Purchase Contract means the Bond Purchase Contract for the 2021 Bonds, providing for the purchase of the 2021 Bonds by the Underwriter and setting forth certain terms approved by the Designated Representative as provided in Section 3 of this Bond Ordinance.

2021 Bonds means, together, the City's Wastewater Revenue Refunding Bonds, Series 2021A (Tax-Exempt), in the principal amount of not to exceed \$26,125,000, and the City's Wastewater Revenue Refunding Bonds, Series 2021B (Taxable), in the principal amount of not to exceed \$5,120,000, each authorized by this Bond Ordinance.

2021 Debt Service Account means the account authorized to be created by the City in the Bond Fund as set forth in Section 6 of this Bond Ordinance, and into which shall be deposited funds as the City shall designate as irrevocably available to pay principal and interest on the 2021 Bonds.

Rules of Interpretation. In this Bond Ordinance, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Bond Ordinance, refer to this Bond Ordinance as a whole and not to any particular article, section, subdivision or clause hereof, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this Bond Ordinance;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of any sections of this Bond Ordinance, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of

reference and shall not constitute a part of this Bond Ordinance, nor shall they affect its meaning, construction or effect;

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and

(f) Words importing the singular number include the plural number and vice versa.

Section 2. Findings and Purpose. The City Council hereby authorizes the issuance of the 2021 Bonds, and use of the proceeds of the 2021 Bonds to prepay and refund the Refunded Bonds upon the conditions set forth herein.

Section 3. Authorization and Description of the 2021 Bonds; Delegation of Authority.

(a) *Authorization and Description of the 2021 Bonds.* For the purpose of prepaying and defeasing the Refunded Bonds and paying the costs of issuance of the 2021 Bonds, the City shall issue and sell the 2021 Bonds at a negotiated sale to the Underwriter or its lawful designee(s) in an aggregate principal amount of not to exceed \$31,245,000; pursuant to the parameters set forth below and the terms and conditions set forth in the 2021 Bond Purchase Contract. Said Bonds shall be substantially in the form set forth in Section 11 of this Bond Ordinance, shall be issued as set forth in the 2021 Bond Purchase Contract, and shall be subject to prepayment and/or a Reserve Account Requirement, if any, all as set forth in the 2021 Bond Purchase Contract. Installments of principal and interest shall be payable when due to the Bondholder of each 2021 Bond at the principal corporate trust office of the Bond Registrar. Interest on the 2021 Bonds shall be calculated based on a 360-day year of twelve 30-day months, all as approved by the Designated Representative.

(b) *Delegation of Authority.* The City has determined that it would be in the best interest of the City to delegate to the Designated Representative the authority to approve the final principal amounts and prices of the 2021 Bonds, dates of the 2021 Bonds, interest rates, payment dates, redemption provisions, and maturity dates of the 2021 Bonds, and other terms and conditions of the 2021 Bonds in the manner provided herein and in the 2021 Bond Purchase Contract, so long as:

(i) the aggregate principal amount of the 2021A Bonds does not exceed \$26,125,000;

(ii) the aggregate principal amount of the 2021B Bonds does not exceed \$5,120,000;

(iii) the aggregate all-in true interest cost on the 2021 Bonds does not exceed 2.00%.

In determining the final principal amounts of the 2021 Bonds, dated dates of the 2021 Bonds, interest rates, payment dates, redemption provisions, and maturity dates of the 2021 Bonds, the Designated Representative, in consultation with City staff and the Municipal Advisor, shall take into account those factors that, in the Designated Representative's judgment, will result in the lowest true interest cost on the 2021 Bonds to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the 2021 Bonds.

The Designated Representative is authorized to ratify and to approve for purposes of Section (b)(5) of Rule 15c2-12 under the Securities Exchange Act of 1934, on behalf of the City, any Preliminary Official Statement and Official Statement (as such terms are defined in the 2021 Bond Purchase Contract) and any supplement thereto relating to the issuance and sale of the 2021 Bonds and the distribution of the 2021 Bonds pursuant thereto with such changes, if any, as may be deemed by him/her to be appropriate.

Subject to the terms and conditions set forth in this section, the Designated Representative is hereby authorized to execute the final form of 2021 Bond Purchase Contract. Following the execution of the 2021 Bond Purchase Contract, the Designated Representative shall provide a report to the City Council, describing the final terms of the 2021 Bonds approved pursuant to the authority delegated in this section. Upon the adoption of this resolution, the proper officials of the City, including the Designated Representative, are authorized and directed to undertake all other actions necessary for the prompt execution and delivery of the 2021 Bonds to the Underwriter and further to execute all closing certificates and documents required to effect the closing and delivery of the 2021 Bonds in accordance with the terms of the 2021 Bond Purchase Contract. In furtherance of the foregoing, the Designated Representative is authorized to approve and enter into agreements for the payment of costs of issuance, including Underwriter's discount, the fees and expenses estimated in the 2021 Bond Purchase Contract, including fees and expenses of the

Underwriter and other retained services, including bond counsel, rating agencies, fiscal agency and other expenses customarily incurred in connection with issuance and sale of bonds.

The 2021 Bonds are payable solely from the Bond Fund and are payable and secured as provided herein. The 2021 Bonds are not a general obligation of the City.

Section 4. Pledge of Revenue. All of the Net Revenues are pledged for the payment of the 2021 Bonds on a parity with the 2013 Bond and any Additional Bonds. The City covenants and agrees to transfer from the Revenue Fund to the 2021 Debt Service Account the amounts necessary for the prompt payment of the principal and interest on the 2021 Bonds pursuant to the terms thereof.

Section 5. Refunding Plan and Procedures.

For the purpose of realizing a debt service savings and further benefiting the System ratepayers of the City, the City Council proposes to use the proceeds of the 2021 Bonds as follows:

(a) *Appointment of Escrow Agent/Escrow Agreement.* The City hereby selects Zions Bancorporation, National Association, to act as the Escrow Agent for the Refunded Bonds (the “Escrow Agent”). A portion of the proceeds of the 2021 Bonds, together with a cash contribution from the City, if any, shall be irrevocably transferred to the Escrow Agent and used and distributed in accordance with this Section 5 and Section 8 hereof.

A beginning cash balance, if any, and Government Obligations shall be deposited irrevocably into the Escrow Account in amounts sufficient to defease and redeem the 2012 Bond on the 2012 Bond Redemption Date. The proceeds of the 2021B Bonds remaining after acquisition of the Government Obligations and provision for the necessary beginning cash balance shall be utilized to pay expenses of the acquisition and safekeeping of the Government Obligations and expenses of the issuance of the 2021B Bonds and/or returned to the City for the payment of such expenses. The Treasurer is hereby authorized to select a certified public accountant who will confirm the accuracy and sufficiency of certain financial information regarding the funds to be deposited with the Escrow Agent for the purpose of defeasing and redeeming 2012 Bond on the 2012 Bond Redemption Date.

In order to carry out the purposes of this Section 5, the Designated Representative is authorized and directed to execute and deliver an Escrow Agreement to the Escrow Agent.

(b) *Conditional Call for Redemption of Refunded Bonds.* The City hereby calls the Refunded Bonds for redemption as set forth in this Bond Ordinance and in accordance with the provisions of the 2012 Loan Agreement, the 2015 Loan Agreement and the 2020 Loan Agreement, conditioned upon the successful closing of the 2021 Bonds. Said defeasance and call for redemption of the Refunded Bonds shall be irrevocable after the final establishment of the escrow account and delivery of the Government Obligations to the Escrow Agent.

The Escrow Agent is hereby authorized and directed to provide for the giving of notice of the prepayment of the Outstanding 2012 Bond Repayment Installments in accordance with, and as defined in, the applicable provisions of the 2012 Loan Agreement. The Treasurer is authorized and requested to provide whatever assistance is necessary to accomplish such prepayment and the giving of notice therefor. The costs of publication of such notice shall be an expense of the City.

The City will take such actions as are found necessary to ensure that all necessary and proper fees, compensation and expenses of the Escrow Agent shall be paid when due.

Section 6. Creation of Accounts and/or Subaccounts under Funds.

(a) The following accounts and/or subaccounts under certain funds created and/or ratified under the Master Wastewater Bond Ordinance are hereby authorized to be created on the accounting records of the City:

(i) the “2021 Debt Service Account,” a subaccount under the Bond Fund created under the Master Wastewater Bond Ordinance, to be held by the City for payment of principal and interest of the 2021 Bonds;

(ii) the “2021 Debt Service Account,” a subaccount under the Bond Fund created under the Master Wastewater Bond Ordinance, to be held by the City for payment of principal and interest of the 2021 Bonds;

(iii) if required by the 2021 Bond Purchase Contract for a series of Bonds, the “2021 Reserve Account,” a subaccount under the Reserve Account created under the Master Wastewater Bond Ordinance, to be held by the City for deposit of the Reserve Account Requirement, if any.

(b) There shall be deposited into the 2021 Debt Service Account funds as the City shall designate as irrevocably available to pay principal and interest on the 2021 Bonds. The City shall make disbursements from the 2021 Debt Service Account in accordance with Section 4 of this Bond Ordinance.

(c) If required by the 2021 Bond Purchase Contract for a series of Bonds, there shall be deposited into the 2021 Reserve Account the amount to satisfy any Reserve Account Requirement, to be funded in accordance with the 2021 Bond Purchase Contract. Once fully funded and for so long as the applicable series of Bonds remain outstanding, the City covenants to maintain the amount in the 2021 Reserve Account in the amount of the Reserve Account Requirement, except for withdrawals authorized therefrom pursuant to the provisions of the Master Wastewater Bond Ordinance.

Section 7. Costs of Issuance Account; Escrow Fund.

(a) *Costs of Issuance Account.* There is hereby authorized to be established in the hands of the Escrow Agent, a separate account designated as the “Costs of Issuance Account.” At the time of the delivery of the 2021 Bonds, the City shall deposit into the Costs of Issuance Account such amount as shall be required to pay the reasonable and necessary costs of issuance of the 2021 Bonds. Any moneys remaining in the Costs of Issuance Account on the date of the full and final payment of all costs of issuance of the 2021 Bonds shall be transferred to the City and deposited into the 2021 Debt Service Account.

(b) *Escrow Fund.* There is hereby authorized to be established in the hands of the Escrow Agent, a separate fund designated as the “Escrow Fund.” At the time of the delivery of the 2021 Bonds, the City shall deposit into the Escrow Fund such amounts as shall be required under subsections 8(b)-(d) below for the prepayment and refunding of the Refunded Bonds. Any moneys remaining in the Escrow Fund after such payments are made shall be transferred to the City and deposited into the 2021 Debt Service Account.

Section 8. Application of 2021 Bond Proceeds.

(a) Proceeds of the 2021 Bonds in the amount of the accrued interest of the 2021 Bonds, if any, shall be deposited in the 2021 Debt Service Account and used to pay interest on the 2021 Bonds.

(b) Proceeds of the 2021B Bonds in the amount necessary to prepay and refund the Outstanding 2012 Bond Repayment Installments shall be deposited into the Escrow Fund in accordance with the Escrow Agreement, and used to prepay and refund the Outstanding 2012 Bond Repayment Installments on the 2012 Bond Redemption Date.

(c) Proceeds of the 2021A Bonds in the amount necessary to prepay and refund the 2015 Bond shall be deposited into the Escrow Fund and shall be used to prepay, defease and refund the 2015 Bond upon the closing of the 2021 Bonds pursuant to the Costs of Issuance Agreement.

(d) Proceeds of the 2021A Bonds in the amount necessary to prepay and refund the 2020 Bond shall be deposited into the Escrow Fund and shall be used to prepay, defease and refund the 2020 Bond upon the closing of the 2021 Bonds pursuant to the Costs of Issuance Agreement.

(e) Proceeds of the 2021 Bonds in the amount necessary to pay the costs of issuance of the 2021 Bonds shall be deposited into the Costs of Issuance Account maintained by the Escrow Agent pursuant to the Costs of Issuance Agreement.

Section 9. Specific Covenants. For the protection and security of the Parity Bonds, the City hereby covenants and agrees to and with the Registered Owners of Parity Bonds that the City will perform the following covenants:

(a) *Rate Covenant.* The City has established, may from time to time revise, and shall maintain and shall collect from the users of the System, rates and charges for furnishing the services and the facilities of the System to such users thereof. Said rates and charges are, and shall continue to be, uniform as to all persons or properties which are of the same class. The City shall establish, maintain and collect such rates and charges for service: of its System for so long as any Parity Bonds are Outstanding and shall maintain the Rate Covenant.

(b) *Acquire Projects.* The City shall commence the acquisition, construction and completion of any Project financed by proceeds of Bonds, and continue the same with all practical dispatch and in a sound and economical manner.

(c) *Operate System.* The City shall operate the System in an efficient and economical manner and prescribe, revise, and collect such charges in connection therewith so that the services, facilities, and properties of the System may be furnished at the lowest possible cost consistent with sound economy and prudent management.

(d) *Good Repair.* The City shall operate, maintain, preserve and keep the System and every part hereof in good repair, working order, and condition.

(e) *Preserve Security.* The City shall preserve and protect the security of the Parity Bonds and the rights of the Registered Owners thereof.

(f) *Collect Revenues.* The City shall collect and hold in trust the Revenue of the System and other funds pledged to the payment of the Parity Bonds and apply such Revenue of the System or other funds only as provided in this Ordinance and all Supplemental Ordinances.

(g) *Service Bonds.* The City shall pay and cause to be paid punctually the principal of and interest on Parity Bonds on the date or dates, at the place or places, and in the manner that such sums are due in accordance with this Ordinance and all Supplemental Ordinances.

(h) *Pay Claims.* The City shall pay and discharge any and all lawful claims for labor, materials, and supplies which, if unpaid, might by law become a lien or charge upon the Revenue of the System, or any part of said Revenue of the System, or any funds in the hands of the Treasurer, prior or superior to the lien of Parity Bonds or which might impair the security of Parity Bonds to the end that the priority and security of Parity Bonds shall be fully preserved and protected.

(i) *Encumbrances.* The City shall not encumber, sell, lease, or dispose of the System or any part thereof, nor enter into any lease or agreement which would impair or impede the operation of the System or any part thereof necessary to secure adequate Revenue for the payment of the principal of and interest on Parity Bonds, nor which would otherwise impair or impede the rights of the Registered Owners of Parity Bonds with respect to such Revenue or the operation of the System without provisions for the retirement of Parity Bonds then Outstanding from the proceeds thereof.

(j) *Insurance.* The City shall procure and keep in force insurance upon all buildings and structures of the System and the machinery and equipment therein, which are usually insured by entities operating like property, in good and responsible insurance companies. The amount of the insurance shall be such as may be required to adequately protect the City and the Registered Owners of any Parity Bonds from loss due to any

casualty, and in the event of any such loss, the proceeds shall be used to repair or restore the System or for the payment of Parity Bonds.

(k) *Fidelity Bonds.* The City shall procure suitable fidelity bonds covering all of its officers and other employees charged with the operation of the System and the collection and disbursement of Revenue of the System.

(l) *Engineers.* The City shall employ consulting engineers of acknowledged reputation, skill, and experience in the improvement and operation of the System for any unusual or extraordinary items of maintenance, repair, extensions, or betterments as shall be required from time to time. All reports, estimates, and recommendations of such consulting engineers shall be filed with the Clerk and furnished to the Registered Owners of any Parity Bonds upon request.

(m) *Accounts.* The City shall keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the System, and it will furnish complete operating and income statements upon request.

(n) *Delinquencies.* The City shall not furnish wastewater service to any customer whatsoever free of charge and it shall, not later than sixty (60) days after the end of each calendar year, take such legal action as may be reasonable to enforce collection of all collectible delinquent accounts.

Section 10. Tax Covenants for 2021A Bonds; No Designation under Section 265(b) of the Code.

The City covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exemption from federal income taxation of the interest on the 2021A Bonds and will take or require to be taken such acts as may reasonably be within its ability and as may from time to time be required under applicable law to continue the exemption from federal income taxation of the interest on the 2021A Bonds.

(a) *Arbitrage Covenant.* Without limiting the generality of the foregoing, the City covenants that it will not take any action or fail to take any action with respect to the proceeds of sale of the 2021A Bonds or any other funds of the City which may be deemed to be proceeds of the 2021A Bonds pursuant to Section 148 of the Code and the regulations promulgated thereunder which, if such use had been reasonably expected on the date of

delivery of the 2021A Bonds to the Underwriter, would have caused the 2021A Bonds to be an “arbitrage bond” within the meaning of such term as used in Section 148 of the Code.

The City represents that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is an issuer whose arbitrage certifications may not be relied upon. The City will comply with the requirements of Section 148 of the Code and the applicable regulations thereunder throughout the term of the 2021A Bonds.

(b) *Private Person Use Limitation for 2021A Bonds.* The City covenants that for as long as the 2021A Bonds are outstanding, it will not permit:

(i) More than 10% of the Net Proceeds of the 2021A Bonds to be used for any Private Person Use; and

(ii) More than 10% of the principal or interest payments on the 2021A Bonds in a Bond Year to be directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The City further covenants that, if:

(c) More than 5% of the Net Proceeds of the 2021A Bonds are to be used for any Private Person Use; and

(d) More than 5% of the principal or interest payments on the 2021A Bonds in a Bond Year are (under the terms of this Bond Ordinance or any underlying arrangement) directly or indirectly:

(i) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or

(ii) derived from payments (whether or not made to the City) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (A) any Private Person Use of the projects described in subsection (3) hereof

or Private Person Use payments described in subsection (4) hereof that is in excess of the 5% limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of the project, and (B) any Private Person Use will not exceed the amount of Net Proceeds of the 2021A Bonds used for the state or local governmental use portion of the project to which the Private Person Use of such portion of the Project relates. The City further covenants that it will comply with any limitations on the use of the Project by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the 2021A Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the 2021A Bonds.

(e) *Modification of Tax Covenants.* The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the 2021A Bonds. To that end, the provisions of this section may be modified or eliminated without any requirement for formal amendment thereof upon receipt of an opinion of the City’s bond counsel that such modification or elimination will not adversely affect the tax exemption of interest on the 2021A Bonds.

(f) *No Designation under Section 265(b) of the Code.* The 2021 Bonds are not “qualified tax-exempt obligations” under Section 265(b)(3) of the Code for banks, thrift institutions and other financial institutions.

Section 11. Form of 2021 Bonds. The 2021 Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. R-[] \$[]

STATE OF IDAHO
CITY OF COEUR D’ALENE
[WASTEWATER REVENUE REFUNDING BOND, SERIES 2021A (TAX-EXEMPT)]
[WASTEWATER REVENUE REFUNDING BOND, SERIES 2021B (TAXABLE)]

INTEREST RATE: MATURITY DATE: CUSIP NO.:

Registered Owner: CEDE & CO.

Principal Amount:

THE CITY OF COEUR D'ALENE, IDAHO, a municipal corporation of the State of Idaho (hereinafter referred to as the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, or registered assigns, on the Maturity Date identified above, so from the hereinafter defined Bond Fund of the City, to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, or the most recent date to which interest has been paid or duly provided for or until payment of this bond at the interest rate set forth above, payable on March 1, 2022, and semiannually thereafter on the first days of each September and March. Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the City to DTC.

Installments of the principal of and interest on this Bond shall be paid by check or draft of the City mailed on the date such principal and interest is due or by electronic funds transfer made on the date such interest is due to the Registered Owner or nominee at the address appearing on the Bond Register. Upon final payment of all installments of principal and interest thereon, this Bond shall be submitted to the Bond Registrar for cancellation and surrender.

This Bond is issued pursuant to Ordinance No. [Ord No], passed by the City Council on October 19, 2021 (the "Bond Ordinance") for the purpose of providing the funds to refund the _____ Bond[s] and paying costs of issuing the Bond. Capitalized terms appearing on this Bond and not otherwise defined herein shall have the meanings given such terms in the Bond Ordinance.

The Bond may [not] be prepaid in whole or in part pursuant to the Bond Ordinance and the 2021 Bond Purchase Contract.

This Bond is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Idaho and ordinances of the City, including the Bond Ordinance. This Bond shall be payable from Revenue of the System and does not constitute a general obligation of the City.

Both principal of and interest on this Bond are payable solely out of the special fund of the City known as the "Bond Fund." The City does hereby pledge and bind itself to set aside and pay into the Bond Fund the amount required by the Bond Ordinance to be paid therein on the date due from the sources and in the priority specified in the Bond Ordinance.

To the extent more particularly provided by the Bond Ordinance, the amounts so pledged to be paid out of the Revenue of the System into the Bond Fund shall be a prior lien and charge upon the Revenue of the System superior to all other charges of any kind or nature whatsoever except the Operation and Maintenance Expenses, and except that said amounts are equal in rank to the lien and charge upon such Revenue of the System of any amounts required to pay and secure

any wastewater revenue bonds of the City heretofore and hereafter issued on a parity with the bonds of this issue (herein and in the Bond Ordinance called "Parity Bonds").

The City has further bound itself to maintain the System in good condition and repair, to operate the same in an efficient manner and at a reasonable cost, to establish, maintain and collect rates and charges for all services and facilities provided by the System, for as long as this Bond remains outstanding that will make available for the payment of the principal of and the interest on this Bond as the same shall become due an amount equal to at least the amount required annually hereafter for the payment of all of such principal and interest after normal costs of maintenance and operation of the System have been paid, but before depreciation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Idaho to exist, to have happened, been done and performed precedent to and in the issuance of this Bond have happened, been done and performed and that the issuance of this Bond does not violate any constitutional, statutory or other limitation upon the amount of indebtedness that the City may incur.

IN WITNESS WHEREOF, the City of Coeur d'Alene, Idaho, signed with the facsimile or manual signature of the Mayor, to be attested by the facsimile or manual signature of the City Clerk, and the corporate seal of the City to be impressed, imprinted or otherwise reproduced hereon, all as of this [____ day of _____, 2021].

[SEAL]

CITY OF COEUR D'ALENE, IDAHO

By _____ /s/ _____
Mayor

By _____ /s/ _____
City Treasurer

ATTEST:

/s/
City Clerk

The Bond Registrar's Certificate of Authentication on the Bond shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication: [_____, 2021]

This Bond is described in the within-mentioned Ordinance and is the City of Coeur d'Alene, Idaho, [Wastewater Revenue Refunding Bond, Series 2021A (Tax-Exempt)] [Wastewater Revenue Refunding Bond, Series 2021B (Taxable)], dated [_____, 2021].

By _____/s/_____

Section 12. Execution of 2021 Bonds. The 2021 Bonds shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and the Treasurer, and attested by the manual or facsimile signature of the City Clerk. In case any of the officers who have signed or attested the 2021 Bonds cease to be such officer before the 2021 Bonds have been actually issued and delivered, the 2021 Bonds shall be valid nevertheless and may be issued by the City with the same effect as though the persons who had signed or attested the 2021 Bonds had not ceased to be such officers, and the 2021 Bonds may be signed or attested on behalf of the City by an officer who at the date of actual execution of the 2021 Bonds is a proper officer, although at the nominal date of execution of the 2021 Bonds such officer was not an officer of the City.

Only a 2021 Bond that bears a Certificate of Authentication in the form set forth in Section 11, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Bond Ordinance. Such Certificate of Authentication shall be conclusive evidence that the 2021 Bonds so authenticated have been duly executed, authenticated and delivered and are entitled to the benefits of this Bond Ordinance.

Section 13. Optional Redemption .

(a) *The 2021A Bonds.* The 2021A Bonds maturing on and after September 1, 2032 shall be subject to redemption prior to maturity in whole or in part on any date on or after September 1, 2031, at the price of par, plus accrued interest, if any, to the date of redemption.

(b) *The 2021B Bonds.* The 2021B Bonds are not subject to redemption prior to maturity.

Section 14. Additional Bonds.

(a) *Limitations Upon Issuance of Parity Obligations.* All Additional Bonds authorized to be issued under the Master Wastewater Bond Ordinance, upon fulfillment of the conditions of the Master Wastewater Bond Ordinance, the 2013 Supplemental Ordinance and this Bond Ordinance, shall be issued on a parity of lien with one another, having an equal lien and charge upon the Net Revenues.

(i) For so long as any Parity Bonds issued under the Master Wastewater Bond Ordinance or any Supplemental Ordinance are Outstanding, the City hereby covenants and agrees that it will not issue any Additional Bonds, or incur any additional indebtedness with a parity lien or charge on Net Revenues (i.e., on a parity of lien with Parity Bonds at the time Outstanding) unless:

(A) After utilization of the remaining authority under the Judicial Confirmation, prior to authorizing Additional Bonds to finance a Project under Idaho Code Sections 50-1027 through 50-1042, inclusive, as may be amended from time to time, the City first obtains either approval of the electorate of the City or a judicial confirmation pursuant to Title 7 Chapter 13 of the Idaho Code that the Additional Bonds are authorized and enforceable obligations of the City as required by the Revenue Bond Act; and

(B) The City is not, and has not been, in default as to any payments required by the provisions of the Master Wastewater Bond Ordinance or any Supplemental Ordinance for a period of not less than twelve (12) months immediately preceding the issuance of such Additional Bonds; and

(C) If a Reserve Account is required for the sale of the Additional Bonds, the Supplemental Ordinance authorizing the issuance of any Additional Bonds shall include the covenants provided in Section 7(b) of the Master Wastewater Bond Ordinance and provide that the Reserve Account Requirement, if applicable, shall be funded no later than as permitted under the Master Wastewater Bond Ordinance; and

(D) As evidenced by a written certification filed with the City by the City Engineer, an independent engineer, or certified public accountant, Net

Revenues for a period of twelve (12) consecutive months out of the twenty-four (24) months immediately preceding the issuance of such Additional Bonds shall have been sufficient to meet the Parity Requirement, commencing with the first full Fiscal Year following the date on which any portion of interest on the series of Additional Bonds then being issued no longer will be paid from the proceeds of such series of Additional Bonds.

However, in the event approval of the electorate of the City or a judicial confirmation pursuant to Title 7 Chapter 13 of the Idaho Code is no longer required for the valid and enforceable issuance of Additional Bonds under the Revenue Bond Act, then, if the 2013 Bond is no longer outstanding and/or the Idaho Department of Environmental Quality consents pursuant to the terms of the Master Wastewater Bond Ordinance, the requirements of Section 14(a)(i)(A) shall no longer be required for the issuance of Additional Bonds or incurrence of additional indebtedness with a parity lien or charge on Net Revenues under the Master Wastewater Bond Ordinance pursuant to a Supplemental Ordinance.

In calculating the Net Revenues, the City may take into consideration changes in Net Revenues estimated to occur under one or more of the following conditions for each year after such delivery for so long as the Parity Bonds and any Additional Bonds shall be Outstanding:

(1) Any increase or decrease in Net Revenues which would result from any change in rates or charges adopted prior to the issuance of the Additional Bonds; and/or

(2) Any increase or decrease in Net Revenues estimated to result from any additions, betterments, and improvements to and extensions of any facilities of the System which (a) became fully operational during such twelve (12) month period; (b) were under construction at the time of the issuance of the Additional Bonds; or (c) will be constructed from the proceeds of the Additional Bonds proposed to be issued; and/or

(3) The additional Net Revenues which would have been received if any customers added to the System prior to the date of the Additional Bonds, but

subsequent to the beginning of such twelve (12) month period, were customers for the entire period.

The written certification described herein shall not be required as a condition to the issuance of Additional Bonds if:

(4) the Additional Bonds being issued are for the purpose of refunding Outstanding Parity Bonds; or

(5) the Additional Bonds are being issued to pay costs of completion of construction of facilities of the System for which Additional Bonds have been issued previously and the principal amount of such Additional Bonds being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of Additional Bonds theretofore issued for such facilities and reasonably allocable to the facilities to be completed as shown in a written certificate of the City Engineer, which certificate shall also state that the nature and purpose of such facilities has not materially changed.

(b) *Subordinate Lien Obligations.* Nothing herein contained shall prevent the City from issuing revenue bonds or other obligations which are a charge upon the Revenue of the System junior or inferior to the payments required by Master Wastewater Bond Ordinance, the 2013 Supplemental Ordinance, this Bond Ordinance or any other Supplemental Ordinance to be made out of such Revenue to pay and secure the payment of any Parity Bonds.

(c) *Parity Bonds for Refunding Purposes.* Nothing herein contained shall prevent the City from issuing revenue bonds to refund maturing Parity Bonds for the payment of which moneys are not otherwise available. Further, the City may issue Additional Bonds for refunding purposes without the certificate required above at any time for the purpose of refunding (including by purchase) Parity Bonds, including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase), any deposits to a reserve account, if any, and the expenses of issuing the Additional Bonds and of effecting such refunding.

Section 15. Lost or Destroyed 2021 Bonds. In case the 2021 Bonds shall be lost, stolen or destroyed, the Registrar may authenticate and deliver a new Bond of like amount, date and tenor to the owner thereof upon the owner's paying the expenses and charges of the Bond Registrar and the City in connection therewith and upon his/her filing with the Designated Representative and

the Bond Registrar evidence satisfactory to both that such Bond was actually lost, stolen or destroyed and of his ownership thereof, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to both.

Section 16. Continuing Disclosure. The Designated Representative is authorized to execute and deliver a Continuing Disclosure Undertaking in order to comply with Rule 15c2-12 promulgated by the SEC.

Section 17. General Authorization; Prior Acts. The Mayor, the City Administrator, the City Clerk and the Treasurer and any other appropriate officers and agents of the City are each hereby authorized and directed to take such steps, to do such other acts and things, and to execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable in order to carry out the terms and provisions of, and complete the transactions contemplated by, this Bond Ordinance. All acts taken pursuant to the authority of this Bond Ordinance but prior to its effective date are hereby ratified and confirmed.

Section 18. Validity of Issuance. The 2021 Bonds are issued pursuant to the Act. This recital is conclusive evidence of the validity of the 2021 Bonds and the regularity of their issuance.

Section 19. Severability. If any one or more of the covenants or agreements provided in this Bond Ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this Bond Ordinance and shall in no way affect the validity of the other provisions of this Bond Ordinance or of the 2021 Bonds.

Section 20. Effect of Supplemental Bond Ordinance. To the extent that this Bond Ordinance amends or supplements the Master Wastewater Bond Ordinance, the Master Wastewater Bond Ordinance shall be treated as so amended or supplemented. Except as so amended, the Master Wastewater Bond Ordinance shall remain in full force and affect.

Section 21. Effective Date. This ordinance will become effective after its passage and publication of its summary, as required by law. A form of summary is attached as Exhibit A hereto.

PASSED by the City Council of the City of Coeur d'Alene, Idaho, at a regular open public meeting thereof this 19th day of October, 2021.

CITY OF COEUR D'ALENE
KOOTENAI COUNTY, IDAHO

Mayor

ATTEST:

City Clerk

[S E A L]

CERTIFICATE

I, the undersigned, City Clerk of the City of Coeur d'Alene, Idaho (the "City") and keeper of the records of the City Council (the "Council"), DO HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. _____ of the Council (the "Ordinance"), duly passed at a regular meeting thereof held on October 19, 2021.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Council voted in the proper manner for the adoption of the Ordinance; that all other requirements and proceedings incident to the proper adoption of the Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City on October 19, 2021.

City Clerk

[S E A L]

EXHIBIT A

**CITY OF COEUR D'ALENE
KOOTENAI COUNTY, IDAHO**

Summary of Ordinance No. _____, passed October 19, 2021

AN ORDINANCE OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE ISSUANCE AND SALE OF THE CITY'S WASTEWATER REVENUE REFUNDING BONDS, SERIES 2021A (TAX-EXEMPT), AND WASTEWATER REVENUE REFUNDING BONDS, SERIES 2021B (TAXABLE), IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$31,245,000 TO PROVIDE FUNDS NECESSARY TO PREPAY AND REFUND CERTAIN OUTSTANDING WASTEWATER REVENUE BONDS OF THE CITY; DELEGATING CERTAIN AUTHORITY TO THE DESIGNATED REPRESENTATIVE IN CONNECTION WITH THE SALE AND ISSUANCE OF THE 2021 BONDS AND OTHER TERMS OF THE 2021 BONDS UNDER THE CONDITIONS SET FORTH HEREIN; AUTHORIZING PRELIMINARY AND FINAL OFFICIAL STATEMENTS; PLEDGING REVENUES FOR PAYMENT OF THE 2021 BONDS; PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO; AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

Section 1. Definitions. Defines certain capitalized terms used in the ordinance.

Section 2. Findings and Purpose. Authorizes the issuance of the 2021 Bonds, execution of the 2021 Bond Purchase Contract and the use of bond proceeds to refund the Refunded Bonds.

Section 3. Authorization and Description of the 2021 Bonds; Delegation of Authority. Authorizes the sale to the 2021 Bonds to the Underwriter in an aggregate amount of not to exceed \$31,245,000 to provide funds to refund the Refunded Bonds. Describes the 2021 Bonds and their terms of repayment and provides details regarding payments. Delegates authority to the Designated Representative to approve the final principal amounts and price of the 2021 Bonds, dates of the 2021 Bonds, interest rates, payment dates, redemption provisions, and maturity dates of the 2021 Bonds, and other terms and conditions of the 2021 Bonds.

Section 4. Pledge of Revenue. Pledges the Wastewater System Net Revenues for the payment of the 2021 Bonds.

Section 5. Refunding Plan and Procedures. Sets forth how the proceeds of the 2021 Bonds will be applied and the refunding plan and procedures for refunding the Refunded Bonds.

Section 6. Creation of Accounts and/or Subaccounts under Funds. Authorizes the creation of certain sub accounts on the accounting records of the City.

Section 7. Costs of Issuance Account; Escrow Fund. Authorizes the Escrow Agent to create a Costs of Issuance Account to pay costs of issuance of the 2021 Bonds and an Escrow Fund for the prepayment and refunding of the Refunded Bonds.

Section 8. Application of 2021 Bond Proceeds. Provides that the 2021 Bond proceeds will be used to refund the Refunded Bonds and pay costs of issuance of the 2021 Bonds.

Section 9. Specific Covenants. Provides for certain financial and operating covenants of the City in the operation of the Wastewater System.

Section 10. Tax Covenants for 2021A Bonds; No Designation under Section 265(b) of the Code. Includes covenants to comply with federal tax requirements under the Internal Revenue Code.

Section 11. Form of 2021 Bonds. Describes the forms of the 2021 Bonds.

Section 12. Execution of 2021 Bonds. Authorizes procedures for execution and authentication of the 2021 Bonds by the appropriate officials of the City.

Section 13. Optional Redemption. Describes the conditions under which the 2021 Bonds may be redeemed prior to their stated maturity dates.

Section 14. Additional Bonds. Sets forth the terms and conditions regarding the issuance of Additional Bonds.

Section 15. Lost or Destroyed 2021 Bonds. Makes provision in case any of the 2021 Bonds are lost, stolen or destroyed.

Section 16. Continuing Disclosure. Authorizes the Designated Representative to execute and deliver a Continuing Disclosure Undertaking in order to comply with Rule 15c2-12 promulgated by the SEC.

Section 17. General Authorization; Prior Acts. Authorizes the Mayor, the City Administrator and the City Clerk to take appropriate steps to carry out the terms and provisions of, and complete the transactions contemplated by the ordinance. Provides that all acts taken pursuant to the authority of the ordinance but prior to its effective date are ratified and confirmed.

Section 18. Validity of Issuance. Provides that the 2021 Bonds are issued and valid pursuant to Idaho Code.

Section 19. Severability. Provides that other covenants and agreements in the ordinance are not affected if one is made invalid

Section 20. Effect of Supplement Bond Ordinance. Provides that, the extent that the ordinance amends or supplements the Master Wastewater Bond Ordinance, the Master Wastewater Bond Ordinance shall be treated as so amended or supplemented, and that except as so amended, the Master Wastewater Bond Ordinance shall remain in full force and effect.

Section 21. Effective Date. Provides that the ordinance shall take effect from and after its passage and publication of the summary thereof as required by law.

The full text of Ordinance No. ____ is available at the office of the City Clerk of the City of Coeur d'Alene, Idaho, and will be provided to any citizen upon personal request during normal business hours.

Approved this ____ day of October, 2021.

CITY OF COEUR D'ALENE
KOOTENAI COUNTY, IDAHO

Mayor

ATTEST:

City Clerk

CERTIFICATION OF BOND COUNSEL

I, the undersigned, the bond counsel to the City of Coeur d'Alene, Kootenai County, Idaho, hereby certify that I have read the attached Summary of Ordinance No. ____ of the City, and that the same is true and complete and provides adequate notice to the public of the contents of said ordinance.

Dated as of this ____ day of October, 2021.

MCALOON LAW, PLLC

By: _____
Laura D. McAloon, Bond Counsel