

MINUTES OF A CONTINUED MEETING OF THE
COEUR D'ALENE CITY COUNCIL
HELD IN THE LIBRARY COMMUNITY ROOM
ON JANUARY 10, 2022 AT 12:00 NOON

The City Council of the City of Coeur d'Alene met in continued session in the Library Community Room held at 12:00 NOON on January 10, 2022, there being a quorum present.

James Hammond, Mayor

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

STAFF PRESENT: Troy Tymesen, City Administrator; Mike Gridley, City Attorney; Renata McLeod, Municipal Services Director/City Clerk; Vonnie Jensen, Comptroller; Kenny Gabriel, Fire Chief; Michael Priest, Library Director; Bill Greenwood, Parks & Recreation Director; Hilary Anderson, Community Planning Director; Lee White, Police Chief; Todd Feusier, Streets & Engineering Director; Mike Anderson, Wastewater Superintendent; Terry Pickel, Water Superintendent; Stephanie Padilla, City Accountant; Brandon Jank, IT Network Administrator; Kyle Marine, Assistant Water Superintendent; Sherrie Badertscher, Executive Assistant.

CALL TO ORDER: Mayor Hammond called the meeting to order and stated all Council members were present, and turned the meeting over to City Administrator Troy Tymesen.

ARPA DISCUSSION: City Administrator Troy Tymesen noted that the purpose of the meeting was to discuss and approve staff recommended projects and capital purchases using American Rescue Plan Act (ARPA) funding to allow staff to begin planning, construction and purchasing of needed equipment and supplies. He stated there were \$8.6 million in ARPA funds available to the City, and they had received \$4.4 million on May 19, 2021. The latest rules by the U.S. Treasury state the standard allowance for revenue loss was up to \$10 million. He said the goal of today's meeting was to look at what had been presented by staff and make the determination of what would be of the best benefit for the City and its residents.

Comptroller Vonnie Jensen explained the City of Coeur d'Alene received \$4,329,664.50 on May 19, 2021, from the U.S. Treasury under the American Rescue Plan Act (ARPA) and was scheduled to receive the same amount again in May of 2022. The funds may be used on eligible projects and purchases made within the period of March 3, 2021, to December 31, 2024. Recipients of ARPA funding may use the funds for lost revenue as well as the following purposes:

- Replace lost public sector revenue

- Invest in water, sewer, and broadband infrastructure
- Support public health expenditures
- Address negative economic impacts caused by the public health emergency
- Provide Premium pay for essential workers

She stated the City's lost public sector revenue amounts based on the GFOA formula was \$5,112,874, and recipients have been given broad latitude to use lost public sector revenue funding to support any government services. She said the City had previously reported \$148,000 of expenditures of ongoing COVID related expenses. City Departments were asked to propose projects to be funded by ARPA which were not funded in the budget or whose funding in the budget was reduced or eliminated for other needed projects. A committee with broad representation from throughout City staff met to discuss the proposed projects, funding alternatives, ARPA guidelines, and priorities. A short list to present to Council was agreed upon, with the expectation that further projects would be proposed at a later date. The committee members agreed that the projects on the short list met ARPA guidelines and represented high priority items. Ms. Jensen went over round one and future projects which included:

ROUND ONE

- Police Station Expansion – \$4,500,000
- Opticoms – 31 intersections. 64 vehicles – \$620,460
- EMS Officer – 3/3/21 through 9/30/24 – \$581,000
- Network Upgrade – \$547,855
- Western Star Dump Truck w/ Plow & Snow Gate - \$226,551
- PPE Supplies - \$100,000
- Grant Admin at 25% - 3/3/2021 – 09/30/2024 - \$91,000
- Integrated Case Management System - \$58,700
- Message Boards - \$70,552
- Fire Station Flooring - \$45,000
- Wireless AP Replacement - \$35,937
- Parkside Tower Wireless Project - \$19,830
- Field Dresser – Bunker Rake - \$19,337
- Library Access Control System - \$10,258

FUTURE PROJECTS

- Building Dept Inspection Vehicle - \$25,522
- Streets Dept HVAC Upgrades - \$47,000
- Police Dept – Generator Replacement - \$55,000
- Fleet Truck Lift Gate - \$6,000
- Streets Dept – Interior Lighting Improvements - \$30,000
- Police Dept – Gate Operators Replacement - \$27,500
- Street Dept – Gate Automation - \$5,000

- Street Dept – Vehicle Access Gate Improvements - \$9,000
- Museum Roof Replacement - \$47,474
- Police Dept Boiler Piping Correction - \$12,000
- Police & Fire Station 2 Vehicle Gate Hinge - \$2,155
- Building Maintenance Vehicle Replacement - \$30,000
- Fiber Connectivity to Atlas Waterfront - \$86,109
- Library Water Bottle Filling Station - \$5,000
- Library HVAC including UV - \$177,000
- Parks Pickup Truck - \$30,000
- Parks Tractor with Loader - \$60,000
- Parks Turf Sweeper - \$46,000
- Parks Turf Vehicle - \$28,995
- Parks – Mower - \$15,977
- WW Operational Technology Upgrade, SCADA, PLC - \$600,000
- Water Security System at 22 Well Sites - \$145,000
- Water SCADA System reliability improv - \$35,000
- Water Server Upgrades - \$78,500

DISCUSSION:

Councilmember Gookin asked about replacing lost revenue and if the City may receive up to the \$10 million without providing verification, and if staff had gone through the calculations, with Mr. Tymesen responding they had.

Councilmember English asked if the City may use the funds for regularly budgeted items, with Ms. Jensen stating they could.

Councilmember Gookin asked which Museum building was being roofed, with Ms. Jensen stating she was not sure. Mr. Gookin asked if it was the building that was part of the Four Corners Master Plan which stated the building would be torn down. Councilmember Wood said she thought there may be a new purpose for the building to be used by the Police Department and would like to revisit the issue at a later time with the Council.

Councilmember McEvers asked how many projects were already budgeted in the current fiscal year and what would happen to the already budgeted funds, with Ms. Jensen stating she would look at the numbers and get the information to Council, yet ultimately the money would stay in the budget and would go into the fund balance if not used during the fiscal year. A budget amendment would be made at the end of the fiscal year.

Councilmember Gookin asked about the lost revenue numbers and felt the City was whole and didn't have any lost revenue. He asked if the City had received less in property or sales taxes and where the lost revenue was coming from, with Ms. Jensen responding property taxes were normal, yet sales taxes were lower than projected. She stated the U.S. Treasury rules used the current census in order to create a formula to determine lost revenue due to the pandemic.

Councilmember Wood noted in the prior year's budget the City used \$1 million of fund balance, made budget cuts, and did not fund all budget needs.

Mayor Hammond asked if Council had previously voted to accept the funds, with Mr. Tymesen stating that staff was looking for a motion to accept the funds today. Mr. Tymesen stated it could be a two-step process; vote to accept the funds, then a separate vote to approve the expenditure of a portion of the funds on approved projects/equipment.

Mayor Hammond stated the goal of today's workshop would be to first decide if the City would accept the federal funds, and secondly, which projects and/or purchases would be a priority for the City and best serve the citizens.

Mayor Hammond reminded the audience that today's meeting was a workshop and not a public hearing, and no public comment would be taken.

MOTION: Motion by Wood, seconded by English, to accept federal funds under the American Rescue Plan Act of 2021, in the amount of \$8,659, 329.

DISCUSSION:

Councilmember Gookin mentioned there was currently record inflation, and by accepting the funds it would lead to more inflation, increasing the costs of goods, and hurt those most vulnerable in the community. He said he hoped the City would use fiscal discipline and not accept the funds.

Councilmember Wood stated the reason for the workshop was to discuss the funding and prioritize how it would be spent.

Councilmember McEvers asked if during a workshop Council could make a motion and move forward, with City Clerk Renata McLeod stating yes, the meeting was noticed according to law. Mayor Hammond noted last Tuesday's Council meeting had been continued to the current meeting.

Councilmember English noted he agreed it made sense to break out the motion to accept the funds, and a separate motion to allocate the funds. He stated he was in support of the motion to accept the funding.

Councilmember Miller asked if in addition to the motion to accept the funds, would there be a motion on how to spend the funds, or would Council discuss priorities and spending and approve them at a later council meeting. Mayor Hammond responded if Council were to approve the acceptance of the funds, then further discussion should happen with Council and staff, and the general public, and it was his preference to not approve any expenditures today.

Roll Call: Gookin No; English Aye; Miller Aye; Wood Aye; Evans Aye; McEvers Aye. **Motion carried.**

Mayor Hammond called a five-minute recess at 12:35p.m.

Mayor Hammond called the meeting back to order at 12:41p.m. and asked the Clerk to note all Council members were present.

DISCUSSION:

Mayor Hammond stated Council had chosen to accept the funds and felt there was a consensus to have further discussion on the proposed expenditures.

Councilmember Miller noted she had been meeting with the Regional Housing and Growth Issues Partnership group and other local private and public groups regarding local housing issues. She said the groups were working to bring federal funds to the area to help with the housing crisis for low to moderate income households, which has been elevated during the pandemic. She said she would like an opportunity to bring an outline of a plan for options to spend funding on the local worker housing issues, and noted ARPA funds had been used to address housing issues. She said the City had experienced issues with hiring employees due to high housing costs.

Councilmember English stated the funding rules had recently changed and there was new information received recently. He said he appreciated staff's efforts to satisfy the funding needs. He felt this was a good time to step back and reevaluate the City's needs and where the money be best spent.

Councilmember Gookin stated he appreciated Councilmember's Miller and English's statements and said there were many areas that could be supported with the funds some of which included: households, food assistance, child care, small business assistance, non-profits, etc.

Councilmember Wood asked if staff would explain what federal funds the City had received and provided to the community in regards to housing assistance, small business assistance, etc. Community Planning Director Hilary Anderson noted that CDBG and COVID funds had been received and the City had worked with many local non-profits and community members, for housing assistance and childcare grants. Additionally, the City used CARES Act funds toward small business grants.

Councilmember Evans asked for a future workshop to discuss the matter and bring their ideas forward. Mayor Hammond stated it would be a good idea and he suggested Council review the priorities, and it would be helpful to bring general ideas on a broader level as to best serve the needs of the City. Councilmember Miller asked about the timeframe to spend the funds, with Ms. Jensen responding by December 31, 2024. Councilmember Wood stated the City may miss some bidding opportunities if they delayed too long. Councilmember Gookin asked the Police Chief if the police station expansion was a priority and if he had a presentation he would share, with Chief Lee White stating he did.

Chief White gave a short presentation which went over the desperate need of space needed at the Police Department. He stated they exceed the maximum capacity in their locker rooms. He said he had ten (10) detectives working in an office built for four (4). He stated the proposal would add 12,000 sq feet, and leave room for future expansion as needed. He stated there was no space for storage and there was a great need to expand their Emergency Operations Center (EOC). Councilmember Wood asked about adding an EOC, with Chief White stating they had activated roughly nine (9) EOCs last year. He stated by expanding the headquarters, it would allow them to use the area for EOC deployment. Councilmember Wood stated the building was built in 1998, the current building was inadequate, and the female locker rooms were extremely small, and she felt it was critical to expand the space at this time. Councilmember McEvers asked when an EOC was activated, with Chief White stating when multiple agencies need to come together for an emergency event. Councilmember McEvers asked if the building would be used during expansion/remodel, with Chief White responding in the affirmative.

Councilmember English stated he felt it was a critical need to move forward with the Police Department station expansion request.

Councilmember Miller asked if the station expansion could be done in stages, and that she would like to explore funding for local housing needs which would also benefit law enforcement.

Mayor Hammond stated the police station expansion was a high priority.

MOTION: Motion by Wood, seconded by English, to approve up to \$4.5 million of ARPA funds for the Police Station Expansion.

DISCUSSION:

Councilmember Miller stated she was in support of the police station expansion and asked if the expansion could be completed for \$4.5 million, with Chief White stating as of the latest estimates it could.

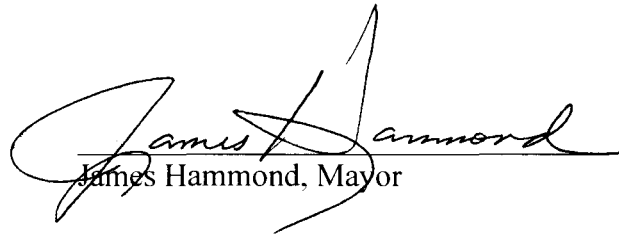
ROLL CALL: English Aye; Miller Aye; Wood Aye; Evans Aye; McEvers Aye; Gookin Aye.
Motion carried.

Councilmember Evans left the meeting at 1:13pm.


Mayor Hammond stated in order to avoid an open meeting violation, Council should send questions and/or recommendations directly to staff. He noted staff should provide the proposed expenditures with justification on how it improves efficiency and/or operations.

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

The meeting adjourned at 1:15 p.m.


James Hammond, Mayor

ATTEST:


Sherrie L. Badertscher
Executive Assistant