

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

September 1, 2015

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 September 1, 2015 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)
Steve Adams)
Woody McEvers)
Loren Ron Edinger)

CALL TO ORDER: The meeting was called to order by Mayor Widmyer.

PLEDGE OF ALLEGIANCE: The pledge of allegiance was led by Councilmember Adams.

CONSENT CALENDAR: Motion by Miller, second by Adams to approve the consent calendar.

1. Approval of Council Minutes for August 18, 2015.
2. Approval of Bills as Submitted.
3. Setting of General Services and Public Works Committees meetings for September 7, 2015 at 12:00 noon and 4:00 p.m. respectively.
4. Approval of Beer/Wine License for Shopko Stores Operating Co. LLC., 217 W. Ironwood Drive (new)
5. Approval of Beer/Wine License for Gambrinus LLC., 225 W. Appleway Avenue (new); Laura and Doug Nelson
6. Approval of transfer of Cemetery Lot 12, Block 21, Section G, Forest Cemetery from David Wiks to Estelle Wiks-Duggan
7. Resolution No. 15-043 - A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING AN AGREEMENT TO PERFORM SUBDIVISION WORK WITH LAKE FOREST, LLC., MICHAEL P. FITZGERALD, SENIOR MEMBER, FOR LAKE FOREST WEST 1ST SUBDIVISION.

ROLL CALL: Miller Aye; McEvers Aye; Gookin Aye; Evans Aye; Adams Aye; Edinger Aye.
Motion Carried.

PUBLIC COMMENTS:

TAXI LICENCES: Randy Tetzner, Coeur d'Alene, expressed concern regarding taxis licensed within Coeur d'Alene. Recently he found several taxi companies had improper insurance coverage. He is concerned with the safety of citizens. It costs approximately \$3,400 to insure one taxi per year, so those violating the law are getting an unfair competitive advantage. He would like to see more stringent revocation of licenses for these violations. Councilmember Gookin explained that the City is working on revising these regulations and staff can inform Mr. Tetzner regarding any upcoming meetings on the issue.

PARKS KUDOS: Tina Johnson, Coeur d'Alene, said she has recently been to other communities and has witnessed how much better maintained our city parks are than many other cities. She has been to all but three city parks and appreciates them all. She thanked the Parks Department for their hard work and great maintenance of the parks.

MID-TOWN: Gregg Johnson, Coeur d'Alene, represents the midtown property owners. He said that 60 days ago the urban renewal agency informed them that the proposed project had been stalled. He is hoping that they start from square one and that they are open to all new ideas from a museum to art theater, to open space. He would like the project to be the right fit for the neighborhood. He expressed frustration with communication with the urban renewal agency.

APPOINTMENT: Mayor Widmyer asked for the Appointment of Joseph Sonnen to the Pedestrian Bicycle Committee.

MOTION: Motion by Gookin, seconded by McEvers to approve the appointment of Joseph Sonnen to the Pedestrian Bicycle Committee. **Motion carried.**

Mayor Widmyer noted that his mother was in the hospital and wished her a speedy recovery.

RESOLUTION NO. 15-044

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO
AUTHORIZING AN AMENDMENT TO THE ADOPTED 2010 TRAILS MASTER PLAN.

STAFF REPORT: Trails Coordinator Monte McCully explained that an amendment was needed to the 2010 Trails Master Plan to allow for the addition of bike lanes from Government Way to Honeysuckle on Kathleen Avenue. The street overlay has recently been completed so this is an opportune time to add the bike lanes. This will provide a connection to the several trails that already exist.

MOTION: Motion by Gookin, seconded by Evans, to approve **Resolution No. 15-044** Authorizing an amendment to the 2010 Trails Master Plan.

DISCUSSION: Councilmember Gookin expressed a desire to complete the portion of bike lane on Kathleen Avenue near Home Depot but understands the need to widen the street first. Mr. McCully clarified that no parking would be removed with this project and the Pedestrian Bicycle Committee wanted to bring this forward with a future plan amendment; however, the overlay provided a current opportunity.

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

RESOLUTION NO. 15-045

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO AUTHORIZING A JOINT POWERS SUBSCRIBER AGREEMENT WITH ICRMP TO FULLY INSURE THE CITY OF COEUR D'ALENE FOR LIABILITY AND PROPERTY DAMAGE AND REJECTING THE ADDITIONAL TERRORISM COVERAGE AND SHARE IN THE COVERAGE PROCURED FOR ALL ICRMP MEMBERS.

STAFF REPORT: Finance Director Troy Tymesen recommended entering into this agreement for the second year and membership costs for fiscal year 2015-16 will be \$349,466.00. ICRMP has assured the City that historically and going forward it intends to keep increases moderate and reasonable. ICRMP's liability insurance limits are \$2,000,000 per occurrence and \$5,000,000 in total aggregate, and all members have a deductible of \$5,000 per incident. ICRMP offers many and varied resources for employee training and sample policies to educate and reduce risk. The increase for this year is \$12,598.00. He explained that the plan is not customizable, other than the terrorism coverage, which would be an additional cost of \$167,000.00.

MOTION: Motion by Adams, seconded by Edinger to approve **Resolution No. 15-045** Approving a Joint Powers Subscriber Agreement with ICRMP to fully insure the city for liability and property damage and rejecting the additional terrorism coverage and share in the coverage procured for all ICRMP members.

DISCUSSION: Councilmember McEvers asked for clarification regarding what the terrorism coverage would include. Mr. Tymesen explained that it would be a terrorist causing damage to structures and/or causing liability.

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

COUNCIL BILL NO. 15-1016 **Ordinance No. 3516**

AN ORDINANCE OF THE CITY OF COEUR D'ALENE, VACATING A WATER LINE EASEMENT IN THE RIVERSTONE WEST SILVER PLAT SUBDIVISION, RECORDED IN BOOK "K" OF PLATS, PAGE 483, RECORDS OF KOOTENAI COUNTY, GENERALLY DESCRIBED AS A 20.0 FEET WIDE WATER LINE EASEMENT LYING IN THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 50 NORTH, RANGE 4 WEST OF

THE BOISE MERIDIAN, CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THIS ORDINANCE AND AN EFFECTIVE DATE HEREOF.

MOTION: Motion by McEvers, seconded by Gookin, to pass the first reading of Council Bill No. 15-1016.

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

MOTION: Motion by McEvers, seconded by Edinger, to suspend the rules and to adopt Council Bill 15-1016 by its having had one reading by title only.

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

COUNCIL BILL NO. 15-1017
Ordinance No. 3514

AN ORDINANCE ENTITLED "THE ANNUAL APPROPRIATION ORDINANCE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015" APPROPRIATING THE SUM OF \$85,862,812 TO DEFRAY THE EXPENSES AND LIABILITIES OF THE CITY OF COEUR D'ALENE FOR SAID YEAR; LEVYING A SUFFICIENT TAX UPON THE TAXABLE PROPERTY WITHIN SAID CITY FOR GENERAL REVENUE PURPOSES FOR WHICH SUCH APPROPRIATION IS MADE; LEVYING SPECIAL TAXES UPON THE TAXABLE PROPERTY WITH SAID CITY FOR SPECIAL REVENUE PURPOSES WITHIN THE LIMITS OF SAID CITY OF COEUR D'ALENE, IDAHO; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE HEREOF.

BE IT ORDAINED, by the Mayor and City Council of the City of Coeur d'Alene, Kootenai County, Idaho:

Section 1

That the sum of \$85,949,225 be and the same is hereby appropriated to defray the necessary expenses and liabilities of the City of Coeur d'Alene, Kootenai County, Idaho, for the fiscal year beginning October 1, 2015.

Section 2

That the objects and purposes for which such appropriations are made are as follows:

| GENERAL FUND EXPENDITURES: | |
|----------------------------|-----------|
| Mayor and Council | \$247,345 |
| Administration | 305,263 |
| Finance Department | 798,078 |
| Municipal Services | 1,587,774 |

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|---|--------------|
| Human Resources | 264,861 |
| Legal Department | 1,200,180 |
| Planning Department | 558,908 |
| Building Maintenance | 497,773 |
| Police Department | 13,272,575 |
| Drug Task Force | 29,710 |
| ADA Sidewalks | |
| COPS Grant | |
| Fire Department | 13,567,735 |
| General Government | 49,250 |
| Engineering Services | 1,306,016 |
| Streets/Garage | 2,898,101 |
| Parks Department | 1,973,062 |
| Recreation Department | 723,984 |
| Building Inspection | 937,133 |
| TOTAL GENERAL FUND EXPENDITURES: | \$40,217,748 |
| | |
| SPECIAL REVENUE FUND EXPENDITURES: | |
| Library Fund | \$1,509,151 |
| Community Development Block Grant | 529,424 |
| Impact Fee Fund | 1,842,000 |
| Parks Capital Improvements | 524,000 |
| Annexation Fee Fund | |
| Insurance / Risk Management | 372,000 |
| Cemetery Fund | 304,272 |
| Cemetery Perpetual Care Fund | 127,500 |
| Jewett House | 29,355 |
| Reforestation/Street Trees/Community Canopy | 103,500 |
| Arts Commission | 7,300 |
| Public Art Funds | 324,000 |
| TOTAL SPECIAL FUNDS: | \$5,672,502 |
| | |
| ENTERPRISE FUND EXPENDITURES: | |
| Street Lighting Fund | \$584,150 |
| Water Fund | 8,310,421 |
| Wastewater Fund | 16,265,161 |
| Water Cap Fee Fund | 850,000 |
| WWTP Cap Fees Fund | 2,500,000 |
| Sanitation Fund | 3,737,479 |
| City Parking Fund | 167,896 |
| Drainage Fund | 1,257,307 |

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|----------------------------------|--------------|
| TOTAL ENTERPRISE EXPENDITURES: | \$33,672,414 |
| | |
| FIDUCIARY FUNDS: | \$2,661,900 |
| STREET CAPITAL PROJECTS FUNDS: | 2,842,000 |
| DEBT SERVICE FUNDS: | 882,661 |
| GRAND TOTAL OF ALL EXPENDITURES: | \$85,949,225 |

Section 3

That a General Levy of \$17,658,461 on all taxable property within the City of Coeur d'Alene be and the same is hereby levied for general revenue purposes for the fiscal year commencing October 1, 2015.

Section 4

That a Special Levy upon all taxable property within the limits of the City of Coeur d'Alene in the amount of \$2,839,529 is hereby levied for special revenue purposes for the fiscal year commencing October 1, 2015.

Section 5

The provisions of this ordinance are severable and if any provision, clause, sentence, subsection, word or part thereof is held illegal, invalid or unconstitutional or inapplicable to any person or circumstance, such illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, subsections, words or parts of this ordinance or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this ordinance would have been adopted if such illegal, invalid or unconstitutional provision, clause, sentence, subsection, word or part had not been included therein, and if such person or circumstance to which the ordinance or part thereof is held inapplicable had been specifically exempt there from.

Section 6

This ordinance shall take effect and be in full force upon its passage, approval and publication in one (1) issue of the Coeur d'Alene Press, a newspaper of general circulation published within the City of Coeur d'Alene and the official newspaper thereof.

STAFF REPORT: Mr. Tymesen explained that the financial plan is an estimate of revenues and expenditures (including interest and principal payments on debt) for the upcoming year. The expenditures are classified by department as well as by fund or service and the revenues are classified by source. Included in the budget are actual revenues and expenditures from the prior two fiscal years, budgeted revenues and expenditures for the current fiscal year, and proposed revenues and expenditures for the upcoming fiscal year. He reviewed the previous budget and tax increases, revenues, and expenses. The Fund Balance is currently at \$6,100,000, which is 14.5% of expenditures. The revenues proposed include a 1.75% increase in property tax revenue, no foregone property taxes, and \$827,349 in new growth property taxes. The proposed budget includes 21.09 new full time equivalent staff positions.

DISCUSSION: Councilmember Gookin questioned the effect of moving the street light fund fee to being paid out of the General Fund. Mr. Tymesen explained that it is approximately

\$584,000, so if it were moved to the General Fund expenses would need to be cut to cover it as the high water mark has already been set. He further clarified that a revenue source would need to be determined to cover the expense. City Attorney Mike Gridley explained that under Idaho Code the City can collect a fee for services, for example, water and sewer as opposed to a tax. The street light utility was legally established and it is justified by all citizens use the lighting. Mr. Gridley clarified that if it was moved to the General Fund it would make more of a burden to the property owners. Mr. Tymesen explained that there has been a \$194,787 increase in projected revenue from the State than they projected earlier. Councilmember Gookin expressed a desire to adjust the property tax increase accordingly. Councilmember Miller asked for clarification regarding the effect that a large fund balance has on the interest rates the City is able to get. Mr. Tymesen explained that the GFA recommends several months of cash reserves on hand, which should be in the double digit percentages. Councilmember Edinger asked what the difference in property tax increase would be if it were adjusted according to the new revenue figures. Mr. Tymesen clarified that it would be approximately .75%. Councilmember Adams asked how the City could get to no property tax increase. Mr. Tymesen stated that the remaining funds needed could come from the Fund Balance and/or hiring at a slower pace throughout the year rather than on October 1. He clarified that there are some risks in taking the remaining amount from Fund Balance as the bulk of the expenditures are for on-going personnel costs. He looks to continued growth and slow hiring to help cover the Fund Balance.

PUBLIC COMMENTS:

Susan Snedaker, Coeur d'Alene, expressed disappointment that the budget only reflected an increase in code enforcement to a part-time person. She believes that it should be funded to allow for more pro-active enforcement. She expressed concern regarding the public art fund and questioned the need for \$5,000 in education and training, when there are pieces that need maintenance. Total revenue is \$101,000 for maintenance and she requested the Council sunset the collection of the fee for a while. Councilmember Edinger explained that the public art fund is funded from public works construction projects and is a designated fund so it can't be used for other items.

Councilmember Edinger asked if the City is collecting money for moorage and launch fees. Mr. Tymesen explained that there are pay boxes that are on the honor system, and they are monitored by Diamond. He further explained that the launch was not originally in the new design and so the fees cannot be collected the same way as they were in the past. Councilmember Adams noted that the art fund is established by ordinance and could be repealed.

Larry Spencer, Post Falls, noted that he sent an e-mail to the Mayor and Council regarding the legality of collecting street light fees. The City of Sandpoint City Attorney determined that there was no legal authority for them to collect a fee. The cities of Rathdrum and Post Falls have received information from their attorney that the fee could be challenged and likely overturned. He clarified the difference between a fee and a tax, with a fee only benefitting the person paying the fee, otherwise it is a tax. He noted that the City of Seattle had to refund \$18,000,000 because a street light benefits all people not just one. He expressed concern with City Councils taking their legal advice without question.

Councilmember Gookin asked staff to contact the City of Sandpoint for information. Mr. Gridley noted that the Council could repeal the ordinance and thereafter would need to amend the budget accordingly. He clarified that there has not been an Idaho Supreme Court case regarding the constitutionality of a street light fee and explained the benefit of the street lights and that a rational analysis has been completed.

MOTION: Motion by Gookin, seconded by Miller to propose a zero percent property tax increase in the appropriation ordinance; using the newly projected state revenue and \$134,646 from the Fund Balance to make up the difference in revenue.

DISCUSSION CONTINUED: Councilmember Adams expressed appreciation for being able to make the budget balance without a property tax increase so he would be in favor of the motion. Councilmember Edinger asked if the \$134,646 could be paid back to the Fund Balance throughout the year. Mr. Tymesen explained that the Fund Balance could be replenished depending upon variables throughout the year, but he does not assume pay back at this time. Councilmember Gookin commented that the City is affected by Urban Renewal Agencies (URA), as funds are not given to the City during their term and that upon retiring of the URA district the City will get a boost in income. Mayor Widmyer noted that staff and previous administrations have strengthened the City so that it is in a position to bring forward a zero percent property tax increase and thanked all of those that have put in the hard work over the years.

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

MOTION: Motion by Gookin, seconded by: Edinger, to pass the first reading of **Council Bill No. 15-1017.**

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

MOTION: Motion by Gookin seconded by McEvers, to suspend the rules and to adopt Council Bill 15-1017 by its having had one reading by title only.

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

V-15-3– VACATION OF A PORTION OF EXCESS E. SHERMAN AVENUE RIGHT-OF-WAY ADJOINING THE NORTHERLY BOUNDARY OF LOTS 1 AND 2, BLOCK A OF THE BOUGHTON AND KELSO ADDITION PLAT.

STAFF REPORT: Engineering Project Manager Dennis Grant explained that the applicant has requested the vacation of a portion of city owned right-of-way that adjoins the northerly boundary of their property on the south side of 8th Street and Sherman Avenue, specifically known as 728 E. Sherman Avenue. The right-of-way was dedicated to the City in 1903. The existing Sherman Avenue right-of-way fronting this parcel is wider than the parcels abutting this

property and is therefore not needed. The vacation area contains street trees and the property owner has agreed to provide a street tree easement. Forty-four notices were mailed out and three (3) responses were received; one each for, against, and neutral.

Mayor Widmyer called for public comments with none being received.

DISCUSSION: Councilmember Miller explained that after the Public Works Committee meeting she noted the street trees within the right-of-way. She learned that Urban Forestry was unaware of the vacation and asked them to become involved which resulted in a tree easement. She requested that all affected departments be involved in the comments to the staff report on future vacation requests.

MOTION: Motion by Adams, seconded by Evans to approve V-15-3 – Vacation of a portion of excess E. Sherman Avenue right-of-way adjoining the northerly boundary of Lots 1 and 2, Block A of the Boughton and Kelso Addition Plat.

ROLL CALL: Miller Aye; McEvers Aye; Edinger Aye; Gookin Aye; Evans Aye; Adams Aye.
Motion Carried.

V-15-5– VACATION OF A PORTION OF EXCESS GOVERNMENT WAY RIGHT-OF-WAY ADJOINING THE WESTERLY BOUNDARY OF LOT 1, BLOCK 1 OF THE GOVERNMENT WAY COMMERCIAL PARK PLAT.

STAFF REPORT: Engineering Project Manager Dennis Grant explained that the applicant has requested the vacation of a portion of excess Government Way right-of-way adjoining the westerly boundary of Lot 1, Block 1 of the Government Way Commercial Park Plat (1410 Government Way). This right-of-way was originally dedicated to the City with the Fort Sherman Abandoned Military Reserve Plat. This property contains street trees so an easement will be provided to the City. Twenty notices were mailed out and one (1) response was received that was marked neutral.

Mayor Widmyer called for public comments with none being received.

MOTION: Motion by McEvers, seconded by Adams to approve V-15-5 – Vacation of a portion of excess Government Way right-of-way adjoining the westerly boundary of Lot 1, Block 1 of the Government Way Commercial Park Plat.

ROLL CALL: McEvers Aye; Edinger Aye; Gookin Aye; Evans Aye; Adams Aye; Miller Aye;
Motion Carried.

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

The meeting adjourned at 7:23 p.m.

Steve Widmyer, Mayor

ATTEST:

Renata McLeod, City Clerk