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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

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## **PUBLIC WORKS COMMITTEE**

with

**Council Members McEvers, Miller & English**

**March 12, 2018, 4:00 p.m.**

### **AGENDA**

- Item 1 Approval of Agreement with Davis Enterprises, Inc. for the Live at Five Concerts at McEuen Park – Bill Greenwood
- Item 2 Adoption of Modifications to Chapters 13.08 and 13.16, Coeur d'Alene Municipal Code for the Purpose of Establishing New Wastewater User Charges and Capitalization Fees – Mike Anderson
- Item 3 Approval of Cooperative Funding Agreement for the 2018 Chip Seal Project – Tim Martin

**Library Community Room  
702 Front Street**

*The City of Coeur d'Alene will make reasonable accommodations for anyone attending this meeting who requires special assistance for hearing, physical or other impairments. Please contact Amy Ferguson, Public Works Committee Liaison, at (208) 666-5754 at least 24 hours in advance of the meeting date and time.*

**PUBLIC WORKS COMMITTEE  
STAFF REPORT**

**Date:** March 12, 2018  
**From:** Bill Greenwood, Parks & Recreation Director  
**SUBJECT:** DAVIS ENTERPRISES, INC., AGREEMENT

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**DECISION POINT:** Should the City Council approve an exclusive three-year agreement with Davis Enterprises, Inc., for the summer Live at Five Concert series on Wednesdays at McEuen Park.

**HISTORY:** This last summer on Wednesdays Davis Enterprises held 13 Live at Five Concerts at McEuen Park. These concerts were well attended and received good reviews from our staff and the public alike.

**FINANCIAL ANALYSIS:** We do not have any financial outlay for the concert series. Live at Five will pay \$500 per concert during this concert series, which will pay for all facility use costs including staff overtime. For the three large concerts that are identified in the agreement, the City will receive an additional \$3 per ticket sold.

**PERFORMANCE ANALYSIS:** Attached is the agreement for the Live at Five Concert series. The agreement spells out the responsibilities, expectations, and responsibilities for Davis Enterprises and the City. With this success of the concert series, the parks department is comfortable with entering into an agreement. Davis Enterprises is required to comply with all applicable laws and regulations, including Police, Fire, and Health, pursuant to section 13 of the agreement.

**DECISION POINT:** Council should approve the three-year agreement with Davis Enterprises, Inc., for the Live at Five Concert series at McEuen Park.

EXCLUSIVE WEEKLY CONCERT SERIES AGREEMENT

THIS EXCLUSIVE WEEKLY CONCERT SERIES AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, between the **CITY OF COEUR D'ALENE**, Kootenai County, Idaho, a municipal corporation duly organized and existing under the laws of the State of Idaho, hereinafter called the "City," and DAVIS ENTERPRISES, Inc., an Idaho corporation with its principal place of business at 3578 East Fernan Terrace, Coeur d'Alene, Idaho 83814, hereinafter called "Davis Enterprises,"

WITNESSETH:

WHEREAS, Davis Enterprises owns and operates "Live After Five", which will be held at McEuen Park (the "Park").

WHEREAS, Davis Enterprises' Live After Five may include, but will not be limited to, arts and craft vendors, alcohol vendors, food vendors, and entertainers.

WHEREAS, Davis Enterprises' Live After Five is an exclusive weekly concert series held during the summer on Wednesday evenings at the Park.

WHEREAS, Davis Enterprises may begin setting up for the event as early as 8:00 a.m. each Wednesday morning and the event may be open to the public each Wednesday afternoon by 5 p.m.

WHEREAS, this Agreement is for 2018 through 2020, and is renewable for an additional three year period at the conclusion of the 2020 season upon the request of Davis Enterprises; and

WHEREAS, three of Davis Enterprises' Live After Five concerts in 2018 will be ticketed events with a maximum occupancy of 6,000 attendees. For these ticketed concerts Davis Enterprises may begin setting up in the Park on Tuesdays at 8:00 a.m. and have until Thursdays at 5:00 p.m. for tear down. Future years for big concerts may be negotiated contingent upon the performance of the 2018 shows.

NOW, THEREFORE, IT IS AGREED that, for and in consideration of the covenants and agreements set forth herein, Davis Enterprises is awarded this Agreement according to the terms set forth herein and under the penalties expressed herein.

Section 1.     Recitals Incorporated and Definition: The parties agree the Recitals set forth above are accurate and are hereby incorporated as part of this Agreement. For purposes of this Agreement, the parties agree that the term "employee" shall include board members of Davis Enterprises, subcontractors, and any volunteers that would assist them during the event.

Section 2.     Community Relations: Davis Enterprises agree they, their employees and/or subcontractors will be courteous and informed about the community and will assist with questions from tourists and other Park users.

Section 3.     Appropriate Attire: Davis Enterprises agrees its employees and/or subcontractors shall be appropriately dressed in either an approved T-shirt or polo shirt with identifying logo. Approval must be received from the Parks & Recreation Director. The Parks & Recreation Director’s approval will not be unreasonably withheld. This requirement does not apply to entertainers, food vendors, arts and craft vendors, and alcohol vendors.

Section 4.     Staffing: Davis Enterprises agrees the event will be staffed by at least six employees and/or subcontractors at all times.

Section 5.     Health Permit: Davis Enterprises agrees that all food vendors are to obtain a health permit as required by law for a food concession that may be part of the event. The permit must be placed in a conspicuous place on the concession. The permit number must correspond to the number on the trailer. The intentional or reckless failure of Davis Enterprises to require all food vendors to obtain the required health permit may result in the City denying Davis Enterprises a permit for one or more events. The purpose of the permit is to protect the public.

Section 6.     Food: Davis Enterprises may allow the sale of all foods within the scope of the health permit.

Section 7.     Non-food Items: Davis Enterprises agrees to review all requests for items to be sold at the event and not allow items that may be deemed to be dangerous or illegal.

Section 8.     Waiver: Davis Enterprises understands and agrees that, during the term of this agreement, the City or agents of the City may commence projects or may need to undertake unforeseen or emergency repairs involving downtown public properties, including the Park and/or its amenities, that may require the City to cancel one or more concerts, pursuant to the notice provision in Section 20 below entitled “Notice.” In such event, the City will make every reasonable effort to determine an alternate venue for the event or concert(s) affected thereby. Davis Enterprises specifically waives any claim as to lost profits or business interruption, or consequential damages, while such work is being performed.

Section 9.     Negligent or Wrongful Act: Davis Enterprises agrees to indemnify and hold harmless the City from any and all liability, loss or damage which the City may suffer arising out of, or in connection with the negligent or wrongful acts, errors and omissions of Davis Enterprises, its agents, employees, or subcontractors. Davis Enterprises further agrees, at Davis Enterprises’ sole cost, to defend the City against all claims arising out of this Agreement, including any claims resulting from the operation of Davis Enterprises events or in connection with the negligent or wrongful acts, errors and omissions of Davis Enterprises, its agents or employees.

Section 10.    Site Specifications: Davis Enterprises agrees to the following site specifications,

- A.     Arts and craft booth size is 10 ft. X 10 ft.
- B.     Heat source: propane or whisper quiet generator.

- C. Electricity is available but must be arranged by the Parks & Recreation Department at least 30 days prior to an event.
- D. Cooling source: battery, ice, propane, or whisper quiet generator.
- E. All food concessions must be self-contained. Ice chests, canisters, etc., cannot be stored next to cart.
- F. All food concessions must be maintained according to Panhandle Health sanitation standards throughout the event.
- G. Food concession booth size is 10 ft. X 20 ft.
- H. Davis Enterprises and all vendors are responsible for cleanup of their area prior to and after the event.

Section 11. Term: The City shall grant an event permit to Davis Enterprises for every Wednesday, except July 4, 2018, beginning the first Wednesday in June and ending the first Wednesday of September, for events to be held in McEuen Park for the years 2018, 2019, and 2020 (the “Initial Term”). At the conclusion of the Initial Term, Davis Enterprises may, at its option, renew this Agreement for an additional period of three (3) years, for the years 2021, 2022, and 2023 (the “Renewal Term”). The Initial Term and the Renewal Term are collectively referred to as the “Term.”

Section 12. Consideration: Davis Enterprises shall, in consideration of the permit to operate and maintain said event at the Park, pay the Parks & Recreation Department Five Hundred Dollars (\$500.00) per concert (the “Permit Fee”), and, for the three big ticketed shows, an additional impact fee of \$3 per ticket sold. The Permit Fee includes Park use, staff time, and required alcohol permit; aside from those charges and fees referenced in this Agreement, no other fees or charges shall be due. The permit fee must be paid in full within 30 days before the first event each year. The additional impact fee collected per ticket will be held in escrow by the ticketing company and paid to the Parks & Recreation Department upon completion of the event.

Section 13. Other Laws: Davis Enterprises agrees that in its exercise of its rights and performance of its duties under this Agreement it shall comply with all local, state, and federal laws, statutes, rules and regulations, including agency rules and regulations that may apply to Davis Enterprises’ use of the Park. As a part of this Agreement, the City shall disclose all local laws that pertain to Davis Enterprises’ use of the Park under this Agreement.

Section 14. Fire Protection: All tents, canopies or membrane structures must be certified flame resistant where food is being prepared and all food vendors must have a fire extinguisher and comply with the Coeur d’Alene Fire Department Permit for Temporary Tents and other Membrane Structures. An annual \$100 Fire Department inspection fee will be charged to Davis Enterprises for booth inspections, including food and non-food booths.

Section 15. Glass Containers: Davis Enterprises agrees not to dispense drinks in glass containers.

Section 16. Non-transferable: Davis Enterprises also agrees and understands this Agreement cannot be transferred to another host/sponsor without permission of the City.

Section 17. Parking: Davis Enterprises agrees to park in lawfully designated parking spaces. With the exception of three approved vehicles neither Davis Enterprises nor its agent (s) shall park vehicles adjacent to the concessions, arts and craft booths, or entertainment areas for longer than 90 minutes; PROVIDED, this restriction shall not apply to food trucks or display vehicles operating for purposes of a concert.

Section 18. Event Information: Davis Enterprises agrees it will meet with the Parks & Recreation Department at least 60 days prior to the first event in each calendar year, and at other times as may be requested by the Parks & Recreation Department, to review access for the vendors, entertainers, site layout, and any potential changes in the event venue. Access generally relates to vehicle access prior to the event for setting up and taking down. Specific access points will be identified and monitored by the Parks & Recreation Department so the event does not cause unnecessary damage or wear and tear to the Park. Davis Enterprises will meet with the Parks & Recreation Department at least one week before the first event in each calendar year to review final details.

Section 19. Forfeiture of Permit: It is understood that time is of the essence and, should Davis Enterprises fail to perform any of the material covenants herein required of it, the City may declare the permit forfeited. However, before declaring such forfeiture, the City shall notify Davis Enterprises in writing of the particulars in which the City deems Davis Enterprises to be in default and Davis Enterprises will have seven (7) days to remedy the default.

Section 20. Notice: Any notice, including notice of default resulting from failure to perform, shall be made in writing and delivered via Certified United States Mail addressed to Davis Enterprises at the address above, with proper postage affixed; notice shall be deemed received upon actual receipt by Davis Enterprises. Any notice required herein to be given to City shall be written and deemed received by City when personally delivered to the office of the City Clerk, 710 Mullan Avenue, Coeur d'Alene, Idaho 83814. In lieu of service by mail, a notice of default and/or of termination may be served in the manner provided for the service of process under the Idaho Rules of Civil Procedure, Rule 5(b).

Section 21. Confidentiality: The City acknowledges it may have access to Davis Enterprises' business information, strategies, and concert schedules ("Confidential Information"). The City agrees that its access to Davis Enterprises' Confidential Information will be used only for permitting and scheduling purposes. All such information will be treated in a strictly confidential manner and will only be disclosed to City employees or contractors on a need to know basis. The City further agrees that it shall not disclose Davis Enterprises' Confidential Information to any third party.

Section 22. Exclusivity: The City agrees that during the Term of this Agreement, Davis Enterprises shall have the sole and exclusive right to produce and host a weekly concert series in McEuen Park.

Section 23. Entire Agreement: This document constitutes the entire agreement between the parties with respect to Property and may not be amended or otherwise modified except by the express written agreement of the parties. Any future agreements between the parties related to Davis Enterprises' use of the Park shall be incorporated as addenda to this Agreement.

Section 24. Attorney Fees: If any party commences an action to enforce any term or condition of this Agreement, the prevailing party to such action shall be entitled to recover a reasonable additional sum as and for its attorney's fees and costs, said sum to be fixed by a court of competent jurisdiction.

Section 25. Governing Law, Jurisdiction, and Venue: This Agreement shall be interpreted under the laws of the State of Idaho. Any action to enforce or interpret any provision of this Agreement shall be commenced and completed in the First Judicial District, District Court in Kootenai County, Idaho. Each party specifically submits themselves to the jurisdiction to said Court and waives any objection to venue.

IN WITNESS WHEREOF, the Mayor and City Clerk of the City of Coeur d' Alene have executed this Agreement on behalf of said City, and Davis Enterprises have caused the same to be signed, the day and year first above written.

CITY OF COEUR D'ALENE  
KOOTENAI COUNTY, IDAHO

DAVIS ENTERPRISES, INC.

By: \_\_\_\_\_  
Steve Widmyer, Mayor

By: \_\_\_\_\_  
President

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Renata McLeod, City Clerk

By: \_\_\_\_\_  
Secretary

**PUBLIC WORKS COMMITTEE  
STAFF REPORT**

**DATE:** March 12 2018  
**FROM:** Mike Anderson, Wastewater Superintendent  
**SUBJECT:** Adoption of Modifications to Chapters 13.08 and 13.16, Coeur d'Alene Municipal Code for the Purpose of Establishing New Wastewater User Charges and Capitalization Fees

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**DECISION POINT:** Should the City Council adopt the proposed modifications to Chapters 13.08 and 13.16 of the Municipal Code for the purpose of establishing new wastewater user charges and capitalization fees? These modifications will establish the new wastewater user charges and capitalization fees for the five-year period from April 1, 2018, through March 31, 2023.

**HISTORY:** The new charges and fees will replace those defined in the January 2013 Comprehensive Wastewater Rate Study. The recent rate study by HDR Engineering was authorized by the City Council in October 2016 and has taken into account the numerous operational and capital improvements made to the wastewater collection, treatment and compost facilities during the past five years, as well as anticipated future expenditures. Particularly, the rate study has incorporated the extensive planning, design and construction costs that the City has incurred to meet the stringent discharge requirements of the National Pollutant Discharge Elimination System (NPDES) permit that was issued to the City in December 2014 by the United States Environmental Protection Agency (EPA).

**FINANCIAL ANALYSIS:** The proposed modifications will provide the revenue required for the continued efficient operation of the facilities and enable the City to meet the discharge permit requirements through the City's Advanced Wastewater Treatment Facility.

**PERFORMANCE ANALYSIS:** The rate study performed revenue requirement analysis, cost of service analysis, and rate design analysis to develop user rates and fees that adequately meet the wastewater utility's operating and capital expenses with revenues from customers. The study also addressed the fairness and equity of the current and proposed rates among the various customer classes.

**DECISION POINT/RECOMMENDATION:** Council should adopt the proposed modifications to Chapters 13.08 and 13.16 of the Municipal Code for the purpose of establishing new wastewater user charges and fees that will be effective April 1, 2018.



ORDINANCE NO. \_\_\_\_\_  
 COUNCIL BILL NO. 18-\_\_\_\_\_

AN ORDINANCE AMENDING SECTIONS 13.08.010, 13.08.020, AND 13.16.010, COEUR D'ALENE MUNICIPAL CODE; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THE ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE THEREOF.

WHEREAS, it is deemed by the Mayor and City Council to be in the best interests of the City of Coeur d'Alene that said amendment be adopted;

NOW, THEREFORE,

BE IT ORDAINED by the Mayor and City Council of the City of Coeur d'Alene:

**SECTION 1.** *That section 13.08.010 of the Coeur d'Alene Municipal Code be amended as follows:*

It has been determined that the cost of operation, maintenance and improvement of the wastewater collection and treatment works is largely dependent upon the quantity and quality of effluent discharged by the various users into the system; and that the charging of a fee based upon the quantity of wastewater discharged and the strength of effluent discharged by such users will result in an equitable distribution of the costs amongst the users. To equitably establish such fees, sewer users have been classified in several classes according to volume and strength of effluent received from various properties and fees have been calculated for the various classifications based on the factors set out and recommendations made in the city of Coeur d'Alene wastewater cost of service rate study, ~~January~~March 201~~83~~, by HDR Engineering Inc., which study is on file in the office of the city clerk.

**SECTION 2.** *That section 13.08.020 of the Coeur d'Alene Municipal Code be amended as follows:*

Users of the Coeur d'Alene wastewater collection and treatment works are assessed charges that become effective as outlined below:

| Customer Class                 | FY<br>201 <del>83</del>                | FY<br>201 <del>94</del>                | FY<br>202 <del>015</del>               | FY<br>202 <del>116</del>                | FY<br>202 <del>217</del>                |
|--------------------------------|--|--|--|---|---|
| Residential:                   |  |  |  |   |   |
| Monthly service charge         | \$ <del>11.667</del><br><del>.80</del> | \$ <del>12.438</del><br><del>.55</del> | \$ <del>13.249</del><br><del>.30</del> | \$ <del>14.1010</del><br><del>.10</del> | \$ <del>14.9910</del><br><del>.95</del> |
| Usage charge, \$/dwelling unit | <del>26.3118</del><br><del>.60</del>   | <del>28.0319</del><br><del>.95</del>   | <del>29.8621</del><br><del>.40</del>   | <del>31.8123</del><br><del>.00</del>    | <del>33.8224</del><br><del>.70</del>    |

|                    |                                  |   |   |   |   |   |
|--------------------|----------------------------------|---|---|---|---|---|
|                    | Total monthly charge per account | <del>\$37.9826</del><br><del>.40-</del> | <del>\$40.4628</del><br><del>.50-</del> | <del>\$43.1030</del><br><del>.70-</del> | <del>\$45.9133</del><br><del>.10-</del> | <del>\$48.8235</del><br><del>.65-</del> |
| Residential-low:   |                                  |   |   |   |   |   |
|                    | Monthly service charge           | <del>\$11.667</del><br><del>.80-</del>  | <del>\$12.438</del><br><del>.55-</del>  | <del>\$13.249</del><br><del>.30-</del>  | <del>\$14.1040</del><br><del>.10-</del> | <del>\$14.9940</del><br><del>.95-</del> |
|                    | Usage charge, \$/dwelling unit   | <del>4.853</del><br><del>.70-</del>     | <del>5.163</del><br><del>.85-</del>     | <del>5.504</del><br><del>.05-</del>     | <del>5.864</del><br><del>.30-</del>     | <del>6.244</del><br><del>.55-</del>     |
|                    | Total monthly charge per account | <del>\$6.5144</del><br><del>.50-</del>  | <del>\$7.5942</del><br><del>.40-</del>  | <del>\$8.7443</del><br><del>.35-</del>  | <del>\$9.9644</del><br><del>.40-</del>  | <del>\$21.2345</del><br><del>.50-</del> |
| Commercial-low:    |                                  |   |   |   |   |   |
|                    | Monthly service charge           | <del>\$11.667</del><br><del>.80-</del>  | <del>\$12.438</del><br><del>.55-</del>  | <del>\$13.249</del><br><del>.30-</del>  | <del>\$14.1040</del><br><del>.10-</del> | <del>\$14.9940</del><br><del>.95-</del> |
|                    | Usage charge, \$/kgal            | <del>4.372</del><br><del>.93</del>      | <del>4.653</del><br><del>.21</del>      | <del>4.963</del><br><del>.48</del>      | <del>5.283</del><br><del>.78-</del>     | <del>5.614</del><br><del>.10-</del>     |
| Commercial-medium: |                                  |   |   |   |   |   |
|                    | Monthly service charge           | <del>11.667</del><br><del>.80-</del>    | <del>12.438</del><br><del>.55-</del>    | <del>13.249</del><br><del>.30-</del>    | <del>14.1040</del><br><del>.10-</del>   | <del>14.9940</del><br><del>.95-</del>   |
|                    | Usage charge, \$/kgal            | <del>5.013</del><br><del>.36-</del>     | <del>5.333</del><br><del>.68-</del>     | <del>5.683</del><br><del>.99-</del>     | <del>6.054</del><br><del>.33-</del>     | <del>6.444</del><br><del>.70-</del>     |
| Commercial-high:   |                                  |   |   |   |   |   |
|                    | Monthly service charge           | <del>11.667</del><br><del>.80-</del>    | <del>12.438</del><br><del>.55-</del>    | <del>13.249</del><br><del>.30-</del>    | <del>14.1040</del><br><del>.10-</del>   | <del>14.9940</del><br><del>.95-</del>   |
|                    | Usage charge, \$/kgal            | <del>5.643</del><br><del>.79-</del>     | <del>6.004</del><br><del>.15-</del>     | <del>6.394</del><br><del>.50-</del>     | <del>6.814</del><br><del>.88-</del>     | <del>7.245</del><br><del>.29-</del>     |

A. Rate Calculations: Rate calculations for customer classifications are described below. Customer classifications are described in the January ~~2018~~~~2013~~ eCity of Coeur d'Alene wastewater cost of service rate study report appendix C.

1. Residential Customer Class: Residential customers include single-family residences and duplexes. The monthly bill to the residential accounts will comprise of two (2) parts: a) a monthly service charge per account, and b) a usage charge per dwelling unit. Using water use records from the nonirrigation month period, wastewater usage will be averaged for the class each year to determine if the usage charge needs to be adjusted. Duplexes with two (2) meters will be assessed two (2) separate usage rates. Duplexes with one meter will also be assessed two (2) usage rates.

2. Residential-Low Customer Class: Single-family or duplex customers are eligible for this classification when they are full time year round residents that use less than two thousand five hundred (2,500) gallons of water per month based on the nonirrigation months and based on at least one year of water use records. The monthly bill to the residential-low accounts will comprise of two (2) parts: a) a monthly service charge per account, and b) a usage charge per dwelling unit. Using water use records from the nonirrigation month period, wastewater usage will be averaged for the class each year to determine if the usage charge needs to be adjusted.

3. Residential-Vacation Rate: Single-family or duplex customers are eligible for this rate when they do not occupy their homes for an extended time period, and have the water turned off. When both requirements are met, the customer will be charged the wastewater monthly service charge per account.

4. Commercial Customer Classes: Commercial classifications include multi-family properties with three (3) or more dwelling units, mobile home parks, government, commercial, and industrial businesses. The monthly bill to the commercial accounts will comprise of two (2) parts: a monthly service charge per account and a usage charge per thousand gallons of flow. The usage charge differs for each of the commercial customer classifications relative to the different strengths of wastewater estimated or determined for the customer. Using water use billing records, usage for commercial accounts will be the actual metered water use each month. The monthly usage for each account will be multiplied by the respective usage charge for the appropriate class to determine the usage rate component of each commercial customer's bill.

B. Combined Use Rates: Users which fall into more than one customer class are charged by assigning them to the higher use commercial classification.

C. Customers Not On City Water System: Nonresidential customers who do not receive all of their water from the city water system must meter, at their expense, all water which is supplied by another system.

D. Septage Haulers: The rate per one thousand (1,000) gallons discharged shall be two hundred dollars (\$200.00) plus any additional pretreatment costs which include, but are not limited to, sampling, processing, monitoring, and testing of the septage waste. Included in this category is other discharge from septage tanks, or holding tanks, which will be charged the applicable rate based on estimated or measured volume and strength in addition to the applicable CAP fee.

E. Special Case Procedures: Uses not categorized above or not clearly defined as being within one or more of the above classifications shall be charged a rate to be determined by the following formula:

Example for calculating the monthly bill during FY 2012-2013:

\$7.80 + \$1.73 \* monthly billed water use (kgal) + \$0.07 \* calculated lbs of BOD + \$0.35 \* calculated lbs of SS + \$0.74 \* calculated lbs of P + \$2.98 \* calculated lbs of NH3N.  
 The city reserves the right to determine the final measured flow and strength levels.

F. Installation Of Private Meter: Should any user consider himself to be aggrieved by the foregoing schedules or by the determination of the wastewater superintendent, such user may install a meter or devices which measure the strength and flow of his sewage, in which event a charge shall be fixed based on the indicated results. Such meter or devices shall be installed at the expense of the user, and shall be calibrated or installed to the satisfaction of the wastewater superintendent or superintendent's designee.

G. Users In Fernan Village: Shall pay according to the following schedule:

| Customer Class                   | FY<br>2018 <del>3</del>                             | FY<br>2019 <del>4</del>                             | FY<br>2020 <del>15</del>                            | FY<br>2021 <del>16</del>                            | FY<br>2022 <del>17</del>                            |
|----------------------------------|---|---|---|---|---|
| Fernan Village residential:      |   |   |   |   |   |
| Monthly service charge           | \$ <del>11.66</del> <sup>7</sup><br><del>.56</del>  | \$ <del>12.43</del> <sup>8</sup><br><del>.16</del>  | \$ <del>13.24</del> <sup>8</sup><br><del>.79</del>  | \$ <del>14.10</del> <sup>9</sup><br><del>.47</del>  | \$ <del>14.99</del> <sup>10</sup><br><del>.20</del> |
| Usage charge, \$/dwelling unit   | <del>18.81</del> <sup>13</sup><br><del>.64</del>    | <del>20.03</del> <sup>14</sup><br><del>.74</del>    | <del>21.33</del> <sup>15</sup><br><del>.86</del>    | <del>22.73</del> <sup>17</sup><br><del>.08</del>    | <del>24.17</del> <sup>18</sup><br><del>.40</del>    |
| Total monthly charge per account | \$ <del>30.47</del> <sup>21</sup><br><del>.20</del> | \$ <del>32.46</del> <sup>22</sup><br><del>.90</del> | \$ <del>34.57</del> <sup>24</sup><br><del>.65</del> | \$ <del>36.83</del> <sup>26</sup><br><del>.55</del> | \$ <del>39.16</del> <sup>28</sup><br><del>.60</del> |
| Fernan Village commercial:       |   |   |   |   |   |
| Monthly service charge           | \$ <del>11.66</del> <sup>7</sup><br><del>.80</del>  | \$ <del>12.43</del> <sup>8</sup><br><del>.55</del>  | \$ <del>13.24</del> <sup>9</sup><br><del>.305</del> | \$ <del>14.10</del> <sup>10</sup><br><del>.10</del> | \$ <del>14.99</del> <sup>10</sup><br><del>.95</del> |
| Usage charge, \$/kgal            | <del>3.78</del> <sup>2</sup><br><del>.53</del>      | <del>4.03</del> <sup>2</sup><br><del>.77</del>      | <del>4.29</del> <sup>3</sup><br><del>.01</del>      | <del>4.57</del> <sup>3</sup><br><del>.27</del>      | <del>4.86</del> <sup>3</sup><br><del>.55</del>      |

H. User Charges For Commercial Accounts Based On Nonirrigation Month Water Use: Commercial accounts existing before March 1, 2003, that have been charged the usage component of the monthly bill based on nonirrigation month water use records will continue to be billed in this manner as long as the city's finance director is satisfied that nonirrigation month water usage is representative and accurately represents the wastewater discharge each month of the year. These accounts will not be eligible for this method of bill calculation when the property has a change of ownership, the use of the property changes, or improvements are made to the property that require city building or plumbing permits. Upon determination of noneligibility by the finance director, a customer desiring elimination of irrigation water from the water meter reading may install a second water service and meter at his own expense that is dedicated to irrigation water. In this manner, the wastewater user charge will not include irrigation water that does not enter the sewer.

I. Vacancies: At any month during which the occupant does not occupy the residence or business, and does not show water use, the wastewater charge for that month shall be equal to the monthly service charge.

J. Change Of Use: The customer is responsible for immediate written notification to the city finance department of any change in use for correct classification for billing. No adjustment to bills will be made sooner than sixty (60) days from written notification.

**SECTION 3.** *That section 13.16.010 of the Coeur d'Alene Municipal Code be amended as follows:*

A. The owners of property connecting to the Coeur d'Alene sewer system, directly or by connecting to a private system that connects to the city sewer system, except property for which a monthly sewer service charge was being made prior to June 1, 1979, or except property for which a wastewater treatment plant expansion fee has been assessed by a local improvement district, shall be assessed a sewer capitalization fee (in addition to any hookup fee), in an amount as set forth in the following schedule:

**CAPITALIZATION FEE SCHEDULE**

| General Customer Classification |  | Population Equivalents (PE) | Units           | Fee Per Unit                           |
|---------------------------------|--|-----------------------------|-----------------|--|
|                                 |  |                             |                 | FY 2018 <del>3</del>                   |
| Capitalization fee per PE       |  |                             |                 | \$ <del>1,383.00</del> <u>1,433.00</u> |
| Residential:                    |  |                             |                 |  |
|                                 | Single-family dwelling                         | <del>2.392</del> <u>.32</u> |                 | <del>3,305.00</del> <u>3,325.00</u>    |
|                                 | Multiple-family dwelling (up to 2 units)       | <del>2.392</del> <u>.32</u> | Per unit        | <del>3,305.00</del> <u>3,325.00</u>    |
| Commercial - low:               |  |                             |                 |  |
|                                 | Bar or tavern                                  | 0-.20                       | Per seat        | <del>277.00</del> <u>287.00</u>        |
|                                 | Factories                                      | 0-.10                       | Per 100 sq. ft. | <del>138.00</del> <u>143.00</u>        |
|                                 | Hospital                                       | 2-.50                       | Per bed         | <del>3,458.00</del> <u>3,583.00</u>    |
|                                 | Institution (other than hospital) <sup>2</sup> | 1-.25                       | Per bed         | <del>1,729.00</del> <u>1,794.00</u>    |
|                                 | Mobile home                                    | <del>2.392</del> <u>.32</u> | Per unit        | <del>3,305.00</del> <u>3,325.00</u>    |

|                                  |   |                    |                       |                                     |
|----------------------------------|---|--------------------|-----------------------|-------------------------------------|
|                                  |   |                    |                       | <del>.00</del>                      |
|                                  | Multiple-family dwelling (>2 units)                 | 2-.20              | Per unit              | <del>3,043.00</del> <u>3,153.00</u> |
|                                  | Office space  | 0-.10              | Per 100 sq. ft.       | <del>138.00</del> <u>143.00</u>     |
|                                  | Retail space  | 0-.05              | Per 100 sq. ft.       | <del>69.00</del> <u>72.00</u>       |
|                                  | School (without meal preparation)                   | 0-.08              | Per student and staff | <del>111.00</del> <u>115.00</u>     |
|                                  | Warehouse   | 0-.04 <del>0</del> | Per 100 sq. ft.       | <del>55.00</del> <u>57.00</u>       |
| Commercial - medium:             |   |                    |                       |                                     |
|                                  | Hotel or motel (without kitchen facilities in room) | 1-.30              | Per unit              | <del>1,798.00</del> <u>1,863.00</u> |
| Commercial - high <sup>1</sup> : |   |                    |                       |                                     |
|                                  | Bakeries  | 0-.20              | Per seat              | <del>351.00</del> <u>349.00</u>     |
|                                  | Bowling alley                                       | 1-.00              | Per lane              | <del>1,755.00</del> <u>1,746.00</u> |
|                                  | Funeral homes                                       | 0-.05              | Per sq. ft.           | <del>88.00</del> <u>87.00</u>       |
|                                  | Grocery markets with garbage disposals              | 0-.04              | Per sq. ft.           | 70 .00                              |
|                                  | Hotel or motel (with kitchen facilities in room)    | 1-.60              | Per unit              | <del>2,807.00</del> <u>2,794.00</u> |
|                                  | Laundry, commercial                                 | 1-.90              | Per washing machine   | <del>3,334.00</del> <u>2,794.00</u> |
|                                  | Microbrewery <sup>3</sup>                           |                    | Per PE                | n/a                                 |
|                                  | Restaurants   | 0-.20              | Per seat              | <del>351.00</del> <u>349.00</u>     |
|                                  | RV parks <sup>4</sup>                               |                    | Per PE                | n/a                                 |
|                                  | School (with meal preparation)                      | 0-.13              | Per student and staff | <del>228.00</del> <u>227.00</u>     |

|  |       |          |                                   |
|--|-------|----------|-----------------------------------|
| Theaters (indoor per seat and outdoor per parking) | 0-.03 | Per seat | <del>53.00</del> <del>52.00</del> |
|--|-------|----------|-----------------------------------|

Notes:

1. Fees for customers in the commercial-high classification include an extra strength surcharge for higher loadings of ~~\$371.54~~~~13.06~~ per PE.
2. Institution (other than hospital) includes childcare/group homes with more than 8 occupants and 2 caregivers.
3. PEs determined on an individual basis.
4. RV park PEs will be calculated on an individual basis at the current gallon per day calculation based on city data.

B. The sewer capitalization fees fixed herein are based upon population equivalents (~~6574~~ gallons per day, ~~0.0820~~~~124~~ pounds per day biochemical oxygen demand (BODs), ~~0.0820~~~~124~~ pounds per day suspended solids (SS), and 0.006 pound per day total phosphorus (TP) and ~~0.01370~~~~015~~ pounds per day nitrogen). The present population equivalent charge upon which the present residential and residential strength commercial rates are fixed is one thousand three hundred eighty three dollars (~~\$1,383.00~~~~1,433.00~~) for FY 201~~73~~~~2018~~~~4~~ through FY 20~~25~~~~16~~~~2026~~~~17~~. The population equivalent charge upon which individual high strength commercial sewer connection charges are based includes a high strength surcharge to account for the greater than residential strength of these classifications. Development of these high strength population equivalent charges was tabulated in appendix C of the city of Coeur d'Alene wastewater rate and fee study, January 201~~83~~, by HDR Engineering Inc., and includes the following steps:

1. Calculation of the incremental strengths for the commercial-high customer classifications. "Incremental strength" is defined as the difference between the strength of a high strength commercial classification and residential strength (~~0.0820~~~~124~~ pounds/day BOD, ~~0.0820~~~~124~~ pounds/day SS, 0.006 pound/day TP, and ~~0.01370~~~~015~~ pounds/day nitrogen). The incremental strengths are shown in appendix C, table C-3.
2. Multiplication of the incremental strength(s) by the respective unit costs (~~\$100.84~~~~95.37~~ pound/day BOD, ~~\$1,110.18~~~~967.96~~ pound/day SS, ~~\$42,492.79~~~~30,188.51~~ per pound/day TP and ~~\$2,931.98~~~~1,822.64~~ per pound/day nitrogen). Summing the results yields the high strength surcharge of three hundred ~~seventy-one~~~~thirteen~~ dollars ~~fifty-four~~~~six~~ cents (~~\$371.54~~~~13.06~~) as shown in appendix C, table C-3.
3. Adding the high strength surcharge to the population equivalent charge for residential strength customer yields the population equivalent charge for the high strength commercial classification.

C. Industrial users or other businesses with industrial waste, and uses not categorized above or not clearly defined as being within one or more of the above classifications shall be charged at a rate to be determined by the city council upon application of the property owner, after considering all relevant evidence pertaining thereto at a public hearing held for such purpose; the rate shall be established based upon consideration of the nature and intensity of the proposed use

and total impact upon the city sewer system. The charge shall be directly related to the cost of providing sewage facilities for such use, and shall be proportionately consistent with the schedule set forth herein.

**SECTION 4.** All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

**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.

**SECTION 6.** After its passage and adoption, a summary of this Ordinance, pursuant to the provisions of the Idaho Code, shall be published once in the official newspaper of the City of Coeur d'Alene, and upon such publication this Ordinance shall be in full force and effect.

*Passed under suspension of rules upon which a roll call vote was duly taken and duly enacted an Ordinance of the City of Coeur d'Alene at a regular session of the City Council on \_\_\_\_\_, 2018.*

APPROVED, ADOPTED and SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Steve Widmyer, Mayor

ATTEST:

\_\_\_\_\_  
Renata McLeod, City Clerk



SUMMARY OF COEUR D'ALENE ORDINANCE NO. \_\_\_\_\_  
Amending Sections 13.08.010, 13.08.020, and 13.16.010 of the Municipal Code

AN ORDINANCE AMENDING SECTIONS 13.08.010, 13.08.020, AND 13.16.010, COEUR D'ALENE MUNICIPAL CODE; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE PUBLICATION OF A SUMMARY OF THE ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE THEREOF. THE FULL TEXT OF THE SUMMARIZED ORDINANCE NO. \_\_\_\_\_ IS AVAILABLE AT COEUR D'ALENE CITY HALL, 710 E. MULLAN AVENUE, COEUR D'ALENE, IDAHO 83814 IN THE OFFICE OF THE CITY CLERK.

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Renata McLeod, City Clerk




**STATEMENT OF LEGAL ADVISOR**

I, Randall R. Adams, am a Chief Deputy City Attorney for the City of Coeur d'Alene, Idaho. I have examined the attached summary of Coeur d'Alene Ordinance No. \_\_\_\_\_, Amending Sections 13.08.010, 13.08.020, and 13.16.010 of the Municipal Code, and find it to be a true and complete summary of said ordinance which provides adequate notice to the public of the context thereof.




DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.


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Randall R. Adams, Chief Deputy City Attorney

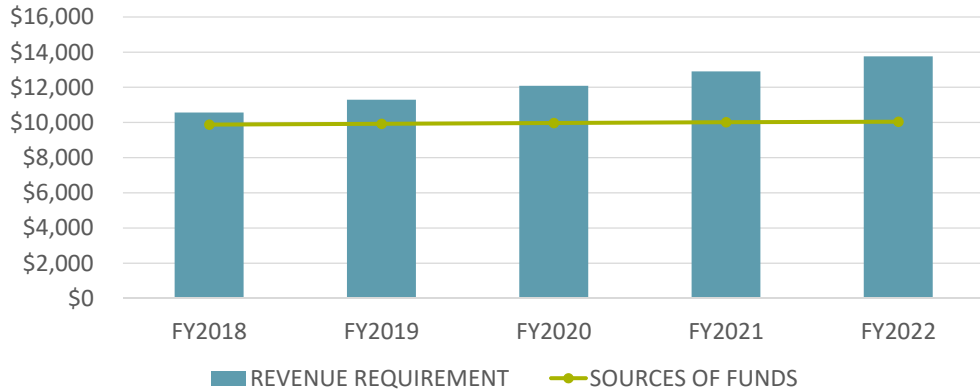
|  |  |   |
|--|--|---|
| <br><b>Wastewater Rate &amp; Capitalization Fee Studies</b><br>March 20, 2018 |  | <br>City of<br>Coeur d'Alene<br>IDAHO |
| <b>Presented by:</b><br>HDR Engineering Inc.<br>Shawn Koorn, Associate Vice President  |  |                                      |

## Summary of the Rate Setting Process

|  |  |
|--|--|
| <br>↓ | <b>Revenue Requirement</b><br>Compares the revenues of the utility to its expenses to determine the overall level of revenue adjustment                      |
| <br>↓ | <b>Cost of Service</b><br>Equitably allocates the revenue requirements between the various customer classes of service (rate schedules)                      |
|       | <b>Rate Design</b><br>Design rates for each class of service to meet the revenue needs of the utility, along with any other rate design goals and objectives |

2 

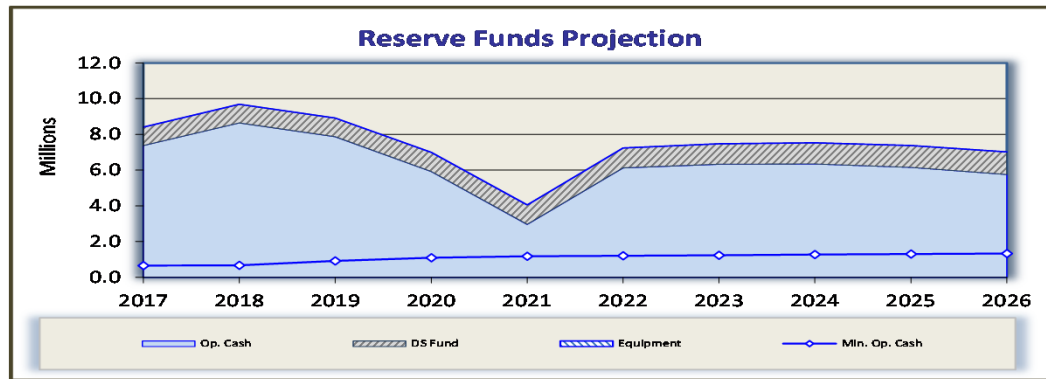
# Summary of the Revenue Requirement



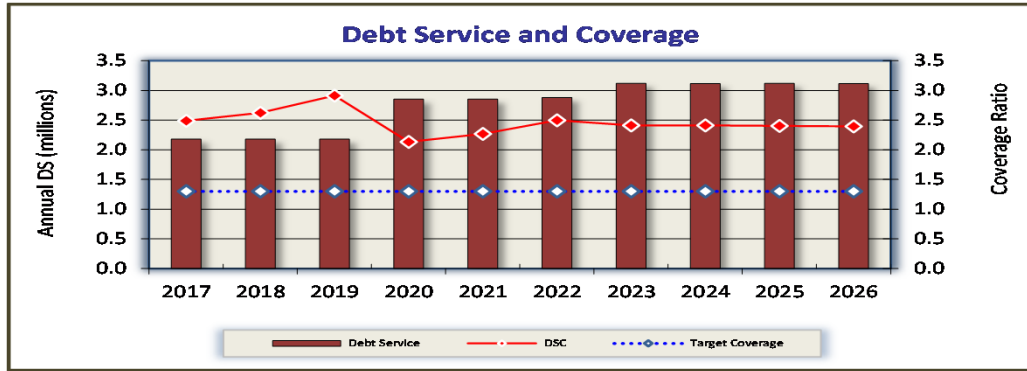
\* Sources of Funds Prior to Rate Adjustments



# Ending Reserve Fund Balances



# Debt Service Coverage Ratio



5



# Cost of Service

## What is cost of service?

- Analysis to equitably allocate the revenue requirement to the various customer classes of service

## Why cost of service?

- Generally accepted as “fair and equitable”
- Avoids subsidies
- Revenues track costs
- Provides an accurate price signal

## Objectives of cost of service

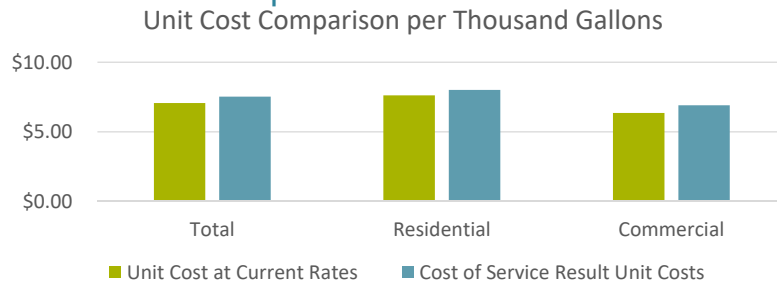
- Determine if subsidies exist
- Develop average unit costs for rate design

6



## Cost of Service Considerations

- Allocated FY 2018/19 Expenses
- Costs of Service results indicate rate classes are within an acceptable variance to their costs of service.
  - Fernan Customers
    - Contractual Required



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## Current and Proposed Wastewater Rates

| Customer                         | Code   | Current | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
|----------------------------------|--------|---------|---------|---------|---------|---------|---------|
| <b>Residential Rates</b>         |        |         |         |         |         |         |         |
| <u>Monthly Service Charges</u>   |        |         |         |         |         |         |         |
| Residential                      | SERS   | \$35.65 | \$37.98 | \$40.46 | \$43.10 | \$45.91 | \$48.82 |
| Residential                      | SERV   | 10.95   | 11.66   | 12.43   | 13.24   | 14.10   | 14.99   |
| Residential-Low                  | SERSL  | 15.50   | 16.51   | 17.59   | 18.74   | 19.96   | 21.23   |
| Fernan-Residential               | SERF   | 28.60   | 30.47   | 32.46   | 34.57   | 36.83   | 39.16   |
| Duplex-One Meter                 | SERMF  | 71.30   | 75.95   | 80.91   | 86.19   | 91.82   | 97.64   |
| <b>Commercial Rates</b>          |        |         |         |         |         |         |         |
| <u>Monthly Service Charges</u>   |        |         |         |         |         |         |         |
| Commercial-Low                   | CWCL   | \$10.95 | \$11.66 | \$12.43 | \$13.24 | \$14.10 | \$14.99 |
| Commercial-Medium                | CWCM   | 10.95   | 11.66   | 12.43   | 13.24   | 14.10   | 14.99   |
| Commercial-High                  | CWCH   | 10.95   | 11.66   | 12.43   | 13.24   | 14.10   | 14.99   |
| Fernan-Commercial                | SENRO6 | 10.95   | 11.66   | 12.43   | 13.24   | 14.10   | 14.99   |
| Fernan-Commercial                | SENRF  | 10.95   | 11.66   | 12.43   | 13.24   | 14.10   | 14.99   |
| <u>Monthly Usage Charges</u>     |        |         |         |         |         |         |         |
| Commercial-Low/multifamily Res.* | CWCL   | \$4.10  | \$4.37  | \$4.65  | \$4.96  | \$5.28  | \$5.61  |
| Commercial-Medium                | CWCM   | 4.70    | 5.01    | 5.33    | 5.68    | 6.05    | 6.44    |
| Commercial-High                  | CWCH   | 5.29    | 5.64    | 6.00    | 6.39    | 6.81    | 7.24    |
| Fernan-Commercial                | SENRO6 | 3.55    | 3.78    | 4.03    | 4.29    | 4.57    | 4.86    |
| Fernan-Commercial                | SENRF  | 3.55    | 3.78    | 4.03    | 4.29    | 4.57    | 4.86    |



\*multifamily Residential >2

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# Capitalization Fee Study

- A One-time charge for new customers
- Purpose
  - Growth pays for growth
  - Equity between existing and new customers
  - Fee is determined by population equivalencies (PE) per customer
    - Reflects customer wastewater capacity (demand)
    - Maintained existing current equivalencies for customer classes

• Results in a

|                  | Fee per PE |
|------------------|------------|
| Present Cap Fee  | \$1,433    |
| Proposed Cap Fee | \$1,383    |



# Present and Proposed Capitalization Fees

| General Customer Classification                     | Population Equivalents | Units               | Present Fee | Proposed Fee |
|---|------------------------|---------------------|-------------|--------------|
| <b>Capitalization Fee per PE</b>                    |                        |                     |             |              |
| <b>Residential</b>                                  |                        |                     |             |              |
| Single Family Dwelling                              | 2.39                   |                     | \$3,325     | \$3,305      |
| Multiple Family Dwelling (2 units)                  | 2.39                   | per unit            | 3,325       | 3,305        |
| <b>Commercial-Low</b>                               |                        |                     |             |              |
| Bar or tavern                                       | 0.20                   | per seat            | \$287       | \$277        |
| Factories   | 0.10                   | per 100 sq. ft.     | 143         | 138          |
| Hospital  | 2.50                   | per bed             | 3,583       | 3,458        |
| Institution (other than hospital)                   | 1.25                   | per bed             | 1,791       | 1,729        |
| Mobile Home   | 2.39                   | per unit            | 3,325       | 3,305        |
| Multiple Family Dwelling (>2 units)                 | 2.20                   | per unit            | 3,153       | 3,043        |
| Office Space  | 0.10                   | per 100 sq. ft.     | 143         | 138          |
| Retail Space  | 0.05                   | per 100 sq. ft.     | 72          | 69           |
| School (without meal preparation)                   | 0.08                   | per student/staff   | 115         | 111          |
| Warehouse   | 0.04                   | per 100 sq. ft.     | 57          | 55           |
| <b>Commercial-Medium</b>                            |                        |                     |             |              |
| Hotel or motel (without kitchen facilities in room) | 1.30                   | per unit            | \$1,863     | \$1,798      |
| <b>Commercial-High*</b>                             |                        |                     |             |              |
| Bakeries  | 0.20                   | per seat            | \$349       | \$351        |
| Bowling Alley                                       | 1.00                   | per lane            | 1,746       | 1,755        |
| Funeral homes                                       | 0.05                   | per sq. ft.         | 87          | 88           |
| Grocery markets with garbage disposals              | 0.04                   | per sq. ft.         | 70          | 70           |
| Hotel or motel (with kitchen facilities in room)    | 1.60                   | per unit            | 2,794       | 2,807        |
| Laundry, commercial                                 | 1.90                   | per washing machine | 3,318       | 3,334        |
| Restaurants   | 0.20                   | per seat            | 349         | 351          |
| School (with meal preparation)                      | 0.13                   | per student/staff   | 227         | 228          |
| Theaters (indoor and outdoor)                       | 0.03                   | per seat            | 52          | 53           |

\* Fees for customers in the Commercial-High classification include an extra-strength surcharge for higher loadings.



## Next Steps

- Today
  - Receive Council direction
    - Proposed Wastewater rates and Capitalization Fees
- Next Steps
  - Finalize studies and Ordinance/Resolution revision

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## Questions and Discussion

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**PUBLIC WORKS COMMITTEE  
STAFF REPORT**

**DATE:** March 12, 2018  
**FROM:** Tim Martin, Streets & Engineering Director  
**SUBJECT:** Cooperative Funding Agreement for the 2018 Chip Seal Project

---

**DECISION POINT:** Should the City Council to approve a Cooperative Funding Agreement (attached) between the City of Hayden, City of Dalton Gardens, and the City of Coeur d'Alene for the 2018 Chip Seal Project?

**HISTORY:** This is the third year of the City of Coeur d'Alene's Chip Seal program (see attached for locations). Our consultant, Welch Comer Engineering, is tasked with the design, bid, and construction phase services for all the participating municipalities with one exception: the City of Coeur d'Alene will be managing the construction phase for our locations.

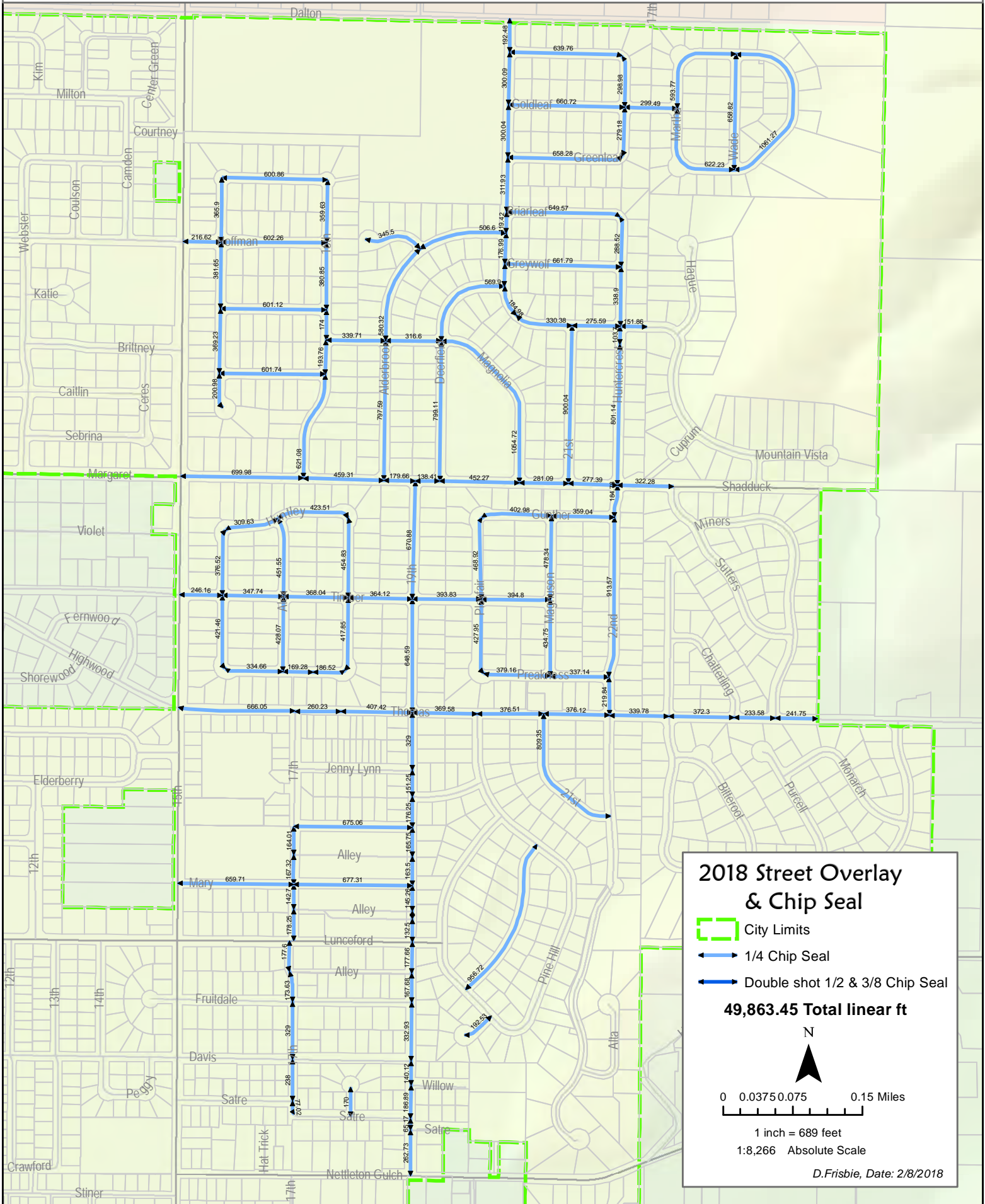
**FINANCIAL ANALYSIS:** The Chip Seal program is a part of the City of Coeur d'Alene's Overlay program and is a budgeted item. The budget amount for the chip seal program is approximately \$730,000.00. The City of Coeur d'Alene is partnering with the other cities as a cost saving measure. The City of Coeur d'Alene will be the lead and will coordinate with the other city participants.

**PERFORMANCE ANALYSIS:** Approving this Cooperative Funding Agreement for the Chip Seal Program will provide clarity for all parties and provide the terms of the funding, work performed, and the management of the project. The Project will begin in late July or August.

**RECOMMENDATION:** Council should approve the Cooperative Funding Agreement between the City of Hayden, City of Dalton Gardens, and the City of Coeur d'Alene for the 2018 Chip Seal Project.

# Residential Chip Seal

Bentwood Park Subdivision, Echo Glenn Subdivision, Canfield Park Subdivision, E Shadduck, 15th to N Sutters Way, Cumberland Meadows Subdivision, Thomas Ln, 15th to City limits, 17th, Satre Ave to April Elaine Ave, 18th, Satre Ave to cul-de-sac, 19th, Nettleton Gulch to Thomas Ln, April Elaine Ave, E Mary Ln, Pine Hill Cir, Pine Hill Pl, 21st Pl



**2018 Street Overlay & Chip Seal**

- City Limits
- 1/4 Chip Seal
- Double shot 1/2 & 3/8 Chip Seal

**49,863.45 Total linear ft**

N

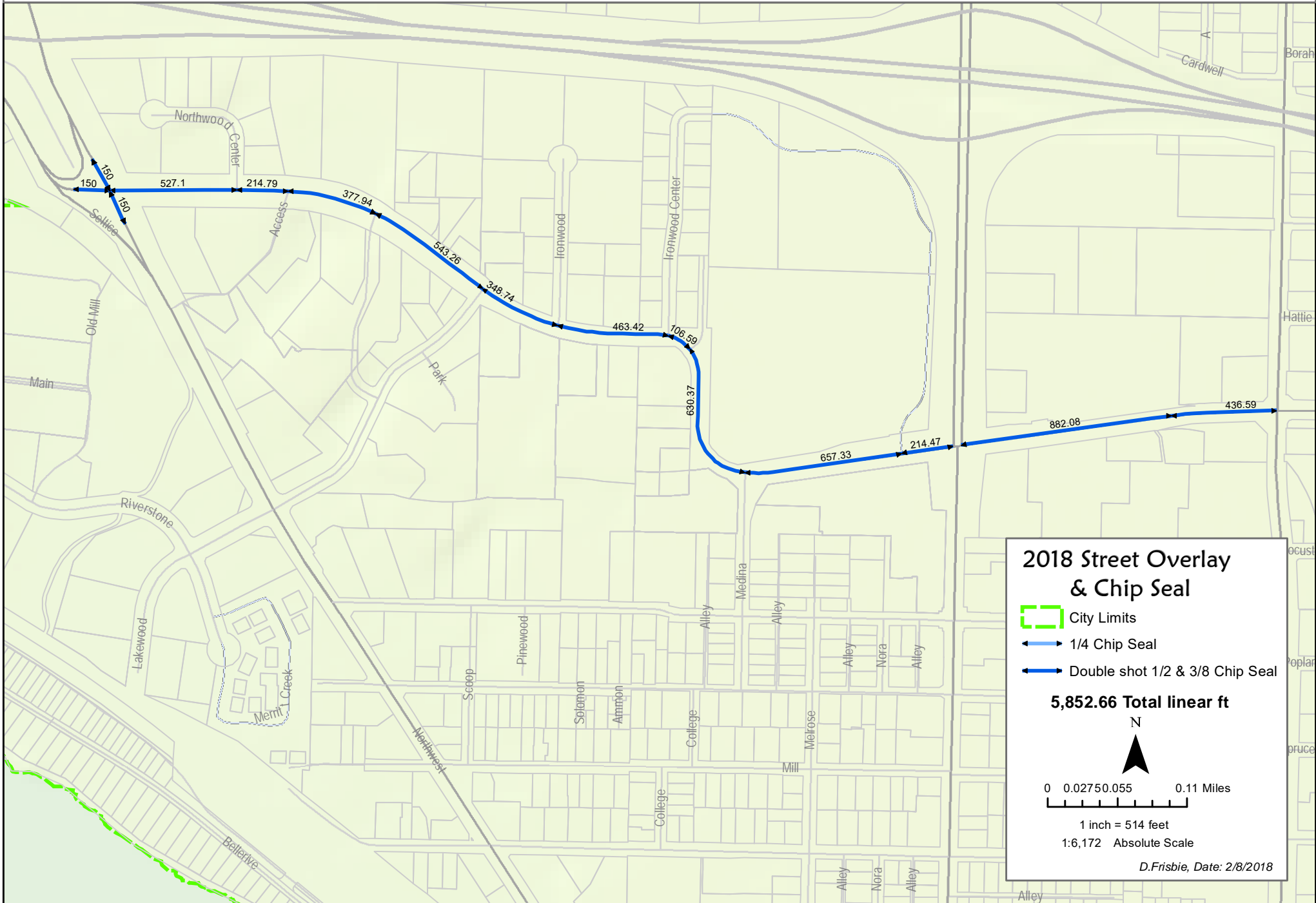
0 0.0375 0.075 0.15 Miles

1 inch = 689 feet  
1:8,266 Absolute Scale

*D.Frisbie, Date: 2/8/2018*

# Arterial-Collector Chip Seal

Ironwood, Government Way to Northwest Blvd (including 150' each direction at intersection with NW Blvd)



## COOPERATIVE FUNDING AGREEMENT

This Agreement made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018, is by and between the City of Coeur d’Alene, a municipal corporation of the State of Idaho, (hereinafter “Coeur d’Alene”), whose address is 710 East Mullan Avenue, Coeur d’Alene, Idaho 83814, the City of Dalton Gardens, a municipal corporation of the State of Idaho, (hereinafter “Dalton Gardens”), whose address is 6360 North Fourth Street, Dalton Gardens, Idaho 83815, and the City of Hayden, a municipal corporation of the State of Idaho, (hereinafter “Hayden”) whose address is 8930 N Government Way, Hayden, Idaho 83854.

WHEREAS, each City plans and implements annual preventative maintenance activities on its transportation system by installing surface treatments as part of the “2018 Chip Seal Project” (hereinafter “Project”) and more specifically described as follows:

### Coeur d’Alene

| <b><i>Road Name and Limits</i></b>  | <b><i>Proposed Work Description</i></b> |
|---|---|
| Bentwood Park Subdivision   | 1/4” chip seal                          |
| Echo Glenn Subdivision  | 1/4” chip seal                          |
| Canfield Park Subdivision   | 1/4” chip seal                          |
| E. Shadduck, 15 <sup>th</sup> to N. Sutters Way   | 1/4” chip seal                          |
| Cumberland Meadows Subdivision  | 1/4” chip seal                          |
| Ironwood, Government Way to Northwest Blvd (including 150’ each direction at intersection with NW Blvd) | Double shot 1/2” and 3/8” chip seal     |
| Thomas Lane, 15 <sup>th</sup> to City limits  | 1/4” chip seal                          |
| 17 <sup>th</sup> , Satre Avenue to April Elaine Avenue  | 1/4” chip seal                          |
| 18 <sup>th</sup> , Satre Avenue to cul-de-sac   | 1/4” chip seal                          |
| 19 <sup>th</sup> , Nettleton Gulch to Thomas Lane   | 1/4” chip seal                          |
| April Elaine Avenue   | 1/4” chip seal                          |
| E. Mary Lane  | 1/4” chip seal                          |
| Pine Hill Circle  | 1/4” chip seal                          |
| Pine Hill Place   | 1/4” chip seal                          |
| 21 <sup>st</sup> Place  | 1/4” chip seal                          |

### Hayden

| <b><i>Road Name and Limits</i></b> | <b><i>Proposed Work Description</i></b> |
|------------------------------------|---|
| 4th, Prairie to Honeysuckle        | 3/8” chip seal                          |
| Gov’t Way, Miles to Wyoming        | 3/8” chip seal                          |
| Maple, Honeysuckle to Wyoming      | 3/8” chip seal                          |
| Warren, Wyoming to Lancaster       | 3/8” chip seal                          |
| Tracey                             | 3/8” chip seal                          |
| Buckles, Warren to Reed            | 3/8” chip seal                          |
| Carisa                             | 3/8” chip seal                          |
| Reed, Wyoming to Buckles           | 3/8” chip seal                          |
| Peachtree Drive                    | 3/8” chip seal                          |
| Jonathan Ave                       | 3/8” chip seal                          |
| Bartlett                           | 3/8” chip seal                          |

## Dalton Gardens

| <b><i>Road Name and Limits</i></b>          | <b><i>Proposed Work Description</i></b> |
|---|---|
| Woodland                                    | 1/4" chip seal                          |
| 16 <sup>th</sup> , Wilbur to Woodland       | 1/4" chip seal                          |
| Totten                                      | 1/4" chip seal                          |
| Snowberry                                   | 1/4" chip seal                          |
| Wilbur, 15 <sup>th</sup> to Mulholland      | 1/4" chip seal                          |
| 15 <sup>th</sup> , Deerhaven to City Limits | 1/4" chip seal                          |

; and

WHEREAS, Coeur d'Alene, Dalton Gardens, and Hayden let commercial bids and contract with private commercial entities to install surface treatments; and

WHEREAS, Coeur d'Alene, Dalton Gardens, and Hayden wish to work cooperatively, combining surface treatment contract bids to realize economy of scale with regard to commercial contract quantities in accordance with Idaho Code section 67-2807; and

WHEREAS, Coeur d'Alene, Dalton Gardens, and Hayden agree that this Process will benefit all parties; and

WHEREAS, Coeur d'Alene, Dalton Gardens, and Hayden agree to pay their respective share of costs for the work items associated with the surface treatments identified for each route in the commercial contract documents.

WHEREAS, Coeur d'Alene, Dalton Gardens, and Hayden will agree to the acceptance criteria in the Contract Documents so that consistency in determining acceptable or unacceptable work is clear to contractor during construction.

NOW THEREFORE, this cooperative agreement is entered into between Coeur d'Alene, Dalton Gardens, and Hayden to address the terms of the funding, work, and the management of the Project.

1. Duties of Coeur d'Alene:
  - a. Coeur d'Alene will coordinate with Dalton Gardens and Hayden to review and reasonably alter the contract documents to mutual satisfaction.
  - b. Coeur d'Alene will not advertise the bid until Dalton Gardens and Hayden concur with the acceptability of the contract documents in writing.
  - c. Coeur d'Alene will pay to advertise the project for bids in the paper and invoice the Cities of Dalton and Hayden, which will each be responsible for 1/3 of the cost to advertise.
  - d. Coeur d'Alene will competitively bid the commercial contract for surface treatments by each party for their respective routes, in accordance with Idaho Code section 67-2805. Once the bids have been opened, but prior to the award of the bid, Coeur d'Alene will review the bids to determine if the bids are within reasonable financial expectations.
  - e. Coeur d'Alene will provide the bids to Dalton Gardens and Hayden and will not award the bid until Dalton Gardens and Hayden concur, in writing, to the recommendation of award.
  - f. Coeur d'Alene will award the surface treatment contract, execute the agreement with the contractor, administer the contract and manage the project.

2. Duties of Dalton Gardens and Hayden:
  - a. Dalton Gardens and Hayden will pay contract costs associated with the surface treatments on their routes.
  - b. Dalton Gardens and Hayden will pay for development of their respective share of the contract documents separately through separate contracts.
  - c. Dalton Gardens and Hayden will pay for their respective share of construction inspection of surface treatment installation through separate contracts.
  - d. Dalton Gardens and Hayden each will reimburse Coeur d'Alene for 1/3 of the cost to advertise the project in the paper.
  - e. Dalton Gardens and Hayden will pay Coeur d'Alene a lump sum amount equal to the bid price for the respective Dalton Gardens and Hayden portions of the Project after the bid opening and prior to the Award of the Contract. Within 60 days of the substantial completion of the Project, Coeur d'Alene will coordinate with Dalton Gardens and Hayden individually to determine if financial adjustment is necessary and settle each respective account accordingly.
  - f. If either Dalton Gardens or Hayden fail to provide payment to Coeur d'Alene for their portions of the contract costs, the respective quantities will be removed from the contract and any increase in unit prices due to the Contractor because of the reduction in overall quantity will be borne by the party or parties whose actions caused the increase in unit prices.
  - g. Dalton Gardens and Hayden agree to be bound by the terms and conditions of the contractor agreement as if they executed the agreement.
  
3. Upon completion of the work and acceptance by each party of the work within its own jurisdiction, each party shall be responsible for the future maintenance of those routes receiving surface treatments that are within that party's jurisdiction.
  
4. This agreement shall be in effect upon its execution by all parties and shall remain in effect until the expiration of the Project warranty.

**City of Coeur d'Alene**

\_\_\_\_\_  
Steve Widmyer, Mayor

ATTEST:

\_\_\_\_\_  
Renata McLeod, City Clerk

**City of Dalton Gardens**

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Steve Roberge, Mayor

ATTEST:

\_\_\_\_\_  
Valerie Anderson, City Clerk

**City of City of Hayden**

\_\_\_\_\_  
Steve Griffiths, Mayor

ATTEST:

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Abbi Landis, City Clerk