

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

June 4, 2024

The Mayor and Council of the City of Coeur d' Alene met in a regular session of said Council at the Coeur d' Alene City Library Community Room on June 4, 2024, at 6:00pm., there being present the following members:

James Hammond, Mayor

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

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

INVOCATION: Kevin Bitnoff of The Church of Jesus Christ of Latter-day Saints led the Invocation.

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

QUASI-JUDICIAL PUBLIC HEARING FOR AN APPEAL MADE BY JOAN WOODARD OF DR-1-24AA; CDA HOTEL LLC (MARRIOTT HOTEL) LOCATED AT 602 & 612 E. SHERMAN AVENUE

STAFF REPORT: City Attorney Randy Adams provided an outline of the appeal process as mandated by the City Code. He explained that it will start with staff providing an overview followed by the appellant presentation, applicant presentation, public testimony, applicant rebuttal, and appellant rebuttal. He stated that on December 1, 2023, a Design Review Application was submitted for a Marriott AC Hotel project located on the southeast corner of E. Sherman Avenue and S. 6th Street. He mentioned that there has been some talk about a pedestrian oriented street but by code, the pedestrian-oriented street at Sherman ends at 6th Street, then from 6th Street East is a vehicle-oriented street. Mr. Adams noted that the appeal concerns the decision of the City's Design Review Commission (DRC) whose role determines whether the project meets the downtown design guidelines that were established by the City Council. He explained that the guidelines deal with very specific issues and most of which are not involved in this appeal. He pointed out that the issues that were raised by the appellant that falls under the criteria of the design review commission include: sidewalk uses, massing, ground level details, and unique historic features. He stated that some of the issues were not applicable to this project such as the parking because it will be underground parking and landscaped trees are not needed for underground parking. Mr. Adams explained that the design review process is intentionally narrow, and the role of the DRC is to determine whether a project meets the design guidelines adopted by Council. He stressed that the

DRC did not and cannot address basic zoning questions, floor area ratios, building height, density, and what uses are permitted in any given zone. He added that the DRC cannot consider the nature of the development in general, its height, development intensity, parking and traffic impacts because these matters are addressed by various city departments as the building plans are submitted and the development proceeds.

Councilmember Wood asked for an example on the provision in the Code that the DRC has discretion to reconcile adopted standards and guidelines with site specific conditions to meet the intent of the zoning code. Planning Director Hilary Patterson stated that for this project, one example that was adopted with conditions was the weather protection which they exercised their collective judgement and stated that it conforms with the adopted design guidelines.

Mr. Adams mentioned that the Council must base its decision on the record that was determined before the DRC, hence no new evidence or no new facts can be brought forward and considered by the Council. He stressed that it is by Code that the Council cannot accept new evidence at this stage of the process, whether it is in the form of a document or testimony. He further explained that any comments or arguments in the hearing tonight should be based on record and only on matters pertaining to the DRC determination. He stated that the burden of proof is on the appellant by a preponderance of the evidence which means she must show that the DRC committed an error either in a factual determination that was not supported by the evidence or in a legal error.

Mr. Adams recalled that the appellant, Joan Woodard raised several issues on her appeal; however, some of those don't fall within the scope of the DRC's authority such as traffic studies which is something that will be addressed by the concerned city department when the final building plans are submitted. He said that a traffic review study has been done but was not considered by the Commission. Councilmember Wood inquired about the missing information in the application such as the photos of the view corridor and where was it addressed in the DRC report, and Mr. Adams explained that it is not in the design guidelines, or it does not apply because the building is not tall enough. In ending, Mr. Adams stated that the Council has the duty to affirm or reverse the DRC decision or it may refer the matter back to the DRC for further action or clarification.

DISCUSSION: Councilmember Miller asked for clarification on the options of the Council and stressed that the fact that there will be a hotel is not a decision point. She said that the appeal is clearly about the DRC decision. Mr. Adams explained that the Council is limited to the options he mentioned. He added that the zone allows a hotel as a matter of right. Councilmember Miller stated that they are only supposed to consider the evidence presented; however, they received a lot of emails. Mr. Adams explained that the emails could be considered argument, but they would have to address facts that were presented to the DRC and would have to pertain only to areas that the DRC is authorized to address.

APPELLANT PRESENTATION: Joan Woodard, Coeur d'Alene, stated that she filed an appeal because she believes that there were errors by the City staff that enabled the application to proceed and there were shortcomings in the design review deliberations. She explained that while she is not opposed to a hotel, her appeal is based on several serious issues. Ms. Woodard mentioned the lack of public notice and she pointed out that the information for the design review meeting was not posted for public review until January 22 and the hearing was held on January 25, which is a

very short period of time for the public and the DRC to digest the application. She also mentioned about the design review process document that has been posted to the city website which states that there will be three meetings and requisite notices. While she acknowledges that this is not consistent with MC Section 17.09.325, she stressed that this document is what the public saw as public information, hence, she said that the spirit and intent for citizen awareness and participation was not met. According to Ms. Woodard, another failure is the lack of a traffic study prior to scheduling the design review. She said that the traffic study should be a condition for approval. She stressed that she disagreed with the City Engineer that it is not required prior to issuance of a building permit. Ms. Woodard stated the lack of any attempt of the applicant to comply with the goals and objectives of the City's Comprehensive Plan. She enumerated the shortcomings and information missing from the application such as: the obstruction of views for neighboring property owners; massing to preserve some views for those driving or walking westbound on Sherman or those living or working on the opposite side of Sherman; no input from neighboring property owners; lighting and noise that will emanate from the open rooftop lounge; and the historical context for setbacks. She also mentioned several failures of the application regarding the Site Performance Standards such as street trees and street lighting, 6th Street sidewalk deficiencies, pedestrian-oriented space and plazas, blank wall treatment, scale and massing issues, ground level details, and unique historic features. In closing, Ms. Woodard stated that the city staff and the applicant were attempting to submit an expedient proposal suggesting no variations of significance to the design guidelines and expecting little public input to address public concerns. She added that the application needs a thorough traffic study, compliance with the Comprehensive Plan, and more rigorous attention to existing site constraints and details.

APPLICANT PRESENTATION: Mr. Parker Lange, CDA Hotel LLC – Marriott AC Hotel, stated that they met all the design guidelines as evidenced by the unanimous approval of the DRC. He provided a brief overview of the project's timeline which started with their submission on August 1, 2023, and received DRC approval in January 2024. He stated that the delay in the project has caused them significant hardships. He stressed that they met all the design guidelines that are up for discussion in tonight's hearing. He showed slides that was also presented to the DRC to address issues alleged to be inadequate or missing information. Mr. Lange pointed out that the hotel project will be adjacent to an 18-story building to the South, six-story building to the north, and the proposed hotel will be six stories. He added that the downtown core design guidelines allow 220 feet tall by right and they are only proposing 75 feet building. With regards to the issue on unique historic features, Mr. Lange explained that they are removing all the existing trees along Sherman and replace them in the exact same location while the streetlight will have the same exact cadence. He mentioned that there is a driveway location that needs to shift for access to the property, and the pole will be removed and relocated 20 feet at the exact same cadence that exist today. He stressed that they have already addressed the concerns on 6th Street. Mr. Lange appealed to the Council to affirm the decision that was unanimously made by the DRC.

PUBLIC TESTIMONY: Mayor Hammond read the rules for the Quasi-Judicial Hearing and the Clerk sworn-in those who will testify. The Mayor opened the public testimony portion of the meeting.

Frederick McLaren, Coeur d'Alene, stated that the proposed hotel will significantly reduce the value of his condominium unit in Parkside. He said that his unit is opposite the proposed project

and his windows will be blocked. He is also concerned with the lights and noise that will be coming from the hotel. Mr. McLaren believes that the proposed hotel does not comply with the published site performance standards.

Mike Patano, Coeur d'Alene, challenged the Council to send the decision back to the DRC and ensure that there is adequate traffic study that pays attention to what is really going on at Sherman Avenue. He added that during the construction of the hotel, part of Sherman Avenue will disappear as well as the alley. He also mentioned that this project pays no attention to the historic nature of the downtown area. Mr. Patano appealed to the Council to take time to ensure that this project is done right, and all issues are addressed.

Aileen Koler, Coeur d'Alene, stated that the plan has many logistical issues such as the hotel entrance and exits. She mentioned the many events and parades that run along and take place on Sherman that may affect guests checking in the hotel. She reminded the Council about the Coeur d'Alene Comprehensive Plan 2022-2042 that is also intended to protect public views while preserving property values and character.

Duncan Koler, Coeur d'Alene, said that it was hard for him to understand the code and it could use a rewrite. He stressed that in the first meeting at the Planning and Zoning Commission that happened on August 1, there was no public notice requirement, so the public must depend on the Planning and Zoning Commission and the city staff to represent and protect their interests. He stated that one of the Commission members, Ms. Fleming, is a former Director of Marriott's Interior Design. He added that the DRC decision should be voided because there was no public notice given.

Jon Wemple, Coeur d'Alene, stated that the design approval was granted quickly. He asked the Council to send the project back to the DRC with instruction to follow protocol and respect the details contained in the Comprehensive Plan and input provided by the residents. He said that there should be a comprehensive traffic study by an independent firm. He also mentioned issues about lighting and noise disturbances, parking, and setback requirements were not considered.

Cyndy Donato, Coeur d'Alene, appealed to the Council to return the project back to the DRC and to ask the city staff to do their job because according to her, they have failed and did not properly study the zoning and implications of the project to the neighborhood.

Jim Sawhill, Coeur d'Alene, asked the Council to uphold the appeal and return the project for modification of design. He stated that the design standards have not been met such as ground level details are absent, base massing and ground floor windows along 6th Avenue does not meet standards, and the unique historical features were not followed. He said that his main objection is that the color and materials do not blend in the fabric of downtown.

Linda Wolovich, Coeur d'Alene, asked the Council to keep the historic vibe and charm of downtown and ensure that the hotel project will blend in the community.

Brad Jordan, Coeur d'Alene, encouraged the Council to approve the project saying that a hotel in that particular location is a good use and will bring in more people to support the businesses. He added he believes that Marriott made attempts to meet the design guidelines.

Tom Berube, Coeur d'Alene, stated that the Comprehensive Plan must be revised, and developers must be held accountable to fully fund their impact such as anterior road widening to support increased traffic, sewer treatment plant capacity expansion, and additional fire safety needs. He added that these costs should not be passed on to the taxpayers.

APPLICANT REBUTTAL: Mr. Lange reiterated the DRC's findings that their project met the design standards, and it is contained in a detailed report. He explained that no design decisions were made until they met with DRC and there was also public input that was heard at the DRC meeting. He stated that the design guidelines were their basis in the design of the building, and it is a completely custom designed hotel not a cookie cutter Marriott product.

APPEALLANT REBUTTAL: Ms. Woodard stated that they should have involved the community ahead of time. She mentioned that there are many shortcomings in the whole process, and some should be addressed in the Municipal Code so that situations like this will not happen again. She stressed that the City has the obligation to regulate and control traffic. She also added that the DRC made significant errors that need to be addressed.

With no other comments received, Mayor Hammond closed public testimony.

DISCUSSION: Mayor Hammond asked about the issuance of proper notice and Mr. Adams explained that the notice was published on January 6 with the meeting of the Design Review Commission (DRC) on January 25, which is within the 15 days requirement of the code. He added that the notice was also posted on the property on January 11 which is 14 days before the hearing. He also mentioned that notices to property owners within the required distance was mailed out on January 10. Mr. Adams stated that notice is not required in the project review because the public is not a participant, as well as in the initial meeting with staff where the public is not allowed to attend. He stressed that the notice that was sent out is related to the meeting of the Design Review Commission which is appropriate under the code.

Councilmember Gookin inquired about the massing of the building and the square footage of the dining room, and Ms. Patterson stated that the massing of the building is 75 feet and the provision in the basic development standards says that the mechanical penthouses, share elevator overruns, and antennas may be excluded from the building height calculation if they are not more than 15 feet above the roof deck. Associate Planner Tami Stroud explained that the dining area calculation is under the 3,000 sq.ft. and did not trigger the parking requirement. She added that the calculation is for the bar on the 6th floor because the lower area dining is not open for the public. Councilmember Wood asked why the DRC cannot consider a traffic study, with Mr. Adams replying that it is outside the authority of the DRC to impose a traffic study. He further explained that this is the process that a previous Council has established, and the traffic study will be addressed by the City Engineer. Councilmember Wood also asked about the spirit and intent of public notice and Mr. Adams stated that the public had a minimum of two opportunities to address both the Commission and Council: during the DRC hearing and in the Council meeting tonight.

Councilmember Wood stated that there is a need to revisit some of the authority and guidelines. Councilmember English said that the Council should go back and review the policies. He also asked about what was mentioned during the public testimony that the proposed hotel will affect city events and parades which was clarified by Mr. Adams stating that parking is relocated, and pedestrian traffic is altered during special events and parades. Councilmember Miller pointed out that the project did not go to the Planning and Zoning Commission, hence Commissioner Fleming, being a Designer for Marriott, would not have heard about this because she is not a member of the Design Review Commission. Councilmember Miller requested clarification about the earlier discussion on the rooftop restaurant which did not trigger the parking requirement, and Ms. Patterson explained that there are two different dining areas in the hotel where the dining in the first level is for hotel guests only while the dining on the 6th floor is open to the public with an area that was calculated per adopted code is less than 3,000 sq.ft. so it did not trigger additional parking calculation. Mr. Adams stated that in terms of parking, the design review guidelines only deal with surface parking lots, the proposed hotel's parking is underground, so the design review guidelines does not apply. He added that the 3,000 sq.ft. limitation is found in the downtown core zoning code requirements. Councilmember Miller expressed that there is a need to review the code and policy issues. Councilmember Evans wondered if Sherman east of 6th Street is no longer considered a pedestrian-oriented Street. Ms. Patterson stated that the pedestrian-oriented street in this case is on the 6th Street as it does not allow for vehicular access unless the applicant requested a design departure, but they did not because there was access that is allowable on Sherman Avenue. She added that there are existing curb cuts on Sherman Avenue, and it was designated as a vehicular-oriented Street. She reiterated that the applicant was allowed by right to have their access on Sherman Avenue so there is no need for them to request for a design departure. Councilmember Wood mentioned about the public testimony of Mr. Sawhill that the design standards were not met in terms of windows, materials, and colors. Ms. Patterson explained that there is nothing in the design guidelines that speaks of the color of the brick or even requiring the use of brick. With respect to the ground level details, she pointed out that there is a condition in the approval to ensure that this is met so they will be working on some artistic mural along 6th Street. She further stated that the unique historical features requirement is subjective, and it doesn't have any specific criteria, and this may be something to look into for changes in the code and design guidelines in the future. Councilmember English asked if the lower-level dining area would offer breakfast buffet like other hotels, and Mr. Lange replied that it is primarily for breakfast offering intended for hotel guests while the full menu will be in the upper-level restaurant.

RECESS: Mayor Hammond called for a recess at 7:51 p.m. The meeting resumed at 756 p.m.

Councilmember Gookin commented that he is part of a committee that is currently reviewing the downtown design guidelines and they are also addressing the concerns of the public. He traced back the history of the ordinance which was passed in 2003 and amended in 2008. He added that in May 2020, they were presented with proposed amendments and the meeting was done over zoom. He stated that there were additions and subtractions to the code that may have led to the concerns they have to deal with right now. Councilmember Gookin expressed that he would like to see the staff and design review committee to work with the Marriott in coming up with a design that will look like it belongs to the City of Coeur d'Alene.

MOTION: Motion by Gookin, seconded by Wood to refer back to the DRC for further action or clarification the Design Review Commission's approval of DR-1-24AA; CDA Hotel, LLC (Marriott Hotel) located at 602 & 612 E. Sherman Avenue and direct staff to prepare the Findings and Order specifically on the item on unique historic features.

DISCUSSION: Councilmember Wood stated that she supported the motion for the historic view of the building and for the applicant to consider different means to enter the building. Councilmember McEvers said that the discussion triggered old history and now there is a need to review and adjust policies. Councilmember Miller stated that the parking study issue is down to entrusting to the City Engineer, and she hopes that pedestrian safety, pedestrian versus street entrance, and other concerns will be looked into resulting to some positive effect. Councilmember Evans requested clarification on the motion since the issue on unique historic features has been addressed in the DRC findings. Mr. Adams stated that the Council can ask for more to be done only if the Council believes that the DRC committed an error in evaluation of that issue. He reminded Council that this is a factual finding and if it is supported by substantial evidence, then the Council must accept it. Councilmember English said that he doesn't see the need to send it back to the DRC because they have done what they are supposed to, and the Council should make the call.

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

SECOND MOTION: Motion by Evans, seconded by English to affirm the Design Review Commission's approval of DR-1-24AA; CDA Hotel, LLC (Marriott Hotel) located at 602 & 612 E. Sherman Avenue and direct staff to prepare the Findings and Order.

DISCUSSION: Councilmember Wood stated that she will not support the motion because she hopes that there could be more review and more considerations that will be made. Councilmember Gookin said that he will not support the motion as well because he would like to see the preservation of downtown. Councilmember Miller explained that the Council is charged to prove that there is preponderance of evidence that the DRC made a mistake, and she could not see that they made a mistake basing their decision on current code and policy. Mayor Hammond mentioned that there are guidelines relative to how this piece of property is zoned and the Council cannot put new encumbrances that are not part of the current ordinance. He added that if there is a problem with the policy, the Council can certainly amend but they don't get to change it midstream of an application.

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

PUBLIC COMMENTS:

Tod Hornby, Coeur d'Alene, stated that it is important for the residents to be involved in the zone change process at Best Avenue, and now that the decision has been made leading to a development agreement, he asked the Council to ensure they will hold the developer accountable to the

conditions. He pointed out that the Planning Commission voted unanimously to recommend against the zone change because of the negative effect it could have on the neighborhood. Councilmember Miller responded that she has friends in the said location and shared that she received an email from the HOA President, George Wagner, who felt that with an agreement in place it will end up being a good thing to happen in the neighborhood. She encouraged Mr. Hornby to touch base with Mr. Wagner. Councilmember Gookin asked if the development agreement will be brought to the Council, and Mr. Adams replied that the development agreement has been drafted with the conditions as Council outlined them, it has been run by the applicant and will be brought to Council.

Joe Archambrou, Coeur d'Alene, reiterated the concerns mentioned by Mr. Hornby regarding the zone change. He stated that they don't need an additional gas station. He asked the Council on the next steps if there will be an environmental study pertaining to varying gas tanks and water tables. Mayor Hammond clarified that the gas tanks are not managed by the City but by the Department of Environmental Quality.

ANNOUNCEMENTS:

Councilmember English shared that last Saturday was the first of the six-weeks series on civil discussions and there were 30 participants who attended.

Councilmember Wood requested a pre-budget meeting of Council with City Administrator Troy Tymesen and new Finance Director Katie Ebner. She explained that the purpose of the meeting is to discuss budget ideas before the budget workshop. Mayor Hammond stated that this will be scheduled an hour before the next Council meeting on June 18.

CONSENT CALENDAR:

1. Approval of Council Minutes for the May 21, 2024, Council Meeting.
2. Approval of Minutes from the May 28, 2024, General Services/Public Works Committee Meeting.
3. Setting of General Services/Public Works Committee Meeting for Monday, June 10, 2024, at 12:00 noon.
4. Approval of a cemetery lot transfer from Leslie Bening to Curtis Gerald Kilian; Section B, Block 40, Lot 11 of Forest Cemetery, in the amount of \$40.00
5. Approval of outdoor eating encroachment for Ten/6, LLC., Taylor Taylor, 1118 N. 2nd Street (12 seats)
6. Approval of 8 firework stand permits for 2024.
7. **Resolution No. 24-044** - A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, APPROVING THE FINAL PLAT, ACCEPTING INSTALLED PUBLIC INFRASTRUCTURE IMPROVEMENTS, AND APPROVING A MAINTENANCE/WARRANTY AGREEMENT AND SECURITY FOR THE TRAILS 6TH ADDITION (S-5-14).

MOTION: Motion by McEvers, seconded by Evans to approve the Consent Calendar as presented, including **Resolution No. 24-044**.

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

RESOLUTION NO. 24-045

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, ACCEPTING THE BID OF, AND AWARDING A CONTRACT TO, ALPINE NORTHWEST LLC FOR THE COEUR D'ALENE WATER DEPARTMENT TRANSMISSION LINE – NORTHEAST TANK/THOMAS LANE PROJECT IN AN AMOUNT NOT TO EXCEED \$2,369,358.00.

STAFF REPORT: Water Department Director Kyle Marine noted that in the 2012 Water Comprehensive Plan Update, the need for additional water storage due to the City's growth highlighted deficiencies in system capacity and supply in the High Zone which necessitated the construction of a new tank with 1 million gallons (MG) of storage in the northeast end. He stated that in 2016, JUB was selected to help identify potential tank locations and propose builds which paved for several possible new tank locations to be identified, establishing a basic timeline for planned improvements. He stated that these improvements were divided into two phases: phase one involving the design, bidding, and construction of the transmission line, and phase two entailing the design, bidding, and construction of the tank site.

Mr. Marine explained that funding for the proposed project is partly included in the 2023-24 FY budget at \$1,500,000.00 to be paid out of Capitalization Fees and this may need to be carried over into the next FY budget. He mentioned that the Water Department issued a Statements of Qualifications to qualified contractors pursuant to the published criteria, and then bids were solicited from the pre-qualified contractors. He said that the bids received were from: Alpine Northwest - \$2,369,358.00, Northwest Grading Inc. - \$2,613,435.36, Halme Construction Inc. - \$2,971,076.00, Big Sky Corp - \$3,019,115.50, DW Excavating Inc - \$3,115,105.00, S&L underground - \$3,497,286.00, Terra Underground LLC - \$3,698,390.00, Apollo - \$3,999,909.60, and J7 Contracting - \$4,113,251.00. Mr. Marine stated that the consulting engineer reviewed all bids for accuracy and verified with the lowest bidder, Alpine Northwest LLC, that they were comfortable with their numbers. However, he mentioned that Northwest Grading and Big Sky sent the City letters objecting to the pre-qualification of Alpine Northwest, to which letters the City Attorney responded on May 14. He added that the Thomas Lane Transmission Main will move water from Margaret and 15th Street south to Thomas Lane, then East to the end of Thomas Lane, where they will be building the 1 MG water tank that will help supply water to the northeast side of the High Zone to meet peak demand. Mr. Marine asked the City Council to accept the lowest responsive bid and approve a construction contract with Alpine Northwest LLC for the installation of a new 16" transmission main in Thomas Lane in the amount of \$2,369,358.00.

DISCUSSION: Councilmember McEvers asked for clarification on the transmission and situating the tank on higher elevation, and Mr. Marine explained that the transmission main helps the water move to and from the tank site, and there is a need to work with elevations to work with hydrology. He stated that there are hydraulics in different parts of the area, and it is best to build up somewhere high on the hillside so there would be no need to build a super tall tank. He stressed that it is better investment to run the transmission now, build a tank up on the hillside and let water flow freely back and forth and use the elevation to help build the pressure. He added that they have plans for

well sites in the future. Councilmember Gookin inquired if the transmission will affect the pressure and Mr. Marine stated that the transmission does not necessarily affect the pressure, but it is more on the flow of water, the larger line will allow water to run more freely back and forth from the tank. Councilmember Gookin asked if the lowest bidder was the company that was disqualified and applied for an appeal, with Mr. Adams explaining that it was for the wastewater project and the reason why Alpine was prequalified is because staff took into consideration Council's comments. Councilmember Wood asked how funding for this project will carry over to the next budget, and Mr. Tymesen replied that it is unsure which fiscal year this project will be finished. He stated that it may be carried over into next year's budget as this project finishes.

MOTION: Motion by McEvers, seconded by English to approve the **Resolution No. 24-045** - Approving a Contract with Alpine Northwest. for installation of a new 16" transmission main in Thomas Lane in the amount of \$2,369,358.00.

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

RESOLUTION NO. 24-046

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING THE REALLOCATION OF FUNDS FOR WATER DEPARTMENT PART-TIME EMPLOYEES TO ASSIST WITH THE PURCHASE OF PARTS AND MATERIALS FROM CONSOLIDATED SUPPLY CO. FOR THE CDA PLACE WATER MAIN PROJECT IN AN AMOUNT NOT TO EXCEED \$85,222.93.

STAFF REPORT: Assistant Director Glen Poelstra noted that the Water Department has budgeted for at least four part-time staff members to help with the workload in the busy summer season. He stated that through the most recent Water Comprehensive Plan Update, deficiencies were identified regarding system capacity and supply in the north central part of Coeur d'Alene Place, and they would like to utilize funds from the part-time staff budget to help fund an upsize in pipe. He explained that traditionally in the past, 12" water mains have been able to supply developments with enough water for domestic and irrigation use; however, engineered flow models indicate that an upsize of water main to 18" in this area and in the future connecting Prairie Well transmission main to Atlas Road, would substantially help equalize the flows between Prairie Standpipe and Industrial Standpipe. He added that this would also help solve pressure issues during high demand situations in the Landings development. He said that the goal would be to install a production well in the north central part of town in the future as it would help supply this area with growth taking place to the southwest. Mr. Poelstra mentioned that funding for the proposed purchase of these materials would need to be reallocated from the part-time staff budget in the amount \$87,000 and the additional funds needed to complete the purchase would be from the capitalization fee budget. Pursuant to the City's purchasing policy, he said that the quotes were received from three vendors: Consolidated Supply Co. - \$85,222.93, HD Fowler - \$98,364.85, and Ferguson Waterworks - \$99,714.70. He added that the Water Department would incur no extra costs by reallocating the part-time staff funds to this project. Mr. Poelstra stressed that this would save a substantial amount of money by paying for those parts now rather than having the infrastructure put in then having to re-dig up the streets and put a burden on the customers as well.

DISCUSSION: Councilmember Wood asked about the implication of not having the four part-time staff, and Mr. Poelstra explained that it is critical to be able to install this infrastructure now otherwise it would be a future burden to customers that they will not have enough capacity for irrigation and fire flows. Mr. Tymesen added that this will be a reallocation of the budget because the part-time positions remain unfilled, and the Water Department is having a hard time finding people to fill those positions. Councilmember McEvers inquired if this purchase is aimed at meeting the increasing irrigation needs, and Mr. Poelstra confirmed that this is substantial part of it. He stated that in the summer when peak flows, they would receive low pressure complaints, and in the wintertime, as most of the wells are shut down, they are able to supply adequate domestic and fire flow. During spring they would see a massive influx of irrigation startups that will continue through summer, and they would see major peak demands and the wells are running at highest capacity. He said that to meet the demands, they would need to put 18-inch pipes in the ground for domestic and fire use. Councilmember Gookin inquired why the developer is not paying for this project, and Mr. Poelstra mentioned that the developer already put in a pipe there and this project is to replace in anticipation of the growth in the area. Councilmember Gookin asked about the initial funding source of the requested purchase, and Mr. Poelstra stated that initially they were looking at getting it from capitalization fees; however, they have the transmission main project that they decided to pay with the cash they have on hand. He added that they are also struggling to get part-time employees for summer. Councilmember Gookin asked Mr. Marine on the effect of not having the part-time positions filled-up and regular staff would have to work overtime. Mr. Marine explained that it would be cheaper for them to get pipes installed now and work with the developer than have the part-time staff. He added that they may fall behind in some projects, but they will double their efforts in order to ensure that they get it completed. Councilmember Gookin asked if they have the money in the capitalization fee fund, to which Mr. Marine confirming that they have the money but that is allocated for phase two of the tank project.

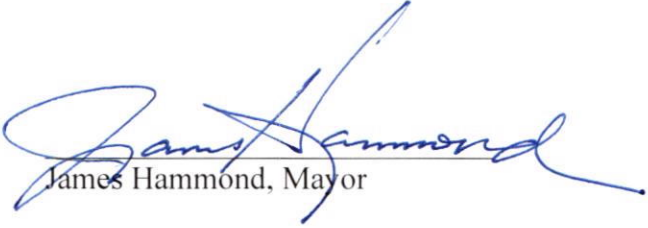
MOTION: Motion by Wood, seconded by Gookin to approve the **Resolution No. 24-046** - Approving the purchase of materials from Consolidated Supply Co. for upsizing the water main in Cda Place 38th Addition in the amount of \$85,222.93. with funding from Capitalization Fees.

DISCUSSION: Councilmember Miller asked if this went through the public bid process. Mr. Marine stated that it is under the dollar value for public bid, but they received three quotes within the timeframe for consideration. Councilmember Gookin clarified that the purchase will come from Capitalization Fees and not fund balance. Councilmember Evans mentioned that this will just be a pause in hiring of four part-time employees and not eliminating the positions permanently from the Water Department budget. Mr. Marine confirmed and stated that they had the part-time positions open for a month and they have not found qualified applicants.

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


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

The meeting adjourned at 9:01 p.m.



James Hammond, Mayor

ATTEST:



Jo Anne Mateski
Executive Assistant