

**MINUTES OF A REGULAR MEETING OF THE CITY
COUNCIL OF THE CITY OF COEUR D’ALENE, IDAHO,
HELD AT COEUR D’ALENE CITY HALL
August 4, 2020**

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, August 4, 2020 at 6:00 p.m., there being present upon roll call the following members:

Steve Widmyer, Mayor

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

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

INVOCATION was provided by Pastor Geoffrey Winkler with New Life Church.

PLEDGE OF ALLEGIANCE: Councilmember McEvers led the Pledge of Allegiance.

Councilmember McEvers led the singing of “Happy Birthday” to Councilmember Amy Evans.

PUBLIC COMMENTS:

“Dr. Fantastic” said that he has the prescription for a happier and longer life. His mission is to make it a kinder, more civil place. He noted that words matter, and that he is on the 123rd day of his “Be Fantastic” road tour. The program now has 472 ambassadors, with Coeur d’Alene having over 100 ambassadors. The goal is for the City to set the standard by saying, “Have a fantastic day” after every encounter. He also encouraged teachers to say, “I am fantastic,” in unison, before class. He asked the council to adopt policies of cordiality and kindness and to show the world how fantastic the City is.

Tanya Osterson said that she has looked at several applications to the City of Coeur d’Alene requesting modifications to existing telecommunications facilities and has noted several deficiencies. It is her opinion that the applications are not for modifications, but are for new facilities. She noted that modification requests must be checked carefully, and that National Environmental Policy Act review is needed for all applications for new wireless facilities at the local level. She discussed various federal regulations and rulings.

Rhonda Sand, Coeur d’Alene, said that the City needs a full communication ordinance

upgrade that provides for and doesn't discriminate against wired providers. She urged the Council to sign the declaration that she presented and asked for a moratorium on all wireless systems at this time.

Susan Green, Coeur d'Alene, testified against pulse modulated micro-radiation transmissions in the community. She noted that insurance companies will not insure wireless companies and that there is a good reason. She further commented that those liabilities fall to the City and ultimately the taxpayers, and they do not consent to pay them. Ms. Green further stated that the City is responsible to provide for health, safety and general welfare through the State Constitution, building codes, and the Federal Telecommunication Act. She encouraged the Council to look closely at wireless hazards in consideration of children, grandchildren and the community-at-large, and said that the City needs a communication ordinance that includes and does not discriminate against wired providers. She asked Council to declare an immediate moratorium on any further wireless buildout.

David Lyons, Coeur d'Alene, said he thinks that government's most important duty is to provide for public safety – police and fire. He noted that it is sad to see police and fire continue to take hits while \$40,000 is given to CDA 2030. He has written articles about CDA 2030 and how most of its funding coming from the City and ignite is taxes paid by the public, yet they stubbornly refuse to provide any openness or transparency to the public. He commented that it is probably an illegal de facto City committee. He asked the Council to ask themselves what would be the best use of the \$40,000 and could it be better spent on something else. He further commented that CDA 2030 materials are completely vague and nonspecific. The City and ignite are all perfectly capable of doing what CDA 2030 is doing. Mr. Lyons further stated that these are tough economic times, and being the political pet of some people at City Hall should no longer be a good enough reason to get \$40,000 of taxpayer money. As budget discussions go forward, he urged Council to keep asking what would be the best use of \$40,000 of taxpayer money and could that money provide better value to the taxpayers being spent on something else.

Jennette Laster, Executive Director of the Human Rights Education Institute, discussed an event that was held on Saturday, July 25th, hosted by the Candlelight Church at the Silver Lake Mall and which involved the participation of the Fire Department. An organization called Dixie Services showed up uninvited, advertising the event as their own. They brought three trucks with racist symbols and Confederate flags on both front grills. The mall manager almost had to call the police to have them forcibly removed from the property. Ms. Laster apologized to the Fire Chief, and noted that the Fire Department left the event. She commented that they are deeply saddened that extremist characters disrupted yet another event.

Ms. Laster also distributed a flyer from a real estate firm in Sandpoint, and noted that the local associations have formally forwarded the information to the National Board of Realtors. She also distributed pages from the firm's website, and noted references to the coming of a civil war that will overthrow the government. She noted that they are increasingly concerned about potential acts of violence coming to the communities, and

asked the Council to please continue to share the message of no tolerance for racism.

Councilmember Wood said that she appreciated Ms. Laster's work with human rights, and noted that this was the third consecutive Council meeting where Ms. Laster has come forward with public comments, and that she was at a loss as to what it had to do with education as it seems to have focused more on task force-related items. Ms. Laster said that in their charter they do educate the public on those types of activities and that they are prevalent. She further commented that she would love to come and talk about programming, and did not plan to come to the meeting tonight at all, but both incidents occurred between the time period of the last Council meeting and this Council meeting. She also noted that they have been preparing for a presentation to Council and are ready to go when Council wants to have them.

Councilmember Gookin said that it seems to be political in that the website talks about the radical left, communists and Trump. He asked how does a human rights group play into political free speech. Ms. Laster said that it is actually about the fair practice of real estate and goes against equal opportunity in that they are discriminating against a particular group of people. Councilmember Gookin said that he did not see the connection between political moral beliefs and that it is political free speech, however they may disagree with it. Ms. Laster said that every group, whether political or non-political in our community has the same rights as another group.

Councilmember Miller said that she thought that the "Public Comment" portion of the meeting was a place for the public to comment and she felt like they were getting "off into the weeds." She also said that she would love to learn about the Human Rights Education Institute's education programs.

Mayor Widmyer said that some back and forth during the "Public Comment" portion is okay. He commented that the Fire Department recognized the situation at the Silver Lake Mall and made the call to leave. The organizer called him the following Monday and apologized for the situation.

Dr. Normal H. Leffler (retired urologist) said that he was upset about an article in the Coeur d'Alene Press entitled "The Right Kind of Art." He noted that on November 16th he spoke up about a communist plot or just plain art. The Mayor took action right away to get rid of the hammer and sickle at Riverstone, which the Arts Commission paid over \$1,000 to have there. At the time, Dr. Leffler said that he called for all of the Arts Commission to resign, and now they are getting ready to spend \$70,000 of taxpayer money on more garbage. He complained about the "Open Arms" sculpture and noted that the commission never had it appraised. He thinks the money could be better spent. He asked the Council to "get rid" of the Arts Commission and commented that the art looks like garbage. He further commented that the money could be better spent on the Coeur d'Alene Symphony or the history museum. He also said that the Arts Commission subcommittees are a bunch of garbage.

COUNCIL ANNOUNCEMENTS:

Councilmember Miller thanked the Coeur d’Alene Fire Department for delivering over 250 free masks to the Lake City Senior Center to be used by Meals on Wheels volunteers and vulnerable seniors. They will also be doing another free mask giveaway at one of the local schools on Thursday. More information will be provided.

CONSENT CALENDAR: Motion by McEvers, seconded by Miller, to approve the Consent Calendar.

1. Approval of Council Meeting minutes for the July 21, 2020 Council Meeting.
2. Approval of the General Services/Public Works Subcommittee Meeting Minutes from the meeting held on July 27, 2020.
3. Approval of Bills as Submitted.
4. Approval of the Financial Report.
5. Setting of General Services/Public Works Committee meeting for Monday, August 10, 2020, at 12:00 noon.
6. Approval of the Final Plat for SS-20-05c, One Lakeside Condominiums (located at 201 N. 1st Street).
7. Approval of the Final Plat for SS-20-06, Wild Waters Addition, (located South of Interstate 90 between Government Way and Highway 95).
8. **Resolution No. 20-041:** A RESOLUTION OF THE CITY OF COEUR D’ALENE, KOOTENAI COUNTY, IDAHO, AUTHORIZING AND APPROVING THE FOLLOWING AGREEMENTS AND OTHER ACTIONS OF THE CITY OF COEUR D’ALENE: A PROFESSIONAL SERVICES AGREEMENT WITH J-U-B ENGINEERS FOR THE COMPOST FACILITY’S BIOSOLIDS HOPPER RETROFIT PROJECT AT A COST OF \$88,563.00; DECLARING AS SURPLUS VARIOUS USED EQUIPMENT AND VEHICLES FROM THE STREETS AND ENGINEERING DEPARTMENT AND AUTHORIZING THE SALE OF THE SURPLUS PROPERTY AT AUCTION; AN EASEMENT AGREEMENT WITH PARK PLACE INVESTORS FOR THE CONSTRUCTION OF A STORMWATER SWALE ADJACENT TO PLAYER DRIVE TO MITIGATE FLOODING; AND REJECTION OF ALL BIDS FOR CONSTRUCTION OF THE FIRE BOAT GARAGE, A DECLARATION THAT IT WOULD BE MORE ECONOMICAL TO CONTRACT FOR THE PROJECT ON THE OPEN MARKET, AND AUTHORIZATION FOR STAFF TO NEGOTIATE WITH A CONTRACTOR OR CONTRACTORS FOR A CONTRACT WITHIN THE AVAILABLE BUDGET.

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

APPROVAL OF THE REQUEST FOR QUALIFICATIONS FOR PUBLIC ART LOCATED AT THE FOUR-CORNERS GATEWAY.

STAFF REPORT: Troy Tymesen, City Administration/Arts Commission Liaison, presented a request for Council approval of the issuance of a Request for Qualifications for public art to be located in the Four-Corners area of Coeur d'Alene (the intersection of Northwest Boulevard, Government Way, and Fort Grounds Drive). He noted that the City of Coeur d'Alene Arts Commission Public Art Policy, adopted by the City Council pursuant to Resolution No. 00-101 on November 2, 1999, amended by Resolution No. 08-017 on April 1, 2008, and amended by Resolution No. 17-027 on May 2, 2017, designates the Coeur d'Alene Arts Commission as the standing committee charged by the City Council to oversee the Public Art program. The Coeur d'Alene Arts Commission FY 2019-2020 budget, which was approved by Council, included funds set aside for public art to be located in the Four Corners area in the amount of \$75,000. Based upon the highly successful Seltice Way roundabouts project, which for the first time utilized a Request for Qualifications process rather than a general call to artists, the commission made the determination that the issuance of a Request for Qualifications would provide the best opportunity to encourage highly qualified and experienced artists to request consideration for the project.

The Request for Qualifications would be a national call issued through CaFE (www.callforentry.org), which is an online platform for posting and applying for calls to artists. CaFE has been utilized by the commission for many calls in the past and is a platform that most successful artists are very familiar with.

The artists will be requested to submit proposals that include the following:

- The artwork should provide a welcome to the neighborhood and the City;
- The artwork should affirm the following:
 - The long-standing commitment of our community to the equality of all;
 - The dignity and worth of every individual;
 - The benefits of coming together as a community and human race;
 - Respect for diversity;
 - The universal bond of sharing that connects all humanity;
 - The value of interconnections in creating a strong and more peaceful society; and
 - The community's commitment to eliminating racism;

Mr. Tymesen said that he works with commission members who are very compassionate, and thanked the commission, Amy Ferguson, and Councilmember Evans for their work on the project. He further noted that the time frame for delivery of the art would be approximately twelve months.

DISCUSSION:

Councilmember Wood confirmed with Mr. Tymesen that the Mayor and Council now approve all artwork, including ArtCurrents pieces, before they are installed. She further stated that she loves the project and appreciates that the commission is focused on it, and

added that the design and theme is perfect for the City of Coeur d'Alene and she is looking forward to hearing more.

Councilmember Gookin commented that one of the things he likes to see is local artists. He would also like something that tells a little bit about City history, and mentioned the Chief Morris Antelope statue as a good example. He commented that he would also like to see something inspiring. He suggested that Council might want to add a little more direction – i.e., dedicate the piece of art to people who specifically fought the Aryan Nations. He further commented that there were a lot of great people who sacrificed a lot, and the City could honor them that way.

Mayor Widmyer commented that it would probably be difficult to identify and honor those people, and asked if Councilmember Gookin was suggesting an art piece supplemented by an information piece. Councilmember Gookin said that is the job of the artist. Mayor Widmyer said that they want to recognize them, but just by looking at a piece of art he doesn't know that it would tell the story.

Councilmember Wood said that a piece of art and the idea of a plaque that speaks to the City's history is fantastic. She noted that the founding members of the task force have invested their lives into the community. Mr. Tymesen suggested that another idea would be a scan code (QR Code) opportunity to provide the rest of the story electronically.

Councilmember Gookin said that there has been a lot of documentation that could be provided to the artists as background information. Councilmember Wood commented that the task force has a mini-statue of Father Bill Wasmuth, and he would certainly be deserving.

Councilmember English said that he agrees with the idea and the theme, but has some reservation regarding what is the role of Council versus the role of appointed commissions. He commented that "we tread on troubled water" when we get into some of the things like the Arts Commission in that it is a commission that Council has appointed and charged them with doing their job. He commented that Council should add input and accept some responsibility and that he is not saying it isn't a great idea, but it raises some caution about not mixing roles too much and superseding what the commission is doing.

Mr. Tymesen suggested that they could add the information to the call because the artists are always looking for inspiration.

Councilmember McEvers said that he doesn't ever remember the Arts Commission coming up with a theme on a proposal and asked if it was a new approach. Mr. Tymesen said that the Arts Commissioners continue to listen to Council and the Council has been asking for historical pieces and things that are meaningful to our area. Councilmember Evans said that the Arts Commission was very specific in what they were looking for in regard to the two roundabouts on Seltice, and they learned a lot about the history of the wildlife and their partnership with the Tribe. It was the first time that they Skyped with

the artists to learn more about the specifics and why they created the idea that they did. It was interesting to learn about the artist and how the piece related to history. She also noted that the Chief Morris Antelope sculpture was another project that had specifics surrounding it to represent the City's partnership with the Coeur d'Alene Tribe. In addition, the bronze statues on Front Street near the library had a theme.

MOTION: Motion by Councilmember, seconded by Gookin to authorize the RFQ for public art to be located at the Four-Corners gateway.

DISCUSSION: Mayor Widmyer confirmed that the historical information as discussed would be added to the RFQ.

Motion carried.

APPROVAL OF A PERFORMING ARTS GRANT PROGRAM

STAFF REPORT: Troy Tymesen, City Administrator/Arts Commission liaison, presented a request for approval of a one-time Performing Arts Grant program through the Coeur d'Alene Arts Commission, using URD funds set aside for public art from the Lake District. He noted that the City of Coeur d'Alene Arts Commission Public Art Policy, adopted by the City Council pursuant to Resolution No. 00-101 on November 2, 1999, amended by Resolution No. 08-017 on April 1, 2008, and amended by Resolution No. 17-027 on May 2, 2017, designates the Coeur d'Alene Arts Commission as the standing committee charged by the City Council to oversee the Public Art program. In 2017, the City Council approved ordinance #3571, Council Bill #17-1014, which expanded public art parameters to include: arts, education, performing arts, visual arts, community arts partnerships, and public art programming.

Mr. Tymesen said that for many years, it has been the practice of the City's urban renewal district Board to contribute a percentage of their revenue to a dedicated Public Art fund, for public art located in the boundaries of the urban renewal districts, with the funds being managed and overseen by the Coeur d'Alene Arts Commission, under the direction of the Coeur d'Alene City Council. The generous contributions of ignite cda have enabled the Coeur d'Alene Arts Commission to commission many iconic, placemaking pieces of art in locations such as Northwest Boulevard, Seltice Way, McEuen Park, Riverstone Park, Midtown, the Education Corridor, and in other locations within the urban renewal districts.

In early 2020, a global pandemic, COVID-19, impacted not only the residents and businesses in the area, but due to quarantine restrictions and social distancing requirements, the City's performing arts community was virtually shut down. Because live performance seasons were entirely cancelled due to the pandemic, professional performing arts companies could not open or fulfill their seasons.

On June 23, 2020, the Coeur d'Alene Arts Commission approved the use of URD

public art funds for the grant program. Subsequently, the ignite CDA board met on July 15, 2020, and approved the use of ignite cda public art funds for the Performing Arts Grant program, with the following conditions:

- The performing arts activity must occur within the ignite cda funding district's boundaries or directly relate to the funding district in some clear way;
- The performing arts activity must demonstrably impact economic development in the ignite cda funding district;
- The selection committee will consist of members of the Arts Commission, a representative from the ignite cda Board, and a City elected official; and
- The selection committee's recommendation will be submitted to the Coeur d'Alene Arts Commission for approval, followed by a presentation by the grant nominees to the ignite cda Board and approval from the ignite cda Board. The ignite board gets the final say because they don't want to have a conflict.

The Coeur d'Alene Arts Commission, City Council, and ignite (with further confirmation from the Performing Arts Center Feasibility Study conducted in 2018), agree that performing arts is an economic driver to the region's tourism, and that show attendees frequent other venues near performance locations. Further, paid staff and performers contribute to the jobs and economy of Coeur d'Alene. Recent events have threatened the sustainability of some of these performing arts organizations and potentially losing those valuable community assets would further affect the economic downturn in years to come. One-time grant awards and amounts would be determined through an application process, with review by a selection committee, and approval by the Arts Commission and ignite. Total grant funds to be distributed would not exceed \$100,000.

Eligible organizations must demonstrate the following:

- They are an established community contributor with an expected 5+ years in operation
- They are a non-profit or Idaho corporation, with a history of at least one paid staff/manager and compensated performers
- They must be able to demonstrate economic impact generators to/within the URD's
- They must be able to match funding – either in-kind or other, at 25%
- Eligible funding uses would be for documented venue/facility fees or royalties
- The grant funds must be used within the next 36 months, with required annual reporting to the Arts Commission, including a paid staff affidavit

The application deadline would be the end of August 2020, with grant awards in September and October. The grant selection committee would consist of members of the Arts Commission, an ignite board member, and at least one City elected official. Grant award limits would be from \$1,000 up to \$50,000 per entity, as determined by the selection committee and the Arts Commission, with final approval by ignite cda.

Mr. Tymesen thanked Councilmember Miller for her work on the proposal.

DISCUSSION:

Councilmember Wood asked if ignite had reviewed the proposal with their legal counsel as she has never seen ignite do something like this before. She asked City Attorney Mike Gridley if he felt it meets the Idaho statute. Mr. Gridley responded that he thinks the mission of ignite is business and community development in their district, and he would rely on their legal counsel to have studied that closely. He noted that it generally fits into activities that would support development/renewal in their district.

Mayor Widmyer commented that they did discuss that question in the ignite board meeting, and that any application that comes forward will be judged based upon the criteria of having an economic impact within the district.

Councilmember Miller said that it isn't something that would ever be expected to be an ongoing thing and some of the businesses are facing not being able to open again, ever. She noted that the City spent a lot of money and time on the Performing Arts Center analysis and within that study those professional programs are quantified throughout the country as economic drivers for their vicinity which bring in money to the community and build not only the organization but also ancillary businesses around it. It makes sense to ensure that those entities survive. She noted that ignite talked about it a lot with their legal counsel and they are comfortable with it.

Councilmember English noted that legal counsel and the board were very much engaged at the time. They were presented with background information in terms of the financial and economic impact of the organizations and quantified how much they generate and the impact they have on business and the community. He noted that it is a unique situation but he thinks it does fit and is for organizations that actually have people on salary and overhead costs, and for some it is a make or break situation.

Mayor Widmyer asked if the Coeur d'Alene Symphony would be eligible to apply. Councilmember Miller confirmed that they would as they have paid staff and do compensate their performers. Mayor Widmyer also explained that the funds being used are already sitting in the Arts Commission fund accounts.

Mr. Tymesen said that he would propose to change the original request to note that the City Council would not get final approval. Councilmember Gookin said that he objected to that proposal and thinks that the City Council should make the final decision, as they bring accountability to the process. In addition, he said that he hopes that many qualifying performing arts entities apply, and that they are all treated very fairly. From his theater background, one of the things they didn't like was when you went to an audition and the director had already cast roles. He commented that he hopes the selection isn't a formality.

Councilmember McEvers commented that he thinks they need a restaurant committee that can save restaurants, and a car lot committee that will give car lots tax money to keep

them in business, and questioned if that is Council's job and if it is what urban renewal money is really about. He also noted that a lot of times in government, once you do it you set a precedent. He commented that he is not against performing arts, but wondered when people would have to take responsibility for their own business. He said that a lot of people have taken a beating in business and it doesn't seem appropriate when the Council is struggling to meet the budget.

Councilmember Wood said that she supports the program but was trying to understand how urban renewal would be able to do it. She noted that the money is already set aside in a pot for the Arts Commission and is not new money, so they are going to spend it one way or another and are not going to give it back to the City budget. She commented that there is not a pot of money for restaurants or any other kind business.

Councilmember English said that he understands the different roles of the council and ignite and appreciates that it should be ignite's final call. Under Idaho code, ignite has the authority, obligation and responsibility to make those kinds of decisions. Mayor Widmyer said that the funds come from ignite, and go either into the Lake District or the River District fund, and that coming back to the Council would be following the same program that they do with all pieces of art.

Councilmember Gookin said that he agreed with Councilmember McEvers, and noted that ignite has been funding art for the City for over 20 years and Council has approved the art funding that they provided. One of the things that he and Councilmember Miller have tried to do over the years is bring more attention to the performing arts. In this case, they would be spreading the money around among performing arts organizations who enrich the community with their art. He said that he approached the Mayor when the Coronavirus first began to ask if there was anything they could do. Councilmember Evans brought it forward to the Arts Commission and they discussed it and brought it forward. He commented that urban renewal does flower pots downtown and he thinks they can do this.

Mayor Widmyer said that he didn't know if the Coeur d'Alene Symphony was able to apply for the payroll protection program and, in a way, other businesses were supplemented by that program. The grant program is, in a way, a smaller version of the payroll protection program to keep those performing arts organizations continuing on.

Councilmember Miller said they have worked very hard on the program to try to be fair, and agreed with the Mayor's analogy that the process is the same, but it is different because ignite funds the money to the Arts Commission, the commission gets community-wide members to select the piece, and the Council has final approval. She noted that this is a little bit different in that it is a one-time item. In the discussions there was more of a feeling that it is ignite's fiduciary responsibility to ensure that the organizations are using the money for performing arts, and that it was their responsibility to ensure that the money was being spent to the benefit of their district. They felt strongly that Council should have input, but the final decision should be ignite. Councilmember Miller stressed the uniqueness of the performing arts sector in our

community because of the tourism industry and noted that there is hard economic data. People will drive here and stay in hotels and eat at restaurants for a live professional performance.

MOTION: Motion by Evans, seconded by Miller to approve a Performing Arts Grant Program.

DISCUSSION:

Councilmember Gookin asked if the motion said that final approval will go the City Council. Councilmember Evans said that her motion did not recommend that, and asked for Mr. Gridley's and Mr. Tymesen's opinion.

Mr. Tymesen said that the review by ignite is very important based on the law and the oversight that they have is in their business model. He noted that Council's approval is respected, but he would like to avoid the conflict if Council didn't agree. He noted that ignite has the burden of verifying that the use of funds is exactly what they should be doing, so he would recommend that ignite make the final decision.

Mr. Gridley said that he doesn't think there is a big legal issue, but ignite is the one that would have to justify that the money was spent conforming to state urban renewal laws.

Councilmember Wood said that she agreed with Councilmember English that any kind of final decision should at least come back before the Council. Councilmember Gookin said that it seems that the current way it is written in the staff report is that if ignite didn't approve, it wouldn't come to the Council. He stated that if they are going to practice oversight of the money, ignite would approve and then it would come to the Council to approve the money spent.

Councilmember McEvers asked, in reference to the Performing Arts Center study that shows economic impact, if the City could do the same kind of study regarding the economic impact of boaters to the City. Councilmember Miller said that part of the Performing Arts study did touch on a lot of those things in tourism communities, and that tourism brings dollars to the community. She noted that it is just a matter of losing one whole sector and the numbers are substantial. It is an industry that was completely shut down for more than a year and her feeling is that doing what they can to preserve that was important.

Councilmember Miller said that she thinks it is important that it comes to the Council and that the motion could be amended to say that a full report of the finalists would come to the Council with feedback to ignite under advisement. If there was something that came to the Council that the Council didn't want it, she thinks it would be difficult for ignite to approve it. The conversations were that ignite has the responsibility to do what they are supposed to do in regard to the urban renewal funding. She said that adding that it come to Council for direction to ignite, with ignite having final approval, makes perfect sense.

Mayor Widmyer suggested that ignite giving Council the word that it does meet economic criteria might be better information for the Council to have.

AMENDED MOTION: Councilmember Evans amended her motion for Council approval of a Performing Arts program, with recommendations to come back to the City Council for approval. Councilmember Miller seconded the Amended Motion.

Motion carried, with Councilmember McEvers voting No.

Councilmember Evans thanked Councilmember Miller for her work on the program and taking the lead and doing all the footwork, and expressed her feeling that the program will be very beneficial.

RESOLUTION NO. 20-042

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO, APPROVING AMENDMENT NO. 3 TO THE SOLID WASTE SERVICES CONTRACT WITH NORTHERN STATE PAK, LLC, D/B/A COEUR D'ALENE GARBAGE.

STAFF REPORT: Troy Tymesen, City Administrator, presented a request for approval of a 12-month extension of Amendment No. 2 to the Solid Waste Services Contract with Northern State PAK, LLC, d/b/a Coeur d'Alene Garbage Services. He noted that the Solid Waste Services Contract (hereinafter "Contract") with Northern State PAK, LLC, d/b/a Coeur d'Alene Garbage Services (hereinafter "CDA Garbage") was effective July 1, 2016, and CDA Garbage has fully performed in accordance with terms and conditions of the Contract since then. In May 2018, CDA Garbage requested an increase in the fees for single stream recycling and a modification in the type of recycling which must be accepted under the Contract. The City Council approved Amendment No. 1 to the Contract in July 2018. Amendment No. 1 was to be in effect for twelve (12) months. Twelve (12) months later, the recycling market had continued to deteriorate, both in terms of cost and in terms of the allowed recyclable materials. Despite the continued deterioration of the recycling market, CDA Garbage was willing to continue to operate under the terms of the Contract and Amendment No. 1 and so Amendment No. 2 was entered into on June 4, 2019, extending the terms of the Contract and Amendment No. 1 another twelve (12) months. The parties believe that the current recycling market justifies extending the Contract and Amendment No. 1 twelve (12) more months, to June 30, 2021.

Mr. Tymesen said that in the past 12 months, the Sanitation Fund has spent on average \$18,901 per month to process 174 tons of material in the single stream recycling program. The highest one-month cost was one year ago, \$21,803. Since that time cardboard has rebounded in value. The cost to process and reuse the glass has averaged \$2,248 per month. Due to savings experienced with respect to the current Contract, the

continued cost will not require a rate increase to the customers at this time. The fee will be paid from the solid waste fund.

Amendment No. 3 encompasses the following terms:

1. The City will pay CDA Garbage an additional fee for the disposal of recyclables. That fee will be CDA Garbage's net cost per ton (including hauling and MRF fees) in excess of \$20 per ton (i.e., CDA Garbage will pay the first \$20 per ton). In addition, the City's monthly fee is capped at \$25,000. If the fee equals or exceeds \$20,000 per month for three consecutive months, the parties will meet to discuss adjustments in the program to ensure the City's obligation will not exceed \$25,000 each month. The "net cost" will take into consideration any payments to CDA Garbage by the MRFs for the recyclables.

2. These fees will continue to be in effect until June 30, 2021, and the parties will meet prior to the expiration of the term to negotiate any further adjustment to the fee and the program itself.

Mr. Tymesen said that there is a continued opportunity to partner with Kootenai County for the handling of recyclables. He also noted that the cost to process recyclables has come down, and there is value in cardboard.

DISCUSSION:

Mr. Tymesen confirmed that the City is, hopefully, not paying any more money based on the current commodities market.

Councilmember Wood asked if they could build in a long-term plan. Mr. Tymesen said, no, because the commodity market would indicate that the hauler would have to build in large numbers because they wouldn't know what the commodity market will bring. He said that he anticipates they will continue to do yearly amendments for years to come. Mr. Tymesen also commented that at one point in time there was a commodity value in the recyclables but right now they are paying a lot of money to have them processed. He noted that a number of cities don't do single stream recycling.

MOTION: Motion by Gookin, seconded by English to approve **Resolution No. 20-042**, approving Amendment No. 3 to the Coeur d'Alene Garbage Agreement for single stream recycling for a 12-month extension.

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

Motion carried.

COUNCIL BILL 20-1010

AN ORDINANCE AMENDING SECTIONS IN CHAPTERS 13.08, 13.12, 13.16, AND 13.20 OF THE COEUR D'ALENE MUNICIPAL CODE TO CLARIFY REFERENCES TO THE PUBLIC SANITARY SEWER SYSTEM, UPDATE REFERENCES TO SPECIFIC RECOMMENDATIONS AND STUDIES, CLARIFY REFERENCES TO THE CITY TREASURER, ELIMINATE RATE CALCULATIONS FOR SEPTAGE HAULERS, SPECIFY REQUIRED DATA, CLARIFY WHEN STUB FEES AND CAP FEES MUST BE PAID, CLARIFY WHEN SEPTIC TANK OR PRIVATE DISPOSAL SYSTEM MAY BE INSTALLED OR MAINTAINED, SUBSTITUTE "IDAHO POLLUTANT DISCHARGE ELIMINATION SYSTEM" FOR "NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM," ADD AND CORRECT CERTAIN DEFINITIONS, MODIFY A PROVISION REGARDING RECORDS RETENTION, AND MAKE OTHER CORRECTIONS AND CLARIFICATIONS; 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.

STAFF REPORT: Mike Anderson, Wastewater Superintendent, presented a request for amendments to update and clarify sections in chapters 13.08, 13.12, 13.16, and 13.20 of the City's Municipal Code. He noted that in June of 2018, the Idaho Department of Environmental Quality was granted primacy of the wastewater discharge permits in Idaho from the EPA. That requires a change in the City Ordinance to reference the wastewater discharge permit as an Idaho Pollutant Discharge Elimination System in place of the National Pollutant Discharge Elimination System.

Further changes in the Ordinance include references to particular studies and study dates, elimination of reference to Septage Haulers, and updating the "Department of Environmental Sanitation" to Panhandle Health in references to septic tanks provisions.

DISCUSSION:

Councilmember Miller asked when she was going to get a presentation on residential versus low commercial use averages for irrigation water. She noted that in regard to residences, their average low residential use excludes their irrigation water from being charged a sewer fee, and with a commercial property that doesn't occur. She further commented that there are businesses that are charged sewer fees for water that is definitely not sewer water. Mr. Anderson responded that the difficulty lies in measuring water, as they measure water and not wastewater. He commented that he will put together a presentation and present it to the General Services/Public Works Committee that Councilmember Miller attends.

MOTION: Motion by Gookin, seconded by Evans, to dispense with the rule and read **Council Bill No. 20-1010** once by title only.

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

Motion carried.

MOTION: Motion by Gookin, seconded by Evans, to adopt **Council Bill No. 20-1010.**

DISCUSSION:

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

Motion carried.

RESOLUTION 20-043

A RESOLUTION OF THE CITY OF COEUR D'ALENE, KOOTENAI COUNTY, IDAHO ESTABLISHING A NOTICE OF TIME AND PLACE OF PUBLIC HEARING OF THE PROPOSED BUDGET FOR FISCAL YEAR 2020-2021, AND INCLUDING PROPOSED EXPENDITURES BY FUND AND/OR DEPARTMENT, AND STATEMENT OF THE ESTIMATED REVENUE FROM PROPERTY TAXES AND THE TOTAL AMOUNT FROM SOURCES OTHER THAN PROPERTY TAXES OF THE CITY FOR THE ENSUING FISCAL YEAR AND LISTING EXPENDITURES AND REVENUES DURING EACH OF THE TWO (2) PREVIOUS FISCAL YEARS, AND PROVIDING FOR PUBLICATION OF THE SAME.

WHEREAS, it is necessary, pursuant to Idaho Code 50-1002, for the City Council of the City of Coeur d'Alene, prior to passing the Annual Appropriation Ordinance, to list expenditures and revenues during each of the two (2) previous fiscal years, prepare a Budget, tentatively approve the same, and enter such Budget at length in the journal of the proceedings and hold a public hearing; NOW, THEREFORE,

BE IT RESOLVED, by the Mayor and City Council of the City of Coeur d'Alene that the following be and the same is hereby adopted as an Estimate of Expenditures and Anticipated Revenue of the City of Coeur d'Alene for the fiscal year beginning October 1, 2020:

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	FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	FY 2020-21 PROPOSED
GENERAL FUND EXPENDITURES:				
Mayor and Council	\$ 247,765	\$ 253,030	\$ 265,825	\$ 251,742
Administration	349,057	225,146	216,721	217,699
Finance Department	1,057,912	1,139,341	1,197,516	1,234,784
Municipal Services	1,788,610	1,874,909	1,820,374	1,804,906
Human Resources	279,448	362,693	400,519	418,825
Legal Department	1,206,832	1,252,298	1,291,857	1,313,413
Planning Department	640,177	733,443	973,288	726,892
Building Maintenance	488,630	508,554	675,981	547,526
Police Department	13,585,672	14,335,809	15,974,160	16,726,158
Drug Task Force	27,676	1,200		
Police Department Grants	83,024	179,685		6,000
Fire Department	10,147,902	9,819,506	10,575,497	10,710,811
General Government	1,578,274	308,701	125,750	782,567
Streets/Garage	4,471,271	5,454,614	5,039,108	4,981,197
Parks Department	2,120,552	2,260,141	2,497,538	2,448,731
Recreation Department	748,484	691,445	761,988	745,208
Building Inspection	878,822	906,711	963,810	958,485
TOTAL GENERAL FUND EXPENDITURES:	\$ 39,700,108	\$ 40,307,226	\$ 42,779,932	\$ 43,874,944

	FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	FY 2020-21 PROPOSED
SPECIAL REVENUE FUND EXPENDITURES:				
Library Fund	\$ 1,628,119	\$ 1,723,767	\$ 1,785,766	\$ 1,736,045
Community Development Block Grant	145,382	304,462	597,467	695,032
Impact Fee Fund	515,319	218,235	360,000	450,000
Parks Capital Improvements	1,710,251	546,974	564,500	323,260
Annexation Fee Fund	398,240	286,000	99,000	195,000
Cemetery Fund	305,729	339,811	369,627	306,787
Cemetery Perpetual Care Fund	156,141	205,827	191,500	166,500
Jewett House	11,998	24,615	28,853	26,353
Reforestation/Street Trees/Community Canopy	101,472	89,516	111,000	120,000
Public Art Funds	176,117	335,885	369,300	271,300
TOTAL SPECIAL FUNDS:	\$ 5,148,768	\$ 4,075,092	\$ 4,477,013	\$ 4,290,277

	FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	FY 2020-21 PROPOSED
ENTERPRISE FUND EXPENDITURES:				
Street Lighting Fund	\$ 688,247	710,075	\$ 706,000	\$ 733,250
Water Fund	8,714,812	9,809,055	14,621,311	14,566,370
Wastewater Fund	21,470,818	17,000,351	16,672,037	20,111,378
Water Cap Fee Fund		642,823	3,900,000	5,300,000
WWTP Cap Fees Fund	620,850	883,710	1,250,000	1,484,809
Sanitation Fund	3,829,307	4,262,702	3,959,644	4,215,002
City Parking Fund	787,125	1,233,170	1,375,011	1,640,036
Drainage	1,028,625	1,405,510	1,821,546	1,701,863
TOTAL ENTERPRISE EXPENDITURES:	\$ 37,139,784	\$ 35,947,396	\$ 44,305,549	\$ 49,752,708

FIDUCIARY FUNDS:	2,974,754	2,955,016	\$ 3,250,041	\$ 3,169,432
STREET CAPITAL PROJECTS FUNDS:	416,590	620,165	1,611,812	2,201,632
DEBT SERVICE FUNDS:	1,379,681	876,931	878,932	876,281
GRAND TOTAL OF ALL EXPENDITURES:	\$ 86,759,685	\$ 84,781,826	\$ 97,303,279	\$ 104,165,274

ESTIMATED REVENUES:	FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	FY 2020-21 PROPOSED
Property Taxes:				
General Levy	\$ 19,756,440	\$ 19,998,856	\$ 20,910,045	\$ 22,172,998
Library Levy	1,617,578	1,696,574	1,743,616	1,622,045
Fireman's Retirement Fund Levy	250,000	250,000	250,000	250,000
2015 G.O. Bond Levy	899,949	881,302	878,932	876,281
TOTAL REVENUE FROM PROPERTY TAXES:	\$ 22,523,967	\$ 22,826,732	\$ 23,782,593	\$ 24,921,324

ESTIMATED OTHER REVENUES:	FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	FY 2020-21 PROPOSED
Interfund Transfers	\$ 4,805,617	\$ 3,500,321	\$ 8,865,140	\$ 10,513,545
Beginning Balance	43,480,736	52,871,019	25,335,773	27,295,810
Other Revenue:				
General Fund	18,222,417	18,911,749	17,795,224	17,128,832
Library Fund	54,183	49,372	19,150	14,000
Community Development Block Grant	145,382	304,518	597,467	695,032
Parks Capital Improvement Fund	1,927,396	1,394,653	885,000	323,260
Cemetery	187,951	192,602	178,248	148,155
Annexation Fee Fund	189,923	174,137	80,000	100,000
Impact Fee Fund	1,068,853	677,868	187,488	620,000
Cemetery Perpetual Care Fund	(6,252)	77,467	50,000	
Jewett House	24,515	18,038	19,000	12,000
Reforestation	6,633	2,544	6,000	4,500
Street Trees	77,010	84,114	83,000	81,500
Community Canopy	1,195	723	2,000	1,500
Public Art Funds	134,145	228,969	104,000	121,000
Street Lighting Fund	538,295	570,981	575,000	578,250
Water Fund	6,446,295	6,869,763	6,277,400	6,559,049
Wastewater Fund	10,662,775	11,788,958	11,550,767	11,099,439
Water Capitalization Fees	1,298,519	1,023,809	1,250,000	1,265,000
WWTP Capitalization Fees	2,842,234	1,630,138	1,300,000	978,163
Sanitation Fund	4,258,138	4,331,499	4,330,000	4,420,000
City Parking Fund	632,034	983,735	748,475	702,500
Drainage	1,053,884	1,097,820	1,045,329	1,066,281
Fiduciary Funds	2,801,500	2,925,525	3,024,800	2,907,500
Capital Projects Fund	431,164	1,508,688	804,500	1,200,000
Debt Service Fund	15,302	7,391		
TOTAL REVENUE OTHER THAN PROPERTY TAXES:	\$ 101,299,844	\$111,226,401	\$ 85,113,761	\$ 87,835,316

SUMMARY:	FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	FY 2020-21 PROPOSED
PROPERTY TAXES	\$ 22,523,967	\$ 22,826,732	\$ 23,782,593	\$ 24,921,324
OTHER THAN PROPERTY TAXES	101,299,844	111,226,401	85,113,761	87,835,316
TOTAL ESTIMATED REVENUES	\$ 123,823,811	\$134,053,133	\$108,896,354	\$112,756,640

BE IT FURTHER RESOLVED, that the same be spread upon the Minutes of this meeting and published in two (2) issues of the Coeur d'Alene Press, seven (7) days apart, to be published on August 12, 2020 and August 19, 2020.

BE IT FURTHER RESOLVED, that a Public Hearing on the Budget be held on the 1st day September, 2020 at the hour of 6:00 o'clock p.m. on said day, at which time any interested person may appear and show cause, if any he has, why the proposed Budget should or should not be adopted.

STAFF REPORT: Vonnie Jensen, Comptroller, presented a request for Council approval of Annual Appropriation Resolution No. 20-043, which sets the public hearing date and the high dollar amount (\$104,165,274) in expenditures for the 2020-2021 Fiscal Year Financial Plan (Annual Appropriation). She reviewed changes in revenues from Preliminary Budget, and changes in expenditures. She noted that the Idaho code requires that the City Council approve an appropriations ordinance each year. The purpose of the ordinance is to establish a ceiling for expenditures and disclose the potential property tax revenue necessary to balance the budget. The financial plan or budget is the guide and detailed report for establishing those numbers.

Mayor Widmyer explained that the Council talked at the last budget meeting about public safety and the proposed budget adds back in one public safety position and a sergeant to be hired the 1st of January, and also added \$80,000 that was previously proposed as a reduction to services and supplies.

Ms. Jensen explained that this budget season is confusing due to the CARES tax relief program. If the City does participate it would not be taking the 3% tax increase. An additional factor is a change in legislation that requires the City to approve a resolution in order to reserve the foregone amount if there is no property tax increase. If there is no resolution, it just goes away. It is her recommendation that if Council is leaning towards not taking a 3% increase, that it be removed from the proposed resolution, which is published in the paper, as a clear message to the citizens.

Councilmember Wood asked when the resolution would be needed. Ms. Jensen said that the resolution would be done at the public hearing on September 1. Councilmember Wood said that her concern is that they don't know where they are at legally with the Governor's proposal, and asked if it would tie their hands. Ms. Jensen said that they did get an estimated proposal, so they may need to revise the number. Councilmember Wood asked if there was a date that they expect to have a final resolution. Ms. Jensen said that there was no date. Mayor Widmyer commented that it would have to be before the 1st of September. Councilmember Wood commented that it seems pretty risky to remove the 3% tonight. Mayor Widmyer said that Council is setting the high-water mark with the 3% today and would still have the ability to vote for a property tax increase if the state program falls apart.

MOTION: Motion by Gookin, seconded by Wood, to reduce the high-water mark by eliminating the 3% property tax increase.

DISCUSSION: Councilmember Wood suggested waiting to do the resolution in order to know if what the state is proposing is legal. Mayor Widmyer confirmed that the Council

needed to set the high-water mark at tonight's meeting.

Councilmember English said that he supports removal of the 3% option, and noted that for this year, given the circumstances, he can't see a situation where they would end up passing an increase of 3%. He agreed that it would be clear to the public to get the information out there and that other entities have done that and declared their intent.

Ms. Jensen reviewed significant changes to revenue from the prior year in the General Fund, reviewed new construction year over year, reviewed tax revenues, and a history of tax increases approved by the City Council. She discussed the projected Fund Balance, reviewed a historical look at the Fund Balance, year over year, and increases to personnel expenses compared to new growth, city-wide personnel changes, and estimated taxable City valuation. She noted that the average increase in valuation from the County is about 12%.

Councilmember Wood said that it seems that growth isn't really paying for itself, and if they are trying to properly fund police and fire, she wondered when they are going to have those kinds of discussions so that they can pay for the growth that is occurring. Mr. Tymesen said that impact fees have a specific, long term use. They will help build a building, but don't help with any maintenance or personnel. He noted that the City continues to do more with less and the challenge will be new revenue streams. He further commented that the legislators did good work in collecting sales tax on online sales. The City doesn't have authority to do a local option tax, but they could also look at general obligation bonds.

Mayor Widmyer said that the difference between 2020 and 2021 is that they have taken money out of the Fund Balance, which is not sustainable. They have some really nice assets that they have built over the last ten years, but as each year goes by, there is some maintenance that will be required, which is something that Council needs to think about as the City doesn't necessarily have a reserve fund, and maintenance will become increasingly more expensive. The big issue will be when the urban renewal district closes, as Council needs to look at creating some reserve funds. The Mayor further noted that if revenues don't come back next year, they won't be able to dip into the Fund Balance next year, so he is hopeful for strong new growth and that sales tax revenues come back.

Councilmember Wood said that she appreciated the time that the Mayor has put into trying to fine revenue.

Motion failed, with Councilmembers Gookin and English voting Aye.

MOTION: Motion by Gookin, seconded by Miller to approve **Resolution No. 20-043**, Setting Preliminary Budget for Fiscal Year 2020-2021 and scheduling a public hearing for September 1, 2020.

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

Motion carried.

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

The meeting adjourned at 8:01 p.m.

Steve Widmyer, Mayor

ATTEST:

Amy C. Ferguson, Deputy City Clerk