

Bellevue Common Council
Monday July 30, 2018
Minutes

6:00 pm Call to Order:

Mayor Koch called the meeting to order. Council members present were Greg Cappel, Ned Burns, Craig Wolfrom and Bob Leahy. Shaun Mahoney and Kathryn Goldman were absent. A quorum was present. Staff present were Frank Suwanrit, Public Works Director, Greg Beaver, Fire Chief, Ross Scaggs, Marshal, Diane Shay, Community Development Director, Kelly West, Water Supervisor.

Notice and Hearing Compliance:

The posting of this agenda complied with Idaho Code §67-2343. The agenda was posted at the Bellevue Post Office, the bulletin board outside City Hall on July 25, 2018. Cappel moved that the notice was in compliance with Idaho Code §67-2343, Burns seconded, motion carried unanimously.

Item #4 was moved to after the Discussion of Water/Sewer rates.

Call for Conflict: None

Public Comment: The Mayor opened the meeting for public comment. Tom Blanchard, 33 Broadford Rd asked if there would be an opportunity to comment on the budget and gave the Mayor a list of questions/comments. Clark gave Mr. Blanchard a printed copy of the budget.

5. Discussion of Water/Sewer rate increases: Clark opened the discussion regarding raising Water and Wastewater rates in FY2019. She stated that the Wastewater fund was significantly higher than anticipated on the projection from Keller. There was a discussion regarding the basis for the determination and a history of the presumptions in the study presented. Clark and Suwanrit, the Public Works direct, both felt that we could forego an increase at this time, with the option available at a later date in the fiscal year. The discussion strayed to Admin fees. Cappel asked for more information on revenue ratio increase. Cappel also reiterated the more funds we can put in our LGIP account the more we will earn. There was a very serious discussion regarding long term savings and rates. Clark determined the rate increase at 2.99% would be \$3.44 per month for both water and sewer. The water rate would be \$32.19, sewer would be \$85.86. Cappel made a motion to increase the rates by 2.99% for FY2019, Burns seconded. Motion passed as follows: Cappel, yes; Leahy, yes; Burns, yes; Wolfrom, no.

4. Decision on Strahorn Appeal – Approval of Findings of Fact – Shay stated that even though the City Attorney was out of town, she had worked with him and with Dave Patrie on the Findings. Cappel brought an issue to her attention regarding verbiage in a couple of the findings. On page 3, under the finding for standard E, about halfway down in the bold a sentence begins with “In particular...” “The Council directs that an updated traffic study include evaluation...”. Currently the finding reads: “in particular the Council directs that an updated traffic study be commissioned and paid for by the applicant”. Shay stated that after reviewing the minutes and Goldman’s motion, it was specific to the traffic impact study to include all phases. On page 3 of the revision: “In particular the Council directs that an updated traffic study includes evaluation of the impacts of the closing of Cedar Street,

bike/pedestrian access to and from the development. Further the provided study should consider the full build out of all phases of the Strahorn Subdivision and the cost of the study to be paid for by the applicant.” Shay asked if that revision reflected the conversation with Cappel. Cappel stated it did and that it was acceptable.

Shay stated that the second revision was on page 5, under Council findings and decision on Standard H in the middle of that the sentence beginning with “In particular” and is changed exactly as was written in Standard E. “In particular the Council directs that an updated traffic study includes evaluation of the impacts of the closing of Cedar Street, bike/pedestrian access to and from the development. Further the provided study should consider the full build out of all phases of the Strahorn Subdivision and the cost of the study to be paid for by the applicant.”

There was further discussion from Wolfrom regarding Section 5. “Because the Council is requiring a new traffic study which will be made available to the public, this issue is moot and is not necessary to reach the merits of this argument” this is in regard to the due process claim that was brought up. The last paragraph in Section 4, the validity of the first annexation agreement is what Wolfrom wanted to address. Wolfrom is concerned that the verbiage is leaving the City open. After some discussion regarding the detail and it was determined that without the City Attorney present there should be no changes to what he has written. Shay stated that the City Attorney is willing to defend the Findings. There was further discussion regarding this section. Burns made a motion to accept the order as amended and authorize the mayor to sign, Cappel seconded. Roll call vote as follows: Cappel – yes, Leahy – yes, Burns – yes, Wolfrom – No. Motion passed.

6. Budget

Mr. Blanchard asked when there would be a comment period for the Budget. Clark stated that the Public Hearing would be held on August 13, 2018. Blanchard wants to comment and possibly increase budget. Koch took Blanchard’s written information.

Clark gave a brief presentation on the carryover process and how unanticipated revenue has made the current year more solvent. She discussed the entire budget with a carryover of \$168,500 the budget with no changes to what has been provided. Suwanrit stated that Public Works will be spending \$40,000 of the \$50,000 in street repairs in August. Suwanrit clarified which streets would be chip sealed.

Wolfrom asked for clarification regarding the source of the carryover funds. Wolfrom stated that he doesn’t believe that this is a balanced budget because he doesn’t like the carryover process. Clark stated there are several ways to increase revenue: One way is to increase the property tax base with new homes; a special bond election or levy. Leahy said he felt it was balanced.

Wolfrom was also concerned that 80% of the City Administrator’s salary was being charged to the Water and Wastewater funds. Clark clarified what she felt the City Administrator would be doing, i.e. working on customer complaints. Koch also discussed reducing bond interest rate, that the position would be specific to assisting Council and the Mayor. Wolfrom feels that the 80% is incorrect and that it feels like the City is hiding costs.

Administration – 01: Wolfrom asked about the office equipment rental line item increasing \$1500 in Admin. Clark explained that the copier lease was expiring, and a new system is more expensive.

Community Development – 03: Council went forward to Community Development. Clark explained that Contract Labor was DBS and Professional Services was Engineering.

Parks – 04: Wolfrom asked about the Parks Committee budget going up. This would be someone looking for a project or grant writer. Clark clarified the cumulative effect. Suwanrit clarified the increase in Construction and Improvement, upgrading the stage at Memorial Park.

Fire – 05: Wolfrom asked about Construction and Improvement. Beaver explained the increased costs of packs that need to be replaced. There was discussion of numbers of volunteers and the approved number and seats. No changes were made.

Library – 07: Burns asked about the storage unit. Clark explained it was previously paid by a donor who has since passed. A new donor will be taking it on for the new fiscal year. No changes were made.

Marshal – 08: There was a question regarding the radio fees in the Marshal budget. Cappel asked about the fuel costs budgeted for to confirm it's high enough. Scaggs believes it is. Leahy asked about when the new cars were coming. Cappel asked about 52120, trainings and meetings, and wanted to confirm that line item. Scaggs confirmed the need for that as well.

Buildings & Grounds - 09: There was a discussion of purchase of new tables, but Koch feels that painting the building has a higher priority.

Suwanrit brought up the issue of pay raises again and still wants to see an increase for his people. Koch would like to see some kind of scale regarding step raises based on licensure, etc. A discussion ensued with Council and it was determined that Suwanrit had not added back any raises for his department. An additional discussion continued regarding personnel evaluations, with Shay and Cappel stating that revamping those policies would also be a good fit for a City Administrator.

Streets – 10: Clark mentioned that Highway distributions came in \$4,000 higher than anticipated. Leahy inquired about Suwanrit's research on leased equipment. The only one Suwanrit found to work for us was the toolcat. The other pieces weren't viable for our use. The leases were based on too many hours of usage. An additional discussion took place discussing vehicles and purchasing new or surplus.

Shop – 11: Koch mentioned that Everton Oliveira was cleaning up the shop nicely. A discussion was held regarding cleaning up behind the shop before the snow falls. There was brief discussion of a new shed.

Water Fund – 20: Clark reported the new user fees for Water and Wastewater based on the 2.99% increase. Water – 411,264 reducing carryover to 281,441 and Wastewater – 1,080,382 and carryover 189,143. Leahy asked West about needs for new technology down the road. West described the needs and his wish list. Burns asked what Conjunctive Management was for; Suwanrit explained it was for the water call.

There was a lengthy discussion of the installation and implementation of water vaults and meters by the deadline of 2020. Leahy asked if there was a need for another person. Clark explained that another person would cost \$50,000 for salary and benefits. There was more discussion about personnel and when Suwanrit would be able to get licensure to reduce Jeff Vert's involvement. After more discussion regarding Public Works, Wolfram stated again that he is not happy with the carryover issue. Wolfram asked about the upgrade of 8" lines. Suwanrit also discussed how the capitalization fees are applied.

Wastewater – 30: No discussion

Leahy asked if the \$168,000 would be needed to cover everything in the current budget proposals. Clark stated it would. Clark also stated that there are many cities that have Water and Sewer administration fees pay for 100% of their administrative payroll. They do not allocate by percentage as has been proposed. Koch brought up additional confirmation regarding the City Administrator covering water issues after the City goes online with meters.

Koch opened up the meeting for additional discussion. There was a discussion regarding development impact fees. Suwanrit at this point brought up raises for his departments. Initially, he discussed adding \$2.00 per hour for everyone. The cost of this would be \$30,000 to give everyone a \$2.00 raise. Clark was then asked to calculate a 3% for each department. The increase would add approximately \$10,000 to payroll. Burns stated that the 3% made sense. Leahy stated that there is room in the budget for the increase. After lengthy calculations, it was determined that Suwanrit would adjust expenses down to cover the increase in payroll.

Koch asked what the next step would be. Clark stated that the current budget needed to be affirmed including the admin fees from Water and Wastewater to Administration. There was additional discussion regarding increasing revenues including a special election bond or levy. The increase would go only to the General Fund with no direct allocation to a specific department. Burns made a motion that we proceed to finalization of the budget for the Public Hearing. Leahy seconds, motion passed by roll call unanimously.

Consent Agenda minutes are moved to the 8/13/18 meeting.

Burns made a motion to adjourn, Cappel seconded and the motion passed unanimously.

Approved this 13th day of August 2018

Christopher Koch, Mayor

Kathleen Clark, City Clerk/Treasurer