

COUNCIL MEMBERS:

SHAWN BARIGAR	DON HALL	SUZANNE HAWKINS	GREGORY LANTING	JIM MUNN, JR.	REBECCA MILLS SOJKA	CHRIS TALKINGTON
<i>Vice Mayor</i>		<i>Mayor</i>				



MINUTES
Meeting of the Twin Falls City Council
August 6, 2012
City Council Chambers
305 3rd Avenue East -Twin Falls, Idaho

4:30 P.M. Special Meeting

Executive Session pursuant to Idaho Code 67-2345(1)(d), to consider records that are exempt from disclosure as provided in chapter 3, title 9, Idaho Code.

5:00 P.M. Regular Meeting

PLEDGE OF ALLEGIANCE TO THE FLAG
CONFIRMATION OF QUORUM
INTRODUCTION OF STAFF
CONSIDERATION OF THE AMENDMENTS TO THE AGENDA:
PROCLAMATIONS: None

AGENDA ITEMS		Purpose	By:
I. <u>CONSENT CALENDAR:</u>		<u>Action</u>	<u>Staff Report</u>
1. Consideration of accounts payable for July 24 – August 6, 2012.			Sharon Bryan
2. Consideration of the July 16, 2012, City Council Minutes.			L. Sanchez
II. <u>ITEMS FOR CONSIDERATION:</u>		Action	Bill Carberry
1. Consideration of a request to approve a bid award to Ricondo and Associates for the development of a required FAA Airport Wildlife Hazard Management Plan.		Action	Mick Turner
2. Consideration of a request to adopt a resolution under Idaho Code 67-2805 (vii) declaring that the purchase of a used bucket truck can be completed more economically by purchasing goods and services on the open market.		Action	Travis Rothweiler
3. Consideration of a request to authorize the Mayor to sign an Agreement for Bond Counsel services from Stephanie Bonney of Moore, Smith, Buxton & Turcke, Chartered, for the refinancing and issuance of water revenue bonds and sewer revenue bonds.		Action	Travis Rothweiler
4. Consideration of adoption of the Tentative Budget for the City of Twin Falls and set August 20, 2012, at 6:00 P.M. as the date and time for the public budget hearing.			
5. Public input and/or items from the City Manager and City Council.			
III. <u>ADVISORY BOARD REPORTS/ANNOUNCEMENTS:</u>			
IV. <u>PUBLIC HEARINGS:</u> 6:00 P.M.		Public Hearing	Bill Carberry
1. Public hearing to consider an increase to the new fee schedule for Joslin Field, Magic Valley Regional Airport.		Public Hearing	Stacy McClintock
2. Public hearing to consider a resolution to increase Private Youth Organization Ballfield Preparation Fee.		Public Hearing	Lorie Race
3. Public hearing to consider an increase to the sanitation rates, as discussed during the 2012-2013 budget process.			
V. <u>ADJOURNMENT:</u>			

**Any person(s) needing special accommodations to participate in the above noticed meeting should contact Leila Sanchez at (208) 735-7287 at least two working days before the meeting.*

Present: Shawn Barigar, Don Hall, Suzanne Hawkins, Gregory Lanting, Jim Munn, Rebecca Mills Sojka, Chris Talkington
Absent: None

Staff Present: City Manager Travis Rothweiler, City Attorney Fritz Wonderlich, Community Development Director Mitch Humble, Chief Financial Officer Lorie Race, Budget Coordinator Patricia Lehmann, Information Services Manager Mick Turner, Recreation Supervisor Stacy McClintock, Airport Manager Bill Carberry, Assistant to the City Manager Mike Williams, Public Information Officer Josh Palmer, Deputy City Clerk Sharon Bryan, Deputy City Clerk/Recording Secretary Leila A. Sanchez

Mayor Lanting called the meeting to order at 4:30 P.M

4:30 P.M. Special Meeting

Executive Session pursuant to Idaho Code 67-2345(1)(d), To consider records that are exempt from disclosure as provided in chapter 3, title 9, Idaho Code.

MOTION:

Councilperson Hall made a motion to move to Executive Session pursuant to Idaho Code 67-2345(1)(d), to consider records that are exempt from disclosure as provided in chapter 3, title 9, Idaho Code. The motion was seconded by Councilperson Talkington and roll call vote showed all members present voted in favor of the motion. Approved 7 to 0.

5:00 P.M. Regular Meeting

Mayor Lanting reconvened the meeting to order at 5:00 P.M. He then invited all present, who wished to, to recite the Pledge of Allegiance to the Flag with him. A quorum is present. Mayor Lanting introduced staff.

CONSIDERATION OF THE AMENDMENTS TO THE AGENDA: None

PROCLAMATIONS: None

AGENDA ITEMS

I. CONSENT CALENDAR:

1. Consideration of accounts payable for July 24 – August 6, 2012, total: \$753,114.15
July 24, 2012, Prepay total: \$15,530.00
July 26, 2012, Prepay total: \$60,507.78
July 26, 2012, Prepay total: \$952.50
July 31, 2012, Fire Payroll total: \$49,675.49
August 3, 2012, Payroll total: \$111,947.44
August 6, 2012, total: \$493,274.18
2. Consideration of the July 16, 2012, City Council Minutes.

MOTION:

Vice Mayor Hall made a motion to approve the Consent Calendar as presented. The motion was seconded by Councilperson Munn and roll call vote showed all members present voted in favor of the motion. Approved 7 to 0.

II. ITEMS FOR CONSIDERATION:

1. Consideration of a request to approve a bid award to Ricondo and Associates for the development of a required FAA Airport Wildlife Hazard Management Plan.

Airport Manager Carberry gave the Council a brief preliminary update on the Air Show. The advance from the City of Twin Falls of \$65,000, will be reimbursed in its entirety.

Councilperson Hawkins gave an update on the Air Show.

Airport Manager Carberry explained the request on the FAA Airport Wildlife Hazard Management Plan.

Staff recommends the City Council approve the award of bid for the development of a Wildlife Hazard Management Plan to Ricondo & Associates for the amount of \$19,700, contingent on FAA concurrence and funding.

Council discussion followed.
Airport Manager Carberry stated that a security fence is around the perimeter of the airport.

MOTION:

Vice Mayor Hall made the motion to approve a bid award to Ricondo and Associates for the development of a required FAA Airport Wildlife Hazard Management Plan for the amount of \$19,700, contingent on FAA concurrence and funding. The motion was seconded by Councilperson Hawkins and roll call vote showed all members present voted in favor of the motion. Approved 7 to 0.

2. Consideration of a request to adopt a resolution under Idaho Code 67-2805 (vii) declaring that the purchase of a used bucket truck can be completed more economically by purchasing goods and services on the open market.

Information Services Manager Mick Turner explained the request.

Staff recommends that the Council adopt the resolution to purchase goods and services on the open market for the purchase of a bucket truck.

Council discussion followed.

MOTION:

Councilperson Talkington made the motion to adopt Resolution 1889, entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TWIN FALLS, IDAHO, DECLARING THAT THE CITY'S "BUCKET TRUCK ACQUISITION" CAN BE PERFORMED MORE ECONOMICALLY BY PURCHASING GOODS AND SERVICES ON THE OPEN MARKET. The motion was seconded by Vice Mayor Hall and roll call vote showed all members present voted in favor of the motion. Approved 7 to 0.

3. Consideration of a request to authorize the Mayor to sign an Agreement for Bond Counsel services from Stephanie Bonney of Moore, Smith, Buxton & Turcke, Chartered, for the refinancing and issuance of water revenue bonds and sewer revenue bonds.

City Manager Rothweiler explained the request.

The City Council has authorized the City Staff to enter into the bond market for the purposes of refinancing two existing DEQ debt instruments, totaling \$8,000,000, and issue new debt that was part of the City's \$8,000,000, million waste water treatment plant improvement project. The City is required to have Bond Counsel when it issues revenue bonds through the Idaho Bond Bank.

Staff recommends this firm to the City Council for consideration.

MOTION:

Councilperson Barigar made the motion to authorize the Mayor to sign an Agreement for Bond Counsel services from Stephanie Bonney of Moore, Smith, Buxton & Turcke, Chartered, for the refinancing and issuance of water revenue bonds and sewer revenue bonds. The motion was seconded by Councilperson Talkington.

Council discussion followed.

City Manager Rothweiler stated that the refinancing will result in a savings of \$300,000 in the sewer fund and \$600,000 savings in the water fund.

Roll call vote showed all members present voted in favor of the motion. Approved 7 to 0.

4. Consideration of adoption of the Tentative Budget for the City of Twin Falls and set August 20, 2012, at 6:00 P.M. as the date and time for the public budget hearing.

City Manager Rothweiler explained the request to set August 20, 2012, at 6:00 P.M. as the date and time for the public budget hearing and to set a maximum spending level of the budget.

Budget concepts and funding strategies grew out of many internal conversations, public informational listening sessions and planning meetings. Four primary focus areas were developed. Those areas are: limit tax collections and corresponding revenues to no more than the statutory maximum allowance and no more than \$1,000,000 of the City's current foregone balance; develop a sustainable, competitive compensation strategy; develop funding solutions to make improvements to our infrastructure systems; and continue to pursue innovative strategies and find more efficient outcomes.

The total recommended net budget for FY 2013 is \$49,254,478, an increase of \$3,460,436, or 7.56% compared to the 2012 fiscal year adopted net budget of \$45,794,042.

Staff recommends the adoption of the tentative/preliminary budget for the 2011-2012 Fiscal Year and to set August 20, 2012, at 6:00 P.M. as the date and time for the public budget hearing

Council Council discussion followed.
- Foregone amount

City Manager Rothweiler stated staff built the budget that only requires the use of the 3% and the new construction, which is \$576,000, of new tax money into the budget, and does not include any foregone amount.

If the Council chooses to use a portion or all of the foregone, it would be at their discretion as to how the foregone is applied. As staff, the general recommendation at this point would be to place those into hard capital improvement projects. Staff could provide to the Council a list of improvements.

MOTION:

Councilperson Munn made the motion to approve a preliminary budget maximum amount of \$50,254,478, and to set August 20, 2012, at 6:00 P.M. as the date and time for the public budget hearing. The motion was seconded by Councilperson Barigar.

Councilperson Barigar asked what the impact to the residential taxpayer will be if the foregone amount is taken.

City Manager Rothweiler stated that the impact is \$ 0.12 on the tax rate of every \$1,000 of value for every \$250,000 taken.

Councilperson Barigar stated that he would like to see the impact to the commercial taxpayer if the foregone is taken.

City Manager Rothweiler stated that staff will email the information to Council.

Councilperson Talkington stated that he would like to see recommendations on how the foregone amounts of \$250,000, \$500,000, \$700,000, and \$1,000,000 would be spent.

City Manager Rothweiler stated that on August 20, 2012, a public hearing will be held and a request will be made to the Council to adopt the budget.

Roll call vote showed Councilpersons Barigar, Hawkins, Lanting, Munn, Mills Sojka, and Talkington voted in favor of the motion. Councilperson Hall voted against the motion. Approved 6 to 1.

5. Public input and/or items from the City Manager and City Council.

Mayor Lanting stated that the State of the City will be held in April, 2013.

Councilperson Barigar stated that the Recreation Center will meet with members of the Citizen Finance Committee on August 9, 2012, to discuss a recreation center. In addition, he stated that he met with Parks & Recreation Director Bowyer to discuss auctioning the parking meters at upcoming public events.

City Manager Rothweiler stated that the City's fireworks ordinance will be discussed on August 13, 2012.

III. ADVISORY BOARD REPORTS/ANNOUNCEMENTS:

IV. PUBLIC HEARINGS: 6:00 P.M.

1. Public hearing to consider an increase to the new fee schedule for Joslin Field, Magic Valley Regional Airport.

Airport Manager Carberry explained the request.

On behalf of the Airport Advisory Board, staff recommends the Council approve the resolution setting the new fee schedule for Joslin Field, Magic Valley Regional Airport.

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Council discussion followed.
-19% increase to the landing fee

The public testimony of the hearing was opened and closed with no input.

Rebuttal: None

Closed the public hearing.

Deliberations.

MOTION:

Councilperson Barigar made a motion to adopt Resolution 1890, entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TWIN FALLS, IDAHO, SETTING THE FEE SCHEDULE FOR JOSLIN FIELD, MAGIC VALLEY REGIONAL AIRPORT. The motion was seconded by Councilperson Hawkins and roll call vote showed all members present. Approved 7 to 0.

2. Public hearing to consider a resolution to increase Private Youth Organization Ball field Preparation Fee.

Recreation Supervisor McClintock explained the request.

During the January 17, 2012, City Council meeting, staff was directed to take a second look at the private youth organizational fees. The Parks and Recreation Department staff and representatives from the TFCYB (Twin Falls County Youth Baseball) agreed on a \$5 increase per prep.

The Parks and Recreation Commission recommends to the City Council to approve the above proposed increase in Private Youth Organization Ball field Preparation Fee.

Council discussion followed.
Recreation Supervisor McClintock stated that the City is subsidizing \$12 per prep.

The public testimony of the hearing was opened and closed with no input.

Rebuttal: None

Closed the public hearing.

Deliberations.

MOTION:

Vice Mayor Hall made a motion to adopt Resolution 1891, entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TWIN FALLS, IDAHO, ESTABLISHING RECREATION PROGRAM FEES. The motion was seconded by Councilperson Talkington and roll call vote showed all members present voted in favor of the motion. Approved 7 to 0.

3. Public hearing to consider an increase to the sanitation rates, as discussed during the 2012-2013 budget process.

Chief Financial Officer Race explained the request.

The proposed utility rate resolution contains a 3% increase to water rates and a 2% increase to sewer rates, as discussed in the preliminary budget. The public hearing is to consider an increase to the sanitation rates.

She discussed past sanitation rate increases, subsidies used to offset those rate increases, structure of the sanitation fund and reserve history. In addition, she discussed components of the sanitation rate, what it is estimated to be in 2013 without the subsidy, and as presented in the 2013 budget with the \$150,000 subsidy.

In 2011, the City Council implemented the current curbside single stream incentive based recycling program. In order to spark interest and participation the Council elected to subsidize the total increased cost over the first year. This amounted to approximately \$480,000, and came from reserves in the Sanitation Fund. The rate to citizens remained at \$14.97 per month. In 2012, a 20% or \$3

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per month per household increase was recommended to cover the increased cost from not only 2011 but now 2012. Council elected to subsidize a \$1.63 of the requested increase. Rates increased 9% or a \$1.37, and from \$14.97 per month to \$16.34 per month per household.

The Sanitation Fund has an annual budget of about \$2,800,000 and of that total amount almost \$2,382,000 is budgeted for trash pickup, recycling, and landfill fees. This fund does not have any capital expenditures or any long term needs or debt. It is simply an operations fund.

Over the years the City has accumulated healthy reserves, meaning more revenues were collected than what was paid for in expenses over a period of time. The Council felt comfortable drawing down reserves to help fund the increases in 2011 and 2012. The City is now facing increases in 2013. In 2010, the City had a reserve balance of approximately \$1,200,000, which was drawn down to about \$480,000, in 2011, by subsidizing the entire increase for the recycling program. In the current fiscal year, the Council chose to subsidize a portion of the recommended rate increase which is estimated at \$270,000. It is estimated that the reserve balance will be at \$450,000 at the end of the fiscal year. For 2013, staff makes the recommendation to the Council to not draw the reserves below 8.33% or one month worth of operations, which would amount to approximately \$225,000. It is GFOA's best practice for governments to maintain adequate levels of working capital in their enterprise funds to mitigate current and future risks, and specifically revenue shortfalls and unanticipated expenses. The 2013 budget recommends the use of approximately \$150,000 of reserves, drawing that balance down to about \$300,000, at the end of fiscal year 2013.

The current monthly sanitation rate is \$16.34 per household. The proposed 6.24% rate increase would add \$1.02 per month. Without the \$150,000 subsidy, the proposed rate would be \$18.27 per month per household, or an increase of \$1.93 per month.

City Manager Rothweiler stated that when the recycling program is subsidized by \$150,000, what is being subsidized is the actual program itself which is being paid to PSI. The cost of the recycling incentive based component is about \$.83 for every \$1 that is charged as part of the incentive. The remaining \$.17 is paid to PSI to offset the additional cost associated with the RFI chips and equipment placed in their vehicles. If the Council elects to do something different with the incentive based portion of the program, staff recommends taking out the subsidy that is being applied. To balance the budget, needed is a 6.24% adjustment and a \$150,000 subsidy. At some point, if there is not a change to the program, there needs to be a rate increase as well because the full burden of the cost will have to be paid for by the users of the system.

Council discussion followed:

-Southern Idaho Solid Waste tipping fee and commodity refunds

Chief Financial Officer Race stated that the \$3.71 is the current rate and there would not be an increase to the landfill rate next year. The City hopes that the rate will decrease. The commodity refunds stays in the Sanitation Fund and the revenues offset any increase needed.

City Manager Rothweiler explained that the City collects a fee to cover the costs of sanitation, and over a period of time there was more revenue coming into the system than expenses going out to the system. That reserve amount grew into approximately \$1,200,000. The total costs of offering sanitation services to the community are approximately \$2,800,000.

-Community feedback on the recycling program.

The public testimony portion of the hearing was opened.

Pete Johnston, 312 Washington Street South, stated that he does not use recycle points but is in favor of reducing waste to the landfill. He stated that he is opposed to an increase and stated that he was annexed into the City and now trying to figure out how to get unannexed, because taxes have almost doubled.

Max Newlin, 328 7th Avenue East, stated that he is not in favor of the incentive program.

The public testimony portion of the meeting was closed.

Rebuttal: None

The public hearing was closed.

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Councilperson Mills Sojka stated that the cost of the incentive program is \$160,800, and the City is offsetting it with the reserves of \$150,000; she therefore suggested that instead of using reserves reduce the fee by a \$1. According to the City staff report, the increases are a \$1 - \$2 per month and if decreases are made in the incentive program of \$1 - \$2 per month, effectively the rate may be retained.

City Manager Rothweiler explained the components of the \$1 incentive style piece. Not 100% of the \$1 goes to Recyclebank; \$.83 of every dollar is remitted to Recyclebank and \$.17 of every dollar per customer per month is used to offset the RFI chip as making the improvements to the recycling truck.

Josh Brown, District Manager of PSI, stated that when the program was bid, it was anticipated that the costs would be placed over the life of the contract. PSI has a capital investment that would be returned to the company at the end of the five year contract.

City Manager Rothweiler explained that if the Council chose to subsidize the program at \$150,000 this year and took away the \$.83 incentive program, the total increase to the sanitation bill would be \$.19, which is 1.17%.

Vice Mayor Hall and Councilperson Mills Sojka both agreed that the Council should find ways to reduce monthly increases for the citizens

Councilperson Barigar stated that he has heard councilmembers state that recycling is the right thing to do, which is the reason the program was implemented in the first place. He stated that he would hope that the Council would not dismantle the program. 975 persons are signed up in the recycling program and Recyclebank is finding ways to enhance the incentives that are available. The supplies for recycled materials are not in demand. Targeting the incentive program as a way to reduce funds actually punishes those citizens who use the incentive program, as opposed to going to the Solid Waste District, and he stated that less trash is being sent to the landfill and costs should be reduced.

Councilperson Talkington stated that he would be in favor of eliminating the \$.83 but keeping the \$150,000 subsidy because the recycling program is ending its second year. There is roughly a 7% usage and a 93% non usage, and sending 4 ½ million pounds less to the landfill, which demonstrates that people will recycle without the recycle program.

Councilperson Hawkins stated that she is concerned that the program has not been given enough time to take hold.

Josh Brown stated that the incentive program is part of the contract. According to the contract, if the Council chooses to eliminate the incentive program, the City is required to give PSI a 180 day notice to make the changes to their revenue stream as well. PSI advocates keeping the program.

City Attorney Wonderlich asked for Council to allow staff to review information discussed and come back to the Council at a future meeting.

Vice Mayor Hall asked that Josh Brown come back to Council and explain how this would affect PSI's operation if the incentive program was to be dismantled.

Josh Brown stated that there would be a revenue reduction.

V. ADJOURNMENT: 7:23 P.M.

Leila A. Sanchez
Recording Secretary/Deputy City Clerk