

CITY OF DONNELLY

169 HALFERTY STREET
P.O. BOX 725
DONNELLY, ID 83615
TELEPHONE (208) 325-8859 FAX (208) 325-4091

City Council Meeting

Monday, February 8, 2016 at 6:00 pm

**Donnelly Community Center
AGENDA**

ROLL CALL

CONSENT AGENDA:

Vouchers January 11, 2016 through February 4, 2016
City Council Meeting Minutes – January 11, 2016

BUSINESS AGENDA:

AB 16-08 Fiscal Year 2015 Audit

Jared Zwygart presenting Audit performed in December 2015

AB 16-05 Road & Street Equipment

Backhoe replacement – Burk's Tractor
Kubota 1140 RTV – plow

AB 16-07 On Call Public Work's Engineering Services RFP received

Mountain Waterworks, T.O. Engineers, J.U.B. Engineers

AB 15-61 City Attorney Services

Chris Yorgason – Engagement Letter

AB 16-09 Idaho Power Franchise Agreement

Agreement is up for renewal July 17, 2016

STAFF REPORTS:

Clerk/Treasurer Report
Mayor
Council

ADJOURN:

Public Hearing, Monday, February 22, 2016
City Council, Monday, March 21, 2016



City of Donnelly

169 Halferty Street
P.O. Box 725
Donnelly, ID 83615
Telephone (208) 325-8859 Fax (208) 325-4091

City Council Meeting on Monday, January 11, 2016 at 6:00 pm Donnelly Community Center

MINUTES

ROLL CALL at 6:00 p.m. Council Members Koch, Stayton, Getto and Davenport. were present, as well as Mayor Backus and Council-elect Minshall.

Quorum exists. Clerk, Cami Hedges was present.

CONSENT AGENDA:

Motion by Koch, 2nd by Stayton to approve Vouchers from December 17, 2015 through January 8, 2016 with the addition of four vouchers through January 11, 2016. Motion carried.

Motion by Stayton, 2nd by Davenport to approve City Council minutes from December 28, 2015. Motion carried.

Business Agenda:

AB 16-01 Appointment of Elected Official

Mayor Backus commented upon his term as Mayor of Donnelly. After 8 years of service the City has seen 5Mil of infrastructure improvements at no cost. It has been a challenge but it was two great terms of service.

Mayor Brian Koch – took his oath as mayor elect.

Councilman Gabe Stayton – took his oath as councilor elect.

Councilwoman Leslie Minshall – took her oath as councilor elect.

AB 16-02 Appointment of Vacant Seat

Two letters of interest were received and presented to the Council members. Mallorie Getto has served on the council for the past four months and shown a great interest in the position. Lisa Nelson also submitted a letter of interest and has been in the community for many years and owns a business in town. After discussion the council made the recommendation of Mallorie Getto to be appointed to the vacant seat that was made vacant by the election of Brian Koch as mayor.

Motion by Stayton, 2nd by Minshall to appoint Mallorie Getto to the vacant seat that will come for re-election in two years. Motion carried.

Motion by Koch, 2nd by Stayton to approve City Council minutes from November 16, 2015. Motion carried.

AB 16-03 Selection of Council President

Motion by Minshall, 2nd by Davenport to select Gabe Stayton as the City Council president. Motion carried. Motion carried.

AB 16-04 Resolution 2016-001 Payment of Vouchers that have late payment fees.

Motion by Minshall, 2nd by Davenport to approve Resolution 2016-001, to allow payment of vendors listed in Resolution to be paid prior to City Council meetings. Motion carried.

AB 16-05 Road and Street Equipment

Clerk will work with Burks tractor to get a quote on a newer backhoe with a possible trade.

AB 16-06 Valley County Economic Development Council – City Representation

Motion by Stayton, 2nd by Davenport to appoint City Clerk Treasurer Cami Hedges as the City representation on the VCEDC. Motion carried.

AB 15-57 Annual Road and Street Financial Report 2015

Motion by Stayton, 2nd by Koch to approve the 2015 Annual Road and Street report. Motion carried.

AB 16-07 On Call Public Work's Engineering Service RFQ received

After discussion and presentation of the engineering firms proposals, it was requested that we receive additional input from other Council members. Councilwoman Minshall and Getto will rate the proposals for decision at the next meeting.

Motion by Davenport, 2nd by Minshall to table the decision on Engineering services until the next city council meeting on February 8, 2015. Motion carried.

AB 15-61 City Attorney

Clerk still did not receive any additional letters of interest from any attorney's for the position. Clerk also presented a letter of interest from Chris Yorgason to provide City Attorney services for Donnelly. Mr. Yorgason said he would have a 24 hour response time to any email or phone call and would keep our billing rate at \$150.

AB 16-08 Bank Check Signers

Motion by Minshall, 2nd by Stayton to remove check signer Brad Backus and add Wendy Davenport to the checking accounts. Motion carried.

STAFF REPORTS:

City Clerk – report was in packet. General snow removal (street parking and sidewalk). Bruce is to clear out driveways to Trading Post and Cougar Dave's ASAP. Also to determine where there is additional snow storage for these businesses no later than Thursday. Clerk to request priority checklist from Public works on snow removal. Order no parking signs for Main street for hours of snow removal.

ADJOURN:

Motion by Davenport, 2nd by Minshall to adjourn at 8:40 p.m. until February 8, 2016

02/04/16
12:47:05

CITY OF DONNELLY
Claim Approval List
For the Accounting Period: 2/16

Page: 1 of 5
Report ID: AP100V

* ... Over spent expenditure

Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
*** Claim from another period (1/16) ****								
1112		14 BOISE OFFICE EQUIPMENT	12.93					
	IN724955	01/29/16 maintenance agreement	7.50			10 41100	611	10100
	IN724955	01/29/16 maintenance agreement	3.23			51 41100	611	10100
	IN724955	01/29/16 maintenance agreement	2.20			52 41100	611	10100
		Total for Vendor:	12.93					
1117		150 CABLE ONE	92.26					
	020116	02/01/16 interenet	53.51			10 41100	437	10100
	020116	02/01/16 internet	23.07			51 41100	437	10100
	020116	02/01/16 internet	15.68			52 41100	437	10100
1119		150 CABLE ONE	8.56					
	020116	02/01/16 library internet	8.56			21 41100	417	10100
		Total for Vendor:	100.82					
*** Claim from another period (1/16) ****								
1108		29 CITY OF DONNELLY - WATER	73.32					
	012016	01/26/16 library water	73.32			21 41100	415	10100
*** Claim from another period (1/16) ****								
1109		29 CITY OF DONNELLY - WATER	320.00					
	012016	01/26/16 ddc water	320.00			10 44300	415	10100
		Total for Vendor:	393.32					
*** Claim from another period (1/16) ****								
1130		177 DELTA JAMES	600.00					
	011216	01/12/16 P&Z administrator	600.00			10 41100	330	10100
		Total for Vendor:	600.00					
*** Claim from another period (1/16) ****								
1114		38 DIG LINE, INC.	80.50					
	53483	01/10/16 ANNUAL CONTRACT FEE	80.50*			10 43010	520	10100
		Total for Vendor:	80.50					
*** Claim from another period (1/16) ****								
1105		48 FRANKLIN BUILDING SUPPLY CO.	112.80					
	886761	01/08/16 shop shelves	112.80			10 43010	461	10100
1115		48 FRANKLIN BUILDING SUPPLY CO.	18.95					
	105850	02/02/16 wood for shelves in shop	18.95			10 43010	461	10100
		Total for Vendor:	131.75					

02/04/16
12:47:05

CITY OF DONNELLY
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Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
		*** Claim from another period (1/16) ****						
1102		49 FRONTIER	56.70					
	010716	01/07/16 phone/fax	56.70			21 41100	437	10100
		Total for Vendor:	56.70					
		*** Claim from another period (1/16) ****						
1118		50 GE CAPITAL	190.00					
	64193243	01/20/16 copier lease	110.20			10 41100	612	10100
	64193243	01/20/16 copier lease	47.50			51 41100	612	10100
	64193243	01/20/16 copier lease	32.30			52 41100	612	10100
		Total for Vendor:	190.00					
		*** Claim from another period (1/16) ****						
1128		151 H.D. FOWLER COMPANY	92.73					
	4128402	01/29/16 shut off tool	92.73			51 43400	433	10100
		Total for Vendor:	92.73					
		*** Claim from another period (1/16) ****						
1080		55 HEADY'S POWER PRODUCTS	119.50					
	69918	01/19/16 generator repair	119.50			10 43010	434	10100
		Total for Vendor:	119.50					
		*** Claim from another period (1/16) ****						
1087		200 HOLMANS LAKE FORK MERC	25.20					
	17665	01/21/16 winter fuel for backhoe	25.20*			10 43010	482	10100
		Total for Vendor:	25.20					
		*** Claim from another period (1/16) ****						
1089		66 IDAHO POWER	343.40					
water power								
	0899-0116	01/19/16 main water system	203.33			51 41100	416	10100
	2555-0116	01/19/16 new well power	82.80			51 41100	416	10100
	3291-0116	01/19/16 water supply	49.91			51 41100	416	10100
	6560-0116	01/19/16 fire pump	7.36			51 41100	416	10100
		*** Claim from another period (1/16) ****						
1090		66 IDAHO POWER	269.60					
	0078-0116	01/19/16 street lights	166.20			10 43010	416	10100
	8211-0116	01/19/16 main street lights	83.14			10 43010	416	10100
	3329-0116	01/19/16 gestrin street light	20.26			10 43010	416	10100
		*** Claim from another period (1/16) ****						
1091		66 IDAHO POWER	107.09					
	4223-0116	01/19/16 community center	62.12			10 41100	416	10100
	4223-0116	01/19/16 community center	26.78			51 41100	416	10100
	4223-0116	01/19/16 community center	18.19			52 41100	416	10100

02/04/16
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Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
		*** Claim from another period (1/16) ****						
1092		66 IDAHO POWER	242.35					
	7988-0116	01/19/16 city hall shop	140.57			10 41100	416	10100
	7988-0116	01/19/16 city hall shop	60.59			51 41100	416	10100
	7988-0116	01/19/16 city hall shop	41.19			52 41100	416	10100
		*** Claim from another period (1/16) ****						
1093		66 IDAHO POWER	205.19					
	0182-0116	01/19/16 library poiwer	205.19			21 41100	416	10100
		*** Claim from another period (1/16) ****						
1106		66 IDAHO POWER	6.48					
	9405-0116	01/22/16 kiosk power	6.48			10 43010	416	10100
		Total for Vendor:	1,174.11					
1116		79 LAKESHORE DISPOSAL	70.04					
	23031826	02/01/16 ddc trash	70.04*			10 44300	414	10100
		Total for Vendor:	70.04					
		*** Claim from another period (1/16) ****						
1113		999998 LESLIE D MINSHALL	40.93					
	2015 10/01/15	huck trot expenses	40.93			10 44100	921	10100
		Total for Vendor:	40.93					
		*** Claim from another period (1/16) ****						
1076		85 MAY HARDWARE	149.94					
	832573	01/16/16 snow melt	149.94*			10 43010	482	10100
		Total for Vendor:	149.94					
1132		210 MILLINGTON ZWYGART CPAs, PLLC	5,850.00					
	1882 02/04/16	audit	3,393.00			10 41100	310	10100
	1882 02/04/16	audit	1,462.50			51 41100	310	10100
	1882 02/04/16	audit	994.50			52 41100	310	10100
		Total for Vendor:	5,850.00					
		*** Claim from another period (1/16) ****						
1127		153 MOUNTAIN WATERWORKS	250.00					
	2255 01/31/16	backup operator	250.00			51 41100	360	10100
		Total for Vendor:	250.00					
1121		154 NORTH LAKE RECREATIONAL SEWER &	3,200.00					
	020116 02/01/16	service agreement	3,200.00			52 41100	541	10100
		Total for Vendor:	3,200.00					

02/04/16
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* ... Over spent expenditure

Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
*** Claim from another period (1/16) ****								
1066		120 SINCLAIR FLEET TRACK (STINKER)	49.36					
	312626	01/04/16 snow diesel	49.36*			10 43010	482	10100
*** Claim from another period (1/16) ****								
1077		120 SINCLAIR FLEET TRACK (STINKER)	48.05					
	4436	01/19/16 fuel	27.87			10 43010	481	10100
	4436	01/19/16 fuel	12.01			51 41100	481	10100
	4436	01/19/16 fuel	8.17			52 41100	481	10100
*** Claim from another period (1/16) ****								
1078		120 SINCLAIR FLEET TRACK (STINKER)	29.25					
	4196	01/18/16 diesel fuel	29.25			10 43010	481	10100
*** Claim from another period (1/16) ****								
1079		120 SINCLAIR FLEET TRACK (STINKER)	35.95					
	4470	01/19/16 dielsel	35.95			10 43010	481	10100
*** Claim from another period (1/16) ****								
1082		120 SINCLAIR FLEET TRACK (STINKER)	11.70					
	4563	01/20/16 diesel	11.70*			10 43010	482	10100
*** Claim from another period (1/16) ****								
1083		120 SINCLAIR FLEET TRACK (STINKER)	53.84					
	3198	01/13/16 diesel backhoe	53.84*			10 43010	482	10100
*** Claim from another period (1/16) ****								
1098		120 SINCLAIR FLEET TRACK (STINKER)	31.80					
	4882	01/22/16 winter fuel	31.80*			10 43010	482	10100
*** Claim from another period (1/16) ****								
1101		120 SINCLAIR FLEET TRACK (STINKER)	135.35					
	123115	12/31/15 unleaded	78.50			10 43010	481	10100
	123115	12/31/15 unleaded	33.84			51 41100	481	10100
	123115	12/31/15 unleaded	23.01			52 41100	481	10100
*** Claim from another period (1/16) ****								
1123		120 SINCLAIR FLEET TRACK (STINKER)	45.15					
	6169	01/29/16 deisel	45.15*			10 43010	482	10100
Total for Vendor:			440.45					
*** Claim from another period (1/16) ****								
1111		122 STAR NEWS	73.50					
	38349	01/28/16 road & street report	73.50*			10 43010	530	10100
Total for Vendor:			73.50					

02/04/16
12:47:05

CITY OF DONNELLY
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For the Accounting Period: 2/16

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* ... Over spent expenditure

Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
*** Claim from another period (1/16) ****								
1088		123 STATE INSURANCE FUND	605.00					
	307170-1	01/19/16 wokers comp	605.00*			10 41010	260	10100
		Total for Vendor:	605.00					
*** Claim from another period (1/16) ****								
1094		163 STATE OF IDAHO - BOL	60.00					
	01/26/16	Bruce Dyrud Drinking Water Lic	30.00*			51 41100	520	10100
	01/26/16	Bruce Dyrud Small System Lic	30.00*			51 41100	520	10100
		Total for Vendor:	60.00					
1084		162 USDA Rural Development	13,012.00					
	02/01/16	sewer loan payment	4,927.14			52 41100	810	10100
	02/01/16	sewer loan payment	8,084.86			52 22410		10100
1085		162 USDA Rural Development	13,349.00					
	02/01/16	water bond payment	4,670.22			51 41100	810	10100
	02/01/16	water bond payment	8,678.78			51 22410		10100
		Total for Vendor:	26,361.00					
*** Claim from another period (1/16) ****								
1104		140 VALLEY COUNTY CLERK	418.00					
	01/16/16	stinker station plan review	418.00*			10 41100	341	10100
		Total for Vendor:	418.00					
*** Claim from another period (1/16) ****								
1097		208 VALLEY COUNTY ECONOMIC DEV.	1,000.00					
	01/16/16	FY 16 Lot Award	1,000.00			15 41100	922	10100
		Total for Vendor:	1,000.00					
1126		209 YORGASON LAW OFFICES PLLC	540.00					
	020116 02/01/16	ordinance review/summary	315.00			10 41100	320	10100
	020116 02/01/16	lake shore agreement / water b	225.00*			51 41100	320	10100
		Total for Vendor:	540.00					
# of Claims			43	Total:				42,036.42

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 16-08

Meeting Date 02/08/16

AGENDA ITEM INFORMATION

SUBJECT:

***Fiscal Year 15 Annual Audit
Millington Zwygart***

Department Approvals

Initials

***Originator
or
Supporter***

Mayor / Council

Clerk/Treasurer

Public Works

COST IMPACT:

FUNDING

SOURCE:

TIMELINE:

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Accept the presented Audit.

RECORD OF COUNCIL ACTION

MEETING DATE

ACTION



1803 Ellis Ave, Caldwell, Idaho 83605
PH: 208-459-4649 | FAX: 208-454-9091
www.MZcpas.com

Millington Zwygart

CERTIFIED PUBLIC ACCOUNTANTS

February 4, 2016

To the Honorable Mayor and City Council,
City of Donnelly, Idaho

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Donnelly for the year ended September 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, if applicable, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 30, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Donnelly are described in Note 1 to the financial statements. The City of Donnelly adopted GASB 68 during the year. The effects of this change are discussed in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the accounts receivable is based on management's knowledge. We evaluated the key factors and assumptions used to develop the accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule to the management representation letter summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 4, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We talked about the segregation of duties issues as noted in the audit report.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of City Council and management of City of Donnelly and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Millington Zwysart CPAs, PLLC

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 16-05

Meeting Date 01/11/2016

AGENDA ITEM INFORMATION

SUBJECT:

***Road & Street Equipment
Backhoe Replacement***

Department Approvals

Initials

***Originator
or
Supporter***

Mayor / Council

Clerk/Treasurer

Public Works

COST IMPACT:

FUNDING

SOURCE:

TIMELINE:

SUMMARY STATEMENT:

Backhoe was purchased in 2004 and valued at \$38000 at that time. It had approx 2000 hours at that time. Currently has 8700 hours. This is the City's work horse and it would be a good idea of instead of rebuilding trading in for a newer used backhoe. They are approximated between \$55K and \$100K for used and low hours. This is from Burk's tractor in Caldwell/Twin Falls.

RECOMMENDED ACTION:

RECORD OF COUNCIL ACTION

MEETING DATE

ACTION

**Burks Tractor Co.**

220 Farmway Rd.
P O BOX 1196
Caldwell, ID 83606-1196
TEL: (208) 466-7875
FAX: (208) 795-5262

PRICE QUOTATION AND APPRAISALDATE February 2, 2016Mr. City of Donnelly

Address _____

WAS QUOTED THE FOLLOWING PRICES F.O.B.

QUANTITY	SIZE AND DESCRIPTION	PRICE
1	Used 2014 Case 580SN Backhoe 295 hours Case controls Auxiliary hydraulics Bucket adapter kit 93" front bucket 18" backhoe bucket Extendahoe Ride control Machine is "as-is"	\$ 88,000.00 No warranty

Description of Trade-In Equipment			Serial	Sales Tax		\$	N/A
Description	Make	Model	Number				
Backhoe	Case	580SL	JJG0196392	1. Cash Price		\$	88,000.00
				Cash Down Payment	\$ 0.00		
				Trade-In allowance	\$ 11,800.00		
				2. Total Down Payment		\$	11,800.00
				3. Unpaid balance of Cash Price (1 minus 2)		\$	0.00
Trade-In Value			\$ 11,800.00	4. (a) Phy. Dam. Insurance	\$ 0.00		
Less Owing			\$	(b) Official Fees	\$ 274.50		
Net trade-In Allowance			\$	Sub-Total		\$	274.50
				5. Unpaid Balance--Amount Financed (3+4)		\$	88,274.50

Due Date	Amount	Due Date	Amount
1	\$	13	\$
2	\$	14	\$
3	\$	15	\$
4	\$	16	\$
5	\$	17	\$
6	\$	18	\$
7	\$	19	\$
8	\$	20	\$
9	\$	21	\$
10	\$	22	\$
11	\$	23	\$
12	\$	24	\$

6. Finance Charge	0%	\$	0.00
7. Optional Credit Life Insurance		\$	0.00
8. Total of payments (Time Balance) (5+6+7)		\$	0.00
9. Deferred Payment Price (1+4+6+7)		\$	\$0.00
10. Annual Percentage Rate	5%		
11. Date Finance charge begins			February 10, 2016
12. Payment schedule: For value received, Purchaser hereby agrees to pay to the Seller, or his assignee, the Total of Payments (amount above) in			
5	equal installments of	\$17,750.00	yearly payments.

THIS IS NOT AN ORDER: Prices and allowances on this quotation are current prices and allowances in effect on and will be honored for 30 calendar days only after the date of this sheet. After the expiration date please reconfirm this sheet or ask for a new quotation.

February 2, 2016SALESMAN Jesse Olsen

**Burks Tractor Co.**

220 Farmway Rd.
P O BOX 1196
Caldwell, ID 83606-1196
TEL: (208) 466-7875
FAX: (208) 795-5262

PRICE QUOTATION AND APPRAISALDATE February 2, 2016Mr. City of Donnelly

Address _____

WAS QUOTED THE FOLLOWING PRICES F.O.B.

QUANTITY	SIZE AND DESCRIPTION	PRICE
1	Used 2014 Case 580SN Backhoe 295 hours Case controls Auxiliary hydraulics Bucket adapter kit 93" front bucket 18" backhoe bucket Extendahoe Ride control Includes extended Case Protection Plan 36 month/ 3000 hour Powertrain and Hydraulics Covered	\$ 91,168.00

Description of Trade-In Equipment			Serial	Sales Tax	\$ N/A
Description	Make	Model	Number		
Backhoe	Case	580SL	JJG0196392		
Trade-In Value			\$ 11,800.00		
Less Owing			\$		
Net trade-In Allowance			\$		

1. Cash Price		\$ 91,168.00
Cash Down Payment	\$ 0.00	
Trade-In allowance	\$ 11,800.00	
2. Total Down Payment		\$ 11,800.00
3. Unpaid balance of Cash Price (1 minus 2)		\$ 0.00
4. (a) Phy. Dam. Insurance	\$ 0.00	
(b) Official Fees	\$ 274.50	
Sub-Total		\$ 274.50
5. Unpaid Balance--Amount Financed (3+4)		\$ 79,642.50

6. Finance Charge	0%	\$ 0.00
7. Optional Credit Life Insurance		\$ 0.00
8. Total of payments (Time Balance) (5+6+7)		\$ 0.00
9. Deferred Payment Price (1+4+6+7)		\$ 0.00
10. Annual Percentage Rate	5%	
11. Date Finance charge begins		February 10, 2016
12. Payment schedule: For value received, Purchaser hereby agrees to pay to the Seller, or his assignee, the Total of Payments (amount above) in		
5 equal installments of	\$18,500.00	yearly payments.

Due Date	Amount	Due Date	Amount
1	\$	13	\$
2	\$	14	\$
3	\$	15	\$
4	\$	16	\$
5	\$	17	\$
6	\$	18	\$
7	\$	19	\$
8	\$	20	\$
9	\$	21	\$
10	\$	22	\$
11	\$	23	\$
12	\$	24	\$

THIS IS NOT AN ORDER: Prices and allowances on this quotation are current prices and allowances in effect on _____ and will be honored for 30 calendar days only after the date of this sheet. After the expiration date please reconfirm this sheet or ask for a new quotation.

SALESMAN Jesse OlsenFebruary 2, 2016

**Burks Tractor Co.**

220 Farmway Rd.
P O BOX 1196
Caldwell, ID 83606-1196
TEL: (208) 466-7875
FAX: (208) 795-5262

PRICE QUOTATION AND APPRAISALDATE February 2, 2016Mr. City of Donnelly

Address _____

WAS QUOTED THE FOLLOWING PRICES F.O.B.

QUANTITY	SIZE AND DESCRIPTION	PRICE
1	Used 2014 Case 580SN Backhoe 295 hours Case controls Auxiliary hydraulics Bucket adapter kit 93" front bucket 18" backhoe bucket Extendahoe Ride control	\$ 91,168.00 Extended Warranty Powertrain/Hydraulics 36 month/3000 hours
1	Used Kubota RTV 1140 Front snow blade 4x4, studded tires Heater	\$ 18,000.00

Description of Trade-In Equipment			Trade Value
Description	Make	Model	
Backhoe	Case	580SL	11,800
Tractor	New Holland		9500
Trade-In Value			\$ 21,300.00
Less Owing			\$ _____
Net trade-In Allowance			\$ _____

		Sales Tax	\$ N/A
1. Cash Price			\$ 109,168.00
Cash Down Payment	\$ 0.00		
Trade-In allowance	\$ 21,300.00		
2. Total Down Payment			\$ 21,300.00
3. Unpaid balance of Cash Price (1 minus 2)			\$ 0.00
4. (a) Phy. Dam. Insurance	\$ 0.00		
(b) Official Fees	\$ 274.50		
Sub-Total			\$ 274.50
5. Unpaid Balance--Amount Financed (3+4)			\$ 88,142.50
6. Finance Charge	0%		\$ 0.00
7. Optional Credit Life Insurance			\$ 0.00
8. Total of payments (Time Balance) (5+6+7)			\$ 0.00
9. Deferred Payment Price (1+4+6+7)			\$ \$0.00
10. Annual Percentage Rate	5%		
11. Date Finance charge begins			February 10, 2016
12. Payment schedule: For value received, Purchaser hereby agrees to pay to the Seller, or his assignee, the Total of Payments (amount above) in <u>5</u> equal installments of \$20,500.00 yearly payments.			

Due Date	Amount	Due Date	Amount
1	\$	13	\$
2	\$	14	\$
3	\$	15	\$
4	\$	16	\$
5	\$	17	\$
6	\$	18	\$
7	\$	19	\$
8	\$	20	\$
9	\$	21	\$
10	\$	22	\$
11	\$	23	\$
12	\$	24	\$

THIS IS NOT AN ORDER: Prices and allowances on this quotation are current prices and allowances in effect on _____ and will be honored for 30 calendar days only after the date of this sheet. After the expiration date please reconfirm this sheet or ask for a new quotation.

February 2, 2016SALESMAN Jesse Olsen

PURCHASED PROTECTION PLAN MASTER PARTS SCHEDULE

This Plan excludes protection for any component that is not listed on the "Master Parts Schedule", including any resulting or consequential damage to a "covered component" that is caused by or results from the failure of a component not listed on the Master Parts Schedule, for the Plan Option selected. In the event of an eligible failure, the deductible selected for any New Equipment Purchased Protection Plan will be applied to each eligible failure. Please see the Terms and Conditions document, as issued, for complete Plan details. Note: Dealer installed options are not eligible for reimbursement.

CONSTRUCTION EQUIPMENT

Used Equipment Plans

POWERTRAIN + HYDRAULICS PLAN OPTION COVERED COMPONENTS

ENGINE		COMPACTION/PAVING EQUIPMENT	TRANSMISSION/AXLES/HYDROSTATICS	
<input type="checkbox"/> Accessory Gears <input type="checkbox"/> Camshaft <input type="checkbox"/> Camshaft Bearings <input type="checkbox"/> Camshaft Drive Gear <input type="checkbox"/> Connecting Rods & Bearings <input type="checkbox"/> Crankshaft Bearings & Gear <input type="checkbox"/> Crankshaft Including Front and Rear Crankshaft Seals <input type="checkbox"/> Cylinder Heads/Head Gaskets <input type="checkbox"/> Cylinder Liners <input type="checkbox"/> Engine Block <input type="checkbox"/> Engine Oil Cooler <input type="checkbox"/> Engine Speed Controls, Linkages, and Cables <input type="checkbox"/> Flywheel, Ring Gear <input type="checkbox"/> Front & Rear Engine Covers and Seals <input type="checkbox"/> Front Damper <input type="checkbox"/> Oil Pan & Gaskets <input type="checkbox"/> Oil Pump <input type="checkbox"/> Pistons & Rings <input type="checkbox"/> Pressure/Temperature Sensors & Sending Units <input type="checkbox"/> Rocker Arm Assembly <input type="checkbox"/> Thermostats <input type="checkbox"/> Timing Gears <input type="checkbox"/> Valve Cover and Gasket <input type="checkbox"/> Water Pumps ... and all internally lubricated parts within the above systems	Components Covered after Emission Warranty... <input type="checkbox"/> Electronic Engine Control Module <input type="checkbox"/> Injection Pump <input type="checkbox"/> Injectors <input type="checkbox"/> Intake and Exhaust Manifold and Gaskets <input type="checkbox"/> Turbocharger and Gasket	<input type="checkbox"/> Eccentric Mechanism & Bearings <input type="checkbox"/> Drum Seals <input type="checkbox"/> Reduction Unit <input type="checkbox"/> Vibration System Hydraulic Components	<input type="checkbox"/> Axle Housing <input type="checkbox"/> Axle Shaft <input type="checkbox"/> Clutch Discs(Wet Only) <input type="checkbox"/> Clutch Plates (Wet Only) <input type="checkbox"/> Counter Shaft Clutch <input type="checkbox"/> Differential Housing <input type="checkbox"/> Differential Pinion Gear/Ring Gear <input type="checkbox"/> Drive Axle Hub <input type="checkbox"/> Drive Shaft with Universal Joints <input type="checkbox"/> Drive Shaft Support Bearing <input type="checkbox"/> Electronic Transmission Controller and Valve <input type="checkbox"/> Enclosed Oil Immersed Chains and Sprockets <input type="checkbox"/> Final Drive Pinion <input type="checkbox"/> Final Drive Planetary Gears <input type="checkbox"/> Front Wheel Drive Sensors <input type="checkbox"/> Hydraulic Drive/Travel Motor <input type="checkbox"/> Hydraulic Drive Pump <input type="checkbox"/> Hydraulic Transmission-Control Valve <input type="checkbox"/> Hydrostatic /Hydraulic Pump Drives <input type="checkbox"/> Hydrostatic Motor <input type="checkbox"/> Hydrostatic Transmission Charge Pump <input type="checkbox"/> Hydrostatic Transmission Pump Valve <input type="checkbox"/> Internal Lubricated Clutch Housings	<input type="checkbox"/> Internal Transmission Control Linkage <input type="checkbox"/> Internal Wet Service Brakes <input type="checkbox"/> MFWD Axle/Differential Assembly including Driveshaft and U Joint <input type="checkbox"/> Planetary Gear Carrier <input type="checkbox"/> IPTO Clutch Housing (Scraper Tractors Only) <input type="checkbox"/> Rotary Hydraulic Manifold <input type="checkbox"/> Splitter Drive/Drop Box <input type="checkbox"/> Swing Motor and Swing Gear Box <input type="checkbox"/> Tumble Bearing <input type="checkbox"/> Torque Converter <input type="checkbox"/> Torque Converter Pump <input type="checkbox"/> Torque Hubs <input type="checkbox"/> Transfer Drive <input type="checkbox"/> Transmission Case <input type="checkbox"/> Transmission Gears, Bearings & Shafts <input type="checkbox"/> Transmission Pump <input type="checkbox"/> Travel Control Valve <input type="checkbox"/> Travel & Swing Sections (only) of Main Control Valve <input type="checkbox"/> Wet Steering Clutches

HYDRAULICS

- | | |
|---|---|
| <input type="checkbox"/> Hydraulic Cylinders
<input type="checkbox"/> Hydraulic Motors | <input type="checkbox"/> Hydraulic Pumps
<input type="checkbox"/> Hydraulic Valves |
|---|---|

POWERTRAIN + HYDRAULICS EXCLUSIONS

Engine/Transmission Mounts, Filters, Belts, Pulleys, Loose/Broken bolts, Lubricants, Antifreeze, Adjustments, Burnt And/Or Pitted Valves, Radiator, Wiring Harnesses, Breathers, Dry Clutches, Batteries, Electrical Components Not Listed Above, Steel Pipes, hoses and Gauges, Engine Oil Lines/Hoses Including Fittings, Air and Water Lines/Hoses Including Fittings, External Hydraulic Seals, External O-Rings And Bonded Washers, Hydraulic Quick Couplers, and Gas Struts

STAND-ALONE LEAKS MUST BE PRE-APPROVED BY THE PROGRAM ADMINISTRATOR AND WILL REQUIRE PRE-PHOTOS

Internal oil seals/gaskets leaking which cause either the need for regular topping up of lubricant between regular service intervals, or a sudden escape of lubricant, may be covered. Internal oil seals/gaskets are oil seals/gaskets which are internal to the machine and do not have a face to the outside air.

External oil seals/gaskets that has oil escaping from an eligible reservoir, sump, housing or gearbox, where the correct level cannot be maintained to ensure proper operation, has developed a drip/run that reaches the ground, will damage surrounding components, or puddle in/on the machine, may be covered so long as the leak is an internal seal/gasket failure and cannot be attributed to wear or contamination. External oil seals/gaskets have an external face and are susceptible to wear and contamination damage. External oil seals/gaskets leaking but not requiring regular topping up of lubricant between regular service intervals, and which are found at service inspection, and have not been previously reported as a fault by the client, are not covered.

2014 July1 USED CE EQUIPMENT PT+H.mps.en

This literature is descriptive only. The precise protection afforded is subject to the terms, conditions and exclusions of the contract as issued.

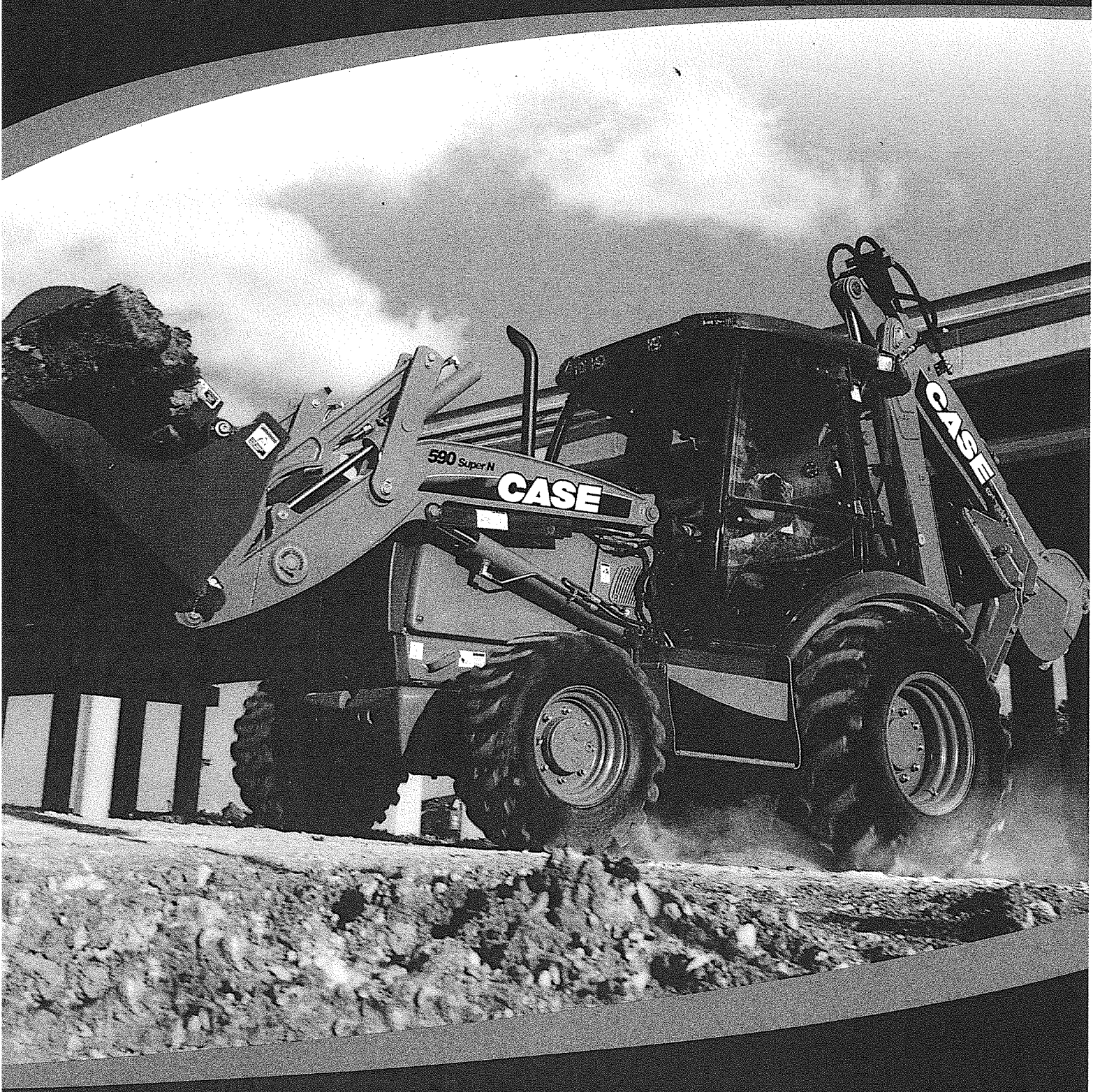
Customer Signature: _____ Date: _____

Dealer Signature: _____ Date: _____

CASE
CONSTRUCTION

N SERIES LOADER BACKHOES

580N | 580 Super N | 580 Super N Wide Track |
590 Super N



Case Delivers Full-Service Solutions

EQUIPMENT | FINANCING | PARTS & SERVICE

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 16-07

Meeting Date 01/11/2016

AGENDA ITEM INFORMATION

SUBJECT:

***On Call Public Works Engineering Services
RFP Received***

Department Approvals

Initials

***Originator
or
Supporter***

Mayor / Council

Clerk/Treasurer

Public Works

COST IMPACT:

FUNDING

SOURCE:

TIMELINE:

SUMMARY STATEMENT:

We received 3 proposals for engineering services. A committee consisting of Gabe, Wendy and Cami ranked the proposal for Council review.

1/11/16 – Had Leslie and Mallorie Review – spoke to Kelly at Clearwater Economic Development and she gave some suggestion to select

RECOMMENDED ACTION:

RECORD OF COUNCIL ACTION

MEETING DATE

ACTION

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 15-61

Meeting Date 01/11/2016

AGENDA ITEM INFORMATION

SUBJECT:

City Attorney

Department Approvals

Initials

*Originator
or
Supporter*

Mayor / Council

Clerk/Treasurer

Public Works

COST IMPACT:

FUNDING

SOURCE:

TIMELINE:

SUMMARY STATEMENT:

Approve letter of agreement for Attorney Services with Chris Yorgason.

RECOMMENDED ACTION:

RECORD OF COUNCIL ACTION

MEETING DATE

ACTION

YORGASON
LAW OFFICES, PLLC

February 1, 2016

City of Donnelly
Attn: Cami Hedges
169 Halferty Street
Donnelly, Idaho 83615

RE: *Legal Services Agreement*

Dear Mayor Brian Koch:

I ("Attorney") am pleased to welcome the City of Donnelly (the "City" or "Client") as a client. This letter sets forth the terms of our engagement.

You are retaining me to provide legal services in connection with the City's activities as a municipality of the State of Idaho, including but not limited to general corporate representation of the City.

Attorney shall provide legal advice and representation, and shall perform such tasks and services as are necessary, in the Attorney's judgment, to accomplish this duty. My role is primarily that of adviser and counselor, not decision maker, and you are expected and required to authorize major decisions regarding the outcome or conduct of the representation. Such "major decisions" might include, but are not necessarily limited to, settlement authority or terms, approval for filing dispositive substantive motions, employment of expert witnesses or consultants, and initiation or participation in litigation or appeal proceedings. Any litigation also includes "additional decisions" involving matters of execution, strategy or tactics which, due to scope, timing, or other factors will generally be addressed without formal approval by you. Such "additional decisions" might include, but are not necessarily limited to, structure and presentation of written and oral argument and selection of exhibits, witnesses, terminology or techniques used in argument; routine correspondence with court staff, agency personnel or opposing counsel; direction and scope of legal research efforts; and other specific decisions of a tactical nature.

You further agree: (1) to regularly communicate with the Attorney and advise me of any changes in your goals or expectations in the representation, concerns about the existence or disclosure of privileged communications, and any material factual developments that could influence the outcome or strategic posture of any litigation and representation; (2) to abide by, and make reasonable efforts to ensure compliance with any instructions provided by the Attorney regarding strategic matters and communications with the media or the general public regarding any litigation and representation; and (3) to vigorously protect and defend the attorney-client privilege, attorney work-product privilege, and other protections covering communications

between you and the Attorney that are conducted in confidence and address matters pertaining to any litigation or representation.

The Attorney shall be compensated at a rate of one hundred fifty dollars (\$150.00) per hour. The hourly rate shall include reasonable expenses related to representation, which typically include, but may not be limited to, telephone charges, including long distance and wireless charges, photocopy, fax, transcript fees, computerized legal research, meals, and similar expenses. Mileage will be billed at the accepted IRS rate. Litigation or other large projects outside the scope of general representation are not covered under this agreement and Client and Attorney agree to discuss the best options for representation of the Client in those matters, which may include the retainer of outside counsel.

As legal consultant to Client, the Attorney will refuse any new relationship or agreement which may tend to conflict with the interests of a current client. On rare occasions, conflicts develop among the interests of existing clients; in those cases, the Attorney will make every effort to resolve the conflicts in such a way as to allow uninterrupted representation for Client. The Attorney does not anticipate any issue arising under this Agreement that would require the Attorney to advise or represent Client regarding issues against any other Idaho municipality, and Client understands that the Attorney, due to other client relationships, may be unable to file a lawsuit against an Idaho municipality on behalf of Client.

Client acknowledges that the Attorney represents or may represent other municipal or governmental entities, including cemetery districts, schools or other cities. The Attorney has evaluated the possible interests of each of these clients as they may relate to representation of Client, and have concluded that the Attorney can reasonably undertake joint representation of Client and any or all of these parties without adverse effect to the interests of any of the affected parties. Client acknowledges it has been advised of the nature of such joint representation and possible associated risks, that it has considered this information, and consents to the proposed joint representation by the Attorney. In the event the Attorney determines he can no longer conduct joint representation of Client and one or more other clients without adverse effect to the interests of one or more of the jointly-represented parties, the Attorney will immediately advise all affected clients and will take such measures as are necessary to protect the interests of the parties and to provide representation for all parties in a manner that is appropriate under the applicable Rules of Professional Conduct.

Any individual or officer signing this Letter represents that he or she is properly acting as an agent of the Client and is vested with all necessary authority to execute this Letter on behalf of the Client and to bind the Client to its terms. The contract will continue month-to-month until terminated. This Agreement may be terminated by either party upon giving at least thirty (30) days written notice of termination to the other party. Any disputes between the parties arising under this Letter shall be governed by the laws of the State of Idaho, and venue for any such dispute shall be Valley County, Idaho.

If this letter accurately reflects your understanding of our agreement, please acknowledge your approval and acceptance of these terms by signing and returning to me a copy of this letter. I would be pleased to answer any questions you might have.

Sincerely,


Christopher E. Yorgason

CITY OF DONNELLY

By: _____

Title: _____

Date: _____

YORGASON LAW OFFICES, pllc

By:  _____

Title: Owner _____

Date: 2/2/2016 _____

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 16-09

Meeting Date 02/08/16

AGENDA ITEM INFORMATION

SUBJECT: <i>Idaho Power Franchise Agreement Renewal – July 2016</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:				

SUMMARY STATEMENT:

Review current Ordinance/Agreement. Make necessary changes.

RECOMMENDED ACTION:

Send to attorney for review.

RECORD OF COUNCIL ACTION

MEETING DATE ACTION

Blake Watson
Community Relations Representative
ph:208-388-2413
fax:208-388-6924

January 26, 2016

Cami Hedges
City Clerk
City of Donnelly
P.O. Box 725
Donnelly, ID 83615

Subject: Donnelly Franchise Agreement with Idaho Power

Dear Cami:

The city of Donnelly and Idaho Power Company ("Idaho Power" or "Company") Franchise Agreement is set to expire July 17, 2016. Accordingly, I have enclosed a copy of the standard franchise ordinance form which Idaho Power has agreed to with other cities in Idaho. This franchise form authorizes Idaho Power to construct, operate and maintain its electric utility facilities in and upon the streets, highways and other public places within the City's corporate limits, and also provides for Idaho Power's payment of a franchise fee to the City, among other things. When the franchise ordinance is adopted by the City and signed by Idaho Power, it represents the franchise agreement between the parties.

The procedure for adopting utility franchise ordinances in Idaho includes the following steps:

1. The franchise ordinance is formally introduced at a City Council meeting.
2. The franchise ordinance is published in at least one issue of the official newspaper of the city.
3. The franchise ordinance is adopted by the City, at least thirty (30) days after the ordinance was introduced.
4. The franchise ordinance is published again within one month after it is adopted (before the ordinance takes effect).

Also attached is a Certificate which Idaho Power requests that the City fill out after the franchise ordinance is adopted. The Certificate provides confirmation that the various legal requirements for the adoption of the franchise ordinance have been met. The Certificate includes the following exhibits, which are to be attached to the Certificate after the franchise ordinance is adopted:

Exhibit A - City Council Meeting Minutes. Minutes from the first City Council meeting, where the franchise ordinance was introduced, and from the final City Council meeting, where the franchise ordinance was adopted.

Exhibit B - Ordinance. Copy of the franchise ordinance.

Exhibit C - Newspaper Notices. A copy of the newspaper notices showing publication of the franchise ordinance - once before the franchise ordinance is adopted and once within thirty (30) days after the franchise ordinance is adopted.

After the franchise ordinance is adopted, please fill out the Certificate form, attach the exhibits as discussed above, and execute the Certificate as the City Clerk representing the City. Upon the City's final adoption of the franchise ordinance, the City and Idaho Power will both execute the franchise ordinance and keep an original for their respective files. Idaho Power will also provide to the City the insurance certificate which is required under Section 7 of the franchise ordinance at that time.

Thank you once again for your assistance with the Idaho Power – Donnelly Franchise Agreement. Please feel free to call me at 388-2413 if you have any questions.

Sincerely,

Blake Watson
Community Relations

CERTIFICATE

STATE OF IDAHO)
) ss.
COUNTY OF)

I, the undersigned, the duly qualified and acting City Clerk of the City of
, Idaho, hereby certify that:

1. Attached hereto as Exhibit A is a full, true and correct copy of portions of the minutes of the regular meetings of the City Council of _____, Idaho, duly held in said City on the dates of _____, respectively, at which meetings all of the Council Members recited in the minutes as present were present during the entire meetings; that such portions of the minutes contain all parts of the minutes which relate to the regularity of the meetings or to any and all proceedings had with reference to the passage of Ordinance No. _____ granting a franchise to Idaho Power Company, its successors and assigns.

2. At each of the meetings aforesaid the ordinance was read, and said ordinance was duly passed and adopted.

3. Attached hereto as Exhibit B is a full, true and correct copy of Ordinance No. _____ as adopted by the City and as appears on record and on file in my office.

4. Said ordinance has never been altered, amended or repealed and is now in full force and effect.

5. At the time of the adoption of said ordinance, there were no rules or regulations of the City Council requiring ordinances or franchises to be passed or adopted in any manner or form different from that followed.

6. I am the legal keeper and custodian of the original records from which the attached copies purport to be made, and that I have compared said copies with the original records, and have found them to be true copies thereof.

7. Both prior to the passage of said ordinance, and within 30 days after the passage of the ordinance, I caused the ordinance to be published in _____, which is a newspaper printed, published and having a general circulation in said City of _____. Attached hereto as Exhibit C are copies of the proof of publication forms for the ordinance.

8. At the time of the passage of the above ordinance, the said City of _____, was a City incorporated under and governed by the general laws of the State of Idaho, and the Mayor of said City and Council Members of said City were as follows:

9. On _____, 200____, being within thirty (30) days after the passage of said ordinance, the Grantee, Idaho Power Company, duly filed with me, as City Clerk of said City, its written acceptance of the franchise granted by said ordinance.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the said seal
of said City this _____ day of _____, 200 .

(SEAL)

City Clerk

[

ORDINANCE NO. 183

"AN ORDINANCE IN ACCORDANCE WITH IDAHO CODE 50-328, 50-329 AND 50-329A GRANTING A FRANCHISE TO IDAHO POWER COMPANY, A CORPORATION, AND TO ITS SUCCESSORS AND ASSIGNS, TO CONSTRUCT, MAINTAIN AND OPERATE IN AND UPON THE PRESENT AND FUTURE STREETS, HIGHWAYS AND OTHER PUBLIC PLACES WITHIN THE CORPORATE LIMITS OF THE CITY OF DONNELLY, IDAHO, ELECTRIC UTILITY PROPERTY AND FACILITIES FOR SUPPLYING ELECTRICITY AND ELECTRIC SERVICE TO THE CITY, THE INHABITANTS THEREOF, AND OTHERS FOR A TERM OF 10 YEARS, INCLUDING THE NONEXCLUSIVE RIGHT TO PHYSICALLY LOCATE AND MAINTAIN TELEPHONE, CABLE, FIBER OPTICS OR OTHER COMMUNICATIONS FACILITIES; SETTING FORTH AN AGREEMENT NOT TO COMPETE, RESERVING POWER OF EMINENT DOMAIN; PROVIDING FOR THE PAYMENT OF FRANCHISE FEES; AND SPECIFYING OTHER LIMITATIONS, TERMS AND CONDITIONS GOVERNING THE EXERCISE OF SAID FRANCHISE."

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DONNELLY, IDAHO THAT;

SECTION 1. The City of DONNELLY, Idaho (hereinafter called the "City") hereby grants to IDAHO POWER COMPANY, a corporation, and to its successors and assigns (hereinafter called the "Grantee") the right (subject to the rights of the City set forth in Section 14 hereof), privilege and franchise for a period of ten (10) years from and after adoption and publication, however, with the right to amend by mutual agreement in accordance with Section 15, to construct, maintain and operate in and upon the present and future streets, alleys, highways and other public places within the corporate limits of the City, electric utility property and facilities for supplying electricity to the City, and the inhabitants thereof, and to persons and corporations beyond the limits of the City, including the nonexclusive right to physically locate and maintain telephone, cable, fiber optics or other communications facilities of the Grantee or other parties, (provided, that Grantee shall comply with the City's requirements for cable system franchises) all subject to the terms and conditions hereinafter specified. In the case of annexation of property to the corporate limit, such area will be considered under this agreement, upon effective date of the annexation, subject to Section 9 hereof. All such electric utility property and facilities now maintained by the Grantee within the streets, alleys, highways and other public places within the corporate limits of the City shall be deemed covered by this ordinance as provided herein.

SECTION 2. All of the Grantee's electric property and facilities in and upon the present and future streets, alleys, highways and public places within the corporate limits of the City shall be constructed and at all times maintained in good order and condition and in accordance with standard engineering practices and all applicable safety codes and lawful governmental regulations, including all applicable state and federal regulations and all construction standards presently in effect by the Idaho Public Utilities Commission or adopted by that Commission during the term of this franchise agreement.

SECTION 3. Upon request of the City, the Grantee shall relocate its facilities as necessary within the present and future streets, alleys, highways and other public places owned by the City. The City shall have no responsibility for the costs of such relocations. The Grantee shall bear the cost of relocating its facilities at the City's request, unless the facilities are to be relocated for the benefit of a third party, in which case the third party shall pay the costs of relocation. In the event federal, state or other funds are available in whole or in part for utility relocating purposes, the City shall apply for such funds and the Grantee will be reimbursed to the extent any such funds are actually obtained.

SECTION 4. It shall be lawful for the Grantee to make all needful or convenient excavations and/or installations in any of the present and future streets, alleys, highways and other public places within the corporate limits of the City for the purpose of erecting and maintaining the posts, poles, towers, or other supports for its wires or for the purpose of laying, maintaining and operating conduits, vaults and wires and other conductors underground for the purpose aforesaid, or to repair and improve such electric power and light system and to extend the same; provided that when the Grantee or any person or corporation under the authority of this franchise, shall disturb any of said streets, alleys, highways or other public places for the purposes aforesaid, he, it or they shall restore the same to good order and condition as soon as practicable and without unnecessary delay and failing to do so after five days' notice from the City, or its duly authorized officer or officers, then the City may place said street, alley, highway or public place in such condition at the cost and expense of the Grantee, and said Grantee will forthwith pay the full cost and expense thereof upon demand of the City. All facilities constructed under this ordinance shall be placed and maintained at such places and positions in or upon such public ways and public places as shall not interfere with the passage of traffic and shall conform to all applicable laws, rules and regulations.

SECTION 5. The City shall have the right and privilege to string and maintain wires for its internal communications for its fire, police, airport and other services upon the poles and other facilities erected and maintained by the Grantee hereunder, subject to the Rules and Regulations of the Idaho Public Utilities Commission. The City shall string, maintain and operate such wires at its own expense, risk and responsibility, and in accordance with all legal requirements and good engineering practices and in such manner as not to impose any additional expense upon Grantee of its said poles and facilities. Any such wires of the City shall be subject to interference by the Grantee only when necessary in the maintenance, operation or repair of the Grantee's own fixtures, wires, facilities and appurtenances.

SECTION 6. The Grantee shall at all times indemnify and hold the City, its officers, employees and agents, harmless from any and all expenses or liability arising from or by reason of any negligent act or omission of the Grantee, its representatives or employees, in the construction, operation or maintenance of any of the Grantee's electric utility property or facilities.

SECTION 7. Upon acceptance of this franchise by Grantee and before Grantee shall have any rights hereunder, Grantee shall file with the City Clerk a Certificate of Insurance evidencing General Liability Insurance which covers claims for Bodily Injury, Property Damage and Personal Injury. Such insurance shall have minimum limits of \$1,000,000 per occurrence. The City of Donnelly shall be named as an "Additional Named Insured" under Grantee's insurance policy. Should the minimum limits of insurance as set forth herein be increased above \$1,000,000, pursuant to the Idaho Tort Claims Act (Idaho Code Section 6-901 et. seq.) or any similar legislation, the Grantee shall be required to provide the City with a new Certificate of Insurance evidencing the higher limits upon the City's request.

SECTION 8. The electric service to be furnished to the public hereunder, and all rates and charges therefore, and all regulation of the Grantee hereunder, shall at all times be subject to all rules, regulations and orders that may be lawfully prescribed by the Idaho Public Utilities Commission or by any other governmental authority now or hereafter having jurisdiction over such matters. During the term of this franchise, Grantee shall at all times assure that customers within the City have access to customer service from the Grantee as required by the Idaho Public Utilities Commission.

SECTION 9. If authorized by formal adoption of city resolution, as compensation for the right, privilege and franchise hereby granted, Grantee agrees to pay to the City on or before the 30th day of January, April, July and October, an amount equivalent to one percent (1%) of Grantee's "gross revenues" for the preceding calendar quarter. For purposes of this Section, "gross revenues" shall mean the amount of money billed by the Grantee for the electricity it sells within the corporate limits of the City to customers, less uncollectibles. The City shall provide appropriate information to the Grantee to allow the Grantee to identify which of its customers are located within the corporate limits of the City for purposes of paying franchise fees. Grantee shall not be responsible for any failure to pay franchise fees which results from deficiencies in such information provided by the City. In the event the City annexes a new area into its corporate limits, the terms of this Section 9 regarding franchise fees shall not apply to the annexed area until sixty (60) days after the City has supplied the Grantee with appropriate information for the identification of the Grantee's customers within the annexed area.

The Grantee's franchise fee payment obligations hereunder shall commence with the start of the Grantee's first full billing cycle following the effective date of this ordinance; provided, that the Grantee must first receive approval from the Idaho Public Utilities Commission for the collection of the franchise fee in the rates charged by Grantee.

SECTION 10. The City shall have the right during the term of this franchise agreement to increase the franchise fee hereunder up to three percent (3%), by obtaining the consent of the Grantee or the approval of a majority of voters of the City voting on the question at an election held in accordance with chapter 4, title 50, Idaho Code. Any such vote to increase the franchise fee hereunder shall provide that the increased franchise fee will apply to any electric service provider (other than the City) who utilizes the City's streets, alleys or other public places to provide electrical service within the City, during the term of this franchise agreement.

SECTION 11. The Grantee shall keep accurate books of account for the collection of the franchise fees hereunder and the City shall have the right to inspect the same at all times during business hours, and from time to time audit the same for the purpose of determining gross revenues under Section 9 above.

SECTION 12. The franchise fees paid by the Grantee hereunder will be in lieu of and as payment for any tax or fee imposed by the City on the Grantee by virtue of its status as a public utility including, but not limited to, taxes, fees or charges related to easements, franchises, rights-of-way, utility lines and equipment installation, maintenance and removal during the term of this franchise agreement.

SECTION 13. The Grantee shall have the right and privilege, insofar as the City is able to grant the same, in accordance with National Arborist Association standards, of the pruning of all trees which overhang the present and future streets, alleys, highways and other public places within the corporate limits of the City, in such a manner and to such extent as will prevent the branches or limbs or other parts of such trees from touching or interfering with its wires, poles and other fixtures and equipment. However, except in an emergency, no pruning shall be undertaken without giving the occupant of the adjacent property written or oral notice that such pruning will be performed.

SECTION 14. In consideration of Grantee's undertaking hereunder as evidenced by its acceptance hereof, the City agrees not to engage in the business of providing electric service during the life of this franchise or any extension thereof in competition with the Grantee, its successors and assigns; but nothing herein contained shall be construed or deemed to prevent the City from exercising at any time any power of eminent domain granted to it under the laws of the State of Idaho. The City shall not grant a franchise to another electric service provider during the term of this franchise agreement unless the electric service provider has received approval to provide electrical service within the City from the Idaho Public Utilities Commission, and the City has imposed the same franchise fee on the electric service provider as paid by the Grantee.

SECTION 15. In the event of an amendment to the laws, rules or regulations of the City of Donnelly, the State of Idaho or the Public Utilities Commission of Idaho applicable to this franchise, or for periodic review of any section of this agreement, the terms of this franchise and the rights and privileges hereby conferred may be changed, altered, amended or modified upon mutual agreement between the City and the Grantee. In all cases, 60 days notice shall be required on the part of City or Grantee to reopen the agreement pursuant to this section.

SECTION 16. Any violation by the Grantee of the provisions of this ordinance, franchise and grant or any material portions thereof or the failure promptly to perform any of the provisions thereof shall be cause for the forfeiture of this franchise and grant and all rights hereunder by the City after sixty (60) days' written notice to the Grantee and the continuance of such violation, failure or default; however, this provision shall not prevent the Grantee from submitting such question of violation or forfeiture to the appropriate forum (which may include the district court having jurisdiction or the Idaho Public Utilities Commission) for determination.

SECTION 17. Sale, assignment or lease of this franchise is prohibited without notification to the City.

SECTION 18. The Grantee shall assume the cost of publication of this franchise as such publication is required by law.


SECTION 19. The Grantee shall within thirty (30) days after final passage of this ordinance, file with the City Clerk its acceptance of this franchise in writing signed by its proper officers and attested by its corporate seal.

SECTION 20. The existing franchise agreement between the City and Grantee set forth in, Ordinance Number 17, dated August 16, 1954, shall terminate upon the adoption and acceptance of this ordinance.


SECTION 21. Inasmuch as the Grantee has constructed and now is maintaining and operating the electric utility property and facilities in and upon the streets, alleys, highways, and public places in the City, it is hereby adjudged and declared that this ordinance is necessary for the preservation of the public peace, health and safety, and therefore this ordinance shall take effect on October 1, 2006.

PASSED AND ADOPTED by the Council of the City of Donnelly this 17th day of July, 2006.

APPROVED by the Mayor this 28th day of August, 2006.


George W. Dorris, Mayor

ATTEST:



Ed Ahlstedt, City Clerk

(Seal)

ACCEPTANCE

IDAHO POWER COMPANY, as the franchisee, accepts the franchise set forth in the above Ordinance and agrees to abide by the terms and conditions thereof.

DATED this 28th day of August, 2006.

By: 

Daniel B. Minor
Sr. Vice-President -Delivery

ATTEST:



Secretary

(Seal)