



City of Donnelly

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City Council Meeting on Monday, March 19, 2018 at 6:00 pm Donnelly Community Center

MINUTES

Meeting called to order by Mayor Koch at 6:00 p.m.

Roll Call: Councilor Stayton, Councilor Atkinson, Councilor Davenport, and Councilor Minshall, were present. Clerk Hedges and Mayor Koch were also present.

Pledge of Allegiance

CONSENT AGENDA:

City Council Minutes, February 26, 2019

Vouchers dated February 26, 2018 through March 19, 2019 with the addition of Amazon \$40.16, Start News \$32.18, Star News \$37.62 and Filtration Technology \$1335.00 totaling \$1,444.96,

Treasurer's Report for February 2018,
Payroll Summary for March 1st, 5th, 15th

Motion by Stayton, 2nd by Davenport to approve the consent agenda with the additional vouchers with the added into record. Motion carried.

Public Hearing:

Mayor Koch opened Public Hearing at 6:02 p.m.

AB18-32 Resolution 2018-009 Trash/Refuse/Solid Waste/Garbage rate increase

Clerk received the Valley County Trash contract with Lake Shore Disposal from 2013. The contract indicated their rates for the period of 2013-2023. With what Lake Shore Disposal has presented to the City, this increase would still be lower than what the County has been proposed. If we spread out the increase over a longer period, we still will not meet the County rates by 2023. The CPI % increase is the consumer price index increase which could be up to 3% per year, but never more than 5%. Clerk also provided Lake Shore with an updated MOU for their review.

Minshall, is there any way that we can spread out the increase over a longer period of time. Clerk indicated that Lake Shore has only presented what they would like to do not what is required.

Mayor asked for those in favor of: None

Mayor asked for those that are Neutral: None

Mayor asked for those that are Against: None responded, clerk had received two to read into record.

John Lance 441 Payette Street – really not happy about the raises in the water and sewer rates, but who is. Donnelly is already pretty high. I am on SSI and my income is limited and if it is possible to spread the increases over a longer period of time it would help a lot.

Terry Clark – 441 Payette Street agrees with Mr. Lance and is in the same situation.

George Dorris – 163 Eld Lane, I am unable to attend the hearing for the “Garbage Pickup Contract”, and wish to have these comments read into the record, and considered during the debate. I do not oppose raising the price to the current request of \$10.60 per month. Inflation since 2007 has totaled to 18.4% so \$10.60 is a fair inflation adjusted price. I do strongly oppose incorporating the additional two years increases (2019 & 2020) into the new contract. The requirement to incorporate CPI essentially applies inflation to their price increase in addition to the dollar amount increase. For example with CPI/inflation estimated at 2%, factored in, the price increase for 2019 will be 26% ($13.14 \times 1.02 = 13.40$ $13.40 = 1.26 / 10.60$) Twenty six percent in one year is far too great of an increase. Given that the requirement to use carts will increase the pickup crew’s efficiency, and save time, puts even more money into Lake Shore’s profit margin. Applying the same CPI/inflation rate to the 2020 proposal results in another increase of 20% over the proposed 2019 price. Again, 20% in one year when inflation may be 2% is totally unreasonable. If Lake Shore insists on increased prices for 2019, 2020, then I suggest we offer 4 to 5% or CPI plus 1% or some other mechanism to auto adjust the contract through 2020. If we cannot remove/mitigate the proposed 2019 and 2020 increases, then I suggest we tell them to go pound sand. While I really like the way mandatory pickup helps “beautify” the city, I cannot support a 46% plus increase in cost over a two year period. Nobody in this City will get that kind of pay increase over those years. We provide Lake Shore with guaranteed income that has been growing slowly over the years as the city has grown. If they don’t like the guaranteed income, then we need to part ways. Perhaps we could contract with Meckel or some other provider, contrary to the county contract.

Mayor closed the public hearing at 6:10 p.m.

Mayor asked for Council discussion. Minshall said that the first year would be \$2.54 to get up to the \$15.68 plus the CPI, if we could spread of 4 year its would be a \$1.78. Clerk stated that if you spread over 5 years the increase would be approximately \$1.50 per year. Mayor Koch does seem that it is not out of line to ask for the increases since we haven’t had an increase in several years. Clerk stated that Lake Shore has come several times during this time to present increases but then staff changes, and it starts over. Clerk also stated that the amount proposed includes the \$0.60 service fee for the City. Mayor indicated that even in 2020 we will still be only paying \$5 per week to pick up the trash and provide a can. Doesn’t feel that it is out of line. Councilor Stayton said it seemed reasonable also.

Motion by Minshall, 2nd by Atkinson to accept Resolution 2018-009 Trash Rate Increase. Roll Call vote, Stayton (yes), Atkinson (yes), Minshall(yes), Davenport(yes). Motion carried.

BUSINESS AGENDA:

AB 18-25 West Central Mountains Economic Development Council Update – Andrew Mentzer

Andrew Mentzer - WCMEDC update for the 2017 year and the strategic plan for this upcoming year. Wanted to update on the achievements that have happened in 2017 and opportunities in 2018 and what we can help with Donnelly. Summary 2017 a lot of grant writing for regional

projects, and working with pathways, marketing resources, education portal, and economic summit. 113 businesses in the area. Mailing went out in the Donnelly area. 8 projects this year. Broadband analysis, finishing pathways projects, due diligence on a regional hospitality group. Collaboration of employees. Workforce gap analysis. Industry and what kids want to do for careers. Find opportunities for good careers. North Valley County Recreation district. May 2019 ballot potential. Work with cities for housing or projects. How to help scale it. Biomass project in collaboration with the County, located in Lake Fork. Things are regional in nature. Encourage participation. Thanks, you for being a contributing entity for the WCMEDC.

Gene Tyler who represents the Donnelly Chamber on the WCMEDC and is the current Treasurer. The work that they are doing is important and important to Donnelly. Donnelly is allowed two places on the board, one to represent the City and one for the Chamber, and we currently only have one. Could use more representation from the City. Highlight two things that can and will impact Donnelly. Current trainings that were performed, how to improve your credit and how even though you don't have a high credit rating you can purchase a home. One of the big efforts that the EDC is supporting is trying to bring workforce training to the area. Every year there is a summit but would like to have more people participate from Donnelly. Thank you again for your support.

AB 18-23 Horizon Towers Lease Agreement – Reviewed by City Attorney

A few changes were made by the Attorney on changes to the property and maintenance or termination of the lease. Mayor asked where we would want to have the rental income allocated. Clerk would create a resolution to allocate. Stayton wanted to confirm that Horizon had reviewed the changes.

Motion by Davenport, 2nd by Minshall to approve AB 18-23 Horizon Tower Land Lease. Motion carried.

AB 18-33 Donnelly Library District – Request for Conveyance of Property

Laura Bettis – Chair of the Board of Trustees of the Donnelly Public Library District, other trustees present are Lisa Graysen, Lydia Justice-Edawrad, and Jean Keyes (Susan Dorris is out of town). There are several other Library supporters in attendance as well. The DCL 5-7 years has been operating sporadically over the years. During that time, volunteers, donors, and friends of the library tried to keep it going. These people thought that it would be best for a District to be formed. Last year the City supported this decision. They focused on the election and would figure out the transition of the building and property when necessary. After the election in December I met with the City Clerk to find out the current situation of the Library finances, to get an idea of how to transition. The DPLD doesn't get any tax funding until 2019, so we wanted to figure out what would happen during this gap year. She indicated that the Library did not have enough money to operate through the current fiscal year and might run out in May or June. At that time, I indicated that the DPLD would like to have control of the building for future expansion and control purposes. She stated that although the City would like to give the library to the district that the attorney said it was not possible. I am an attorney but not representing the district, so I quickly looked up and found that it may be feasible. The district board authorized hiring an attorney (Amy Holm) to assist with this matter and having the necessary public hearing and to see if it is feasible. I was not part of the library when it was formed so I spoke with Friends of the Library at that time and George Betts the representative of the Lenox Milliam estate, who provided the Building and the Land that the Building is on. Also, I have provided a copy of the Memo of Understanding that was signed at that time. Separate of that, donations have been made to the Library. As a representative of the Laura Moore Cunningham Foundation last year we made a \$10K contribution to the library for the replacement of the roof where it had failed and ruined much of the children's book collection. The City did not have the funds to repair the roof. So they provided the funds to do this as well as support other efforts at the Library. In paying for the roof, it was our intention that it would

benefit the library to years to come. In addition, the City still holds \$50K that was granted for an addition to the Library. This is something that the District is still very interested in doing but felt that before expanding the Library that it is sustainable. We are really outgrowing the space and especially the Children's area. So, in order for the District to plan and fundraise for building improvements, is something that we are willing to take on, fund raising, management and to make sure that everything stays together we feel that it would make it a more streamlined process and would make it easier for the library to be successful if the District was in control. The land and building were not owned by the City prior to them being donated to be put into use for the library. Donation and all subsequent support has been made under the understanding that the building would have the exclusive use as the library. So, we are prepared and willing to take on this responsibility.

Amy Holm – The district approached me to take a cursory look at how this is legal and if it is possible. There is an Idaho Code section that allows City's to convey property to other governmental entities. It is referenced in the letter provide. To summarize it states that if it is in the best interest of the City they can convey real property for free or they can sell, or they can lease City owned property. In the information that Laura provided the Memo of Understanding that the City entered in 2009 was to provide a library property here to benefit the community. The MOU states that is the only things that this building and property can be used for. It has been operating as such, but now Laura and others would like to do additional things, expansion and other things for the community. So, there is an Idaho Code that it is in the City's best interest that the transfer be made, and it is allowed, and says that if the property is under utilized can be conveyed. This does require a public hearing and they wanted to present a proposal to the Council and hopefully get on the agenda for the next meeting in April. And at that time to ask the Council to make the decision and go forward. City's have done this and it is allowed under Idaho Code, and the District requests that the Council consider at their next meeting.

Mayor Koch indicated that he spoke with Clerk and the City of Donnelly's tax payers have not contributed any money to the library. The library has wholly been operating on membership, donations, Friends of the Library and Grants. They pay for all utilities etc. Clerk indicated that the MOU stated that the Library had to be self-sustaining at all times. The City only contributed administrative and maintenance labor and snow removal.

Laura Bettis stated that when the District takes over they would be asking for less Local Option Tax funds than what they have over the past years. The programs would bring more people into town and bring more commerce to town as well.

Minshall asked what the City would be responsible for once the District took over.

Attorney for the District answered that they are asking that all ownership of the building and property would be transfer to the District by a quick claim deed or warranty deed and therefore the City would have no other requirements of the MOU. And that the MOU would go away.

Davenport understands that the City was given the property for the use of only a Library.

Laura Bettis said that It was privately owned and donated and that the donors felt that the it was the best interest of the Library that the City own and administer.

Clerk stated that the Deed is not restricted. It is only the MOU that was signed that states what the intentions of the donation were for.

Brad Backus – former Mayor of Donnelly spoke since he was the Mayor at the time of the donation and MOU. There is no restrictions on the deed and thinks it is a great idea to transfer the property over as the City is limited on their resources. When it was originally donated to the City it was more like the City

would be a crutch for it to help get it tow where it is now. I feel that it has achieved the goal that it was trying to get to and by turning over the property to the District and believe that if the property was conveyed that a deed restriction would be appropriate of stating that if the property was no longer used as a Library then it would revert back to the City.

Stayton wanted to make sure that the Attorney review the proposal etc. and was in support.

Motion by Davenport, 2nd by Stayton, upon approval of City Attorney recommendation. Motion Carried.

AB 18-34 Lake Shore Rate Change Proposal – Memorandum of Understanding

Scott from Lake Shore was able to look over and gave to their Attorneys to review and they decided to go to a contract instead of the MOU, since the verbiage is like a contract. They are going to put one together for review. Should be about a month out. There was a little confusion with the County agreement, so their increases were at a 3% for the CPI so they are being more careful on their sample as the CPI was only about 1.3%. They would like to do a 6 year so that the renewal is at the same time as the County contract renewal. There would only be increases of the CPI after the proposed increase in 2018, 2019 & 2020. If the CPI is ever over 3% Lake Shore would come into Council to let the City know. They would come in June or July each year for a January increase.

Mayor would like the Attorney to look at the contract prior to presenting to the Council.

AB 18-35 Donnelly Farmers Market – Liz Jones

Liz Jones works for St. Luke's and Donnelly is considered a food desert which means that the nearest grocery store is over 10 miles away. A lot of lower income or income challenged folks live here. But as far as far as healthy foods there are a couple of apples and oranges at the Stinker Station or Trading Post. So, there was an opportunity for a Farmers Market to get started in Donnelly. We have a lot of vendors that would like to be involved that are not able to get into the McCall market. It is happening, part of what we are asking for, is to bring vendors in with healthy foods, some craft vendors, and value-added foods and would like to ask for a flat rate as low as possible since as a start up we are already at about \$1,000 in start of costs. We would like a flat rate for the season for a vendor fee. We are going to charge a flat fee for vendors of \$10 per week, trying to lure them here. They would like to keep the costs low to get it going. WE are going to have a Market Manager who will collect Local Option Tax Fees the day of the market so that all the vendors are remitting. We are not taking any percentages from the vendors and only charging a flat fee. Want to make it a very attractive market for vendors to come. Cascade food pantry is also going participate in the market. There is some corporate sponsorship to trying to get people to come and enjoy the market and to increase the fruit and vegetable intake for our area. Fresh produce is not very affordable in our area and this will allow this to be a little more affordable. This would benefit the community. This would be held on Wednesdays 3:30 to 6:30 p.m. for 12 weeks and trying to capture crowds that are in the area. This market will also take food stamps. This a big benefit for the local community as there is not any other market that allows this. So, I ask that the City support us with a flat rate for each season.

Clerk indicated that our current fee schedule is at a \$25.00 per vendor per day. If they had 10 vendors, the City would collect \$250.00 per week. Our vendor fee ordinance also allows the Donnelly Chamber a 3-day pass at \$20.00 per event per vendor to help out with their fees. McCall's vendor description and signage requirements only charges a flat rate of \$50.00 for the season for paperwork. In the application it asks for the number of weekly vendors, insurance liability and a few other requirements. As proposed by the Donnelly Farmers Market if they collect the Local Option tax at the end of each day this would eliminate the collection administration for the City for the tax.

Minshall asked if they would be using City property. Clerk indicated that they are proposing to use the City Park as well as some of the Bible Church property. Clerk will ask ICRMP if this is required for use of the park.

Liz Jones stated that they joined an umbrella non-profit corporation, but they only have a insurance policy for the board members, not any direct liability insurance for use of public property. If given a lower fee they would be willing to look at a liability coverage for the usage.

Mayor Koch would like to see that they look into an insurance policy for the use of City property.

Stayton would like to see the Farmers Market in Donnelly and would like to see that the City consider a \$50 flat fee for Farmers Market. Since we do not have a fee established for this it would need to go to public hearing.

Mayor requested that Clerk work on the Resolution of a new fee for the public hearing for the next City Council meeting.

Clerk indicated that the Farmers Market must abide by all state guidelines for a farmer's market.

Liz Jones stated that all vendors will receive a packet to complete prior to being a participating vendor. Craft vendors are much more lenient since they are not food. May charges craft vendors a little more because they do not want to discourage them, and they want to have participation to make livelier. Just not sure what to expect this year. The goal would be 60% fresh produce, 20% value-added foods, and 20% crafts. WE want to make sure that when it grows and that when more fresh produce comes up then we can expand the craft end of things. We will explore at the end of the year to see how it goes.

Stayton wants to make sure not exclude the craft vendors.

Davenport, wanted to point out that they are wanting it to be more local vendors, but the first year is a trial is hard and there are certain things that Valley county are not able to grow.

Liz Jones said they are going to try to fill in the holes from what is offered locally. Trying to get what the local people can do and fill in. There will also be a group of volunteers to be runners and sell them things if a vendor is not able to come to our farmer's market. We have a lot of community and corporate support which is amazing.

Motion by Minshall, 2nd by Atkinson to request that a fee be established with proper noticing for Farmer's Market flat fee of \$50.00 per season. Motion carried.

AB 18-36 City Budget Hearing Time & Date for FY19

Each year the City is required to hold a public hearing for the upcoming fiscal year's proposed budget. We have historically held this at the August regular City Council Meeting. This year it would be August 20, 2018.

Motion by Davenport, 2nd by Minshall to hold the FY 19 Budget hearing on August 20, 2018 at 6:00 p.m. Motion carried.

AB 18-38 Request to Re-Appoint P&Z Commissioners Dorris & Bryant

Two Planning & Zoning Commissioners are requesting to be reappointed for a new term which comes up in July 2018. Council asked that Clerk reach out to the community to place and ad and asked for those that may be interested in serving on the Commission.

Motion by Stayton, 2nd by Davenport to table appointment until advertising has been completed.
Motion carried.

STAFF REPORTS:

Staff report was included in the packet. \$668 in past due water accounts 30 days or more. Turn off notices have been sent out. Local option tax is currently 12.9% over last year YTD. This collection is continuing to grow. A vet clinic will be held this weekend which Rene will be coming into conduct, Rene will issue dog licenses at that time as well. Several complaints have been received on dog waste and people not cleaning up after them. A second vehicle was discussed and would like to have a more budget workshop to see what our options and budget is for an additional vehicle. Clerk requested that the City Council regular meeting be rescheduled until the 23rd of April since it will provide a better time line for getting prepared for the meeting.

EXECUTIVE SESSION:

Pursuant to Idaho Code § 74-206, convene in executive session to: (1) (a) &(b) consider personnel matter;

Motion by Davenport, 2nd by Stayton, to enter executive session per Idaho Code 74-206 to consider personnel matter at 7:41 p.m. Motion carried.

Exit executive session at 8:20 p.m.

Motion by Davenport, 2nd by Stayton to adjourn until the next City Council Workshop on meeting on April 16, 2018 at 6:00 p.m. Motion carried.

Adjourned at 8:22 p.m.

Approved: April 23, 2018