



**CITY OF BELLEVUE
COMMON COUNCIL**

January 22, 2024

The Common Council of the City of Bellevue, Idaho, met in a Regular Meeting, on Monday, January 22, 2024, at 5:30 p.m. in the Council Chambers of the City of Bellevue Offices, located at 115 E. Pine Street, Bellevue, ID 83313.

1. **Call to Order:** Mayor Johnson called the Regular Meeting to order at 5:31 p.m.

2. **Roll Call:**

Present

Chris Johnson, Mayor
Christina Giordani, Council President
Robin Leahy, Council Member
John Carreiro, Council Member
Jessica Obenauf, Council Member
Diane Shay, Council Member
Shaun Mahoney, Council Member – *via Zoom*.

Roll Call was conducted; all members were present. Council Member Mahoney attended the meeting *via Zoom*.

Staff Present:

Rick Allington, Legal
Greg Beaver, Fire Chief
Shane Garrison, Water Contractor – *via Zoom*
Kirt Gaston, Marshall
Shelly Shoemaker, City Treasurer
Michelle Snarr, City Clerk

Others in Attendance: Dennis Brown, Workman & Company, Trent Shoemaker, Anson Credle, Kristina Gillespie and Gregory Dye, Merrick & Company, *via Zoom*, Tony Evans, *via Zoom*, and Scott Beaver, *via Zoom*

3. **Notice of Agenda Compliance:**

The posting of this regular meeting agenda, as amended, complied with Idaho Code §74-204. The regular amended meeting agenda was posted within forty-eight (48) hours prior to the meeting at the Bellevue City Hall, Post Office, and on the city website on *January 18, 2024*.

Motion: President Giordani moved the notice agenda was in compliance with Idaho Code §74-204. Council Member Carreiro seconded the motion. The motion passed unanimously.

4. **Call for Conflict as Outline in Idaho Code §74-404:**

Mayor Johnson called for conflict from any Council member or staff member with any agenda item. No conflict was noted.

5. **Public Comment: (for Items of Concern Not on the Agenda):**

Mayor Johnson noted that some individuals are complaining about the snow removal because the city is giving notice on vehicles parked on the road stating the vehicle could be towed if it is not moved. The city cannot effectively plow the roads with vehicles parked on the road. Mayor Johnson said the city cannot do extra snowplowing. The city is doing what it can, in addition, Casey and his team are doing what they can. Mayor Johnson stated that he doubts Mr. McGehee was strong handed. The city will work with Mr. McGehee and the Marshal's office. The city wants to make sure people can get in and out of their driveways and make sure there is access to the bus routes.

Member Leahy inquired if staff or anyone from the Council was going to the new highway project meeting. Mayor Johnson indicated that he and Mr. McGehee were planning to go to the meeting. He went on to say if anyone was interested, please let him know. He noted they would need to keep it under a quorum. Member Leahy inquired how the rental of the cabin was going. Mayor Johnson stated there was one staff member that was interested; however, it does not meet their housing needs. The next step would be to go to the public, and those applications would come to the Council.

6. Unfinished Business – None

7. Presentation – City of Bellevue, Fire Department

a. Firefighter of the Year Award

Chief Beaver informed the Council that every year, the Fire Department does a Firefighter of the Year Award. He went on to say that every quarter the officers choose a member, and at the Christmas party, the firefighters that attend vote for the Firefighter of the Year. Chief Beaver presented the Firefighter of the Year Award to Nick Schell and presented him with a plaque for his helmet and certificate.

b. Length of Service Award

Chief Beaver presented Trent Shoemaker with a pin and a plaque for his 30-years of service.

8. Consent Agenda:

a. Common Council Meeting Minutes:

i. January 8, 2024, Regular Meeting Minutes

b. Approval of Claims: January 9, 2024, thru January 22, 2024

Member Shay reviewed the material yesterday, and there were some corrections that she went over this afternoon with Ms. Snarr. She noted it was only some overview items; it was not content of material.

President Giordani inquired about the invoice for Keller and Associated. Mayor Johnson informed the Council he had a meeting with Keller and Associates this week, and they are finalizing the final claims. He pointed out the work was under the original scope of work, and the City is below the total committed amount of the contract. Member Shay pointed out an invoice in the amount of \$14,075 for the Strahorn Subdivision. She stated the city needed to make sure Mr. Pfaeffle was getting billed.

It was pointed out that Ashley Dyer was still on the cell phone bill. Mayor Johnson explained he signed a letter to give Ms. Shoemaker access to the First Net/AT&T account. The last few months, staff has been cleaning up the billing. In the future, staff will put phone numbers on pause; it will reduce the bill and make sure the city is only utilizing the phones that it needs.

Member Obenauf inquired how much the city was being charged for each line; has the city looked into that? It was indicated that the city has, and they are getting about one-third of services at a lower price. It was noted, if there was any type of outage with the cell phones, the first responders would still receive their services even when others do not.

President Giordani inquired about the equipment leases; she pointed out there was a second line item for Wells Fargo. Ms. Shoemaker noted the city still has the old Bobcat lease through February 15, 2024. The other lease is the rental of the new bobcat, and the new payment is a larger amount.

Motion: President Giordani moved to approve the Consent Agenda. Council Member Leahy seconded the motion. Council Members voting aye: Members Leahy, Obenauf, Shay, Mahoney, Giordani and Carreiro. Members voting nay: None. The motion passed unanimously.

9. New Business:

a. Presentation and Acceptance of the City of Bellevue Financial Statements Year Ended September 2023

Mr. Dennis Brown, Workman and Co. addressed the Council. He was present to review the Financial Statements for the Year End of September 2023. He noted they issued their unqualified opinion on November 14, 2023. He went on to say as a part of their audit they read the minutes to ensure the Council is doing proper oversight. He noted that they loved the discussion the Council just had. He stated that is an indication that the Council is properly managing your duties and fiduciary responsibilities as the ultimate authorities over the city.

Mr. Brown indicated there were a few things he would like to address and then he would take questions. He went on to say that last year the city budgeted to expend almost \$700,000 of the City's reserve, but the city only gave bit under \$300,00. He stated it could be any number of reasons. He said that was excellent; it still gave the city a little under \$600,000 for carryover reserves. He noted that was about 25 percent of the City's general fund.

Mr. Brown said the other comment he wanted to make was regarding the Utility Funds, which are for profit enterprises in cities. They have to make funds to pay for themselves, pay off previous debts, and accumulate funds for the future. He went on to say that last year, both the water and wastewater increased their cash deposit and had a carryover reserve.

Finally, the URA is included in one of the Financial Statements presentations and currently it is accumulating money. He noted last year, across the board most entities made a significant increase in their reserves, and there was another carryover of approximately \$177,000.

Mr. Browne stated he would answer any questions the Council may have. Mayor Johnson inquired if anyone had any questions. President Giordani indicated she appreciated all the documents and explanations. She referred to the breakout of the governmental activities versus the business type activities. She clarified if the reason was to show how the city functions within government. Mr. Brown stated the enterprise funds, or water/wastewater funds, are proprietary funds, and they are for profit funds. They have to be shown separate from the general operating funds of the City. The for-profit funds have to be put that way under a governmental auditing standard or generally accepted governmental accounting standards. They want to prepare it that way so future users of the financial statements have to review those to determine if the City is creditworthy.

Member Obenauf noted the one thing she noticed about the audit is the PERSI and benefits are already in the negative (reference page 16) and inquired if Ms. Shoemaker knew why. Ms. Shoemaker indicated that she could not answer that question. That question would have been for Mr. Brown. Member Obenauf referred to page 30, pension liabilities. She stated she was trying to understand the outflows of funds for the years 2024 – 2027, and it shows the City in the negative. She questioned how the city could avoid doing that in the future. Ms. Shoemaker stated she was not sure what funds those were and why the City is going into the negative.

Motion: Council Member Shay moved to accept the City of Bellevue Financial Statements Year Ended September. Council Member Carreiro seconded the motion. Council Members voting aye: Members Mahoney, Giordani, Obenauf, Leahy, Shay, and Carreiro. Members voting nay: None. The motion passed unanimously.

10. Discussion, Review, and Consideration of the State of Idaho Department of Environmental Quality Funding Application for a Drinking Water Project:

- a. Consideration of Review and Execution of the State of Idaho Department of Environmental Quality Funding Application Documents (Including two (2) separate application documents): 1. State Revolving Fund (SRF) Loan and 2. Leading Idaho Funding (LIF) Grant, Coinciding with the Approval and Adoption of Resolution No. 5361
- b. Consideration of Review and Execution of the State of Idaho Department of Environmental Quality Funding Application Document Lead Service Line (LSL) Loan, Coinciding with the Adoption of Resolution No. 5362

Mayor Johnson presented the Idaho Department of Environmental Quality (*IDEQ*) funding application documents for the State Revolving Fund (*SRF*) Loan and the Leading Idaho Funding (*LIF*) grant. He noted they

came from two different projects. One is the City's primary water infrastructure upgrades, and that will be on the Leading Idaho Funding.

Mayor Johnson went on to say the State Revolving Fund is the lead/copper service line inventory, which is a program the Environmental Protection Agency (EPA) pushed through two years ago. He stated the city should have had the lead service line inventory done approximately six years ago; however, there was no enforcement mechanism. Now, the EPA has an enforcement mechanism, and the city needs an inventory done by October 23, 2024.

Mayor Johnson explained the IDEQ has some funds available to help assist the City. He believed it was a \$50,000 loan, and the reason the City was looking into it is because it would help offset some of funding. The city could pay it off in monthly installments. He noted that Mr. Garrison has a plan for it. He went on to say the city is in a good spot. They have some good records to use that they could build off, so they do not have to do a lot of manual inspections.

The city will probably have to send out some flyers. He explained, the city needs to know the material on both sides of the meter going from the lines to the meters and the meters to the houses. It is required that the city understands what is going to people's houses on both sides. If there is lead from the meter to the house, the city has let the homeowners or ranchers know that it is there. In addition, if there is anything on the City's side, the city needs to provide them with the opportunity to join in on the construction. If there is not anything thing on the City's side, it is up to the homeowner/rancher to determine how to repair it.

Mayor Johnson stated this is a new thing for the EPA to require systems to do anything from the meter to the house; typically, that is on the homeowner. He went on to say it is a big undertaking, and the city is a little behind. However, it will help the city and Mr. Garrison gather the needed information.

Mayor Johnson asked Ms. Gillespie or Mr. Garrison if he missed anything or anything additional could be added. Ms. Gillespie indicated she did not have anything else to add. However, she wanted to clarify that the LSI package was a \$55,000 loan. Furthermore, the DEQ removed some of the amount in the form of principle interest. The actual loan obligation for the \$55,000 is \$17,854 at 30 years and 1-percent interest. She stated it is a nice package that will help support the efforts by the city to conduct the inventory.

Member Leahy stated it seemed like quite the endeavor and would Mr. Garrison have a crew of people to help and how long would the process take? Mr. Garrison informed the Council that the city had several mainline replacement projects from 2010 to 2014, and they have the records of the materials that were utilized. In addition, there are the new subdivisions that were developed after the lead rules were passed. He stated the biggest problem is on the customer side.

Mr. Garrison noted they would have to spend some money to send out some surveys to let the customers know. Then they will have some contractors lined up, and they can either test the lines or potholed the lines. He said they were waiting on some funds and most of it is an EXCEL spreadsheet. Mayor Johnson added there are some test kits to use, and if an individual can get in their crawlspace or basement where the line comes in, they can rub a test on it and see what materials it is made out of or put a magnet on it; if it does not stick, it could be lead. In addition, there are ways that they could do some inexpensive testing. He noted that they wanted to avoid potholing; it would be the largest expense. Mayor Johnson stated the biggest concerns were going to be the old town with the older homes. The school had to replace some fixtures, and it was not from the City's water going in; it was from some of their fixtures going in.

Mayor Johnson reiterated, overall, the city is in a good spot and with the records, it should be manageable. It will just take some manhours. It is public awareness and public announcement; in addition, people following through with their own testing on their side. Member Leany said it seemed more like an awareness project, and to notify homeowners if they have lead in their homes, and then they have to deal with it themselves.

Mayor Johnson indicated, yes, for the most part. Then for the next five years, the city has to do lead service line replacement if there is lead on either side, then they have to develop a plan. Then the City has to do 10-percent to 20-percent each year for the next five years they have to do so much replacement to get all the lead out of the ground. He noted there is no safe maximum count level for lead. He reminded the Council there is a deadline to meet compliance, and they want to get ahead of it as quickly as they can specifically with the principle forgiveness part portion.

President Giordani pointed out on the documentation, under City Leadership, Council member John Carreiro was missing on the list.

Mr. Gillespie informed the Council the package in front of them now includes the State Revolving Fund application from DEQ; the Leading Idaho Funding; and the Lead Service Line Inventory Funding. She explained since they come from three different pools of funds, there are three separate applications because those will go to DEQ who is administering all the funds, and they have to be reported separately. She noted it is the same application for each request and each application is based on what type of funding it is.

Ms. Gillespie pointed out there is an action item on pages 8 and 9. Section five on the bottom of page 8, is where Mayor Johnson, if the Council approves, will sign and date the document. She noted on the other side of that page, is an engineering service procurement certification that the City of Bellevue went through the Qualifications-Based Selection (**QBS**) process, which is a process to select a drinking water engineering firm that can assist the City with these types of water projects moving forward. Mayor Johnson would also execute that document.

Ms. Gillespie inquired if anyone had any questions on the applications at this point. Member Leahy said she thought they were doing the City's water main project concurrent with the Highway 75 water main improvements. Mayor Johnson explained they are still piggybacking on any projects the city can to lower its costs. When the Idaho Department of Transportation (ITD) tears up the highway, the city will be able to access the lines that need to be upgraded, and they will go from a 4-inch line to a 10-inch line.

c. Consideration of Review and Approval of the State of Idaho Department of Environmental Quality Funding Application Narrative Document

Ms. Gillespie explained the next document is the **narrative document**. She noted that they like to include the narrative document because the application forms are not always as clear as they would like them to be when they send the applications to the DEQ. She stated that there was no action or signature required for the narrative document. In addition, the narrative document does not require a motion or to be executed. Ms. Gillespie asked if there were any questions on the narrative document.

Member Obenauf referred to the leak detection survey and pointed out that there was a lot of feedback regarding water pressure. She inquired if that would be fixed when the lines were replaced. Mayor Johnson said it would not. The feedback on the water pressure is related to the tank elevation and not the lines. He explained when the water moves to the bottom area of Bellevue, the water pressure gets too high, and they are hoping the booster station will help resolve the water pressure issues.

Mayor Johnson said part of the plan is to move the main line to the county road from Edaho Ranch; however, he does not see the city gaining much pressure changes from the project. Mr. Garrison informed the Council that everything is based on the elevation of the tank; it is an elevation issue. He added that is also noted that the city needs to set up pressure zones. However, these projects do not address the pressure zones, but the long-term facility plan does address it. Mayor Johnson added the pressure is also affected by the number of sprinklers in resident's zones. In addition, need to make sure they have the proper flow meter. If it is not done correctly, it could mean that a system would need to be redesigned or go to drip irrigation.

The discussion followed regarding line methodology. With the project being such a large project, the city appreciates getting all the drawings; but the city does not always get the as-builts. Without the as-builts, a particular location could be 10 to 30 feet. The goal is to get the best as-built documents the city can.

It was pointed out that the loan terms for the State Revolving Fund, the interest is fairly favorable. President Giordani said she saw a loan with 3-percent, and it is nice to see the loan at 2.5-percent. She stated she was grateful for the lower interest rate.

Ms. Gillespie noted the final two items were to authorize the two Resolutions, which are DEQ inserts. Resolution **5361** is for the State Revolving Funds and Leading Idaho projects/funding, and the product is identified in the resolution. Resolution **5362** is for the Lead Service Line projects/funding, and it is specifically for lead funding.

Ms. Gillespie informed the Council there were several action items with each needing a roll call vote with and each Member stating affirmative or ayes and nays. She went on to say the clerk and Mayor Johnson would both execute those documents as part of the city record and part of the funding packages.

Ms. Gillespie explained the Common Council would authorize Mayor Johnson to sign and submit the applications for tonight to the DEQ. She pointed out the projects could go on for three to five years. If Mayor Johnson is not the mayor at a time in the future for the projects, a new mayor would be able to execute any documents moving forward, such as, contract reimbursements payments. Ms. Gillespie said sometimes the contractor's payment applications happen very quickly. If the payment application has to go before the Common Council every time, it could impede the payment, and contractors can get cranky if payments are late. Contractor payment terms are 30 days.

Ms. Gillespie recommended authorizing Mayor Johnson to execute the resolutions first and then move forward with the applications.

d. Consideration of and **Approval of Resolution 5361**, A Resolution of the Common Council of the City of Bellevue, Idaho, Authorizing the Mayor to Sign All Applications, Funding Agreements, and Other Documents Relating to Drinking Water Improvements Project (Project)

Motion: Member Shay moved to approve Resolution 5361, A Resolution of the Common Council of the City of Bellevue, Idaho, Authorizing the Mayor to Sign All Applications, Funding Agreements, and Other Documents Relating to Drinking Water Improvements Project (Project). President Giordani seconded the motion. Council Members voting aye: Members Carreiro, Shay, Leahy, Giordani, Mahoney, and Obenauf. Members voting nay: None. The motion passed unanimously.

e. Consideration of Consideration and **Approval of Resolution 5362**, A Resolution of the Common Council of the City of Bellevue, Idaho, Authorizing the Mayor to Sign All Applications, Funding Agreements, and Other Documents Relating to the Lead Service Line Inventory Project (Project):

Motion: Member Carreiro moved to approve Resolution 5362, A Resolution of the Common Council of the City of Bellevue, Idaho, Authorizing the Mayor to Sign All Applications, Funding Agreements, and Other Documents Relating to the Lead Service Line Inventory Project (Project): President Giordani seconded the motion. Council Members voting aye: Members Carreiro, Shay, Leahy, Giordani, Mahoney, and Obenauf. Members voting nay: None. The motion passed unanimously.

State of Idaho Department of Environmental Quality Funding Application Documents: State Revolving Fund Loan and Leading Idaho Funding (LIF) Grant.

Motion: President Giordani moved to authorize the Mayor to execute the State of Idaho Department of Environmental Quality Funding Application Documents, which include two (2) separate application documents: 1. **State Revolving Fund (SRF) Loan** and 2. **Leading Idaho Funding (LIF) Grant**. Member Carreiro seconded the motion. Council Members voting aye: Members Shay, Mahoney, Obenauf, Leahy, Carreiro, and Giordani. Members voting nay: None. The motion passed unanimously.

State of Idaho Department of Environmental Quality Funding Application Document Lead Service Line (LSL) Loan.

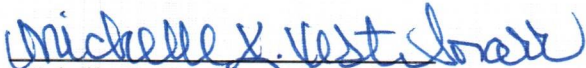
Motion: Member Shay moved to authorize the Mayor to execute the State of Idaho Department of Environmental Quality Funding Application Document **Lead Service Line (LSL) Loan**. President Giordani seconded the motion. Council Members voting aye: Members Obenauf, Shay, Leahy, Mahoney, Carreiro, Giordani. Members voting nay: None. The motion passed unanimously.

Discussion followed about what date the city should conduct the open house regarding the proposed Bond for drinking water improvements. It was decided the best date would be Saturday, April 20, 2024.

Motion: Member Shay moved to set the date of Saturday, April 20, 2024, for the open house. President Giordani seconded the motion. The motion passed unanimously.

ADJOURNMENT

With no further business coming before the Common Council at this time, Member Carreiro moved to adjourn the meeting at 6:32 p.m. President Giordani seconded the motion. The motion passed unanimously.


Chris Johnson, Mayor
Michelle K. Vest Snarf, City Clerk