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**CITY COUNCIL  
MEETING MINUTES**

**March 7, 2023  
6:00 PM**

**Location: City Council Chambers, 408 N. Spokane Street, Post Falls, ID 83854**

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**WORKSHOP – 5:00 pm Basement Conference Room**

Topic: Agricultural Exemptions and Closing Urban Renewal Districts Early

Warren Wilson, City Attorney presenting:

I.C 63-904 allows agricultural lands to be taxed at a lower rate. If the land is 5 acres or more it has to be “actively devoted” to agriculture such as producing field crops, producing nursery stock, grazing livestock for profit or leased for grazing, or in a crop rotation/retirement program. If the land is 5 acres or less and “actively devoted” to agriculture for the last 3 seasons it has to produce field crops, or produce nursery stock, or grazing livestock for profit/leased for grazing, or in a crop rotation/retirement program. It also has to provide 15% of the owner’s annual income, or gross revenues of \$1,000 or more in the preceding year. In less than 5 acres it is presumed to be “nonagricultural” unless proven. If a plat restricts the use of the property for ag uses, the property cannot qualify for ag exemption whether its in the city or not. Platting of property does not change the status if the property meets the requirements. The focus of the statute is on how the property is used and not whether its annexed or platted. If actively used for agriculture, the property receives the tax break regardless of other factors. This is harder to qualify for smaller properties. This may not be legal to require an owner to give up status. Agricultural uses are valuable and should be supported for as long as the property is being used for agricultural uses. Ag property does not use many city services so not limited additional services to justify the requirement. This could very likely create a legislative backlash to protect farmers.

Early termination of Urban Renewal Districts.

Districts plans are required to have a termination date, this date can be changed by modifying the Urban Renewal Plan. In the year immediately preceding the new termination date, the agency would need to ensure that sufficient revenue exists to pay off existing debts/liabilities.

**REGULAR MEETING – 6:00 pm City Council Chambers**

**CALL TO ORDER BY KERRI THORESON, CITY COUNCIL PRESIDENT**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL OF CITY COUNCIL MEMBERS**

Kerri Thoreson, Josh Walker, Joe Malloy, Nathan Ziegler, Lynn Borders, Kenny Shove – **Present**  
Mayor Jacobson - **Excused**

**CEREMONIES, ANNOUNCEMENTS, APPOINTMENTS, PRESENTATION:**

- a. A portion of the Centennial Trail between Spokane St and McGuire Rd will be closed March 13<sup>th</sup> through the 16<sup>th</sup>. there will be a detour in place along Seltice Way.

- b. Daylight Savings is this weekend, don't forget to spring forward.
- c. Post Falls Urban Renewal Agency Annual Report for 2022

### **AMENDMENTS TO THE AGENDA**

*Final action cannot be taken on an item added to the agenda after the start of the meeting unless an emergency is declared that requires action at the meeting. The declaration and justification must be approved by motion of the Council.*

**None**

### **DECLARATION OF CONFLICT, EX-PARTE CONTACTS AND SITE VISITS**

*The Mayor and members of the City Council have a duty to serve honestly and in the public interest. Where the Mayor or a member of the City Council have a conflict of interest, they may need to disclose the conflict and in certain circumstances, including land use decisions, they cannot participate in the decision-making process. Similarly, ex-parte contacts and site visits in most land use decisions must also be disclosed.*

**None**

### **1. CONSENT CALENDAR**

*The consent calendar includes items which require formal Council action, but which are typically routine or not of great controversy. Individual Council members may ask that any specific item be removed from the consent calendar in order that it be discussed in greater detail. Explanatory information is included in the Council agenda packet regarding these items and any contingencies are part of the approval.*

#### **ACTION ITEMS:**

- a. Minutes – February 21, 2023, City Council Meeting
- b. Payables – February 14, 2023 – February 27, 2023
- c. School Resource Officers Contract with the Post Falls School District
- d. Acceptance of Property – Quitclaim Deed for 4<sup>th</sup> Avenue/Idaho Street Intersection
- e. Boyd's Landing Subdivision Construction Improvement Agreement

**Motion by Malloy to accept the Consent Calendar as presented.**

**Second by Borders.**

**Vote: Shove-Aye, Borders-Aye, Ziegler-Aye, Malloy-Aye, Walker-Aye, Thoreson-Aye**

**Motion Carried**

### **2. PUBLIC HEARINGS**

*There are generally two types of public hearings. In a legislative hearing, such as adopting an ordinance amending the zoning code or Comprehensive Plan amendments, the Mayor and City Council may consider any input provided by the public. In quasi-judicial hearings, such as subdivisions, special use permits and zone change requests, the Mayor and City Council must follow procedures similar to those used in court to ensure the fairness of the hearing. Additionally, the Mayor and City Council can only consider testimony that relates to the adopted approval criteria for each matter. Residents or visitors wishing to testify upon an item before the Council must sign up in advance and provide enough information to allow the Clerk to properly record their testimony in the official record of the City Council. Hearing procedures call for submission of information from City staff, then presentation by the applicant (15 min.), followed by public testimony (4 min. each) and finally the applicant's rebuttal testimony (8 min.). Testimony should be addressed to the City Council, only address the relevant approval criteria (in quasi-judicial matters) and not be unduly repetitious.*

#### **ACTION ITEMS:**

- a. Fiscal Year 2023 Budget Amendment #2

**Public Hearing opened at 6:21 pm.**

#### **Staff/Applicant Report**

Jason Faulkner, Finance Director presenting: Staff is requesting to amend the budget as follows:



Crown Pointe Regrading Project	\$ 212,594.00
Equipment bays at 3 <sup>rd</sup> Ave Parks Shop	\$ 159,079.00
Two ¾ ton pickup trucks	\$ 109,713.00
Mini skid steer attachments	\$ 19,555.00
Mini skid steer	\$ 81,505.00
Spokane St. Reconstruction Project	\$1,307,768.00

These items were all approved in the last budget but did not get done, so the money for them need to be move from one budget to another.

Also, an additional budget request is needed from the prior amendment related to funds transfer from the General Fund to the Facility Reserve Fund.

### Testimony

In Favor: None

Neutral: None

In Opposition: None

**Public Hearing closed at 6:24 pm.**

**Motion by Malloy to approve the Fiscal Year 2023 Budget Amendment #2.**

**Second by Walker.**

**Vote: Borders-Aye, Thoreson-Aye, Shove-Aye, Walker-Aye, Malloy-Aye, Ziegler-Aye**

**Motion Carried**

### 3. UNFINISHED BUSINESS/RETURNING ORDINANCES AND RESOLUTIONS

*This section of the agenda is to continue consideration of items that have been previously discussed by the City Council and to formally adopt ordinances and resolutions that were previously approved by the Council. Ordinances and resolutions are formal measures considered by the City Council to implement policy which the Council has considered. Resolutions govern internal matters to establish fees and charges pursuant to existing ordinances. Ordinances are laws which govern general public conduct. Certain procedures must be followed in the adoption of both ordinances and resolutions; state law often establishes those requirements.*

#### ACTION ITEMS:

- a. Spokane Street Rehabilitation – Authorization for Construction Phase Services with Welch Comer

Jaxon Fleshman, Project Manager presenting: Welch Comer started design of the Spokane Street Rehabilitation project following Council approval in February 2022. The original agreement included engineering and design services with the option to add construction phase at a future date. This authorization for additional services includes the necessary tasks for bidding and construction management and observation. The project involves removal and replacement of asphalt from the Spokane Street Bridge to the eastbound I-90 on/off ramp intersection. Also included are some minor water system improvements, manhole lid replacements, and installation of conduits designated for future use. City Staff and Welch Comer are aware of other projects in the vicinity led by the Idaho Transportation Department and Post Falls Highway District and will continue to coordinate timing and work activities to minimize impact to the traveling public. Bidding on this project is anticipated spring 2023 with construction to follow a bid award. The requested amount for this is \$105,600.

**Motion by Malloy to approve the Spokane Street Rehabilitation Authorization for Construction Phase Services with Welch Comer.**

**Second by Borders.**



**Vote: Malloy-Aye, Walker-Aye, Ziegler-Aye, Borders-Aye, Shove-Aye, Thoreson-Aye  
Motion Carried**

b. Spokane Street Rehabilitation – BNSF Crossing Surface Installation Agreement  
Jaxon Fleshman, Project Manager presenting: The Spokane Street Rehabilitation Project involves removal and replacement of asphalt from the Spokane Street Bridge to the eastbound I-90 on/off ramp intersection. Within this area is a BNSF Railway Crossing. The existing crossing predates current BNSF standards which requires concrete planking. Typically, the cost of the improvements are the responsibility of the Agency (City) performing the adjacent roadway improvements. In partnering with BNSF, this agreement is a cost share 50/50 between the City and BNSF Railway. The planking improvements are anticipated to occur concurrent with the Spokane Rehabilitation project in 2023. The requested amount for this is \$55,201.30.

**Motion by Malloy to approve the Spokane Street Rehabilitation BNSF Crossing Surface Installation Agreement.**

**Second by Borders.**

**Vote: Walker-Aye, Ziegler-Aye, Borders-Aye, Shove-Aye, Thoreson-Aye, Malloy-Aye  
Motion Carried**

c. WRF Outfall Upgrade – Project Closeout and Contingency with McMillen  
Andrew Arbini, Public Works Projects Division Manager presenting: Council approved Change Order 4 with McMillen to install a cured in place pipe (CIPP) utilizing the construction contingency. This was as an acceptable remedy to address the city's concerns with the hillside section of pipe following failed pressure tests. A condition of this change order anticipated substantial completion would occur by the end of October. Installation of the CIPP product was unsuccessful. In early 2023 the contractor elected to remove and replace the section of pipe to remedy the concerns of the city and the city's design consultant (JUB). Substantial completion was reached on February 2, 2023, one year past the date identified in Change Order 4. Change Order 4 and the installation of the CIPP liner would have exhausted the remaining balance of McMillen's construction contingency or \$212,127.30/ as an offer to reconcile the city's construction contract, McMillen proposes a partial credit of the contingency utilized for the CIPP and reinstallation of pipe. This credit would be in lieu of the city assessing liquidated damages because of the delayed completion. The resulting credit of \$136,788.88 would be reflected in an adjustment to the Guaranteed Maximum Price (GMP). Including previous change orders, bid items credits and the current proposal from McMillen, the final value of the GMP becomes \$2,716,180.08. The original contract GMP was \$3,072,000. McMillen's original construction contingency (\$527,600) correlates to items identified in the project Risk Register. Work to remedy the pipeline was an identified risk in the register, would by an acceptable use of the construction contingency, and would be eligible for payment without this adjustment. McMillen's proposed credit offsets the additional costs incurred by the city due to the delay, including costs associated with JUB's time in providing project management services to project completion. This proposed change order will result in a credit of \$355,819.92 and a final contract value of \$2,716,180.08.

**Motion by Malloy to approve the WRF Outfall Upgrade Project Closeout and Contingency with McMillen.**

**Second by Borders.**

**Vote: Ziegler-Aye, Borders-Aye, Shove-Aye, Thoreson-Aye, Malloy-Aye, Walker-Aye  
Motion Carried**



#### 4. NEW BUSINESS

*This portion of the agenda is for City Council consideration of items that have not been previously discussed by the Council. Ordinances and Resolutions are generally added to a subsequent agenda for adoption under Unfinished Business, however, the Council may consider adoption of an ordinance or resolution under New Business if timely approval is necessary.*

#### **ACTION ITEMS:**

**None**

#### 5. CITIZEN ISSUES

*This section of the agenda is reserved for citizens wishing to address the Council regarding City-related issues that are not on the agenda. Persons wishing to speak will have 5 minutes. Comments related to pending public hearings, including decisions that may be appealed to the City Council, are out of order and should be held for the public hearing. Repeated comments regarding the same or similar topics previously addressed are out of order and will not be allowed. Comments regarding performance by city employees are inappropriate at this time and should be directed to the Mayor, either by subsequent appointment or after tonight's meeting, if time permits. In order to ensure adequate public notice, Idaho Law provides that any item, other than emergencies, requiring Council action must be placed on the agenda of an upcoming Council meeting. As such, the City Council can't take action on items raised during citizens issues at the same meeting but may request additional information or that the item be placed on a future agenda.*

**None**

#### 6. ADMINISTRATIVE / STAFF REPORTS

*This portion of the agenda is for City staff members to provide reports and updates to the Mayor and City Council regarding City business as well as responses to public comments. These items are for information only and no final action will be taken.*

**None**

#### 7. MAYOR AND COUNCIL COMMENTS

*This section of the agenda is provided to allow the Mayor and City Councilors to make announcements and general comments relevant to City business and to request that items be added to future agendas for discussion. No final action or in-depth discussion of issues will occur.*

#### 8. EXECUTIVE SESSION

*Certain City-related matters may need to be discussed confidentially subject to applicable legal requirements; the Council may enter executive session to discuss such matters. The motion to enter into executive session must reference the specific statutory section that authorizes the executive session. No final decision or action may be taken in executive session.*

#### **ACTION ITEM (To enter into executive session only):**

Idaho Code 74-206(1)(a) To consider hiring a public officer, employee, staff member or individual agent (does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general).

**Motion by Borders to enter into Executive Session pursuant to Idaho Code 74-206(1)(a), to consider hiring a public officer, employee, staff member or individual agent, further that no action will be taken during the session and the session will last no longer than 10 minutes.**

**Second by Ziegler.**

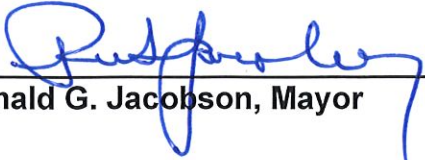
**Vote: Shove-Aye, Walker-Aye, Borders-Aye, Malloy-Aye, Thoreson-Aye, Ziegler-Aye**

**Motion Carried**

Entered Executive Session at 6:46 pm.

**RETURN TO REGULAR SESSION 6:58 PM**

**ADJOURNMENT 6:58 PM**



**Ronald G. Jacobson, Mayor**



**Shannon Howard, City Clerk**



Questions concerning items appearing on this Agenda or requests for accommodation of special needs to participate in the meeting should be addressed to the Office of the City Clerk, 408 Spokane Street or call 208-773-3511. City Council and City commission meetings are broadcast live on Post Falls City Cable on cable channel 1300 (formerly 97.103) as well as the City's YouTube Channel (<https://www.youtube.com/c/CityofPostFallsIdaho>).

Mayor Ronald G. Jacobson

Councilors: Kerri Thoreson, Josh Walker, Joe Malloy, Nathan Ziegler, Lynn Borders, Kenny Shove

**Mission**

The City of Post Falls mission is to provide leadership, support common community values, promote citizen involvement and provide services which ensure a superior quality of life.

**Vision**

Post Falls, Idaho is a vibrant city with a balance of community and economic vitality that is distinguished by its engaged citizens, diverse businesses, progressive leaders, responsible management of fiscal and environmental resources, superior service, and a full range of opportunities for education and healthy lifestyles.

"Where opportunities flow and community is a way of life"