

MINUTES

McCall City Council Special Meeting Thursday June 2, 2005

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ADJOURNMENT

CALL TO ORDER AND ROLL CALL

Mayor Eimers called the special meeting of the McCall City Council to order at 6:03 p.m. Mayor Eimers, Council Member Muller, Council Member Robertson, Council Member Greer, and Council Member Bertram answered roll call. A quorum was present.

City staff members present were Lindley Kirkpatrick, City Manager; Roger Millar, Community Development Director/Deputy City Manager; Amanda Townsend, City Treasurer; Brock Heasley, Parks and Recreation Director; Anne Kantola, Library Director; and Dan Irwin, City Clerk.

BUSINESS AGENDA

Local Option Tax Commission Recommendation

Dan Irwin, City Clerk, stated that the Local Option Tax Commission had arrived at a budget recommendation for the use of the of the Fiscal Year 04-05 Local Option Tax revenue. He explained that the six members that comprise the Commission are Steve Gleason, Don Bailey, Sherryl Graham, Roger Snodgrass, Lance Daniels, and Rob DeMore. He said that Steve Gleason, the Commission chair, was unable to attend the meeting but provided a letter to the Council outlining the Commission's recommendations. Mr. Irwin said that based upon the last 10 years of lodging data from the Department of Commerce, the Commission anticipates that the City will receive between \$150,000 to \$190,000 in revenue from the Local Option Tax. He said that the Commission recommended budgeting the higher amount of revenue since any unused funds would be placed into a property tax relief fund. He explained that the Commission concluded that the funds would be better spent on specific projects since the amount of tax relief would have little impact to the taxpayers of the City. He said that it was the Commission's recommendation that \$190,809.00 be budgeted as the anticipated amount of revenue that will be received by the Local Option Tax for Fiscal Year 2005. Mr. Irwin stated that the Committee received an astonishing 36 funding application requests totaling over \$530,000. He explained that the Committee heard presentations from almost all of the applicants during the two public meetings that were held. He stated that it was the primary goal of the Committee to recommend funding projects that would benefit visitors to the Community who are responsible for paying the tax. Mr. Irwin stated that although the individual interests of the Commission members were quite diverse, they were able to arrive at the recommendation without much disagreement. He said that the projects recommended for funding included program equipment and first aid kits for the McCall Sports and Activity Center, funding for the Kaleidoscope Kids Festival & Summer Education Program to the McCall Arts and Humanities Council, site improvements at the Central Idaho Historical Museum, picnic

table replacements for the City of McCall Parks and Recreation Department, replacement of trash cans at Brown Park for the City of McCall Parks and Recreation Department, scholarships for the Payette Lakes Writers Conference, funding for the McCall Skate Board Park, the Development of bid packets and video presentation to secure the 2008 McCall World Masters, Idaho Travel Grant Matching Funds to the McCall Area Chamber of Commerce, replacing beds at Shepherd's Home, seasonal staff for the McCall Golf Course, equipment for the City of McCall Golf Course, travel expenses for the McCall Judo Club, funding to the MCPAWS Regional Animal Shelter, an Executive Director Position for the McCall Area Chamber of Commerce, trail grooming for the McCall Area Snowmobilers, and expanding the audio and video collection at the City of McCall Library. Mr. Irwin stated that since the majority of revenue would be collected over the next four months, the Committee developed a funding schedule as to when the individual projects would be funded. He said that the schedule reflects the project priorities of the Commission and enables each project to be completed by their desired timeline. Mr. Irwin stated that the Commission unanimously chose the funding requests from the McCall Library and the Chamber of Commerce ITC Grant to the lowest prioritized projects. He explained that the two projects would be subject to the funding availability of the collected revenue. Mr. Irwin stated that a few days after the Committee concluded their recommendation, an administrative concern was voiced about what to do if the anticipated revenue falls short during any given month. He stated that it would be possible that the amount of revenue collected for any given month could end up falling short of the anticipated revenue due to the large variances in the monthly sales that were used to anticipate the expected amount of revenue. Mr. Irwin stated that a policy decision be made on how to handle such an instance. He explained that it was the staff's suggestion that the Council either prioritize the projects and fund them individually when the revenue is collected, or adopt a policy to proportionally reduce the amount of the monthly payments to the individual projects should the anticipated revenue fall short of expectations. Mr. Irwin stated that at the last meeting, the Council expressed concerns about the City's ability to ensure the fiscal responsibility of the use of the Local Option Tax revenue after it is awarded to individual recipients. He said that after discussion with the City Manager and City Treasurer, it was decided that each individual recipient of Local Option Tax funds should be required to enter into an agreement with the City. He explained that under the terms of the agreement the City would require that the recipient use the LOT funds for the specific purpose that they applied for, allow the City to inspect their financial records to ensure compliance, require a final report detailing what was accomplished with the funds, and establish a timeline for completion. He stated that any recipient who fails to use the funding in the manner indicated on their application request would be required to repay the City and wouldn't be eligible for future funding by the City.

Don Bailey said that that Committee discussed the paving projects at great length and eventually decided that the individual requests were too high to fund with the Local Option Tax revenue. He stated that all of the paving projects, including the bike path proposal, were eliminated from consideration in order to distribute the funds among a greater number of projects.

Council Member Bertram asked how many tables and trashcans would be able to be replaced by the City's Parks and Recreation Department with the funding.

Brock Heasley, Parks and Recreation Director, stated that the funding would allow for the replacement of seven picnic tables and four trash cans. He explained that they would be replaced with recycled material that would be much more durable than wood.

Council Member Robertson stated that the funding agreement is written as though the Council is required to adopt the Commission's recommendation. He provided changes to the wording of the agreement to ensure that it is clear that the City Council has the final determination in choosing which projects are to be funded.

Council Member Bertram stated that she is concerned about the funding recommendation to the Chamber of Commerce because of their financial management problems.

Council Member Robertson said that he agrees with the majority of the Commission's recommendation. He said that he had questions about the funding to the Chamber and Shepherd's Home. He stated that he would have liked to have seen the promotional DVD of McCall included in the recommendation.

Lance Daniels stated that the Commission liked the idea of the DVD but were concerned that the project only benefited the business owner who proposed the idea.

Mr. Bailey added that the Commission agreed that they would have liked to have seen the DVD proposal submitted by the Chamber of Commerce rather than a private business owner.

Council Member Robertson said that the Council members received a letter from the County Clerk confirming that the LOT funds for snowmobile grooming would be used in addition to the revenue that is currently allotted to the area. He asked if the FY05 budget amendment made the funding request to the Library redundant.

Anne Kantola, Library Director, explained that the project differed from the one proposed in the FY 05 budget amendment.

Council Member Robertson said that he was surprised that the funding to McCall Transit wasn't approved. He stated that transportation costs are increasing and the advertising brackets would have helped supplement paying for the increased costs.

Mr. Daniels stated that he was unsure why the funding matrix includes \$15,000 to the McCall Area Snowmobilers. He said that the Commission agreed to recommend that \$10,000 be awarded to the group.

Mr. Bailey explained that the original application was for \$10,000 but the Chairman was informed that they actually needed \$15,000 to cover the fuel costs after January. He stated that \$15,000 was the amount placed into the funding matrix.

Council Member Muller asked what the total anticipated amount of the revenue was.

Roger Snodgrass stated that the Committee has recommended budgeting \$190,809.00 in revenue. He explained that the amount may be less but the Commission wanted to leverage as much of the money as possible.

Council Member Muller asked what would happen if the City ends up collecting a significantly higher amount of revenue from the tax.

Mr. Daniels stated that the Commission agreed to schedule a meeting in September to reconsider other projects if the anticipated amount of revenue is exceeded.

Council Member Bertram said that she would like to hear from Mary Naylor regarding the status of the Chamber of Commerce.

Mary Naylor, Board President of the Chamber of Commerce, stated that she would first like to address the fact that the Chamber of Commerce submitted an application to fund the Fourth of July fireworks which wasn't considered by the LOT committee. She said the Chairman of the Committee removed the application from consideration as he volunteered to collect the funds for the display.

Mr. Snodgrass clarified that the Committee discussed the fireworks proposal but were informed that there would be adequate money for the display.

Ms. Naylor stated that she would like the Council to reconsider the funding the fireworks display as she isn't confident that there would be enough money collected to cover all of the costs. She stated that the original request was for \$20,000, but she later discovered that the actual cost for the display is \$10,000. Ms. Naylor explained that \$2500 had been raised for the display so far but they still need an additional \$7,500.

Mayor Eimers stated that he believes the City benefits from the fireworks display. He said that he would be willing to consider the request.

Council Member Bertram asked about the plans of establishing a new Board of Directors for the Chamber in July.

Ms. Naylor said that a new Board would be elected in September in order to match the grant cycle of the Chamber.

Council Member Bertram asked if the Chamber's Idaho Travel Grant was traditionally managed by office staff.

Ms. Naylor said the grant has traditionally been managed by office staff and the President of the Board.

Council Member Bertram stated that she has concern funding the travel grant since the Chamber is in a state of flux. She said that the Chamber has requested a large sum of money and is concerned that there isn't anybody in the office to oversee the funds.

Ms. Naylor stated that the grant has been mismanaged in the past even prior to the hiring of Tracey Smith. She said that the Chamber needs to have funds in their grant account to use as matching funds. She explained that the last grant that was managed by Ms. Smith has been closed, and the current grant has been extended through December by the Department of Commerce.

Council Member Bertram asked if the requested funds would be used for this year's grant cycle or the next.

Ms. Naylor clarified that the request would be used for this year's grant cycle.

Council Member Robertson stated that the original request by the Chamber was for \$40,000 but the LOT Commission only recommended \$29,500. He asked if the Chamber would be able to manage the grant with the difference in funds.

Ms. Naylor stated that the Chamber is in better financial shape than when the application was submitted. She said that the organization hopes to collect restitution from Ms. Smith as part of the plea arrangement.

Council Member Bertram stated that the LOT funds weren't intended to bail out an agency. She said that she would like the Chamber to amend their bylaws and require that an accountant be hired to manage their funds. She said that the LOT funds are a municipal tax and safeguards need to be put in place to ensure fiscal responsibility.

Ms. Naylor said that she would be the responsible signer for the current ITC grant until its completion.

Council Member Bertram stated that she is concerned that Ms. Naylor doesn't have the insight to administer the grant. She said that the Board needs to hire an accountant. Council Member Bertram said that she is unwilling to join an organization without an accountant to oversee the finances and is concerned about giving them tax money.

Ms. Naylor stated that Rick Lamm has been hired as the accountant for the Chamber.

Council Member Bertram stated that she would like to see the Chamber's bylaws amended to require that an accountant always be retained to oversee the organization's finances. She said that the Chamber has had financial problems for many years and safeguards need to be put in place to guarantee fiscal responsibility.

Mr. Kirkpatrick asked Ms. Naylor to explain how the reimbursements from the State work under the grant.

Ms. Naylor explained that the Chamber receives reimbursements from the State if they use funds for an eligible expense under the terms of the grant. She said that the Chamber has traditionally submitted for reimbursement even when the expense wasn't paid up front. She explained that the LOT funds would allow the Chamber to administer the grant as it is designed.

Mr. Kirkpatrick asked if the reimbursement payments were for all or part of the expense. He said that it doesn't sound like the funds ever run out because of the reimbursements from the State.

Mayor Eimers stated that the money is actually used as working capital for the organization. He explained that the Chamber pays for an expense and is reimbursed by the Department of Commerce.

Mr. Kirkpatrick stated that he isn't sure that the ITC Grant can be funded with the LOT funds. He said that the funds are supposed to be used as matching funds to leverage grant funds. He said that since the Chamber is reimbursed the total amount, the money wouldn't be used as matching funds.

Mr. Daniels stated that that the idea of using the funds as working capital is much different than using it as matching grant funds. He said that the concept is different than what was presented to the LOT Commission.

Mayor Eimers stated that the funding would allow the Chamber to actually make the payment before submitting for reimbursement from the Department of Commerce. He said that the funds would allow them to comply with the actual administrative requirements of the travel grant.

Council Member Bertram stated that LOT funds are supposed to be used as matching funds to leverage grant funding under the terms of the Ordinance. She said that she doesn't think the ITC Grant qualifies under those terms since the money isn't ever entirely expensed.

Mr. Kirkpatrick stated that the LOT funding agreement requires the recipient to complete the project by a given date. He said that because of the reimbursement of the funds the project wouldn't ever be completed.

Mayor Eimers said that in truth the money is fully expended at the end of the grant cycle.

Mr. Kirkpatrick stated that because of the reimbursements the request would establish a reserve operating account. He said that the funds wouldn't be used as matching funds since they are always replenished by the Department of Commerce. He stated that the

LOT Ordinance establishes nine eligible expense categories and the nature of the ITC Grant doesn't qualify for any of them. He thanked Ms. Naylor for being candid about how the ITC money was used.

Ms. Naylor stated that the second recommendation by the LOT Commission is for an Executive Director position. She said that the Commission recommended reducing the total amount of the request to \$15,000. Ms. Naylor stated that the reduction would present a problem since the Chamber would be unable to hire somebody with the promise of three months salary. She stated that the volunteers that are currently managing the office would not be able to continue for much longer. Ms. Naylor said that the Chamber needs a full time person to operate the Visitor's Center.

Council Member Bertram said that she would be willing to consider moving the funds originally requested for the ITC Grant to a staff position.

Ms. Naylor stated that she agrees that staffing the office is the most important thing for the Chamber, especially with the upcoming summer season.

Mr. Snodgrass clarified that the Commission made their recommendation to fund \$15,000 to the Chamber for staffing with the intention of considering additional requests from the organization for the next year. He explained that the funding matrix would distribute the funds over the next four months.

Jim Hinson said that the volunteers who are running the Chamber Office are worn down and can't continue through the summer. He said that the Chamber needs an Office Manager who can operate the Visitor's Center. Mr. Hinson said that the Chamber is vital for the community but can't continue to operate only with volunteers.

Council Member Robertson asked for clarification of what is being proposed.

Mayor Eimers explained that he proposes granting the Chamber funding to hire an Office Manager.

Council Member Bertram stated that the requests by the Chamber for the ITC Grant and the Executive Director could be combined to fund the position.

Ms. Naylor said that the Chamber needs to have an Office Manager on staff to lessen the burden on the volunteers. She said that the bylaws of the Chamber don't address an Executive Director position and that Ms. Smith was only given the title for prestige. She said that the organization needs to have an expert come in and define the organizational composition of the Chamber.

Council Member Robertson said that the Chamber used to have staff that traveled around to other communities. He asked if the Chamber was still planning on having staff travel.

Ms. Naylor explained that staff traveled to various consumer shows with the funding from the ITC Grant. She said that the members of the Board would continue to travel to the shows using the funds.

Rob DeMore stated that he supported the hiring of an Executive Director for the Chamber with the idea that they would be able to raise funds for the organization and become self-sufficient again. He said that the hiring of an Office Manager would not allow the organization to raise the operational money that it needs.

Mayor Eimers said that he is comfortable awarding funding to the Chamber for an Office Manager. He stated that it should be the business community's financial responsibility to decide if they want the Chamber to hire an Executive Director.

Council Member Bertram asked if the LOT Commission was comfortable with revising the funding the Chamber.

Mr. Bailey said that he was comfortable with the revision.

Mr. Daniels said that he thinks hiring a manager for the organization is the avenue that should be pursued to avoid further financial mismanagement in the agency.

Ms. Naylor said that the Chamber Board originally wanted to hire an Executive Director to handle management duties. She stated that an Office Manager is an equally important position for managing the visitor's center.

Mr. Bailey suggested that the Chamber hire a person that can serve as an Office Manager and assume additional management duties as the organization progresses financially.

Mr. Snodgrass suggested that the request be tabled and allow the Chamber to develop a staffing plan.

Mayor Eimers said that the Council shouldn't define the position for the Chamber. He said that the funds should be given to the Chamber for staffing purposes and the Chamber Board can decide what duties the person is responsible for.

Mr. Hinson said that the Chamber received a letter from a resident expressing interest in working for the organization. He said that he believes someone can be hired for \$10 per hour to manage the Visitor's Center. He emphasized that it is important for the Chamber to hire someone for the summer season.

Mr. Kirkpatrick said that the LOT Commission would begin hearing funding requests for Fiscal Year 2006 on the next Monday. He said that the Chamber would be able to present a new request for the next fiscal year.

Mr. Snodgrass stated that he recommends funding \$15,000 to the Chamber for staffing this fiscal year and allow them to present a new staffing request for the next fiscal year.

After discussion, the Council Members agreed that this would be the best approach.

Mr. Kirkpatrick stated that Council Member Bertram said that she would only be comfortable in awarding funds to the Chamber if they hire an accountant to oversee the organization's finances. He asked if the LOT funding agreement with the Chamber should be revised to require that they hire an accountant.

The Council Members confirmed that the agreement should be amended.

Mayor Eimers said that the revision would result in \$29,500 being eliminated in the Commission's recommendation. He said that the Commission should consider the remaining LOT applications at their meeting on Monday, and recommend additional projects for funding with the LOT revenue.

Council Member Greer asked if the LOT Commission should vote on the revised proposal.

Mr. Bailey, Ms. Graham, Mr. Daniels, and Mr. DeMore confirmed that they supported the revision.

Council Member Bertram asked about the fireworks display. She stated that the fireworks are important for the community and she would support funding them from the LOT revenue. She asked Ms. Naylor when the funds were needed.

Ms. Naylor stated that the funds were needed immediately. She explained that the contract with the vendor requires \$5000 to be paid by June 15th and the balance to be paid after the show.

Council Member Robertson requested that an agenda bill be added to the next Council meeting for considering the additional projects that the LOT Commission would recommend at their next meeting. He added that he would like the Chamber to request funding for the promotional DVD at the meeting.

Ms. Naylor explained that the DVD couldn't be funded by the Chamber as it wasn't an approved project under the ITC grant. She said that the organization will consider adding the project to its next grant application.

Bret Huish, McCall Gallery, said that the DVD project wouldn't be an issue if it was submitted by a non-profit agency. He said that all of the LOT projects would benefit private enterprise and he is simply eliminating the middleman.

Council Member Robertson said that he is confused by the request from Shepherd's Home. He said that the request is to provide matching funds but the funding award was for the full amount of the project.

Mr. Kirkpatrick stated that the funding wouldn't be expensed until the matching funds were evidenced to the City.

Council Member Robertson requested the City Clerk to clarify the details of the project with the Shepherd's Home.

Council Member Robertson stated that he thought the advertising brackets for McCall Transit was a good project to be funded with the LOT revenue. He explained that the grant for McCall Transit has changed and they will need additional revenue to operate in the next fiscal year. He said that the advertising revenue could be a big help to them.

Council Member Robertson asked for a representative from the McCall Skateboard Park Association to discuss their project.

Cindy Crawford, McCall Skateboard Park Association, said that the project began four years ago with a larger design. She said that the scale of the project has been reduced as a result of increased building costs. She stated that the Association needs to begin the project in order to get it completed. Ms. Crawford said that the Association would have liked to request \$70,000 in the application but they felt that funds were limited. She stated that the Association hopes to raise an additional \$25,000 to establish a bigger park.

Council Member Bertram asked if the site would allow room for the park to expand.

Ms. Crawford said that the site would allow for the construction of a small facility and the Association can look at establishing other facilities later. She said that with the LOT funds a 5,000 sq. foot park could be built.

Council Member Muller asked who would be bidding the concrete on the project.

Ms. Crawford said that the project would be managed by Grineline of Seattle. She said that they would be working to get local contractors involved.

Council Member Robertson asked if the concrete would be able to last in McCall's climate.

Ms. Crawford explained that they have hired an expert who has constructed similar facilities in similar climates.

Council Member Bertram asked if the facility would be covered for use in the winter.

Ms. Crawford said that the facility wouldn't be open in the winter. She explained that supervision would have been required if the park was covered.

Mayor Eimers suggested that the Council should approve \$161,309 of the projects recommended by the LOT Commission and direct them to revise the \$29,500 that was eliminated from the recommendation.

Mr. Kirkpatrick said that the Council needs to resolve how to distribute the funds if a shortfall happens in any given month.

Council Member Robertson said that if a shortfall in the anticipated revenue occurs the Council can make a decision at that time.

Mayor Eimers suggested that payments for the projects could still be made out of the general fund and reimbursed by the LOT revenue unless a significant shortfall occurs.

Mayor Eimers moved to approve \$161,309 in funding as recommended by the Local Option Tax Commission upon the condition that the Chamber hire an outside accountant before receiving funds, and authorize the Mayor to sign the modified contractual agreements. Council Member Bertram seconded the motion. In a roll call vote, Council Member Bertram, Council Member Greer, Council Member Muller, Council Member Robertson, and Mayor Eimers voted aye. The motion carried.

Mayor Eimers thanked the Commission members for their work.

A break was taken from 9:00 p.m. to 9:15 p.m.

FY 05 Budget Amendment Workshop

Mr. Kirkpatrick provided a spreadsheet to the Council that compared the projects contained in the original proposed budget amendment to the one that was adopted by the Council. He said that at the last meeting, the Council directed staff to explore the initiative to pave the roads that were eliminated from the budget amendment with the revenue that was budgeted for the fire station remodel. Mr. Kirkpatrick said the spreadsheet proposes to use the revenue that was originally budgeted for the fire station remodel for the paving of the four streets that were eliminated from the initial budget amendment proposal, a facility plan study for the Police Department and City Hall, and repairs at the Senior Citizen Center. He explained that the Senior Citizen's weren't successful in their attempt to obtain the Community Development Block Grant that the City applied for. Mr. Kirkpatrick stated that staff proposes to use \$21,000 to begin performing the work that is needed on the Senior Center and an additional \$78,000 would be added to the next fiscal year budget.

Council Member Bertram asked if the Senior Citizens would use the plans that were designed during the CDBG application process.

Mr. Kirkpatrick confirmed that they would. He said that the money identified in the budget amendment would allow the repairs to begin this fiscal year and additional money would need to be budgeted for next fiscal year to allow for the completion of project.

Mayor Eimers asked if the facility study included looking at the possibility of establishing a new Police Station.

Mr. Kirkpatrick explained that the study would look at all of the alternatives for providing sufficient working space for all City Departments.

Mr. Kirkpatrick stated that the Council also directed staff to explore an alternative to the Rio Vista Step System. He said that staff proposes to use the existing funds that were budgeted for the project to fund the initial development costs of designing a traditional sewer system that would be established with a LID. He said that the \$18,000 assessments on the individual lots would be reasonable for the benefits that they would gain.

Mr. Kirkpatrick said that staff is also working on other items that would need to be included in a second budget amendment.

Mayor Eimers stated that the proposal accomplishes what he requested at the last meeting.

Council Member Muller asked if the projects that are proposed in the second budget amendment are intended for next fiscal year.

Mr. Kirkpatrick said that the projects are intended for this fiscal year. He explained that the Boydston Street project would be funded with approximately \$93,000 in grant funds. He said that a part of the funds for the Eastside Water Project were budgeted for this year. He said that Bill Keating thinks that there would be enough money available to complete the project this year. Mr. Kirkpatrick stated that staff has spent a significant amount of time establishing a cash flow analysis to determine how much of the \$1.8 million DEQ loan needs to be borrowed.

Mr. Kirkpatrick explained that an additional budget amendment would need to be approved in order to use the general fund money to pave Pine-Wooley, Ernesto Drive, Gena Way, and Carico Road. He said that the four roads comprise those that were eliminated from the initial budget amendment that was never adopted.

Council Member Bertram asked when the Pine-Wooley grant was supposed to be awarded.

Ms. Townsend said that she believed the funds would be awarded this fiscal year.

Council Member Robertson said that he believes the proposal presents the opportunity for the Council to fund the project priorities that were identified at the last meeting.

Council Member Bertram asked how much of the Council contingency line item would be expensed in the proposal.

Mr. Kirkpatrick stated that all of the contingency would have to be used to complete all of the proposed projects. He explained that an additional budget amendment would need to be adopted and the Council could decide to postpone any of the proposed projects if they want to retain some contingency amounts.

Mayor Eimers moved to accept the budget amendment.

Mr. Kirkpatrick clarified that the Mayor's intention was to adopt pages 1-7 of the spreadsheet. He explained that an additional budget amendment would be required to complete the other projects identified on the spreadsheet.

Council Member Greer seconded the motion. In a roll call vote, Council Member Bertram, Council Member Greer, Council Member Muller, Council Member Robertson, and Mayor Eimers voted aye.

Ms. Townsend clarified that the facility plan and repairs to the Senior Center can begin immediately since the money is in the general fund. She explained that an additional budget amendment would need to be adopted in order to proceed with the paving projects and other identified projects.

Council Member Robertson said that he is concerned that the residents of Rio Vista may not be receptive to the LID for a sewer system and isn't sure if the money should be set aside for the project.

Mr. Kirkpatrick stated that staff would first explore if the residents were receptive to the establishment of a LID for a sewer system. He said that a public hearing would be held with the residents and inform them that the City is willing to contribute funds for the initial design of the project.

Council Member Robertson said that the City has plans to negotiate with Judd DeBoer for the expansion of the airport. He said that the exchange of the fire station property would require the City to place \$200,000 into the airport fund. He said that the money for the project would need to be identified soon. He said that the money for the step system might provide a possibility.

Council Member Muller asked if the airport expansion was discussed with the developers of River Ranch.

Mr. Kirkpatrick stated that avigation easement with River Ranch says that the development is aware of the flight traffic. He said that the easement addresses future expansion as long as it is within FAA standards.

Mr. Kirkpatrick stated that the \$100,000 for the step system is in the sewer fund. He explained that since the money was moved from the general fund to an enterprise fund it can't be moved until it is spent.

Council Member Robertson said that he wasn't aware of the limitation. He said that the airport community is supporting the initiative to create a new master plan. He said that it might be good to complete the project now to free up future money for the airport.

Mayor Eimers directed staff to begin working on the additional budget amendment for the additional projects.

Mr. Kirkpatrick stated that the repairs to the Senior Citizen Center and facility plan could begin immediately if the Council directed staff to proceed with them.

Mayor Eimers moved to authorize the commencement of the expenditures on the Senior Citizen Center and facility study. Council Member Bertram seconded the motion. In a roll call vote Council Member Muller, Council Member Robertson, Council Member Greer, Council Member Bertram, and Mayor Eimers voted aye.

EXECUTIVE SESSION

At 9:40 p.m., Mayor Eimers moved to go into executive session per Idaho Code 67-2345(1c) and 67-2345(1f) to discuss property acquisition and litigation. Council Member Robertson seconded the motion. In a roll call vote, Mayor Eimers, Council Member Bertram, Council Member Greer, Council Member Robertson, and Council Member Muller voted aye. The motion carried.

The discussion pertained to property acquisition and litigation.

At 11:04 p.m., Mayor Eimers moved to come out of executive session. Council Member Greer seconded the motion. All members voted aye. The motion carried.

ADJOURNMENT

Without further business, Mayor Eimers moved to adjourn. Council Member Greer seconded the motion. All Council Members voted aye. The motion carried. The Council adjourned at 11:05 p.m.

Kirk L. Eimers, Mayor

ATTEST:

Dan Irwin, City Clerk