

**CITY COUNCIL MEETING  
AUGUST 19, 2020  
SALMON, IDAHO**

**Mayor Marshall** opened the regular City Council meeting at 6:00 p.m. Via GoToMeeting due to the Coronavirus.

Those in attendance were:

**COUNCIL MEMBERS:**           **Jim Baker**  
   **Jim Bockelman**  
   **Ken Hill**  
   **Neal James**  
   **Robin Phillips**  
   **Fred Waidely**

**CITY ATTORNEY:**           **Fred Snook**

**Decisions/Action Items**

- 1) Council approved motion to collect Local Option Tax from the Elks beginning September 1<sup>st</sup>.
- 2) Memorandum of Understanding (MOU) Between the City of Salmon Idaho and USDA, Forest Service Salmon-Challis National Forest was tabled until the next regular meeting.
- 3) East-Central Idaho Planning & Development Association (*ECIPDA*) Professional Services Contract for Project Development of Municipal Water System Improvements approved by council.
- 4) Council Decision on Engineering – Retain Keller Associates for Phase I of the project.
- 5) Water Study Presentation by Keller Associates for Public approved by Council.
- 6) Law Enforcement Property Tax Relief – Council gave approval to Proceed.

**Consent Agenda**

- a) Meeting Minutes August 5, 2020 Regular Meeting, August 10, 2020 Special Meeting.
- b) Bills for approval

Councilor Hill made a motion to approve the meeting minutes and bills as submitted. Roll call vote: Phillips...aye, James...aye, Bockelman...aye, Waidely...aye, Hill...aye, and Baker...aye.

**Public Comment**

None

**Paul Chartrand – City Contributions – Informational Item – Removed per Mr. Chartrand**

**Elks Campground Concerning Question as to Paying Local Option Tax**

City Attorney, Fred Snook stated that the way the Ordinance is written option tax should be collected for those staying at the Elk's campground. Councilor Bockelman made a motion that the Elks start collecting Local Option Tax beginning September 1<sup>st</sup> with the first payment to the City by October 20<sup>th</sup>. Roll call vote carried: Baker...aye, Hill...aye, Waidely...aye, Bockelman...aye, James...aye, and Phillips...aye.

**Forest's Vegetation Management and Implementation Plan**

Ken Gebhardt stated that the forest is now beginning to develop a three to four year implementation plan including both timber and hazardous fuels reduction projects. Both will address catastrophic fire fuels reduction as well as allowing them to meet the goals for addressing hazardous fuels and timber output. There are several ongoing projects such as the Williams Farm Bill, the municipal watershed, Stormy Peak Farm Bill, and the Sheep Creek Timber Wildlife Habitat Improvement Project. There are also several prescribed fire projects that are in the planning stage. As a result of their three to four year implementation plan they are also looking at large landscape scale projects to the tune of 100,000 acres or more. These projects are condition based environmental analysis projects. Scoping for a number of these projects will begin September 1, 2020.

**Memorandum of Understanding (MOU) Between the City of Salmon Idaho and USDA, Forest Service Salmon-Challis National Forest**

Ken Gebhardt said it is his understanding that the MOU has been reviewed by the City of Salmon's attorney and Idaho Department of Water Resources. They also had a review by the Office of General Counsel for the Forest Service. The question that arose was is it appropriate to refer to the 1939 Agreement and the 1975 Management Plan in the MOU. The reply he heard was absolutely. They still have intent to follow through with the agreements and the understandings in those older documents using the MOU to facilitate any concerns or disagreements in the future. They had one correction item at the end of the document where they referred to the Forest Plan. He provided an updated document where they are referring to the joint MOU between the City of Salmon and the USDA Forest Service. He provided the latest draft document for Council review late this afternoon. It was noted that the document was not available to Council due to the time it was sent. Councilor Baker made a motion to table this item of discussion until the next regular meeting. All voted aye.

**East-Central Idaho Planning & Development Association (ECIPDA) Professional Services Contract for Project Development of Municipal Water System Improvements**

Councilor Phillips asked how much funding we are looking for. Rick Miller said for Phase I we will be applying for the Block Grant this fall requesting \$500,000 to go along with a city match of \$400,000. If the city elects to go forward with the larger request that would be the second phase of the contract. Councilor Phillips asked if the \$15,000 was only for Phase I. Rick stated that it was for both phases; \$6,000 for Phase I and \$9,000 for Phase II.

Councilor James made a motion to approve the contract with ECIPDA to do our planning. Roll call vote: Baker...aye, Hill...aye, Waidely...aye, Bockelman...aye, James...aye, and Phillips...aye.

### **Council Decision on Engineering – Request for Proposals or Retain Keller Associates**

Councilor Waidely asked if the city is required to ask for a request for qualifications. Fred Snook said his opinion is for certain projects the city could proceed. We have an existing agreement with Keller Associates and under that agreement it contains compensation for additional services will be pursuant to mutually agreed upon amendment to this agreement. It implies that we are authorized to expand their scope of work. Attachment A had a specific paragraph which contained additional services indicating that the consultant, Keller Associates, will be available to perform additional services beyond the scope of the original project as requested by the City. Payment for those additional services will be negotiated on a lump sum or hourly rate in accordance with their billing rates. In his opinion as long as we are staying within the scope of the water project we could use Keller.

Councilor Phillips asked Keller Associates for an approximate dollar amount within \$10,000 of what this would entail. Jim Mullen stated that for Phase I engineering services and design are built into the cost estimates. Generally they are in the 15% - 16% range. Councilor Phillips said she thinks it is prudent when talking about contracts for over \$100,000 to put out a request for quotations.

Fred Snook stated that they are not going to give us a bid. Another firm would just tell us who they are. Councilor Baker explained that if we were to go for a request for a quote an engineering firm would be selected on their qualifications. Jim Mullen clarified by stating that state code requires municipalities in Idaho select professional engineering services based on qualifications and not cost. It is illegal for an engineer to submit cost to do a project. If the city requested proposals for qualifications you will get back a statement of qualifications from different firms.

Councilor Bockelman said in his opinion if we ask for qualifications from another firm the cost would be the same as with Keller Associates. If we start over we go back to ground zero.

Councilor James said we want to be assured that they will do the job that we hire them to do. He felt that last time they did not do their job.

Councilor Baker asked Councilor Hill what his thoughts are. As he sees it we have two choices. We can move to select Keller on the basis of past association and because they have prepared the engineering ideas of how to put it together. Now we are at a point where part are concerned about the cost, etc. He thinks if we request other firms submit their qualifications which would set us past the timeframe to apply for grant funding. He understands the problems we had with Keller. He also thinks with the ideas submitted of how to fix the water system for the City is a good plan.

Councilor Waidely said Keller did a fantastic job of oversight on the Wastewater Treatment Plant project, which was a much bigger project than the lift station project. It finished on budget and ahead of time.

Councilor Waidely made a motion to accept Keller Associated for Phase I. Roll call vote: Baker...aye, Hill...aye, Waidely...aye, James...no, and Phillips...no.

The next move will be Keller's putting together a detailed scope and agreement, work through the design construction, bidding phases for Phase I which will be submitted to City Council for review and approval. If approved they will start with the process helping ECIPDA getting money applied for and get the surveying done this fall. As soon as the money is available next Spring they can get a contractor on board and get things built as quickly as possible.

### **Approval of Water Study Presentation by Keller Associates for Public**

Jim Mullen stated that they would like to get Council's approval for an online presentation that would be recorded by them, put on the City website for review and comment by the City. This would be considered the public comment period and will take the place of a formal public meeting due to COVID. This method has been approved by the Department of Environmental Quality (DEQ). It will be on the City website for 30 days. There is a requirement of public notice in the local newspaper.

Councilor Bockelman made a motion to approve the Water Study Presentation. Roll call vote: Phillips...aye, James...aye, Bockelman...aye, Waidely...aye, Hill...aye, and Baker...aye.

### **July Financial Overview**

City of Salmon, Idaho

#### MONTHLY FINANCIAL REPORT

*FY2020 (July 2020)*

August 18, 2020

#### OVERVIEW

This report summarizes the City's overall year-to-date (July 2020) financial position for the FY 2020.

**GENERAL FUND**

**General Fund Financial Condition.** With 83% of the year complete, General Fund revenues are at 93.1% of projections and expenditures are at 82.5%.

General Fund Activity	Current Year		Fiscal Year 2019		Percent
	Budget	YTD Actual	Budget	Actual	
Revenues	1,321,520	1,229,831	1,512,667	1,395,029	93.1%
Expenditures	1,321,520	1,089,945	1,512,667	1,455,755	82.5%

**Top Revenues.** Our top four revenues account for about 92% of total General Fund Revenues. By focusing on these we get an excellent understanding of our revenue position.

So far, these revenues are performing as projected based on payment schedules and past trends; however the City anticipates a major decline over the next two quarters due to COVID-19.

Top Revenues	Current Year		Fiscal Year 2019		Percent
	Budget	YTD Actual	Budget	Actual	
Property Tax	790,581	776,391	815,417	759,886	98.2%
Sales Tax	235,439	198,629	252,991	258,580	84.4%
Revenue Sharing	126,360	109,733	132,739	102,358	86.8%
Liquor Revenue	105,590	68,844	112,670	117,350	65.2%
<b>TOTAL</b>	<b>1,257,970</b>	<b>1,153,597</b>	<b>1,313,817</b>	<b>1,238,174</b>	<b>91.7%</b>

Property Tax. The first major payment of 2019-2020 taxes was received in December 2019 and another significant tax payment came to the City in January 2020.

The first Revenue Sharing and Liquor Revenue payments for the year were received in January 2020.

We are closely monitoring the revenues from the state due to COVID-19.

**EXPENDITURES.** Operating costs are on budget for fiscal year 2020 as summarized below:

Expenditures by Department	Current Year		Fiscal Year 2019		Percent
	Budget	YTD Actual	Budget	Actual	
Executive	71,546	62,133	74,660	70,677	86.8%
Administration	189,143	149,179	188,377	177,506	78.9%
Comm Development	-	421	22,000	12,564	0%
Planning & Zoning	19,000	15,825	25,150	19,223	83.3%
Sacajawea Center	135,178	103,479	169,369	141,189	76.6%
Police Dept	775,479	645,937	801,853	799,972	83.3%
Parks	71,933	62,761	77,760	77,966	87.2%
Swimming Pool	12,005	5,290	86,690	88,598	44.1%
Salmon Valley Center	47,236	44,930	66,808	68,060	95.1%
<b>TOTAL</b>	<b>1,321,520</b>	<b>1,089,954</b>	<b>1,512,667</b>	<b>1,455,755</b>	<b>82.5%</b>

OTHER GOVERNMENTAL FUNDS

Cemetery Activity	Current Year		Fiscal Year 2019		Percent
	Budget	YTD Actual	Budget	Actual	
Revenues	84,119	72,096	86,159	79,056	85.7%
Expenditures	84,119	78,077	86,159	80,102	92.8%

Streets & Alleys Activity	Current Year		Fiscal Year 2019		Percent
	Budget	YTD Actual	Budget	Actual	
Revenues	559,496	580,828	560,461	555,580	103.8%
Expenditures	559,496	308,653	560,461	529,324	55.2%

Local Option Tax Activity	Current Year		Fiscal Year 2019		Percent
	Budget	YTD Actual	Budget	Actual	
Revenues	103,700	40,220	95,000	124,544	38.8%
Expenditures	103,700	77,630	95,000	67,902	74.9%

ENTERPRISE FUNDS

Water Fund Activity	Current Year		Fiscal Year 2019		Percent
	Budget	YTD Actual	Budget	Actual	
Revenues	1,020,000	844,665	1,182,200	1,098,428	82.8%
Expenditures	1,020,000	694,654	1,182,200	1,129,117	68.1%

Sewer Fund Activity	Current Year		Fiscal Year 2019		Percent
	Budget	YTD Actual	Budget	Actual	
Revenues	721,000	612,188	1,696,800	732,261	84.9%
Expenditures	721,000	522,026	1,696,800	1,513,492	72.4%

City of Salmon, Idaho

CASH BALANCES REPORT

2 Quarter FY2020 (July 2020)

TOTAL CASH	<u>\$5,537,010.69</u>
RESERVED CASH	1,713,993.98
GENERAL FUND	521,575.56
CEMETERY FUND	62,771.51
STREETS & ALLEYS	396,401.32
WATER	840,126.46
SEWER	1,796,026.11
LOCAL OPTION TAX	206,115.75
	<u>5,537,010.69</u>

**Law Enforcement Property Tax Relief – Council Approval to Proceed**

Amy Fealko asked council to approve proceeding to file the L2 for the budget that is submitted to the County with the \$149,000 tax credit through the Governor’s law enforcement property tax relief. The City can retain up to 3% for administrative cost leaving \$145,000 for property tax relief. Councilor Phillips made a motion to approve the law enforcement property tax relief. Councilor Baker said he does not like the direction we are going with all the relief funding and where it is going. Roll call vote: Phillips...aye, James...aye, Bockelman...aye, Waidely...aye, Hill...aye, and Baker...no.

**Informal Discussion/Round Table**

- 1) Councilor Baker asked about not paying FICA in September. Amy said she has been watching it but no final word. Councilor Baker said he wants to keep paying his. Also he will present a proposal on how to respond to letters. He would like that on the next agenda.
- 2) Councilor James handed out a copy of Star’s 2<sup>nd</sup> Amendment Ordinance. He would like Council to think about it and put it on for discussion at the next Council meeting. He also commented on our junk ordinance and thinks the City should send out letters.
- 3) Councilor Phillips commented on the Chartrand’s selling their building and a new business opening up. She hopes that everyone will attend the Fair and have a good time.

**Committee Meetings / Public Information**

- a) Public Works Team – TBD
- b) Parks and Recreation Team - TBD
- c) Finance Team – TBD
- d) Public Safety Team – TBD

**Public Comments**

None

**Future Council Meeting Agenda Items Future Action Items**

- 1) Salmon School District’s Portion of Bean Lane
- 2) Presentation from the County Weed Department concerning weeds in the City (October)
- 3) US Forest Service Memorandum of Understanding for Salmon Watershed Area
- 4) Proposal on how to respond to letters
- 5) Discussion concerning the City of Star’s 2<sup>nd</sup> Amendment Ordinance

**Adjournment**

The Council meeting was adjourned at 7:30 p.m.

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**Leo Marshall, Mayor**

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**Mary Benton, City Clerk**