

NOTUS CITY COUNCIL MEETING MINUTES

August 7th, 2023 @ 7:00PM

at Notus City Hall, 375 Notus Rd, Notus, ID, 83656

1. **Meeting Called to Order**

The meeting was called to order by the Mayor at 7:05 p.m.

2. **Roll Call**

Roll was taken with the following results: Council President, Steve Ahlborn, present; Councilman Devin Krasowski, present; Councilwomen Michelle DeGiorgio, present. Councilwoman, Bonnie Emly excused absence. Also present were City Attorney, Bryan Norton.

3. **Pledge of Allegiance**

4. **Public Concerns/Comments, limited to 3 minutes each**

NONE

5. **Consent Agenda, Action Items**

5.1 Disbursement List

A question was raised by Michelle DeGiorgio regarding the amount for the City Planner. She was told that there are 2 different invoices that total is what is on the list. Steve Ahlborn motioned to pay the disbursements for August 7, 2023 in the amount of \$1316.91. Devin Krasowski seconded the motion. Roll call was taken with the following results: Steve Ahlborn, yes; Devin Krasowski, yes; Michelle DeGiorgio, no. Motion was approved by 2/3 vote. Motion carried.

5.2 Council Meeting Minutes

No minutes were presented.

5.3 Committee Meeting Minutes: Library, Community Events, Vision Tomorrow

Steve Ahlborn motioned to accept the minutes to record for the July 18, 2023, Notus Community Events Committee. Devin Krasowski seconded. Roll Call was taken with the following results: Steve Ahlborn, yes; Devin Krasowski, yes; Michelle DeGiorgio, yes. Motion carried.

6. **Business**

6.1 Williams Development Agreement Approval, ACTION ITEM

Devin Krasowski motioned to sign the Williams Development Agreement. Michelle DeGiorgio seconded the motion. Devin asked if they had to do the SEOs as well. It was explained that it was included in the agreement. Roll call was taken with the following results: Devin Krasowski, yes; Michelle DiGiorgio, yes; Steve Ahlborn, yes. The motion carried.

6.2 RTAP Presentation-Matt Carlson, COMPASS, ACTION ITEM

Matt Carlson from COMPASS gave a presentation of the process of how the funding issues for street construction have been addressed by them. There have been meetings with Matt, Mayor, and Treasurer in preparation for grant applications. The process to apply for another portion of funding for the preconcept report to be ready for the City to apply for additional funds. The funds will be reimbursed by ITD with grant funds when the City has a project started. Discussion regarding the reason for looking for funds for the next step of design plans for street pre-construction. City planner spoke about the difference between Federal Funding and State Funding.

6.3 Sanitation Rate Increase Resolution, ACTION ITEM

Resolution #23-04 was presented regarding the rate increase for Sanitation services that was approved at the last Council meeting. Devin Krasowski asked whether the amount listed means .45 dollars or .45 cents? It is cents. The City Clerk spoke to that issue, that when the request was made by the sanitation service providers, the portion of the service that is for carts and admin fees would not be part of the 4% increase, as stated at the last meeting. This would be a total to the customer of \$11.77. Devin Krasowski moved to approve the resolution #23-04 with the correction of \$.45 increase to the Sanitation service. Michelle DeGiorgio seconded the motion. Roll Call taken by City Clerk. Devin Krasowski, yes; Michelle DeGiorgio, yes; Steve Ahlborn, yes. Motion carried.

6.4 Budget Preview

Mayor asked Treasurer to proceed with the discussion or the budget. Marie Eilers handed out new spreadsheets of the budget to each of the Council members. She started with the Sanitation budget, speaking regarding the increase that was just mentioned. The amounts on the Sanitation budget do not match so Eilers asked Mayor to help get the revenue and expenditures balanced. She explained how the services are different with the residents and how they use the service. There could be some people who have more than one cart; some may have a small dumpster (which is handled directly by the sanitation company). Mayor spoke up that he had a balance on expenditures and revenues of \$51,135.00. Going on to Street Fund, Eilers spoke to the fact that City of Notus has received the grant for purchase of signs and supplies of \$14,500. That will be coming to us after October 1, 2023. Eilers reminded the group that when the Council had a workshop regarding capital improvements that they wanted to address, the one that would impact the streets was the culvert replacement and the GIS equipment. These are things that we have to keep in mind when we look at budgets to see if there is a possibility of purchasing items. There is new funding coming from the state that could help with that. The budget shows spending out the entire \$14,500 for signs and \$30,000 for street maintenance and repair. The sewer fund budget was next to be discussed. Revenue has been calculated using the new rate discussed in the amount of \$54.35. Some of the priority #1 issues that were addressed in previous workshops were: fencing around the sewer ponds, signage around the area, the discharge system which included the overflow deck, and effluent pump, and a generator for the sewer system. The signage has been taken care of so now the plan is to try to get some of the other things on the plan for this fiscal year listed in the facility maintenance line item. It was mentioned that the line item in sewer fund that is for Engineers is the Control Engineer Company that handles the SCADA system for the City. Another item that is new this year is an assessment tool from DEQ for the Sewer system at a cost of \$365 per year. Next to be discussed was the Water Fund. One change from the previous budget was to take out the Capital Pipe repair and put the funds back into the general pipe replacement/repair category. Also, going back to the workshop and priorities was a generator for the water system, valve replacements, pump house renovation. The dollar amounts estimated for these things is: Valves \$50,000, Pump house renovation, \$15,000, and Generator, \$90,000. Part of the cost can be handled by the ARPA grant funds. Devin asked if the Valve replacements are in the budget and Treasurer stated it is not. The Mayor spoke that, that issue as being something that may be handled out of the Facility Maintenance line item. Mayor asked if he could speak to the issue of rate increases that need to be made. He reminded the group that there is a need for fixing the issue the city has with the redundant supply for water. The amount that the engineer stated in the Water Facility Plan was approximately \$1.3 million. Michelle DeGiorgio asked if that was for fire suppression at the onion shed and Mayor stated it is not. The mayor told the council an approximate figure for a base rate to be able to handle the cost of the improvements could be \$49.00 per month. Devin Krasowski asked what the percentage is, that a city can raise without having a public hearing. Mayor stated that it is 5%. Eilers asked to go into the General budget, reminding the council that most of the revenue in that fund is generated by tax dollars. She also told the group that the Library has new board members and is working hard to understand and get the budget figured out for us. Another area of concern for us in the Parks budget. We have

sprayers that are not working so more equipment funding is needed, the side by side needs a new windshield, back window, and tires. Another new item that the staff feels is important and that is cyber security so there is \$3,000 added for that. The mayor asked the council if there is any questions or concerns that they would like to speak about. Devin Krasowski asked if the design work for city hall had been done. Mayor said it was not and that could have to come out of street fund. Staff salary increases were an important item for Devin. The question was asked regarding the Bank Interest that was listed in the revenue, whether it was for the LGIP accounts and Eilers said it was from the US Bank checking account. Michelle DeGiorgio had a concern regarding the amount dedicated to the computer systems. Eilers explained what the line items that each have their own issue, such as we have IT services, software support is Vision, which is an annual fee in which we can call as many times as we need during the month. The IT service we use is the one that gives us 2 hours of service for the monthly fee, then will charge extra if they work longer than 2 hours on any issue we have. No more questions were asked of the Treasurer.

6.5 Proposed Water and Sewer Rate Increase, ACTION ITEM

Mayor spoke about the USDA determination of the rate that needs to be at \$54.35 per month. The proposed water is open for input from the Council. Devin asked if USDA had included depreciation in their calculations of the monthly rate. Mayor agreed that was the case. Marie Eilers made note that USDA's calculations were based on the need to provide maintenance and operation funds, plus have enough to make the Bond Payment each year. Devin spoke of the need to include depreciation in these funds. Mayor mentioned that he had not included it as a line item because of the confusion it causes because it is not really an expense, but the funds need to be set aside for those issues that come up from time to time. Mayor explained that funds are being designated within the LGIP accounts for on-going expenditures. Michelle DeGiorgio asked what the Sewer Bond pay-off could be. She is concerned that the city is taking up more time on applying for grants and paying engineers for things and not being able to get ahead. Devin asked what was meant by the statement the mayor made that there is enough in the LGIP account to make an extra payment. Mayor explained that there have been extra payments made to the Water Bond, but not the Sewer Bond yet. Krasowski asked if the \$54.35 was under the 5% increase that would require a public hearing and Mayor agreed that was correct. Devin Krasowski motion to approve the Sewer increase to \$54.35 per user per month. Steve Ahlborn seconded the motion. Roll call was taken with the following results. Devin, yes; Steve, yes; Michelle, yes. Motion carried. Devin asked if the City is pursuing a grant for a new well for water? Mayor stated that we had applied for two different grants but missed the cut by 1 or 2 positions. One was the DEQ state revolving grant-loan and the Governor's Leading Idaho infrastructure grant. The revolving grant will be available again in the fall and we will apply again. Devin asked if there was a match for those funds. Mayor said he thinks there is a 7.34% match and would take us through construction of a new well. There may be a chance to also receive USDA grants as well. Michelle asked if Rural Water would be a better avenue since the city, is a small system. Mayor agreed that there could be help from them. Mayor stated that the city is now a Class 1 system. A discussion regarding the Water Bond balance and we could pay-off the bond and be able to have extra funding available. The question was what the interest rate is. It is 5%. The mayor explained the amounts that could be increased to stay under the 5% threshold. The Plant Maintenance and Repair line item was discussed, which means several different items would be in that category. Devin Krasowski was thinking that in the future more repairs of old lines would be planned. Steve asked what a 3% increase would be. Mayor stated that would be \$32.62 per month base rate. The current rate is \$31.67 per month. An explanation was given to the group of how the revenue is calculated. There are more than just the base rate amounts. There is additional water usage, late fees, water turn-offs, etc. A motion was made by Devin Krasowski to increase the water base rate to \$32.75 per month. Steve Ahlborn seconded the motion. Roll Call was taken with the following results: Devin Krasowski, yes; Steve Ahlborn, yes; Michelle DeGiorgio, yes. Motion carried.

6.6 Tentative Budget Approval, ACTION ITEM

There will be a change in the water fund for the revenue. Other changes were suggested, however, Devin commented that this is just a tentative budget and small changes can be made to it later. The Treasurer agreed that was true. Devin Krasowski commented that as he was looking at staff salaries, he feels 3% is not enough of an increase for staff. Krasowski asked if research could be done for next year to see how the City compares to others. Mayor commented that using the percentage increase would come to \$93,600. That will be corrected on the budget totals. Budget can be approved as presented, then make changes going forward. Devin Krasowski motion to approve the tentative budget for FY24 in the amount of \$573,892.00. Steve Ahlborn seconded the motion. The City Clerk asked for clarification from attorney regarding the need for actual fund total numbers for the vote. If there should be a total for each fund or total for all together. The Attorney stated that since there would be a final vote at the public hearing, it would only be necessary for a total dollar amount. The Roll Call was taken with the following results: Devin Krasowski, yes; Steve Ahlborn, yes; Michelle DeGiorgio, yes. Motion carried.

6.7 Engineering Services, Interim Engineer Service, ACTION ITEM

A letter from Mountain Waterworks was read by the Clerk regarding the termination of services from the engineering company. Mayor asked the attorney if there needed to be an acknowledgement of the letter and was told it is not necessary. A letter could be sent back acknowledging the termination. At this time the Mayor will begin the process for RFQ. A question was asked of the attorney regarding the possibility of hiring an interim engineer. Bryan stated that it is possible to do that as a one time offer. He encouraged that the Council take that step. Devin Krasowski asked if the city has to have a City Engineer. Attorney stated that he was under the impression that all cities must have a City Engineer. He was not sure what the State Statute to the affect. There was a discussion regarding the need for separate engineering depending on what the project is and how much assistance the city would need. Michelle DeGiorgio stated that she would like to have the statute to know for sure. City Planner, Antonio Conti explained that it is important to have someone the council can speak to regarding issues that arise. Devin remarked that he thought it would be helpful to have one engineer to look after the City's needs and recommend how to handle projects that come up. Mayor suggested that council take some time to work with attorney to get the definition of size of projects that need professional services. Mayor felt that it was necessary to have an interim engineer in order to keep the city ready for future needs. Antonio Conti suggested a company called QVS that helps with the process. Devin motioned to approve Ackerman Estvold to perform interim engineering duties between now and when the City selects an engineer along with the necessary thresholds that need to be under. Steven Ahlborn seconded the motion. Roll Call was taken with the following results: Krasowski, yes; Ahlborn, yes; DiGiorgio, yes. Motion carried.

6.8 Fire Truck Purchase, ACTION ITEM

Mayor asked Michelle DeGiorgio regarding the purchasing a fire truck she has brought information on. DeGiorgio got a phone number from a customer regarding the possibility of a truck available. She had sent pictures to all the Council members. Devin Krasowski and Steve Ahlborn did not receive them. It is a 1984 ladder truck for \$15,000. It stated that it could be used for parades with the city logo on it. Could also be used to trim trees and may be able to reach the sewer aerators to repair them, and possible water tower repairs. Ahlborn has questions regarding storing it. Devin thinks it could be cool but may not be a good use of money.

7. **Executive Session (Idaho code 74-206(1)(f)); (f) Legal Council on pending or imminently likely litigation.**
Not necessary

8. Mayor & Council Comment

City Clerk spoke up regarding the Public Hearing on schedule for the Boise River Pack that is set for August 21, 2023 for an amendment to their conditional use permit. Needed to remind council members of the rules of ex parte communications. Questions regarding the Lemp Manor continuation of discussion item on August 28, 2023.

9. Adjournment

Michelle DeGiorgio motioned to adjourn at 9:43pm. Steve Ahlborn seconded. Motion carried.

Respectfully submitted by Loretta Vollmer, idCMC Notus City Clerk _____

Approved by David Porterfield, Mayor _____