

CITY COUNCIL CHAMBERS
680 Park Avenue
Idaho Falls, Id 83402

Thank you for your interest in City Government. If you wish to express your thoughts on a matter listed below, it is best to contact Councilmembers by email or personally before the meeting. Be aware that an amendment to this Agenda may be made upon passage of a motion that states the reason for the amendment and the good faith reason that the Agenda item was not included in the original Agenda posting. City Council Meetings are live streamed at www.idahofallsidaho.gov, then archived on the city website. If you need communication aids or services or other physical accommodations to participate or access this meeting please contact City Clerk Kathy Hampton at 612-8414 or the ADA Coordinator Lisa Farris at 612-8323 as soon as possible and they will make an effort to accommodate your needs.

1. Call to Order.

2. Pledge of Allegiance.

3. Public Comment. *Members of the public are invited to address the City Council regarding matters that are not on the Agenda or already noticed for a public hearing. When you address the Council, please state your name and address for the record and please limit your remarks to three (3) minutes. The Mayor may exercise discretion to decide if and when to allow public comment on an agenda item that does not include a public hearing. If the Mayor determines your comments may be made later in the meeting, she will let you know when you may make your comments. Please note that matters currently pending before the Planning Commission or Board of Adjustment which may be the subject of a pending enforcement action, or which are relative to a City personnel matter are not suitable for public comment.*

4. Consent Agenda. *Any item may be removed from the Consent Agenda at the request of any member of the Council for separate consideration.*

A. Item from the Mayor's Office:

- 1) Appointment of Ryan Tew to Human Resources Director

B. Items from Idaho Falls Power:

- 1) Approve Coffey Dam Design for the Upper Plant Sedimentation Removal Project
- 2) Ratify Award of Upper Plant Boat Ramp Replacement Project

C. Items from the City Clerk:

- 1) Approval of Expenditure Summary for the month of July, 2016.
- 2) Approval of Treasurer's Report for the month of July, 2016.
- 3) Approval of Minutes from the June 30, and July 28, 2016, Idaho Falls Power Board Meetings; and, July 6, 7, and 8, 2016, Council Budget Sessions.
- 4) Approval of License Applications, all carrying the required approvals.

RECOMMENDED ACTION: To approve all items on the Consent Agenda according to the recommendations presented.

5. **Regular Agenda.**

A. Municipal Services

1) Public Hearing – 2016/2017 Preliminary Fiscal Year Budget

RECOMMENDED ACTION: None at this time.

2) Recommendation to Reject IF-16-06, Two Backhoe Loaders for Public Works: The City issued a bid for two (2) backhoes, one for the Water Division and one for the Street Division. The bid was written to combine the backhoes in a single bid anticipating a better purchase price. However, during the bid evaluation process, it was determined that the bid's discretionary options portion did not adequately address the individual needs of the divisions. It is therefore the recommendation of the Public Works and Municipal Services Departments to reject all bids to reevaluate the divisions' needs and reissue the bids at a later date.

RECOMMENDED ACTION: To reject all bids to reevaluate the divisions' needs and reissue the bids at a later date (or take other action deemed appropriate).

3) Bid IF-16-25, Entry Door Upgrade Project: It is the recommendation of Public Works and Municipal Services Departments to accept the lowest responsive, responsible bid from River's West Construction, Inc. in the amount of \$67,038.00. This project will install upgraded security entry doors with Schlage brand hardware at eighteen (18) locations. The funding source for this project will be from the 2015/16 Water Division budget.

RECOMMENDED ACTION: To accept the lowest responsive, responsible bid from River's West Construction, Inc. in the amount of \$67,038.00, for installation of upgraded security entry doors and authorize the Mayor to sign contract documents (or take other action deemed appropriate).

B. Idaho Falls Power

1) Approve Pole Attachment License Agreement with Crown Castle LLC: Idaho Falls Power has received a request from Crown Castle LLC to attach communication infrastructure to power poles. Crown Castle LLC is the nation's largest provider of shared wireless infrastructure. For consideration is Idaho Falls Power's standard Pole Attachment License Agreement. This document was developed by the American Public Power Association and has been reviewed by the City Attorney.

RECOMMENDED ACTION: To approve the Pole Attachment License Agreement with Crown Castle LLC and authorize the Mayor to sign the documents (or take other action deemed appropriate).

C. Public Works

1) Professional Services Agreement for Construction Materials Testing on the Grandview Drive; Skyline Drive to Saturn Avenue Project: For consideration is a Professional Services Agreement

with Strata, Inc., to conduct fill material, concrete and asphalt mix testing. Under the agreement, Strata, Inc. will perform testing services on the Grandview Drive, Skyline Drive to Saturn Avenue project, for a not-to-exceed amount of \$50,000.00. The City will be responsible for 7.34% of this amount. This agreement has been reviewed by the City Attorney.

RECOMMENDED ACTION: To approve of the professional services agreement with Strata, Inc., and give authorization for the Mayor to sign the necessary documents (or take other action deemed appropriate).

2) Engineering Services Agreement – Task Order No. 03, HDR Engineering, Wastewater Treatment Plant National Pollutant Discharge Elimination System Permit Reapplication: For consideration is proposed Task Order No. 03 for an Engineering Services Agreement with HDR Engineering in an amount of \$33,496.78. This Task Order provides for professional services to prepare and submit a reapplication for the National Pollutant Discharge Elimination System (NPDES) permit for the Wastewater Treatment Plant.

RECOMMENDED ACTION: To approve of Task Order No. 03 with HDR Engineering and, give authorization for the Mayor to sign the necessary documents (or take other action deemed appropriate).

3) Bid Award - Bel Aire Concrete Improvements – 2016: On August 3, 2016, bids were received and opened for the Bel Aire Concrete Improvements – 2016 project. Public Works recommends approval of the plans and specifications, award to the lowest responsive, responsible bidder, 3H Construction, LLC, in an amount of \$47,840.00.

RECOMMENDED ACTION: To approve of the plans and specifications and award to the lowest responsive, responsible bidder, 3H Construction, LLC, an amount of \$47,840.00, and give authorization for the Mayor and City Clerk to sign contract documents (or take other action deemed appropriate).

4) Water Line Easement Vacation – Lot 29, Block 64 of the Highland Park Addition, 1080 Elmore Avenue: As earlier authorized, the City Attorney has prepared the documents to vacate the water line easement at Lot 29, Block 64 of the Highland Park Addition, 1080 Elmore Avenue.

RECOMMENDED ACTION: To approve the Vacation Ordinance for water line easement at Lot 29, Block 64 of the Highland Park Addition, 1080 Elmore Avenue, under the suspension of the rules requiring three complete and separate readings and that it be read by title and published by summary (or consider the Ordinance on the first reading and that it be read by title, or reject the Ordinance).

5) Right-Of-Way Use Agreement – Crown Castle: For consideration is a proposed Right-of-Way Use Agreement for Crown Castle to install fiber optics in public right-of-way. The Agreement was prepared by the City Attorney and has been reviewed by Idaho Falls Power.

RECOMMENDED ACTION: To approve the Right-of-Way Use Agreement with Crown Castle and, give authorization for the Mayor and City Clerk to sign the documents (or take other action deemed appropriate).

6. **Motion to Adjourn.**

CONSENT AGENDA:



Memorandum

To: Idaho Falls City Council
From: Rebecca Casper, Mayor
Date: August 8, 2016
Re: Human Resources Director, Ryan Tew

I respectfully request City Council approval for the appointment of Ryan Tew to the position of city Human Resources Director. For your insight, we have attached both a resume and the application Mr. Tew submitted along with the most recent job advertisement. If approved, he would start on September 6th.

Mr. Tew will add critical expertise to city administration. He is well trained in the broad field of Human Resources, having spent his entire career in this area. He has most recently been working in the private sector for the largest beef processing facility in the world, located in Hyrum, Utah. His professional experience includes municipal experience. Mr. Tew served as a part of the Salt Lake City's Human Resources team where he was assigned to work with the SLC Airport. Mr. Tew has taught online HR courses or the past 20 years for a variety of institutions. As a bonus, he is familiar with the Idaho Falls area as he worked with then-contractor Argonne West when it held a DOE contract at the Idaho site in the 1990s.

In addition to his broad background, Mr. Tew has particular experience with several of the issue areas of particular importance to the city. I believe this experience is vital for our departments. I am referring to across-the-board performance appraisals, compensation study, policy review and development, in-house training and employee orientation, etc. Mr. Tew's leadership will bring much-needed order and insight to the Idaho Falls Human Resources department and help it grow into a more mature city department.

As you may know, Mr. Tew was one of several applicants for this position—a position we actually advertised twice. Through this process, we learned that the market for

experienced HR professionals is very tight. Federal Health Care Administration has grown more complex and other aspects of employment law requiring specialized training, expertise, and experience make obtaining highly-qualified individuals a difficult task. Our search process began in February of this year. But after conducting two thorough searches, Mr. Tew stood out among the rest. This was in part due to his professional experience, his public sector experience, his academic credentials (an MPA), his teaching career, his background working with organized labor, and the individualized areas of expertise mentioned above. Given his rich background, I made an offer, which he accepted, of \$96,000 a year. This is just barely below the regional average of a public sector HR director salary.

The same core members of the interview team participated in both searches: Council President Tom Hally; City Attorney Randy Fife; Municipal Services Director Pam Alexander; Former HR Director Melanie Marsh; and myself. The first search ended with a decision to seek additional applicants. The second search ended with us bringing in four finalist candidates. Some of you may have perhaps had an opportunity to meet some of those four candidates.

I am confident our city will be well served by Mr. Tew as a member of the city's management team. I encourage you to offer both your supporting vote and a welcome as he joins the ranks of city Directors. I expect he will be reaching out to each of you to introduce himself personally shortly after his arrival.

Let me know if you have any additional questions.

Qualifications

- Strong background in Employee Relations, EEO/Affirmative Action, Employment Law, Performance Management, Leadership Development, Training, Consulting, Staffing, Compensation, Employee Benefits, and Labor Relations
- Experienced with Human Resources Management in Municipal Government
- Master's Degree in Public Administration from Brigham Young University
- Human Resources Consultant, Employee Relations Manager, Human Resources Manager

Major Career Accomplishments

- Directed cultural change initiative at the Salt Lake City Department of Airports which resulted in a dramatic reduction in employee disciplinary actions and a significant improvement in morale
- Created and facilitated leadership development program and cultural change initiative at Argonne National Laboratory-West, resulting in a 20 percent reduction in turnover
- Designed compensation plans for Argonne National Laboratory and as a consultant
- As Managing Director and Co-founder of the Southeast Idaho Employer Coalition was instrumental in reducing healthcare inflation in Southeast Idaho to half the national average for four years
- Directed dramatic improvements in Management/Union relations at JBS Hyrum

Experience

Human Resource Manager, JBS, Hyrum, Hyrum, Utah

02/13 – Present

JBS Hyrum is a beef processing facility with 1,200 employees. JBS Corporation is the largest meat producing company in the world.

- Direct hiring, labor relations, employee relations, employee discipline, performance management, employment law compliance, and other HR functions at the Hyrum, Utah processing facility
- Supervise HR staff
- Oversee HR related legal and regulatory matters
- Individually coach senior managers
- Provide leadership training to other JBS facilities in the United States

Accomplishments:

- *Created Leadership Training program which was adopted by the entire North American operations (approximately 16,000 employees)*
- *Successfully interfaced with the Union leadership to significantly reduce grievances in one year*
- *Operate with proficiency in a bi-lingual environment (English/Spanish)*

Instructor- Stevens-Henagar Online

1/11 – present

- Write and teach Human Resources classes, including Employment Law, Advanced Human Resources, Compensation and Benefits, Training and Development, Conflict Resolution, Staffing Management, Leadership
- Teach in the Undergraduate and Graduate Programs

Ryan Tew (page 2)

Employee Relations Manager, Salt Lake City Department of Airports, Salt Lake City, Utah. 1/07 – 1/11

- Directed employee relations, labor relations, training, safety, and other HR functions at the Salt Lake City Department of Airports
- Reported to Airport Executive Director
- Airport Ombudsman
- Advisor to the Airport employee council

Accomplishments:

- *Provided strategic HR leadership to Airport Executive Director and Senior Management*
- *Directed successful re-write of all Airport Policies*
- *Resolved more than 30 complex employee issues as Airport Ombudsman and mediator*

(Department and Position were eliminated because of Airport re-structuring due to the Recession)

Sr. HR Consultant, Larry Beller & Assoc. / Advanced Human Resources, Reno, Nevada. 5/02 – 12/06

- Provided expert HR advice to elected officials, HR directors, and other officials at cities, counties, public schools, hospitals, and businesses throughout northern Nevada.

Accomplishments:

- *Designed and conducted salary survey for Northern Nevada Businesses*
- *Created compensation plan for major employer in Northern Nevada*
- *Human Resources Manager for mid-sized businesses*
- *Advised Public Officials and HR Managers in more than 100 complex situations*
- *Conducted 20 plus investigations of harassment, discrimination, violence, and embezzlement*
- *Oversaw development of performance management systems at 12 counties, cities, hospitals, and school districts*
- *Developed training course: "Sexual Misconduct of Students" which was delivered to teachers and school administrators throughout the State of Nevada*

Human Resources Generalist, Argonne National Laboratory-West, Idaho Falls, Idaho 7/92 – 5/02

Human Resources generalist for the lead U.S. nuclear research laboratory

- Oversight of management development, compensation, benefits, and performance management
- Assisted with employee relations, labor relations and recruitment

Accomplishments:

- *Revamped laboratory performance management process*
- *Developed and facilitated comprehensive management development program (48 hours of class time)*
- *Designed Salary structure and pay system for Laboratory Technicians (300 employees)*
- *Designed Nuclear Reactor Technician salary survey which became a staple throughout the Department of Energy system of laboratories*
- *Managing Director and co-founder of the Southeast Idaho Employer Benefits Coalition*
- *Developed and facilitated more than ten management and employee training courses*

Ryan Tew (page 3)

Additional Experience/Certifications

M.P.A., Brigham Young University, Provo, Utah

B.A., Political Science, Utah State University, Logan, Utah

Certified Mediator, University of Nevada

Proficient: Microsoft Office Suite

Adjunct Faculty Member: For 20 years have taught HR and Leadership courses at the University of Idaho, the University of Phoenix, and Stevens-Henager College



HUMAN RESOURCES DIRECTOR

**\$85,334 - \$128,002 annually (DOQ)
plus great benefits!**

How to apply: Send cover letter, resume, answers to supplemental questions, and contact information for five professional references to mmarsh@idahofallsidaho.gov. All questions should be directed to: Melanie Marsh, Tel: 208-419-6810; Email: mmarsh@idahofallsidaho.gov.

First Review: May 31, 2016 (Open Until Filled)

City of Idaho Falls is currently recruiting for a Director of Human Resources. The City seeks an experienced human resources professional. This position will be responsible for planning, directing, and managing all operations of the Human Resources Department.

Please review the position details on the back page.

For more information, visit www.idahofallsidaho.gov.



THE DEPARTMENT AND POSITION

The City of Idaho Falls Human Resources Director is an appointed position, working under the broad policy guidance and direction of the Mayor and City Council. The Human Resources Director is responsible for 2 full-time employees; an HR Analyst and HR Administrative Assistant.

The Human Resources Director is responsible for the overall direction, leadership, management and supervision and administration of the Human Resources Department. The City employs approximately 630 full-time employees.

The Director serves on the City's leadership team with ten other department directors. The Director advises the Mayor, City Council, and Department Directors on all human resources related matters. The City has two labor Unions: (1) Idaho Falls Fire Department and (2) Idaho Falls Power; which the Director serves on the negotiation teams and assists with administration of the labor contracts. The Director also provides expertise on compensation and benefits administration, recruitment and employment, employee training and development, employee relations, performance management, and safety and health. The Director advises and assists Department Directors and supervisors with federal, state and local law compliance and HR policies and procedures.



THE COMMUNITY

Idaho Falls sits in the heart of the Snake River Plain and is a year round outdoor playground. Whether it's in town along the Greenbelt or in the nearby mountains, Idaho Falls is where great adventure begins!

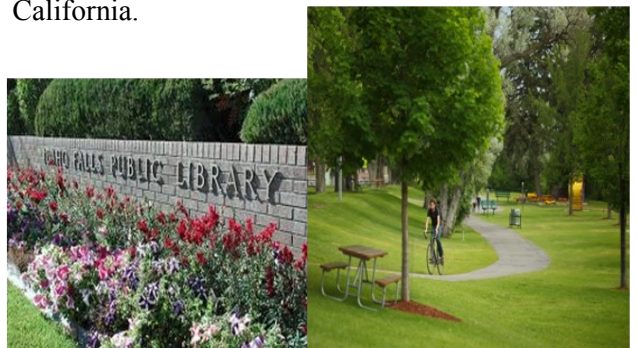
Idaho Falls, population 58,292 with a metro population of 136,108 is the largest city in Eastern Idaho. Idaho Falls has all the features of big city living, but embraces a small town charm. As the regional center for healthcare, science & technology, shopping and entertainment, Idaho Falls is an

attractive location for small and large businesses alike. Idaho Falls consistently finds itself in the top ten rankings of many prestigious magazines, newspapers and professional community research publications.

Idaho Falls skyline consists of the Teton Mountain Range and Yellowstone National Park is in the city's backyard. Due to its relative economic vitality, high quality of life, and proximity to world-class outdoor recreation, Idaho Falls is often featured in various publications' list of "best places to live."



The area is served by the Idaho Falls Regional Airport serving Eastern Idaho, Southern Montana, and Western Wyoming. The airport is served by Skywest/Delta Airlines with frequent daily flights to Salt Lake City, Utah and seasonal flights to Minneapolis-St. Paul, Minnesota; United Express with daily non-stop flights to Denver, Colorado; and Allegiant Air offers weekly flights to Las Vegas, Nevada, and Phoenix/Mesa, Arizona and summer seasonal flights are also offered to Los Angeles and Oakland, California.



WHY APPLY?

This is an excellent opportunity for a talented Human Resources professional to work for a city that places high value on providing excellent services. If you desire a position that is interesting and rewarding, this is the right position for you!



A Department of the City of Idaho Falls

"A community with its own kind of energy"



MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Jackie Flowers, General Manager

DATE: August 8, 2016

Re: **Consent Agenda** - Approve Cofferd Dam Design for the Upper Plant Sedimentation Removal Project

On June 9, City Council awarded the Upper Plant Sedimentation Removal Project bid to Rhodehouse Construction. In order to facilitate sedimentation removal, a coffer dam will be constructed in the west channel of the Snake River upstream from the Upper Plant. The design requires review and approval from Idaho Falls Power, the Army Corp of Engineers, and the Federal Energy Regulatory Commission Portland Field Office. Typically City Council approves the design at the time of the bid award. Staff has worked with various regulatory bodies obtain necessary approvals of the design and is now ready for City Council to approve the design. A copy of the design is on file at Idaho Falls Power. Rhodehouse Construction will be completing this work as part of their awarded bid.

Idaho Falls Power respectfully requests that City Council approve the coffer dam design for the Upper Plant Sedimentation Removal Project.

JRF/755

C: City Clerk
City Attorney
File



A Department of the City of Idaho Falls

"A community with its own kind of energy"



MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Jackie Flowers, General Manager

DATE: August 8, 2016

Re: **Consent Agenda** – Ratify Award of Upper Plant Boat Ramp Replacement Project

Idaho Falls Power solicited bids to replace the boat ramp near the Upper Plant this fall while the sedimentation removal project is in progress. No bids were received. Subsequently, at the June 9 City Council meeting, Council approved a resolution to procure services for the boat ramp replacement on the open market.

Idaho Falls Power contacted River's West Construction who provided a quote of \$162,680 and 3H Construction who provided a quote of \$132,512. Quotes were also solicited from Rhodehouse, Knife River, and TMC Construction companies none of which responded. This project is in the FY17 budget and in the Capital Improvement Plan. The quoted price for the boat ramp is more than was budgeted but will be offset by the savings in bid price versus budget on the sedimentation removal project. A copy of the design is on file at Idaho Falls Power.

Idaho Falls Power respectfully requests that City Council approve the design and ratify the award of the project to 3H Construction in the amount of \$132,512.

JRF/756

C: City Clerk
City Attorney
File

City of Idaho Falls
Expenditure Summary
From 7/01/2016 To 7/31/2016

Fund	Total Expenditure
General Fund	1,136,475.60
Street Fund	165,016.94
Recreation Fund	25,879.24
Library Fund	204,302.61
MERF Fund	182,016.57
EL Public Purpose Fund	33,961.65
Golf Fund	49,259.99
Self-Insurance Fund	57,628.58
Street Capital Imp Fund	10,793.16
Traffic Light Cap Imp F	76,337.83
Airport Fund	779,779.52
Water & Sewer Fund	514,588.93
Sanitation Fund	3,721.08
Ambulance Fund	413,982.53
Electric Light Fund	2,494,979.50
Payroll Liability Fund	4,458,394.24
	10,607,117.97

JULY 2016

Dear Mayor and City Council Members.

Attached please find the City of Idaho Falls, Idaho, Monthly Treasurer's Report for the above referenced month, as required by Idaho Code Section 50-208.

This Report was filed in the City Clerk's office on or before the (10th) day from the end of the month of the Report.

OATH

I, Kenneth McOmber, the City of Idaho Falls Treasurer, do hereby affirm that this City of Idaho Falls, Idaho, Monthly Treasurer's Report is true and accurate to the best of my knowledge and that it shows the state of the City treasury as of the date of this Report and the balance of money in the City treasury, all as required by Idaho Code Section 50-208.

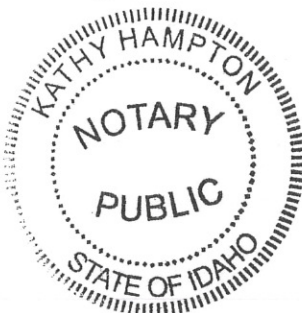

Kenneth McOmber

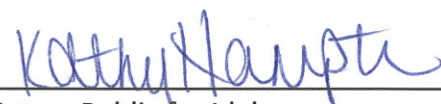
8-9-16
Date Signed

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
County of Bonneville)

On this 9 day of AUGUST, 2016, before me, the undersigned, a Notary Public for Idaho, personally appeared KENNETH MCOMBER known to me to be the Treasurer of the City of Idaho Falls, the municipal corporation that executed the foregoing document and acknowledged to that such city executed the same.




Notary Public for Idaho
Residing at Idaho Falls, Idaho
My commission expires: 01-03-2020

July 2016 Treasurer's Report.xls

CITY OF IDAHO FALLS MONTHLY TREASURER'S REPORT											
KENNETH MCOMBER TREASURER											
JULY, 2016											
FUND	BEGINNING CASH	BEGINNING BALANCE	TOTAL RECEIPTS	MATURED INVESTMTS	JOURNAL DEBIT	TOTAL EXPENSES	NEW INVESTS	JOURNAL CREDITS	CASH ON HAND	INVESTED FUNDS	ENDING BALANCE
GENERAL	(264,881.04)	12,930,118.96	10,404,508.88	1,000,000.00	1,559,041.21	5,146,407.44	6,900,000.00	417,199.53	235,062.08	19,095,000.00	19,330,062.08
HEALTH & ACCIDENT INSUR.	1,487,573.43	2,472,573.43	-	-	-	-	-	-	1,487,573.43	985,000.00	2,472,573.43
STREET	(1,396,218.64)	(1,396,218.64)	1,002,600.62	-	595.00	336,867.12	-	7,125.78	(737,015.92)	-	(737,015.92)
RECREATION	73,613.13	73,613.13	255,547.28	-	-	164,031.53	-	12,198.64	152,930.24	-	152,930.24
LIBRARY	95,340.27	1,195,340.27	647,283.34	400,000.00	-	390,901.90	500,000.00	9,404.01	242,317.70	1,200,000.00	1,442,317.70
AIRPORT PFC FUND	59,413.24	59,413.24	34,896.50	-	-	-	-	59,413.24	34,896.50	-	34,896.50
MUNICIPAL EQUIP. REPLCMT.	1,332,623.16	15,568,121.18	3,877.75	1,367,274.45	378,646.50	182,016.57	2,736,754.62	-	163,650.67	15,604,978.19	15,768,628.86
EL. LT. WEATHERIZATION FD	205,585.18	2,405,585.18	193,831.45	800,000.00	-	33,961.65	1,100,000.00	-	65,454.98	2,500,000.00	2,565,454.98
BUSINESS IMPRV. DISTRICT	109,368.99	109,368.99	2,785.00	-	-	-	-	-	112,153.99	-	112,153.99
IFP RATE STABILIZATION FD	40,295.83	13,823,986.06	-	-	-	-	-	-	40,295.83	13,783,690.23	13,823,986.06
IFP CAPITAL IMPROVEMENT	1,075,168.46	17,089,897.10	15,555.22	3,245,000.00	-	-	4,300,000.00	-	35,723.68	17,069,728.64	17,105,452.32
GOLF	(288,687.28)	(288,687.28)	316,190.42	-	-	229,415.78	-	40,390.95	(242,303.59)	-	(242,303.59)
GOLF CAPITAL IMPROVEMENT	183,282.53	183,282.53	-	-	4,457.03	-	-	-	187,739.56	-	187,739.56
SELF-INSURANCE FD.	475,122.98	1,975,122.98	94,521.54	-	-	57,628.58	300,000.00	-	212,015.94	1,800,000.00	2,012,015.94
SANITARY SEWER CAP IMP.	358,127.41	1,158,127.41	12,450.00	-	-	-	-	-	370,577.41	800,000.00	1,170,577.41
MUNICIPAL CAPITAL IMP.	241,512.33	841,512.33	260,096.25	200,000.00	-	-	400,000.00	-	301,608.58	800,000.00	1,101,608.58
STREET CAPITAL IMPRV.	206,276.24	206,276.24	-	-	-	10,793.16	-	-	195,483.08	-	195,483.08
BRIDGE & ARTERIAL STREET	242,071.37	242,071.37	35,814.07	-	-	-	-	-	277,885.44	-	277,885.44
WATER CAPITAL IMPR.	444,442.97	2,444,442.97	17,676.94	1,300,000.00	-	-	1,600,000.00	-	162,119.91	2,300,000.00	2,462,119.91
SURFACE DRAINAGE	90,005.14	90,005.14	5,092.77	-	-	-	-	-	95,097.91	-	95,097.91
TRAFFIC LIGHT CAPITAL IMPRV	408,321.42	1,408,321.42	913.84	400,000.00	34,096.00	76,337.83	500,000.00	-	266,993.43	1,100,000.00	1,366,993.43
PARKS CAPITAL IMPROVEMENT	153,424.26	153,424.26	16,721.00	-	-	-	-	-	170,145.26	-	170,145.26
AIRPORT	444,115.27	2,844,115.27	111,233.05	500,000.00	-	893,805.27	-	16,268.78	145,274.27	1,900,000.00	2,045,274.27
WATER & SEWER	21,312.33	29,095,312.33	1,506,588.91	4,329,000.00	-	958,172.65	4,034,000.00	468,053.92	396,674.67	28,779,000.00	29,175,674.67
W & S EQUIPMENT REPLACE	409,108.93	1,004,108.93	-	-	-	-	-	-	409,108.93	595,000.00	1,004,108.93
W & S SANITARY INTERCPT	238,061.30	738,061.30	-	-	-	-	-	-	238,061.30	500,000.00	738,061.30
SANITATION	443,310.19	1,343,310.19	354,252.13	-	-	237,890.05	-	150,630.98	409,041.29	900,000.00	1,309,041.29
AMBULANCE	276,914.42	276,914.42	499,888.17	-	-	870,085.39	-	97,709.66	(190,992.46)	-	(190,992.46)
ELECTRIC LIGHT	3,552,811.70	11,192,254.73	3,706,570.00	2,000,000.00	-	3,426,252.21	4,600,000.00	693,771.25	539,358.24	10,239,443.03	10,778,801.27
PAYROLL FUND	922,306.32	922,306.32	6,865,132.60	-	-	7,082,349.61	-	4,000.00	701,089.31	-	701,089.31
CLAIMS FUND	-	-	3,670,761.74	-	-	3,670,761.74	-	-	-	-	-
TOTAL ALL FUNDS	11,639,721.84	120,162,081.76	30,034,789.47	15,541,274.45	1,976,835.74	23,767,678.48	26,970,754.62	1,976,166.74	6,478,021.66	119,951,840.09	126,429,861.75

July 2016 Treasurer's Report.xls

CITY OF IDAHO FALLS MONTHLY TREASURER'S REPORT
CASH AND INVESTMENT REPORT
Jul-16

DISTRIBUTION OF CASH CASH AND TRUST ACCOUNTS		INVESTMENT TYPE	INVESTMENTS				
INSTITUTION	AMOUNT		TIME TO MATURITY				TOTAL
			1-30 DAYS	31-90 DAYS	91-180 DAYS	OVER 180 DAYS	
BPA Loan Imprest (BICLI)	\$113,129.85	Certificate of Deposit	835,000.00	3,715,000.00	3,245,000.00	9,015,000.00	\$16,810,000.00
El. Lt. Imprest (BIELI)	\$103,213.04						
Refund Acct. (BIRFD)	\$104,956.55	U.S. Securities	\$5,000,000.00	\$348,000.00	\$0.00	\$3,000,000.00	\$8,348,000.00
Wells Fargo Bank	\$1,537,258.29						
Petty Cash	\$14,740.00	Commercial Paper	10,369,819.56	27,927,433.89	9,968,923.89	\$0.00	\$48,266,177.34
US Bank (US)	\$3,767,471.44						
US Bank Payroll (USPAY)	\$665,314.14	Corporate Bonds	4,033,000.00	2,045,000.00	6,038,000.00	34,411,662.75	\$46,527,662.75
Wells Fargo Bank (WELLS)	\$164,270.26						
Key Bank	\$7,668.09						
		TOTAL	\$20,237,819.56	\$34,035,433.89	\$19,251,923.89	\$46,426,662.75	\$119,951,840.09
TOTAL	\$6,478,021.66						

JUNE 30, 2016

The City Council of the City of Idaho Falls met in Special Council Meeting (Idaho Falls Power Board Meeting), Thursday, June 30, 2016, at the Idaho Falls Power Conference Room, located at 140 S. Capital Avenue in Idaho Falls, Idaho at 8:00 a.m.

There were present:

Mayor Rebecca Casper
Councilmember Michelle Ziel-Dingman
Councilmember John Radford
Councilmember Ed Marohn
Councilmember David Smith
Councilmember Thomas Hally
Councilmember Barbara Ehardt (arrived at 9:10, departed at 10:00)

Also present:

Jackie Flowers, Idaho Falls Power Director
Bear Prairie, Idaho Falls Power Assistant Director
Bobbette Wilhelm, Energy Analyst
Randy Fife, City Attorney
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 8:00 a.m. and turned the meeting to Director Flowers and staff with the following agenda items.

Idaho Falls Power 2017 Budget Discussion:

Director Flowers briefly reviewed the Idaho Falls Power (IFP) budget stating the overall proposed budget for FY2016/17 is \$55,914,088 which has decreased 83% from the FY2015/16 budget of \$67,755,657. Budget decreases include Operations & Maintenance (O&M) – 96% of last year and Capital Funding – 38% of last year. Budgeted power supply reflects bringing bulbs back to load, reflects a conservative power supply (assumes bad winter for power supply costs and shaping), and being aggressive on transmission expenses. Brief discussion followed regarding bulbs and power supply from BPA versus IFP. Total proposed revenues for FY2016/17 are \$48,240,715 with Sales to Consumers at \$43,416,531. Director Flowers stated revenues reflects loss of revenue to Bonneville Power Administration (BPA) for bringing bulbs back to load, reflects conservative load forecast (lower retail sales, including reduced BPA's load forecast), and reflects critical water surplus sales. Reserves are available for worst case scenarios or items that may be out of IFP control. Reserves from Rate Stabilization Fund (RSF) will fluctuate due to Power Cost Adjustment. These reserves may be used for cash-funded projects. Director Flowers stated full budget discussion will occur at the Council Budget Session scheduled for July 7, 2016.

Cost of Service Model Analysis for FY2017 Discussion:

Assistant Director Prairie reviewed the following with general discussion throughout:

Cost of Service (COS) rate changes as follows:

	COS Model Cost	Current FY2016	FY2017 Budget & COS
Power Cost Adjustment (PCA)	\$0	-.043 Cents per kwh	\$0
Residential & Temporary Service Charge	\$19.90 per month	\$15.00 per month	\$16.00 per month
Commercial Demand	\$8.21 per KW	\$6.25 per KW	\$7.25 per KW
Industrial Demand	\$7.04 KW	\$6.50 per KW	\$7.00 per KW
Projected Revenue:			\$2,863.214

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Cost of Service includes Municipal Equipment Replacement Fund (MERF) and depreciation, it does not include the Fiber Optic Network.

Net Revenue Requirement: Total Typical COS Method = \$3,534,248 (Rate Stabilization Fund Draw = \$1,873,947 and Capital Improvement Draw = \$2,410,301)

Other Considerations:

- Retail Load Projection Adjusted
- Conservative on wholesale transmission costs with first year of bulbs serving IFP
- Critical water revenue vs. average water = \$1,424,782 (COS uses critical)

Overall budget philosophy is for worst case revenues, worst case power supply costs (due to any weather related factors), worst case power supply revenues, and double count transmission charges. This would avoid re-opening the Council-approved budget for items that are out of IFP control. Cost of Service is more of a realistic expectation. Rates are not based on an overly aggressive conservative approach and any surplus revenue could potentially fluctuate rates on an excessive level.

Assistant Director Prairie stated surplus power sales have funded the Capital Fund for several years. IFP is coordinating with Municipal Services Department to determine additional cost savings, such as outsourcing utility statements. He indicated all rate changes will be included in the Fee Resolution to be effective October 1, 2016.

Consideration and Possible Approval of Bonneville Power Administration Contract: Slice v. Block with Shaping:

Assistant Director Prairie reviewed the following with general discussion throughout:

BPA Contract

- Section 11 states “By May 31, 2016, Idaho Falls may provide written notice to BPA that it is requesting to change its purchase obligation effective October 1, 2019”.

On May 31, 2016, IFP gave notice of intent as agreed by Council during the May 26, 2016, IFP Board Meeting. Notice of intent was for Diurnal Shaped Block with Shaping Capacity. On June 15, 2016, BPA notified IFP of no cost shifts which then starts a 30-day clock for IFP to accept or stay with slice by default. Any decision to change would be required by July 15, 2016.

Assistant Director Prairie reviewed Product Comparison of Current – Slice & Block, Block with Shaping, Load Following, and Bulbs & Gem State with regard to Composite Cost Pool, Non-Slice Cost Pool, The Energy Authority (TEA), Utah Associated Municipal Power Systems (UAMPS), and IFP. Comparison also included surplus revenue, trading/market diversity, and IFP-owned generation.

Cost comparison without revenue –

- Slice Cost 2017 = \$21,240,597
- Raw Block Cost 2017 = \$20,515,287

Surplus Sales (revenue) –

- Estimated Slice Surplus Sales = \$2,704,672 (customer gets the surplus hydro above critical water to market)
- Estimated Block Surplus Sales = \$931,692 (BPA sells and credits revenue back to the customer in rates)

Current cost –

- Slice = \$18,535,925
- Block = \$19,583,595 (other IFP generation assets are not considered)

Other Slice costs –

- TEA Software = \$182,752 (full service of TEA=\$1,300,000)

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- UAMPS Scheduling Fee = \$256,200
- Slice now = \$18,974,877 while Block remains at \$19,583,595 (with less volatility)
 - Slice with full TEA = \$20,092,125

Other Considerations:

Block – Pro’s

- More stable revenue/expense projections
- Easier to manage/less key staff risk
- Less reliance on any single third-party entity, i.e. UAMPS, BPA, TEA, PacifiCorp
- Less water year risk

Block – Con’s

- Costs more
- Substantially less revenue potential
- Two (2) day out scheduling – less flexible to load/resource shifts
- All transactions at Mona so no market diversity
- BPA manages all secondary revenue, not IFP

Slice – Pro’s

- More independent – stay in the wholesale markets
- Greater upside financial potential – more exposure/access to markets
- Less reliance on any single third-party entity, i.e. UAMPS, BPA, TEA, PacifiCorp
- More flexible and shorter dispatch times to clock
- Wholesale market diversity – Mid-C & Mona markets

Slice – Con’s

- Greater budget volatility – more exposure/access to markets
- Staff to manage a more complex portfolio
- Greater all around staff and market risks to manage

Conclusion: It’s a qualitative decision not quantitative – stay independent and manage complex portfolio to enhance revenue potential or limit volatility/risk and outsource at increased but more predictable costs.

After further brief discussion, it was moved by Councilmember Smith, seconded by Councilmember Hally, to continue with the current contract of Diurnal Shaped Block with Shaping Capacity with BPA. Roll call as follows: Aye – Councilmembers Radford, Ehardt, Smith, Marohn, Dingman, Hally. Nay – none. Motion carried.

Low Income Assistance Discussion:

Director Flowers stated the Energy Efficiency estimated budget for rebates is \$1.2 million. These rebates are a dollar-for-dollar return from BPA. A declining load is causing IFP to shift focus from commercial light to other areas. One such area is low income, which is somewhat prompted by the increasing monthly charge, as well as uncollected debt. She indicated Ms. Wilhelm has collected data/information for future decision making as follows:

Basic Statistics on Remote Disconnects:

- Approximately 1,390 homes within the Idaho Falls community utilize remote disconnect meters
- Remote disconnects are deployed when a customer’s power is being turned off for non-payment
- Remote disconnect/prepay meters are more concentrated in lower income neighborhoods
- The two (2) census block groups with the highest proportion of remote disconnect/prepay meter also have the highest poverty rate as well as the highest proportion of Hispanic members of the community
- The majority of homes with remote disconnect did not receive Federal funding from the Low Income Home Energy Assistance Program (LIHEAP), possibly due to lack of awareness or inability to qualify for LIHEAP

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-Remote disconnect meters are heavily concentrated on multifamily buildings and mobile homes. IFP current energy efficiency programs do not focus on multifamily homes and Eastern Idaho Community Action Partnership (EICAP) funding is difficult for multifamily dwellings.

Ms. Wilhelm reviewed low income v. high income statistics, including space heat type and census blocks. She stated there is a current program through EICAP that provides a one-time per winter assistance with energy bills to qualifying customers. Qualifications are dependent on family size and monthly income, with a three (3)-month income limit. Other assistance includes Project HELP in which donations are collected on utility bills. The program is administered by EICAP, can be obtained any time of the year, and can be obtained more than once. The applicant must have a medical need that makes it not possible to work. EICAP Weatherization also provides assistance in areas of energy conservation, and health and safety related repairs although Ms. Wilhelm indicated the EICAP Weatherization program can be a lengthy process. She reviewed possible options and proposed strategy for delinquent customers including bilingual utility statements, providing energy assistance information, community education/outreach/partnerships/strategy groups, strategic alliance with other community partners, targeted weatherization, and installation of prepaid meters. Discussion followed regarding collection, disconnect, and shut-off policies with possible adoption of Resolution.

Energy Audits Discussion:

Director Flowers stated Ms. Wilhelm has been identifying methods to improve efficiencies and customer service regarding residential home energy audits. Ms. Wilhelm reviewed the current process related to a customer request for a home energy audit. This process includes contacting the Efficiency Services Group (ESG), a third-party vendor located in Portland, Oregon, who travels to the Idaho Falls area one day per month, to conduct such audit. Once the ESG completes and emails the audit report to IFP, staff must verify customer qualifications, review all report recommendations, prepare all rebate and loan information, and upon completion, mails all materials to the requesting customer. She stated this process generally takes several months to complete. Ms. Wilhelm presented an audit software program which would move energy audits to in-house only and would streamline the entire audit process to an approximate two (2)-day completion timeframe. The software program could also allow a customer service portal for energy tracking ability. After brief discussion, it was decided the purchase for this software program would be presented for Council approval in the near future.

Community Service Utility Support Discussion:

Director Flowers stated four (4) utility accounts (Salvation Army, Domestic Violence Intervention Center, Bonneville Historical Society, and Club Inc.) have historically been paid by the City through non-departmental funds, which amounted to \$13,417.46 for FY2015/2016. Due to non-departmental accounts being assigned to individual City departments for the FY2016/2017 budget, Director Flowers requested Council direction for continuation of utility payment or other possible options, including possible grant program(s). After general discussion, it was decided by the Councilmembers to discontinue the community service support. IFP will coordinate with Municipal Services to send notification to those affected.

Idaho Falls Fiber Discussion:

Director Flowers briefly reviewed the residential phone survey. She stated the survey will be conducted on a random basis but believes the length of the survey may need to be reduced. Due to time constraints, further discussion of this item will occur at the July, 2016, IFP Board Meeting.

New Bills Discussion:

Director Flowers presented the final version of the Idaho Falls Power logo. She indicated utility bills are in the final test phase and are anticipated to go live July 25, 2016. A bill stuffer, explaining the new utility bills, is being

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drafted. New payment options, including level pay and budgeted billing, as well as portal discussion will occur at the July, 2016, IFP Board Meeting.

There being no further business, it moved by Councilmember Dingman, seconded by Councilmember Marohn, that the meeting adjourn at 11:55 a.m., which passed following a unanimous vote.

CITY CLERK

MAYOR

JULY 28, 2016

The City Council of the City of Idaho Falls met in Special Council Meeting (Idaho Falls Power Board Meeting), Thursday, July 28, 2016, at the Idaho Falls Power Conference Room, located at 140 S. Capital Avenue in Idaho Falls, Idaho at 8:00 a.m.

There were present:

Mayor Rebecca Casper (arrived at 8:02)
Councilmember John Radford
Councilmember Barbara Ehardt
Councilmember Thomas Hally
Councilmember David Smith (arrived at 8:10)
Councilmember Ed Marohn
Councilmember Michelle Ziel-Dingman

Also present:

Jackie Flowers, Idaho Falls Power Director
Richard Malloy, Compliance and Engineering Manager
John Barksdale, Electrical Engineer
Randy Fife, City Attorney
Kathy Hampton, City Clerk

Mayor Pro Tem Hally called the meeting to order at 8:01 a.m. and turned the meeting to Director Flowers and staff with the following agenda items.

Idaho Falls Power FY2017 Budget and Fees Discussion:

Director Flowers stated power supply forecast numbers were refreshed in June, 2016, so there have been no changes for the Idaho Falls Power (IFP) budget since it was presented during the July 7, 2016, Council Budget Session. The Capital Improvement Plan (CIP) is being updated and it is anticipated to be presented to Council during the August IFP Board Meeting. Director Flowers reviewed the Cost of Service (COS) rate changes as follows:

	COS Model Cost	Current FY2016	FY2017 Budget & COS
Power Cost Adjustment (PCA)	\$0	-.043 Cents per kwh	\$0
Residential & Temporary Service Charge	\$19.90 per month	\$15.00 per month	\$16.00 per month
Commercial Demand	\$8.21 per KW	\$6.25 per KW	\$7.25 per KW
Industrial Demand	\$7.04 KW	\$6.50 per KW	\$7.00 per KW
Projected Revenue:			\$2,863,214

Director Flowers reviewed the rate adjustments stating the Residential Service Charge, fixed utility costs that don't vary with the individual customer's consumption, is a phased implementation of the calculated cost according to COS Model. The Commercial and Industrial Demand Charges, equivalent to service charges for residential customers based upon peak usage or demands on power delivery system, is also a phased implementation of COS Model. The PCA rate, a charge or credit depending upon hydro conditions and variability in wholesale power costs from previous year, will be zeroed out due to declining revenue associated surplus power sales. She indicated the base rate, electricity costs that vary by individual customer use, will see no change for FY2017. Director Flowers reviewed energy efficiency growth and load growth stating there is growth in customer base but a decrease in kWh sales. She indicated there is no concern for the growth/load growth at this time, however, we will be refocusing our efforts in energy efficiency. She reviewed monthly power bill comparisons with select cities for residential and commercial customers with IFP residential customers paying approximately \$91.14, based on 1,300 KWh, and IFP commercial customers paying approximately \$248.75, based on 4,000 KWh with 15 KW demand. These rates were lowest in comparison. Average monthly cost comparison by State indicated Idaho ranks 47th for lowest rates with IFP being approximately \$50 lower than the Idaho average.

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Low Income Assistance Follow-up Discussion:

Director Flowers stated information was presented to the Councilmembers during the June 30, 2016, IFP Board Meeting regarding low income assistance. She indicated, with the assistance of Municipal Services Department, substantial improvements have been made regarding collection of utility accounts with the focus on delinquent account balances greater than 90 days. Commercial delinquencies greater than 30 days are less than 1%. She stated the fund balance for Project HELP, contributions from IFP customers for low-income assistance, is approximately \$30,000 as of July, 2016. The City Credit Office works with Eastern Idaho Community Action Partnership (EICAP) for distribution of funds based on qualifications established within the internal procedure. Councilmember Dingman expressed an interest in seeing the Project HELP policy and knowing more about annual collections. Councilmember Smith indicated American Public Power Association (APPA) recommends pre-pay status to avoid bad debts. Brief discussion followed regarding payments (pre-pay and auto-pay options/capabilities). It is anticipated the new utility statements will go live in October, 2016, with possible clarification of Project HELP included on the statements.

August Recess Discussion:

Director Flowers stated Utah Associated Municipal Power Systems (UAMPS) has compiled a letter regarding production tax credits for the potential Carbon Free Power Project. All Idaho Falls congressional offices have agreed to sign on the letter of support. She indicated this is Idaho Falls' top issue for the August recess. She indicated on July 12, 2016, the Senate agreed to conference with the House regarding provisions on comprehensive energy legislation. Senator Risch was appointed as a conferee, which is a great benefit to Idaho. S. 2012 includes provisions associated with modernizing hydro licensing and relicensing, which IFP strongly supports. Director Flowers briefly reviewed Wildfire Disaster Funding, this funding does not directly affect IFP's service territory because of our urban nature although it has potential to affect transmission lines in remote areas that deliver power to our service territory.

Peer-to-Peer Commitment to Excellence Discussion:

Director Flowers introduced the Peer-to-Peer Safety Initiative based on Integrity, Communication, Safety which states:

- Act with Integrity: Take personal responsibility for your safety and the safety of those around you. No one gets hurt.
- Communicate effectively: Respect everyone's opinions and ideas. Assume positive intent.
- "Peer-to-Peer" accountability starts with you: If you see something, "say something". Safety is priority over production. Work within your experience level. Follow the rules, no shortcuts. Review your safety rules regularly. You are the "expert in the field". Watch out for yourself, your peers, and the public.
- Committed to Excellence.

This initiative will hold all levels of coworkers and management accountable to ensure workers are not getting complacent in the workplace. Director Flowers stated scheduled projects include a 'Prior to work' meeting which also discusses a 'near miss' system/process. She stated staff is utilizing the Target Solutions program to assist with tracking training and will be working with the Fire Department to enhance the safety program.

Power Outage Debrief:

Director Flowers briefly reviewed the July 19, 2016, power outage at the Goshen Substation which in turn affected approximately 100,000 customers throughout several communities, including Idaho Falls. On July 20, 2016, UAMPS sent a letter to Rocky Mountain Power for causation report, the analysis is not yet complete. She stated the complete outage has become a learning opportunity for the City and discussion is now occurring regarding building resilience into the grid in Eastern Idaho. General discussion followed regarding other utilities substations as well as any possible liability incurred to the City.

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Grid Modernization Project Discussion:

Director Flowers stated the Grid Modernization Project conversations with the Idaho National Laboratory (INL) were initiated following the December, 2014, power outage. The Project was launched in June, 2016. She then turned the meeting to Mr. Malloy.

Mr. Malloy presented the following information with general discussion throughout:

Current IFP System:

- Eleven Substations
- Four (4) Generators online
- One (1) Generator being rebuilt
- Max Demand Load 150 MW (City was at 95 MW during outage)
- Max Generation about 50 MW
- 27,000 Customers
- 22 Square Miles
- 37 Miles of Transmission
- 410 Mile of Distribution

Microgrid, as defined by Department of Energy (DOE), is “A group of interconnected loads and distributed energy resources (DER) with clearly defined electrical boundaries that acts as a single controllable entity with respect to the grid (and can) connect and disconnect from the grid to enable it to operate in both grid-connected or island mode”.

Microgrid complexities include:

- Generation/Load – generation and loads must always match
- Controls – switching configuration and speed, protection, voltage/frequency, multiple generators/storage, variable loads and adaptability to change

Microgrid INL Grid Modernization Project:

- IFP has partnered with the INL with the principal goal to accelerate grid modernization by providing technical assistance to northwestern states, utilities, and other stakeholders that are facing key emerging grid modernization challenges.
- Desired outcome for Idaho Falls would be: investigating smart reconfiguration strategies using state-of-the-art control algorithms and power system equipment; develop and study multiple ‘what-if’ scenarios that can affect the IFP power distribution network and thus prepare the operators to be proactive in responding to contingencies; and, evaluating additional renewable energy integration in the local IFP grid to add to grid stability and sustainability.

Mr. Barksdale reviewed generations, substations, and feeders for IFP. He stated due to multiple generators, IFP could operate its own grid by opening breakers and supplying power to high- areas during a multi-day major power outage but we would not have adequate resource to power the entire city. He reviewed the potential priority locations and stated discussion is continuing to determine other priority locations with regard to loads. Generator Control Upgrades include: installation of Digital Excitation Systems in the three (3) bulb plants and Gem State; installation of Power System Stabilizer at Gem State to dampen low frequency, local oscillations, and grid oscillations; and complete rehabilitation to Old Lower Plant which includes generator rewind, new turbines, new transformer, new electrical and mechanical protection, hybrid excitation, and hybrid governor system.

Director Flowers expressed her appreciation to Mr. Malloy, Mr. Barksdale, and the additional IFP staff regarding the complexities and challenges regarding the Old Lower Plant project. Brief discussion occurred regarding scheduling a tour of the Old Lower Plant for all Councilmembers to view the described upgrades.

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Mayor Casper reminded the Councilmembers of the upcoming Intermountain Energy Summit, occurring August 9-10, 2016.

There being no further business it was moved by Councilmember Marohn, seconded by Councilmember Dingman, to adjourn the meeting at 10:35 a.m. which motion passed following a unanimous vote.

CITY CLERK

MAYOR

JULY 6, 2016

The City Council of the City of Idaho Falls met in Special Council Meeting (Council Budget Session), Wednesday, July 6, 2016, at the City Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 10:00 a.m.

There were present:

Mayor Rebecca L. Noah Casper
Councilmember David M. Smith
Councilmember Thomas Hally
Councilmember Michelle Ziel-Dingman
Councilmember John B. Radford
Councilmember Barbara Ehardt
Councilmember Ed Marohn

Also present:

Pam Alexander, Municipal Services Director
Mark Hagedorn, Controller
Kenny McOmber, Treasurer
AJ Argyle, American Insurance Service Representative
Derick Sorensen, Accounting Intern
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 10:05 with the following:

Opening Remarks:

Mayor Casper reviewed the calendar dates for the five (5) scheduled work/budget sessions for the FY2016/2017 budget. She reviewed the steps taken to this point including collaboration with the Finance Team, consisting of the Director Alexander, Mr. Hagedorn, and Mr. McOmber; tentative valuation of property as determined by Bonneville County; Budget Watch, which occurred in May, 2016, as an educational forum for the community; and discussion involving the Department Directors with Mayor Casper and subsequently with the Finance Team. Budget packets, including information on health and wage increases, and capital projects were then distributed to each Councilmember for their review. Notable changes to the current budget include Inter-fund transfers, utilizing a formula based on needed/measured expenses, and the elimination of Non-Departmental Fund, which previously had been used for miscellaneous expenses. Funds in these accounts have been transferred to the appropriate line item or have been eliminated. Mayor Casper stated previous elected officials chose not to always accept any new growth money and no tax increase. During that time growth was slow due to the recession, although the infrastructure remained the same. She indicated infrastructure is continually growing and the budget being presented includes growth/annexation money.

Councilmember Marohn reviewed the following dates per State Statues:

July 28, 2016, budget tentatively approved by Council with authorization given to notice for publication
August 11, 2016, public hearing for the proposed budget
August 22, 2016, budget to be adopted by Appropriation Ordinance by the Councilmembers

Councilmember Marohn reminded the Councilmembers that the Enterprise Fund is self-funded, and it is best practice to maintain 25% of reserves in the General Fund balance.

Councilmember Hally recommended the Councilmembers review the budget manual provided by Association of Idaho Cities (AIC).

Overview of Proposed Fiscal Year 2016/2017 Budget:

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Director Alexander introduced the Finance Team and expressed her appreciation for their assistance. The Finance Team presented the following information with general discussion throughout:

Overview of Proposed Fiscal Year 2016/2017 Budget:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Charges for Services	\$83,760,658	\$87,686,074	\$3,925,416
Property and Franchise Taxes	\$30,187,106	\$30,385,720	\$ 198,614
State Shared Revenues	\$ 7,851,000	\$ 8,008,000	\$ 157,000
Inter-Governmental	\$ 7,194,182	\$ 8,213,472	\$1,019,290
Payment In-Lieu of Taxes	\$ 4,628,460	\$ 4,595,033	(\$ 33,427)
Grants	\$ 6,005,049	\$ 6,830,429	\$ 825,380
Miscellaneous	\$ 8,431,401	\$ 5,194,417	\$3,236,984
Fund Balance	\$43,599,594	\$51,680,462	\$8,080,868
Total	\$191,657,450	\$202,593,607	\$10,936,157

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$62,575,060	\$64,276,575	\$1,701,515
Operational Expenses	\$78,614,812	\$76,901,813	\$(1,712,999)
Capital Outlay	\$53,256,881	\$49,439,254	\$(3,817,627)
Depreciation	\$ 2,972,450	\$2,942,400	\$(30,050)
Debt Service	\$ 1,100,000	\$1,100,000	\$ --
Inter-Fund Transfers	\$(10,362,303)	\$(10,585,225)	\$ (222,922)
Adjustments	\$ --	\$5,544,768	\$5,544,768
Subtotal	\$188,156,900	\$189,619,585	\$1,462,685
Budget Requests	\$3,500,550	\$12,974,022	\$ 9,473,472
Total	\$191,657,450	\$202,593,607	\$10,936,157

Total Budget vs. Actual for the previous four (4) years was reviewed, with recommendation to over-budget for unanticipated expenses. Comparison of expenses and forecast comparison was reviewed, indicating the comparison(s) remain fairly consistent from year to year.

Director Alexander reviewed the non-departmental budget as follows:

- 2015/16 adjusted budget - \$1,721,208
- Last year's expenses - \$1,549,619
- Variety of budget items included:
 - City power bills - \$720,000 (have been allocated to individual departments)
 - Bonneville County Courts - \$400,000 (have been allocated into Legal Department)
 - Community Support funding - \$337,588 (have been allocated into Council budget and Community Development Services Department budget)

General Fund Priorities Recommended for Consideration as follows:

	One-Time Cost (Estimated)	Ongoing Cost (Estimated)
Add one Human Resources Analyst position	\$1,500	\$91,952
Add two patrol officers	\$0	\$132,589
Add one Weed & Environmental Control Maintenance Operator and one-ton extended cab truck	\$39,000	\$48,862
Add one zoo keeper	\$0	\$48,117
Police station consultant	\$150,000	\$0

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Police data storage	\$56,000	\$0
City building infrastructure funding	\$100,000	\$100,000
Street maintenance funding	\$3,000,000	\$3,000,000
Street capital improvement funds for 17 th and Hitt	\$1,200,000	\$0
Dumpster for code enforcement	\$15,000	\$0
Temporary employees for code enforcement seasonal activities	\$10,000	\$10,000
Total	\$4,571,500	\$3,431,520

Director Alexander briefly reviewed the recently-edited Priority Based Budgeting (PBB) Community-Oriented Results for Good Governance as follows:

Access to Culture, Recreation, Leisure, Education and Life-Long Learning Opportunities
Attractive, Clean, Livable and Family-Oriented Community
Strong, Stable, and Healthy Economic Growth and Vibrancy
Environmental Sustainability and Resource Preservation
Managed, Well-Planned Growth and Development
Reliable Public Infrastructure and Effective Transportation and Mobility
Safe and Secure Community

Director Alexander indicated the results have been utilized as a planning direction from each Department Director for any budget requests. She stated the FY2016/2017 budget is being staged for use of PBB with complete transition occurring in FY2017/2018.

Tax Revenues Collected and Budgeted by Source, Government Funds were reviewed as follows:

Collection Year	Property Tax	Property Tax Penalties	Franchise Taxes	Other Taxes	Total Taxes
2016	\$28,766,486	\$250,000	\$695,000	\$3,500	\$29,714,986
2015	\$27,840,847	\$258,397	\$685,558	\$4,914	\$28,789,716
2014	\$26,865,219	\$246,052	\$861,440	\$3,678	\$27,976,389

Mr. Hagedorn stated the City won't actually see any money that is levied for several years.

Property Tax (Assessed Value and Actual Value of Property Tax) was reviewed as follows:

Collection Year	Net Assessed Value	Total Direct Tax Levy (%)	Property Taxes Certified to County
2016	\$3,008,461,828	0.009561859	\$28,766,486
2015	\$2,977,260,980	0.009262093	\$27,575,663
2015	\$2,965,273,734	0.009026746	\$26,766,775

This amount is determined by Bonneville County and remains variable until the final reporting date.

New Annexations and Growth (Taxable Value) History

Year	New Annexations	New Construction	Levy Rate	Total
2017 (Estimated)	\$480,291	\$44,681,410	0.009561859	\$431,829
2016	\$417,645	\$38,853,400	0.009262093	\$363,732
2015	\$326,045	\$44,669,159	0.009026746	\$406,160
2014	\$452,400	\$39,815,568	0.009009666	\$362,801

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It was noted this year's levy rate will apply to next year's construction rate and any foregone money, money that is held from not taking the levy increase, has new regulations, one of which will now require a public hearing.

Benefits and Wages:

The Benefits Compensation Evaluation Panel consisted of Mayor Casper, Director Alexander, Mr. Hagedorn, Mr. McOmber, Michael Kirkham - Assistant City Attorney, and Mr. Argyle.

Mr. Argyle reviewed comparable city data health insurance stating the City of Idaho Falls current contributes 92% toward the Preferred Provider Organization (PPO) plan, and \$1,750 toward the Health Savings Account (HSA) for benefitted employees. He has negotiated a 6% increase for the benefit renewal process for FY2016/17. This is a one-way retention agreement with Blue Cross of Idaho. He reviewed premiums paid in, claims paid out, and stated the loss ratio, at 68%, is the best it has been in approximately 10-12 years for the demographics. HSA has seen an increase to overall liability to the employer, and approximately 97-98 City employees participate on the HSA plan. HSA participants are consumer driven, which allocates their own money into the cost of service. Mr. Argyle reviewed comparison costs and stated the City is approximately 10% below the national average, although emergency room visit co-pay is higher. He reviewed a new Teledoc option indicating approximately 92% of minor medical issues can be resolved through this video option. The monthly cost for those participants on the PPO plan would be \$2.65 per employee/per month, there would be no cost to those participants on the HSA plan. Mr. Argyle reviewed a Data Analytics option stating all claims submitted would be monitored as a precursor to any health issues. He stated all Health Insurance Portability and Accountability Act (HIPPA) regulations would be protected for the Data Analytics options. There would be no cost to the City as the cost for the Data Analytics option would be absorbed through American Insurance.

Mr. Argyle reviewed Health Insurance options, stating there is no change in coverage. Options are as follows with general discussion throughout:

	City Contribution	Assumptions (based on estimates)	Policy
Option 1	\$9,796,258	City absorbs 10%, HSA 25%, PPO 65% of the increase; HSA contribution decreases by \$100; 10% of PPO employees move to HSA	Shared burden
Option 2	\$10,265,299	City absorbs entire 6% increase; assumes no changes to plan selection	Employee Recruitment/Retention
Option 3	\$9,831,087	PPO absorbs entire 6% increase; assumes 25% of PPO employees move to HSA	Long-term consumer driven
Option 4	\$9,726,439	PPO absorbs entire 6% increase; HSA contribution decreases by \$200; assumes 10% PPO employees move to HSA	Short-term consumer driven
Option 5	\$9,606,113	Remove HSA plan and PPO absorbs entire 6% increase	Immediate financial savings
Option 6	\$9,673,986	PPO absorbs 67%; HSA 33%; HSA contribution is adjusted to average difference between PPO and HSA: assumes no changes to plan selection	Balanced

Average Cost Analysis to Employees

	Employee PPO (monthly *)	Employee HSA (monthly *)	Policy
Option 1	\$78.70-\$260.75	\$7.17-\$74.56	Shared burden
Option 2	\$41.00-\$154.00	\$0-\$52.52	Employee Recruitment/Retention
Option 3	\$94.71-\$303.16	\$0-\$52.52	Long-term consumer driven
Option 4	\$86.61-\$280.18	\$0-\$52.52	Short-term consumer driven
Option 5	\$73.20-\$252.91	\$ --	Immediate financial savings

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Option 6	\$76.40-\$258.47	\$18.64-\$109.81	Balanced
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*Ranges estimated based on plan selection

Mayor Casper stated the City picnic and benefits fair will be held on August 23, 2016, and she is hopeful to present a benefits option, with the consensus of the Councilmembers, at that time. She stated the Councilmembers will need to make the best decision for the employees as well as remain budget-minded. Mr. Argyle indicated he will coordinate any further discussion with individual departments after the August 23, 2016, benefits fair.

Director Alexander introduced Mr. Sorensen, stating he is assisting the Finance Team in budget preparation. The proposed inflation increase for all benefitted employees is 1.75%, with an estimated cost of \$683,681. The proposed employee wage adjustment/purchasing power of 1.75% is based on reports of Idaho Falls, regional, and national sources. This would affect the General Fund in the amount of \$385,000, with the remaining balance occurring in the Enterprise Fund. Mr. Hagedorn stated this amount has been calculated into the overall City budget but has not been calculated into department budgets. Department budget wages/benefits increases include the step and grade increases as well as longevity. The Public Employee Retirement Systems of Idaho (PERSI) was reviewed stating there was notification in early June of possible contribution rate and Net Pension Liability (NPL) increases as market conditions and investments are lagging behind the expected 7% rate of return. A group meeting with the PERSI Executive Director is scheduled for July 13, 2016, in Idaho Falls, but any decision will not occur until after the budget has been formally approved. Director Alexander briefly reviewed the current employee benefits; Blue Cross PPO Medical, HSA Medical option, no employee contribution for dental insurance, Longevity Pay, Employee Education Program, 10 State-designated holidays and one special holiday, vacation time, sick time, and PERSI.

Municipal Services Department Presentation:

Director Alexander presented the following information with general discussion throughout:

Funding Sources	2015/16 Budget	2016/17 Proposed Budget	Increase or Decrease
Charges for Services	\$ --	\$ --	\$ --
Property and Franchise Taxes	\$ --	\$ --	\$ --
State Shared Revenues	\$ --	\$ --	\$ --
Inter-Governmental	\$ --	\$ --	\$ --
Payment In-Lieu of Taxes	\$ --	\$ --	\$ --
Grants	\$ --	\$ --	\$ --
Miscellaneous	\$ 127,350	\$ 131,203	\$ 3,853
Total	\$ 127,350	\$ 131,203	\$ 3,853

Director Alexander stated Municipal Services Department is mainly a support department, therefore not generating revenue beyond miscellaneous items, such as licensing.

Expenditures	2015/16 Budget	2016/17 Proposed Budget	Increase or Decrease
Wages and Benefits	\$6,044,691	\$5,657,298	\$ (387,393)
Operational Expenses	\$6,422,154	\$4,813,752	\$ (1,608,402)
Capital Outlay	\$ 384,202	\$ 786,064	\$ 401,862
Municipal Equipment Replacement Fund (MERF) Contribution	\$ 39,850	\$ 37,500	\$ (2,350)
Debt Service	\$ --	\$ --	\$ --
Inter-Fund Transfers	\$(7,468,529)	\$(7,143,521)	\$ 325,008
Total	\$ 5,422,368	\$ 4,151,093	\$ (1,271,275)

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Director Alexander stated overall proposed expenditures have decreased, mainly due to re-allocation of Non-Departmental funds.

Budget Priorities:

Priority	One-Time Cost	Ongoing Cost
1. Accountant I	\$72,000	\$73,000
2. Building Infrastructure Account	\$100,000	\$100,000
3. Cemetery data solution (shared project with Parks and Recreation) – Resolution 2016-18	\$ 50,000- \$65,000 (Estimate)	\$ --

Department Community-Oriented results as follows:

Accountant I – Strong, Stable, and Healthy Economic Growth and Vibrancy

Building Infrastructure Account – Reliable Public Infrastructure and Effective Transportation and Mobility

Cemetery Data Solution – Managed, Well-Planned Growth and Development

Director Alexander briefly reviewed forecast sums of Interfund Transfers, Operating Expense, Salaries and Benefits, Capital Outlay, and MERF Depreciation.

Mayor Casper reviewed the proposed schedule for the July 7, 2016, Council Budget Session.

There being no further business, it was moved by Councilmember Marohn, seconded by Councilmember Hally, to adjourn the meeting at 3:40 p.m. which motion passed following a unanimous vote.

CITY CLERK

MAYOR

JULY 7, 2016

The City Council of the City of Idaho Falls met in Special Council Meeting (Council Budget Session), Thursday, July 7, 2016, at the City Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 10:00 a.m.

There were present:

Mayor Rebecca L. Noah Casper
Councilmember Michelle Ziel-Dingman
Councilmember David M. Smith
Councilmember Ed Marohn
Councilmember Barbara Ehardt
Councilmember Thomas Hally
Councilmember John B. Radford

Also present:

Pam Alexander, Municipal Services Director
Mark Hagedorn, Controller
Kenny McOmber, Treasurer
Jackie Flowers, Idaho Falls Power Director
Stacy Scott, Accountant II
Craig Davis, Airport Director
Chris Fredericksen, Public Works Director
Dave Hanneman, Fire Chief
Robert Wright, Library Director
Hal Peterson, Library Chair
Brad Cramer, Community Development Services Director
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 10:02 with the following:

Opening Remarks:

Mayor Casper briefly reviewed the agenda and expressed her appreciation for the presentations to this point. She then turned the meeting to department presentations.

Idaho Falls Power:

Director Flowers presented the following information with general discussion throughout:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Charges for Services	\$ 47,714,248	\$ 45,306,170	\$ (2,408,078)
Property and Franchise Taxes			
State Shared Revenues			
Inter-Governmental	\$ 2,711,000	\$ 2,626,045	\$ (84,955)
Payment In-Lieu of Taxes			
Grants			
Miscellaneous	\$ 120,500	\$ 308,500	\$ 188,000
Total	\$ 50,545,748	\$ 48,240,715	\$ (2,305,033)

Director Flowers believes the reduction in revenue, approximately 5% decrease, is due to customers becoming more energy efficiency as well as bringing bulb turbines back to load. She stated the IFP budget is based on worse-

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case scenarios to eliminate re-opening the budget during mid-year. Fiber revenues and expenses are included in the Electric Fund Budget although they will be separated in the future.

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$8,629,786	\$8,792,631	\$162,845
Operational Expenses	\$39,995,309	\$38,412,425	\$(1,582,884)
Capital Outlay	\$15,606,000	\$5,574,000	\$(10,032,000)
MERF Contribution	\$389,200	\$305,800	\$(83,400)
Debt Service	\$0	\$0	\$0
Inter-Fund Transfers (In-lieu of tax)	\$3,519,210	\$3,477,333	\$(41,877)
Total	\$68,139,505	\$56,562,189	\$(11,577,316)

Director Flowers stated expenses have been reduced by approximately 17%, largely due to capital projects.

Rate Review:

	Cost of Service Model Cost	Current FY2016	FY 2017 Budget
Power Cost Adjustment (PCA)	\$0	-.043 Cents per kwh	\$0
Residential & Temporary Service Charge	\$19.90 per month	\$15.00 per month	\$16.00 per month
Commercial Demand	\$8.21 per KW	\$6.25 per KW	\$7.25 per KW
Industrial Demand	\$7.04 per KW	\$6.50 per KW	\$7.00 per KW
		Projected Revenue:	\$2,863,214

Director Flowers briefly reviewed sums and forecast sums of Operating Expense, Salaries and Benefits, Capital Outlay, and MERF (Municipal Equipment Replacement Fund) Depreciation.

Budget Priorities:

Priority	One-Time Cost	Ongoing Cost
1. Rate Adjustment	\$0	\$0
2. Capital Investment	\$4,987,800	\$0
3. Enhanced System Integration	\$742,000	\$40,000
4. Power Supply Scheduling Enhancements	\$300,000	\$0
5. Fiber Optic Network Expansion of Service	\$50,000	\$0

Department Community-Oriented results as follows:

Rate Adjustment – Reliable Public Infrastructure and Effective Transportation and Mobility

Capital Investment – Strong, Stable, and Healthy Economic Growth and Vibrancy; Reliable Public Infrastructure and Effective Transportation and Mobility; and, Safe and Secure Community

Enhanced System Integration – Reliable Public Infrastructure and Effective Transportation and Mobility

Power Supply Scheduling Enhancements – Reliable Public Infrastructure and Effective Transportation and Mobility

Fiber Optic Network Expansion of Service – Strong, Stable, and Healthy Economic Growth and Vibrancy

After brief discussion, it was noted all budget priorities could fall under Environmental Sustainability and Resource Preservation as well.

Idaho Falls Airport:

Director Davis stated the motto of the Idaho Falls Airport is “To serve the traveling public by providing and maintaining a safe, secure and efficient airport operating environment” which is accomplished by balancing airport operations between providing a public service and a business enterprise, competing forces between National Policy,

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Government Oversight, Airline Service, General Aviation, Capital Infrastructure Development and Airport and Community Needs. He presented the following information with general discussion throughout:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Charges for Services	\$2,765,437	\$2,762,737	\$-2,700
Property and Franchise Taxes	\$0	\$0	\$0
State Shared Revenues	\$0	\$0	\$0
Inter-Governmental	\$0	\$0	\$0
Payment In-Lieu of Taxes	\$0	\$0	\$0
Grants	\$3,549,750	\$5,053,750	+\$1,504,000
Miscellaneous	\$0	\$0	\$0
Total	\$6,315,187	\$7,816,487	+\$1,501,300

Director Davis stated the proposed grant increases will be used for Capital Improvement Projects which include: Modify/Rehabilitate Terminal North (Design), Rehabilitate Taxiway A and C (Design), Planning Study - Runway 17-35, and to acquire Land/Easements.

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$1,060,378	\$1,112,335	+\$51,957
Operational Expenses	\$1,761,645	\$1,758,785	\$-2,860
Capital Outlay	\$4,258,760	\$6,246,850	+\$1,988,090
MERF Contribution	\$24,300	\$25,800	+\$1,500
Debt Service	\$0	\$0	\$0
Inter-Fund Transfers (In-lieu of tax)	\$0	\$0	\$0
Total	\$7,105,083	\$9,143,770	+\$2,038,687

Director Davis stated decreases in Operational Expenses are due to multiple recognized efficiencies, including repair of outdated building systems. Capital Outlay increase is due to potential FAA grant monies received as well as carryover of funds from current fiscal year, which is necessary to apply for FAA grant funding. Current Airport reserves total approximately \$3,400,000.

Director Davis briefly reviewed Capital Improvement Plan projects through Fiscal Year 2022.

Budget Priorities:

Priority	One-Time Cost	Ongoing Cost
1. 2016/17 Capital Improvement Projects – Rehab Taxiway A&C and Magnetic Variance Change Runway 2/20	\$310,546	\$0
2. New Employee Request – Airport Administration Manager	\$0	\$55,000 + Benefits
3. New Employee Request – Ground Operations Specialist	\$0	\$39,520 + Benefits
4. Expanded Aircraft Rescue and Firefighting (ARFF) Service Coverage - 24 hours/day	\$0	\$100,000

Department Community-Oriented results as follows:

1. The Airport is an economic driver – Strong, Stable, and Healthy Economic Growth and Vibrancy
2. Maintain the highest level of Safety and Security for the traveling public – Reliable Public Infrastructure and Effective Transportation and Mobility; and, Safe and Secure Community
3. Systematically Improve Facility Infrastructure – Manage, Well-planned Growth and Development
4. Balance the role of operating the Airport between a public service and business enterprise = financially self-sustaining – Strong, Stable, and Healthy Economic Growth and Vibrancy; Reliable Public Infrastructure and Effective Transportation and Mobility; Safe and Secure Community; and Manage, Well-planned Growth and Development

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Public Works:

Director Fredericksen stated Public Works Department includes both General Fund and Enterprise Fund expenditures. He indicated payment in lieu of taxes are established at 5% actual revenue from the three (3) divisions within the Enterprise Fund; Sanitation, Wastewater, and Water.

Budget Priorities:

Priority	One-Time Cost	Ongoing Cost
1. Street Division Funding Shortfall (Franchise Fees)	\$0	\$90,000
2. Increased Funding for Street Maintenance	\$0	\$3,000,000
3. 17th St & Hitt Road Intersection Improvements	\$1,800,000	\$0
4. Water Facility Plan Implementation (2 - Employees-Rate Reclassification-5% Increase)	\$0	\$125,000 2 New Staff
5. Wastewater Treatment Plant Improvements	\$12,000,000	\$0

Department Community-Oriented results as follows:

Director Fredericksen believes all priorities fall into every category with Community-Oriented Results. He is requesting Franchise Fees be allocated to the Street Fund, versus the current allocation to the General Fund, due to the direct Right-of-Way impact. He stated there is a continual annual shortfall with Street Maintenance and briefly reviewed the anticipated maintenance costs. He indicated discussion regarding the 17th Street and Hitt Road intersection project is continuing with the City of Ammon, the requested amount is the City portion to continue the Capital Improvement Project. Brief discussion followed.

2016-2017 Proposed Public Works Budget with general discussion throughout:

	2015-2016		2016-2017		% Change Expenditure
	Expenditure	Revenue	Expenditure	Revenue	
Public Works	\$454,727		\$491,000		108%
GIS	\$151,100		\$153,200		101%
Street Administration	\$525,000		\$525,000		100%
Engineering	\$1,505,321		\$1,480,500		98%
Sanitation	\$5,021,619	\$3,856,000	\$4,944,400	\$3,860,000	98%
Sewer	\$24,938,140	\$9,795,000	\$23,901,300	\$9,700,000	96%
Street	\$5,697,738	\$4,895,000	\$6,110,185	\$5,657,000	107%
Water	\$9,390,154	\$8,460,000	\$10,193,500	\$8,700,000	109%
	\$47,683,799	\$27,006,000	\$47,799,085	\$27,917,000	100%
Sanitary Sewer Capital Improvement	\$650,000	\$140,500	\$650,000	\$155,000	100%
Municipal Capital Improvement	\$0	\$718,711	\$500,000	\$740,000	-
Street Capital Improvement	\$4,050,000	\$2,240,000	\$4,500,000	\$2,150,000	111%
Bridge & Arterial Street	\$220,000	\$100,000	\$220,000	\$110,000	100%
Water Capital Improvement	\$1,200,000	\$180,500	\$1,200,000	\$270,000	100%
Surface Drain Improvement	\$60,000	\$12,000	\$60,000	\$12,000	100%
Traffic Light Capital Improvement	\$823,000	\$436,500	\$925,000	\$875,000	112%
	\$7,003,000	\$3,828,211	\$8,055,000	\$4,312,000	115%
Total:	\$54,686,799	\$30,834,211	\$55,854,085	\$32,229,000	102%

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Further discussion followed regarding the possibility of a levy for street maintenance. Mr. Hagedorn stated, as previous practice, a portion of any levy increase to the General Fund was then transferred to the Street Fund. Unlike the General Fund, there would be no cap limit to establish a street levy. This potential new levy would lower the General Fund rate and would allow the City to proceed with a future street plan.

Fire Department:

Chief Hanneman stated the Fire Department budget consists of General Fund and Ambulance Fund. He presented the following information with general discussion throughout:

Budget Overview General Fund:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Charges for Services	\$2,000	\$66,625	\$64,625+
Property and Franchise Taxes			
State Shared Revenues			
Inter-Governmental	\$1,596,000	\$1,596,000	
Payment In-Lieu of Taxes			
Grants			
Miscellaneous	\$0	\$40,200	\$40,200+
Total		\$1,702,825	\$104,825+

Chief Hanneman stated the most significant revenue funding is through the Bonneville Fire District contract. Charges for Services have increased through uncollected established fees, primarily new construction fees. Miscellaneous funding includes monies received from the Bureau of Homeland Security for regional response teams.

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$8,755,397	\$9,004,979	\$249,582 +
Operational Expenses	\$817,890	\$754,433	\$63,457 -
Capital Outlay	\$216,726	\$232,155	\$15,429 +
MERF Contribution	\$220,000	\$230,000	\$10,000 +
Debt Service	\$0	\$0	\$0
Inter-Fund Transfers (In-lieu of tax)	\$412,623	\$573, 844	\$161,221 -
Expenditure Total			\$50,333 +
Increased Revenue			\$104,825 -
General Fund Liability			\$54,492 -

Chief Hanneman stated increase to Wages and Benefits includes request for additional staff. Inter-fund transfers reflect transfers from the Ambulance Fund, Idaho Falls Power, and the Airport.

Department Community-Oriented Results:

1. Increase training and safety capacity of Department through Training Officer and effective training. Assist Power Department with Training and Safety.
2. Provide for a safe community through code enforcement of "Target Hazards".
3. Provide 24/7 ARFF coverage at the Airport to increase safety and provide more effective transportation opportunities – Stable and Healthy Economic Growth and Vibrancy, Reliable Public Infrastructure and Effective Transportation and Mobility.
4. Improve Fire Insurance Rating (ISO) from 3 to 2, supporting economic growth.

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Chief Hanneman believes all priorities pertain to Safe and Secure Community. He reviewed the Insurance Service Organization (ISO) rates, indicating the Idaho Falls Fire Department is currently Class 3 rating but is striving for Class 2 rating, which could reduce overall taxpayer insurance rates by approximately 10%. He stated an approval of increased staff request could raise the rating.

Budget Priorities General Fund:

Priority	One-Time Cost	Ongoing Cost
1. Training/Safety Officer position	\$0	\$79,199
2. Fire Inspector position	\$0	\$79,199
3. Probationary Firefighter/EMT	\$0	\$69,820
4. Increase overtime for training	\$0	\$100,000

Chief Hanneman indicated it is anticipated that overtime expenditures will be categorized as ‘reimbursable’, ‘training’, or ‘regular’ in the new software system.

Budget Overview Ambulance Fund:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Charges for Services	\$ 3,019,145	\$ 3,477,663	\$ 458,518 +
Property and Franchise Taxes			
State Shared Revenues			
Inter-Governmental	\$ 2,526,700	\$ 2,674,678	\$ 147,978 +
Payment In-Lieu of Taxes			
Grants	\$10,000	\$ 548,779	\$ 538,779 +
Miscellaneous	\$1,000	\$ 190,000	\$ 299,000
Total		\$6,891,720	\$ 1,144,875 +

Chief Hanneman stated the Bonneville County Commissioners recently approved new contract for services which supports an additional ambulance. He indicated proposed charges for services include a 3% increase in user fees. Inter-governmental includes 3% increase for the Bingham, Jefferson, and Bonneville County contracts. Grants will offset overtime use. Miscellaneous funding includes MERF reimbursement for the recent purchase of an ambulance.

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$ 3,756,128	\$ 5,155,134	\$1,399,006 +
Operational Expenses	\$1,207,112	\$ 1,217,807	\$ 10,695 +
Capital Outlay	\$ 453,605	\$ 278,779	\$ 174,826 -
MERF Contribution	\$220,000	\$230,000	\$10,000 +
Debt Service	\$0	\$0	\$0
Inter-Fund Transfers (In-lieu of tax)	\$412,623	\$573, 844	\$161,221 -
Expenditure Total			\$50,333 +
Increased Revenue			\$104,825 -
General Fund Liability			\$54,492 -

Department Community-Oriented Results:

1. Increase Safety and Security of community by providing additional in service ambulance – Safe and Secure Community
2. Collaborate with Idaho State University on Paramedic program in Idaho Falls – Safe and Secure Community

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Budget Priority:

Priority	One-Time Cost	Ongoing Cost
1. Firefighter/ EMT (5 Positions)	\$0	\$349,101

Chief Hanneman briefly reviewed emergency medical services response times within Bonneville County and Idaho Falls areas.

Budget Overview Fire Station 1:

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits			
Operational Expenses			
Capital Outlay	\$ 3,668,861	\$ 4,183,206	\$ 514,345 +
FFE (Furniture, Fixtures, and Electric)		\$300,000	
Landscaping and Change Orders		\$300,000	
Inter-Fund Transfers			
Total		\$ 4,783,206	

Idaho Falls Library:

Mr. Peterson stated the Library is requesting a \$200,000 increase in the Library levy. He reviewed increase of Library programs, circulation, and downloadable electronic materials. Director Wright and Mr. Peterson presented the following information with general discussion throughout:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Charges for Services	\$877,523	\$878,123	\$600
Property and Franchise Taxes	\$1,846,697	\$2,046,697	\$200,000
State Shared Revenues	\$97,000	\$97,000	\$0
Inter-Governmental	\$0	\$0	\$0
Payment In-Lieu of Taxes	\$0	\$0	\$0
Grants	\$41,000	\$180,500	\$139,500
Miscellaneous	\$70,300	\$80,300	\$10,000
Total	\$2,932,520	\$3,282,620	\$350,010

Mr. Peterson stated Miscellaneous funding includes fines received from patrons.

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$1,865,087	\$1,813,386	(\$51,701)
Operational Expenses	\$1,144,798	\$1,428,236	\$283,438
Capital Outlay	\$18,828	\$122,198	\$103,370
MERF Contribution	\$1,800	\$1,800	\$0
Debt Service	\$0	\$0	\$0
Inter-Fund Transfers	\$30,000	\$17,000	(\$13,000)
Total	\$3,060,513	\$3,382,620	\$322,107

Director Wright stated the decrease in Inter-Fund Transfers was for Information Technology (IT) support, which can be accomplished in-house. Mr. Peterson briefly reviewed sums and forecast sums of Operating Expense, Salaries and Benefits, Capital Outlay, and MERF Depreciation.

Budget Priorities:

Priority	One-Time Cost	Ongoing Cost
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Meet citizen demand for electronic materials	\$0	\$200,000
Maintain citizen demand for traditional materials	\$0	\$650,000
Improve & maintain Library programming	\$25,000	\$70,000
Create outdoor reading area	\$125,000	\$0
Maintain reader's advisory skills/ outreach / customer service training	\$0	\$30,000

Mr. Peterson believes all priorities fit within all Department Community-Oriented Results.

Mr. Peterson reviewed increases for proposed Library levy as follows:

Taxable Value of Property	Current tax for Library	Proposed tax for Library	Increase Per Year
\$50,000	\$27.94	\$33.25	\$5.31
\$100,000	\$55.89	\$66.50	\$10.61
\$200,000	\$111.77	\$133.00	\$21.23
\$300,000	\$167.66	\$199.50	\$31.84

Future Capital projects being discussed as a Library Board:

- Expand Children's Library - \$100,000
- Meeting room move to basement - \$1.5 million (includes updating Heating, Ventilation, Air Conditioning (HVAC) for entire building)
- Carpet replacement - \$70,000
- Outside reading area with public art - \$250,000

Community Development Services:

Director Cramer expressed his appreciation from the elected officials for support to his staff. He reviewed the budget per the three (3) scenarios requested by Mayor Casper and stated the '3% decrease' would be extremely difficult and would result in decrease of staff. The 'flat budget' is very workable and the department could continue to operate at status quo. The '3% increase' would allow planning growth. He presented the following information with general discussion throughout:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Charges for Services	\$698,650	\$730,000	\$31,350
Property and Franchise Taxes	\$0	\$0	\$0
State Shared Revenues	\$0	\$0	\$0
Inter-Governmental	\$0	\$0	\$0
Payment In-Lieu of Taxes	\$0	\$0	\$0
Grants	\$635,200	\$690,400	\$55,200
Miscellaneous	\$0	\$40,000	\$40,000
Total	\$1,333,850	\$1,460,400	\$126,550

Director Cramer indicated although Community Development Services is not an Enterprise Fund, revenues are received for several construction and construction-related fees. Revenues are expected to exceed revenue projections. Grants include scanning of documents which are currently housed at the Library. Miscellaneous funding includes reimbursement from the Redevelopment Agency.

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$1,560,802	\$1,697,527	\$135,725
Operational Expenses	\$442,297	\$530,702	\$88,405
Capital Outlay	\$360,327	\$276,181	-\$84,146

JULY 7, 2016

MERF Contribution	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0
Inter-Fund Transfers	\$(36,750)	\$0	-\$36,750
Total	\$2,326,676	\$2,504,410	\$177,734

Director Cramer stated expenditures include the anticipated grant as well as re-allocation of non-departmental funds for Targhee Regional Transit Public Authority (TRPTA). Professional Services are being reduced for small-scale projects.

Budget Priorities:

Priority	One-Time Cost	Ongoing Cost
Dumpsters for Code Enforcement Neighborhood Cleanups	\$15,000	\$0
Planner I Position (mid-year hire)	\$0	\$28,317.68 (mid-year hire) \$56,635 (full-year hire)

Department Community-Oriented Results:

1. Dumpsters for Code Enforcement Neighborhood Cleanups – Attractive, clean, livable, and family-oriented community; Strong, stable and healthy economic growth and vibrancy; Managed, well-planned growth and development.
2. Planner I Position – Attractive, clean, livable, and family-oriented community; Strong, stable and healthy economic growth and vibrancy; Environmental sustainability and resource preservation; Managed, well-planned growth and development; Reliable public infrastructure and effective transportation and mobility; Safe and secure community.

Director Cramer reviewed Code Enforcement, Long-Range Planning, and Short-Range Planning staff.

Human Resources (HR):

Director Alexander presented the following information with general discussion throughout:

	Revenue	Expenditure	Request	Total
Human Resources	\$0	\$329,759	\$92,000	\$421,759

Requests/adjustments include:

- \$5000, American Insurance Services Annual Fee
- \$1,000, Drug Testing
- \$16,000, Employee Assistance
- \$26,000, Employee Costs
- \$92,000, HR Analyst Position
- \$110,000, HR Director replacement and step and grade for current staff
- \$20,000, City picnic/Holiday
- \$10,000, Civil Service testing for Fire and Police Departments – transfer from Non-Departmental Funds. Brief discussion followed regarding eliminating the Civil Service testing

There being no further business, it was moved by Councilmember Radford, seconded by Councilmember Hally, to adjourn the meeting at 5:00 p.m. which motion passed following a unanimous vote.

CITY CLERK

MAYOR

JULY 8, 2016

The City Council of the City of Idaho Falls met in Special Council Meeting (Council Budget Session), Friday, July 8, 2016, at the City Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 8:00 a.m.

There were present:

Mayor Rebecca L. Noah Casper
Councilmember Barbara Ehardt
Councilmember John B. Radford
Councilmember David M. Smith
Councilmember Ed Marohn
Councilmember Michelle Ziel-Dingman
Councilmember Thomas Hally

Also present:

Pam Alexander, Municipal Services Director
Mark Hagedorn, Controller
Kenny McOmber, Treasurer
Mark McBride, Police Chief
Greg Weitzel, Parks and Recreation Director
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 8:00 a.m. with the following:

Opening Remarks:

Mayor Casper briefly reviewed the agenda and stated an updated summary report will be prepared upon completion of all Department presentations. She believes in the importance of public safety, and all resources and training should be provided for officer safety and protection. She encouraged the City leaders to be thoughtful and smart. She then turned the meeting to department presentations.

Police Department:

Chief McBride believes the Police Department officers continually work toward the motto/vision of “A Community Safe from Crime and Disorder”. He stated six (6) pillars recently identified include: building trust within the community; policy oversight; technology and social media; community policing for crime reduction; training and education; and, officer wellness and safety. He presented the following information with general discussion throughout:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Charges for Services (fingerprints/reports)	\$12,034	\$16,221	\$4,187
Property and Franchise Taxes			
State Shared Revenues			
Inter-Governmental			
Payment In-Lieu of Taxes			
Grants	\$55,844	\$125,482	\$69,638
Miscellaneous	\$678,018	\$600,749	\$(77,269)
Total	\$745,896	\$742,452	\$(3,444)

Chief McBride stated the majority of anticipated grants are on-going. Miscellaneous funding is indicating a reduction although costs are being reallocated. Funding Sources does not include General Fund monies.

JULY 8, 2016

Expenditures	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$12,024,452	\$12,430,620	\$406,168
Operational Expenses	\$1,284,497	\$1,327,103	\$42,606
Capital Outlay	\$444,002	\$130,121	\$(313,881)
Municipal Equipment Replacement Fund (MERF) Contribution	\$334,200	\$370,700	\$36,500
Debt Service	\$0	\$0	\$0
Inter-Fund Transfers	\$672,194	\$663,219	\$(8,868)
Total	\$13,414,957	\$13,595,219	\$180,262

Chief McBride stated total increase is due to reallocation of grants and utilities as well as anticipated overtime costs for the upcoming Airshow. It was noted Airshow expenditures are included in Council budget and should not be included in Department budgets. The increase of Wages and Benefits includes request of two (2) permanent officers to replace anticipated retirees. Capital Outlay decrease is due to allocating costs to Records Management System/Storage Area Network (SAN). MERF includes Information Technology (IT) component for equipment required in vehicles. Inter-Fund Transfers include Airport security and Fire Department dispatch services.

Chief McBride briefly reviewed sums of Interfund Transfers, Operating Expense, Salaries and Benefits, Capital Outlay, and MERF Depreciation.

Budget Priorities:

Priority	One-Time Cost	Ongoing Cost
1. Staffing Retention	\$131,336	\$131,336+
2. SAN Expansion – digital storage	\$56,136.66	\$3,987
3. Consultant – New Building Professional Services	\$150,000	
4. Locker Room Remodel	\$67,120	

Department Community-Oriented results as follows:

Staffing Retention – Safe and secure community

SAN – Safe and secure community; Good Governance

Consultant – Good Governance; Safe and secure community; Managed, well-planned growth and development; Attractive, clean, livable and family-oriented community

Locker Room – Good Governance, Safe and secure community

Chief McBride briefly reviewed other requests stating additional requests are low priority or based on grant funding.

Parks and Recreation:

Director Weitzel stated comparison of FY2015/16 vs. FY2016/17 budget - \$711,989 in revenues which reduces expenditures of \$1,952,500. The Department's operational activities are separated into: Administration, Parks Maintenance, Recreation, Idaho Falls Zoo, and Golf Divisions. He expressed his appreciation to the staff within the department. He reviewed number of volunteers and hours of donated time - estimated value of \$721,000.

He presented the following information with general discussion throughout:

Funding Sources	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
General Fund without Capital	\$5,314,420	\$6,084,475	\$770,055
Recreation Fund	\$495,801	\$645,801	\$150,000
User Fees and Charges	\$1,736,995	\$2,034,840	\$297,845

JULY 8, 2016

Golf Revenues	\$2,585,003	\$2,596,827	\$11,824
Grants, Donations, Miscellaneous	\$717,450	\$388,500	\$-333,950
Recreation Fund Reserves	\$183,785	\$0	\$-183,785
Total	\$11,033,454	\$11,745,443	\$+711,989

Director Weitzel stated the Parks and Recreation Department recovers 48% of operating expenditures through User Fees and Charges.

Expenditures – General Budget Overview (includes Administration, Parks Maintenance, Recreation, Zoo and Golf Divisions)	2015/16 Approved Budget	2016/17 Department Requested Budget	Increase or Decrease
Wages and Benefits	\$8,085,408	\$8,275,749	\$190,341
Operational Expenses	\$4,130,462	\$4,464,797	\$334,335
Capital Outlay	\$3,289,954	\$524,900	\$(2,765,054)
MERF Contribution	\$391,300	\$531,600	\$140,300
Debt Service	\$0	\$0	\$0
Inter-Fund Transfers	\$(711,578)	\$(564,000)	\$(147,578)
Total	\$15,185,546	\$13,233,046	\$(1,952,500)

Director Weitzel briefly reviewed sums of Interfund Transfers, Operating Expense, Salaries and Benefits, Capital Outlay, and MERF Depreciation.

Budget Priorities:

Priority	One-Time Cost	Ongoing Cost
1. Approve Weed and Environmental Control Maintenance Operator / 1-ton Extended Cab Truck	\$38,000	\$48,862 (\$29,869 + \$18,993 Benefits)
2. Approve Idaho Falls Zoo Keeper	\$0	\$48,118 (\$32,600 + \$15,518 Benefits)
3. Increase percentage for the Recreation Fund levy (from 2.0057 to 2.5898) = \$150,000 in additional revenue	\$0	\$150,000
4. Transfer Shelter Rental revenues (approx. \$40k annually) to the Parks Capital Improvement Fund	\$0	\$40,000
5. Develop MERF for park facilities including playgrounds, shelters and restroom replacements		TBD

Department Community-Oriented results as follows:

Director Weitzel believes all Budget Priorities fall within all categories of Department Community-Oriented Results. Brief review of budget priorities:

1. Approve Weed and Environmental Control Maintenance Operator / 1-ton Extended Cab Truck
 - Idaho Falls = 2,115 acres with 33 full-time employees (FTE) (64 acres per FTE)
 - National Standard = 12-39 acres per FTE
2. Approve Idaho Falls Zoo Keeper
 - Currently 6 FTE Zoo Keepers
 - Recent United States Department of Agriculture (USDA) and Association of Zoos and Aquariums (AZA) inspections strongly recommend additional keeper staff
 - License and Accreditation
3. Increase Levy for Recreation Fund
 - The Recreation Fund Property Tax allocation was raised from \$499,000 to \$515,000 in 2015. This was the first increase in more than 10 years.
 - Current Allocation: 2.0057% = \$515,048
 - Request Levy Increase to 2.5898 = +\$150,000

JULY 8, 2016

- The Recreation Fund balance has decreased from just over \$400K to \$120K. The Recreation Fund Reserves are used as a savings account for emergencies. Without a means of recharging the fund balance, the Recreation Division will have no emergency reserves.
- 4. Transfer Shelter Rental revenues to the Parks Capital Improvement Fund (PCIF)
 - The goal of the PCIF is to develop a strategic fiscal plan to advance a sustainable capital maintenance and replacement program.
 - We propose that revenues from shelter rentals (approximately \$40,000) be set aside for the PCIF which is currently funded through \$1 Surcharges.
 - PCIF = \$250,000 Available for 2016/17 Budget

Director Weitzel indicated the priority for Capital Improvement Projects (CIP), through community requests, is to approve funding for the Priority Trail Development and Maintenance Projects. He reviewed CIP requests, with total CIP request = \$4,420,000. He stated the parks system is for individual, community, environmental, and economic benefits. He reviewed 2016-17 proposed park plans.

Mayor Casper stated Mayor, Council, and Legal Department budgets will be presented at the July 18, 2016, Council Budget Session as well as follow-up review and discussion of Wages and Benefits.

Per Council request, Mr. Hagedorn briefly reviewed additional benefits option. Option 2, revised, calculated half of the 6% increase being incrementally absorbed by employees over the course of years with City paying 90% and employees paying 10% of Total Plan Cost. Option 5, revised, would eliminate the entire Preferred Provider Organization (PPO) plan. This option would be more expensive, in long term, to the City.

Councilmember Marohn recommended the Councilmembers thoroughly review all requests. He believes growth money should be taken. Brief discussion followed regarding one-time costs versus on-going costs, it was noted that on-going cost requests may exceed any levy increase.

Mayor Casper indicated monies, saved through self-insurance or MERF, may be available for the City to borrow against. Mr. Hagedorn recommended any use of such funds should only be used for capital or related one-time costs.

In closing, Mayor Casper stated Relay for Life, a cancer fundraiser, is being held on July 8, 2016.

There being no further business, it was moved by Councilmember Dingman, seconded by Councilmember Marohn, to adjourn the meeting at 11:05 a.m. which motion passed following a unanimous vote.

CITY CLERK

MAYOR

REGULAR AGENDA:

**NOTICE OF PUBLIC HEARING
PROPOSED BUDGET FOR FISCAL YEAR 2016-2017
CITY OF IDAHO FALLS, IDAHO**

A public hearing pursuant to Idaho Code section 50-1002, will be held for consideration of the proposed budget for the fiscal year from October 1, 2016 to September 30, 2017. The hearing will be held at the City of Idaho Falls Council Chambers, in the City Annex Building, located at 680 Park Avenue, Idaho Falls, Idaho at 7:30 p.m. on Thursday, August 11, 2016. All interested persons are invited to appear and provide comments regarding the proposed budget. Copies of the proposed budget are available at the Idaho Falls City Controller's Office during regular office hours (8:00 a.m. to 5:00 p.m., weekdays). City Hall is accessible to persons with disabilities. Anyone desiring accommodations for disabilities in order to allow access to the budget documents or to the hearing should contact the City Controller's Office at 612-8230 at least 48 hours prior to the public hearing. The proposed FY 2017 budget is shown below as FY 2017 proposed expenditures and projected revenues.

PROPOSED EXPENDITURES

	FY 2015 Actual Expenditures	FY 2016 Budget Expenditures	FY 2017 Proposed Expenditures
General Fund			
Mayor and Council	\$ 138,591	\$ 238,549	\$ 4,214,613
Legal	410,800	422,247	861,990
Municipal Services	4,458,862	8,877,134	4,247,773
Community Development	1,925,559	2,163,861	2,447,260
Human Resources	186,202	211,928	398,759
Police	12,358,045	13,178,430	13,827,072
Fire	9,976,400	12,892,390	9,697,723
Parks	6,188,935	8,150,125	8,066,222
Public works	1,632,103	1,969,900	2,021,100
General Fund Total	37,275,496	48,104,564	45,782,512
Special Revenue Funds			
Street Fund	4,754,544	5,498,300	9,114,300
Recreation Fund	1,670,243	1,755,804	1,972,028
Library Fund	2,600,125	3,037,436	3,382,620
Airport Passenger Facility Charge Fund	628,703	600,000	-
Municipal Equipment Replacement Fund	1,985,285	2,132,000	2,012,000
Electric Light Public Purpose Fund	594,852	1,137,500	1,246,217
Business Improvement District Fund	46,163	50,481	50,000
Golf Fund	2,654,245	2,713,213	2,588,895
Special Revenue Funds Total	14,934,160	16,924,734	20,366,060
Internal Service Fund			
Self-Insurance Fund	736,229	1,050,000	2,300,000
Capital Projects Funds			
Sanitary Sewer Capital Improvement Fund	-	650,000	650,000
Municipal Capital Improvement Fund	39,549	-	500,000
Street Capital Improvement Fund	3,155,475	4,050,000	6,300,000
Bridge and Arterial Street Fund	-	220,000	220,000
Water Capital Improvement Fund	12,451	1,200,000	1,200,000
Surface Drainage Fund	-	60,000	60,000
Traffic Light Capital Improvement Fund	238,525	823,000	925,000
Parks Capital Improvement Fund	45,991	125,000	159,500
Fire Capital Improvement Fund	-	-	4,783,206
Capital Projects Funds Total	3,491,991	7,128,000	14,797,706
Enterprise Funds			
Airport Fund	4,572,109	7,000,058	9,276,020
Water and Wastewater Fund	18,547,589	32,913,400	34,231,000
Sanitation Fund	4,628,050	4,875,500	4,944,400
Ambulance Fund	4,469,046	5,406,734	6,934,580
Idaho Falls Power	57,249,596	68,254,460	56,562,189
Enterprise Funds Total	89,466,390	118,450,152	111,948,189
Total Expenditures - All Funds	\$ 145,904,266	\$ 191,657,450	\$ 195,194,467

PROJECTED REVENUES

	FY 2015 Actual Revenues	FY 2016 Budget Revenues	FY 2017 Projected Revenues
Property Tax Levy			
General Fund	\$ 22,769,599	\$ 24,678,990	\$ 22,258,132
Streets Fund	-	-	3,674,991
Recreation Fund	490,862	515,048	515,048
Library Fund	1,759,975	1,846,697	1,846,697
Municipal Capital Improvement Fund	705,272	740,024	740,000
Fire Retirement	1,244,712	361,250	400,791
Liability Insurance	613,767	624,477	636,966
Property Tax Levy Total	27,584,187	28,766,486	30,072,625
Revenue Sources Other Than Property Tax			
General Fund	12,742,136	16,667,914	18,016,783
Street Fund	2,269,158	3,895,000	5,418,307
Recreation Fund	1,003,440	1,082,415	1,184,340
Library Fund	1,083,855	1,085,823	1,435,923
Passenger Facility Fund	628,703	600,000	-
Municipal Equipment Replacement Fund	122,219	80,000	40,000
Electric Light Public Purpose Fund	621,680	1,018,000	998,817
Business Improvement District Fund	42,497	52,000	50,000
Electric Rate Stabilization Fund	240,434	250,000	-
Golf Fund	2,684,183	2,725,900	2,596,827
Self-Insurance Fund	1,776,903	1,200,000	1,152,000
Sanitary Sewer Capital Improvement Fund	231,463	140,500	155,500
Municipal Capital Improvement Fund	721	1,000	-
Street Capital Improvement Fund	1,958,728	2,240,000	3,760,000
Bridge and Arterial Street Fund	82,636	100,000	110,000
Water Capital Improvement Fund	357,127	180,500	271,000
Surface Drainage Fund	10,139	12,000	12,000
Traffic Light Capital Improvement Fund	437,184	470,647	827,047
Parks Capital Improvement Fund	116,242	132,500	200,000
Fire Capital Improvement Fund	-	-	401,524
Airport Fund	4,705,111	5,715,187	7,816,487
Water and Wastewater Fund	17,269,491	18,455,000	18,591,000
Sanitation Fund	3,994,562	3,856,000	3,860,000
Ambulance Fund	3,892,779	5,406,734	6,701,720
Idaho Falls Power	56,809,406	49,792,500	48,240,715
Fund Transfers	3,910,398	4,131,750	2,902,000
Fund Balance Carryover	1,328,884	43,599,594	40,379,852
Other Revenue Sources Total	118,320,079	162,890,964	165,121,842
Total Revenues - All Funds	\$ 145,904,266	\$ 191,657,450	\$ 195,194,467

I, Kathy Hampton, City Clerk of the City of Idaho Falls, Idaho certify that the above is a true and correct statement of the proposed expenditures by fund and the entire estimated revenues and other sources of the City of Idaho Falls, Idaho for the fiscal year 2016-2017; all of which have been tentatively approved by the City Council on July 28, 2016 and entered at length in the Journal of Proceedings.

Dated this 28th day of July, 2016.

Kathy Hampton, City Clerk

Publish: July 31st and August 7th, 2016



MEMORANDUM

TO: Mayor and City Council
FROM: Municipal Services Department
DATE: July 29, 2016
RE: Recommendation to Reject IF-16-06, Two Backhoe Loaders for Public Works

The City issued a bid for two (2) backhoes, one for the Water Division and one for the Street Division. The bid was written to combine the backhoes on one bid anticipating a better purchase price. However, during the bid evaluation process, it was determined that the bid's discretionary options portion did not adequately address the individual needs of the divisions.

It is therefore the recommendation of the Public Works and Municipal Services Departments to reject all bids to reevaluate the division's needs and reissue the bids at a later date.

Respectfully,

Pamela Alexander
Municipal Services Director

Chandra Witt
General Services Administrator

Heidi Carlson
Purchasing Agent



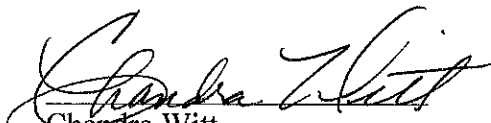
MEMORANDUM

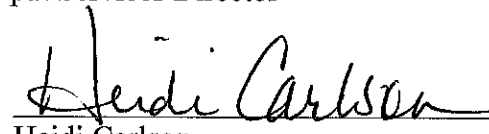
TO: Mayor and City Council
FROM: Municipal Services Department
DATE: August 1, 2016
RE: Bid IF-16-25 Entry Door Upgrade Project

Attached is the tabulation for the above subject bid. It is the recommendation of the Public Works and Municipal Services Departments to accept the lowest responsive, responsible bid from River's West Construction, Inc. in the amount of \$67,038.00. This project will install upgraded security entry doors with Schlage brand hardware at eighteen (18) locations. The funding source for this project will be from the 2015/16 Water Division budget.

Respectfully,


Pamela Alexander
Municipal Services Director


Chandra Witt
General Services Administrator


Heidi Carlson
Purchasing Agent

**CITY OF IDAHO FALLS
OFFICIAL BID OPENING**

DATE OF OPENING: Wednesday, July 26, 2016

TIME: 11:00 a.m.

LOCATION: Purchasing Office, 308 Constitution Way, Idaho Falls, Idaho 83402

PROJECT: Bid IF-16-25 Entry Door Upgrade Project

Bidder:	T-Webb Construction Idaho Falls, ID	CR Clark Construction Shelley, ID	River's West Construction Idaho Falls, ID	Alan Clark Construction Idaho Falls, ID
Lump Sum Price for Project:	\$150,000.00	\$120,304.00	\$67,038.00	\$72,431.00
Acknowledgement of Addendums	No	Yes	Yes	Yes
Affidavit Concerning Taxes	No	No	Yes	Yes
Sole Proprietor, Company Signature	No	No	No	No
Public Works License	011210-B-3-4	017831-A-3	013042-AA-3	020156-A

Subcontractors:

Cashier's Check	Ed's Painting 12043-B-4	Sharp's Painting PWC-C-11149
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A Department of the City of Idaho Falls

"A community with its own kind of energy"



MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Jackie Flowers, General Manager

DATE: August 8, 2016

Re: Approve Pole Attachment License Agreement with Crown Castle LLC

Idaho Falls Power has received a request from Crown Castle LLC to attach communication infrastructure to power poles. Crown Castle LLC is the nation's largest provider of shared wireless infrastructure, and they collaborate with wireless carriers, communities, governments, and property owners to provide access to needed infrastructure.

Attached is Idaho Falls Power's standard Pole Attachment License Agreement. This document was developed by the American Public Power Association and has been reviewed by the City Attorney.

Idaho Falls Power respectfully requests City Council approve the Pole Attachment License Agreement with Crown Castle LLC and authorize the Mayor to sign the document.

Attachment

JRF/754

C: City Clerk
City Attorney
File



MEMORANDUM

To: Honorable Mayor & City Council

From: Chris H Fredericksen, Public Works Director

Date: August 1, 2016

Subject: **PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION
MATERIALS TESTING ON THE GRANDVIEW DRIVE; SKYLINE DRIVE
TO SATURN AVENUE PROJECT**

Attached is a Professional Services Agreement with Strata, Inc., to conduct fill material, concrete and asphalt mix testing. Under the agreement, Strata, Inc. will perform testing services on the Grandview Drive, Skyline Drive to Saturn Avenue project for a not-to-exceed amount of \$50,000.00. The City will be responsible for 7.34% of this amount. This agreement has been reviewed by the City Attorney.

Public Works recommends approval of this professional services agreement; and, authorization for Mayor to sign the necessary documents.

Respectfully,

Chris H Fredericksen, P.E.
Public Works Director

CF:jk

Attachment

c: Canfield
Fugal
Olson

2-37-13-2-STR-2010-24

2016-77

IDAHO TRANSPORTATION DEPARTMENT
LOCAL PROFESSIONAL SERVICES AGREEMENT

Agreement Number 94111

THIS AGREEMENT is made and entered into this _____ day of _____, by and between the CITY OF IDAHO FALLS, whose address is PO Box 50220 Idaho Falls ID 83405, hereinafter called the "Sponsor," and STRATA, INC., whose address is 8653 W. Hackamore Dr., Boise, ID, 83709, hereinafter called the "Consultant."

RATIFICATION

The Idaho Transportation Department, representing the Federal Highway Administration on all local federal-aid highway projects, is authorized to ratify all agreements for engineering services entered into between sponsoring local agencies and their retained consultants. All references to State used hereafter shall denote the Idaho Transportation Department.

NOW, THEREFORE, the parties hereby agree as follows:

The work covered by this Agreement is for the following project(s):

PROJECT NAME: GRANDVIEW DR; SKYLINE DR TO SATURN AVE
PROJECT NO: A013(132)
KEY NO: 13132

I. SUBCONSULTANTS

The Sponsor approves the Consultant's utilization of the following Subconsultants: n/a

II. AGREEMENT ADMINISTRATOR

This Agreement shall be administered by Chris Canfield, Assistant Public Works Director, City of Idaho Falls; (208) 612-8259; or an authorized representative.

III. DUTIES AND RESPONSIBILITIES OF CONSULTANT

A. DESCRIPTION OF WORK

The Consultant shall provide professional services as outlined in the attachment(s) and as further described herein.

1. The following attachments are made a part of this Agreement:
 - a. Attachment No. 1L is the Consultant Agreement Specifications which are applicable to all agreements.

- b. **Attachment No. 2** is the negotiated Scope of Work, Cost Estimate, and Man-Day Estimate.

In the case of discrepancy, this Agreement shall have precedence over Attachment No. 2, and Attachment No. 2 shall have precedence over Attachment No. 1L.

- 2. Per Diem will be reimbursed at the current approved rates. These rates are listed at <http://www.iid.idaho.gov/design/cau/policies/policies.htm>.

IV. DUTIES AND RESPONSIBILITIES OF SPONSOR AND/OR STATE

The Sponsor and/or State shall provide to the Consultant, upon request, copies of any records or data on hand which are pertinent to the work under the Agreement.

V. TIME AND NOTICE TO PROCEED

- A. The Consultant shall start work under this Agreement no later than ten (10) calendar days from the receipt of the written notice to proceed with the work. The Consultant shall complete all work by **10/30/2017**.
- B. The Consultant shall remain available to perform additional work for an additional sixty (60) days or until the Agreement is closed out, whichever comes first.

VI. BASIS OF PAYMENT

- A. Payment Basis: Specific Rates of Compensation (Loaded hourly rates [labor, OH & fee] plus direct expenses). Consultant agrees to accept as full compensation for all services rendered to the satisfaction of the State for completion of the work, the actual cost or Not-To-Exceed amount of the Agreement, whichever is lesser.
- B. Compensation Amount
 - 1. Not-To-Exceed Amount: **\$50,000.00**
 - 2. Additional Services Amount: **\$0.00**
 - 3. Total Agreement Amount: **\$50,000.00**
- C. The rates identified in Attachment No. 2 were negotiated and agreed upon by both parties to this Agreement. These rates will be fixed for the period of this Agreement.


- D. Professional Services Authorization and Invoice Summary (Authorization) No. 1 is issued in the amount of \$50,000.00 to perform the work of this Agreement.

An additional services amount may be included in this Agreement. If so, the Sponsor will determine if additional services is required beyond the services outlined in Attachment No. 2. When additional services are required, the additional services amount of the Agreement will be utilized, and a subsequent Authorization will be issued.

IN WITNESS WHEREOF, the Parties hereto have set their hands on the day and year in this Agreement first written above.

STRATA, INC.
Consultant

CITY OF IDAHO FALLS
Sponsor

By: 
Title: Chief Financial Officer

By: _____
Title: _____

**IDAHO TRANSPORTATION
DEPARTMENT**

By: _____
Title: _____

ATTACHMENT NO. 1L
CONSULTANT AGREEMENT SPECIFICATIONS

These specifications supplement Local Professional Services Agreements and shall be attached to said Agreements.

A. DEFINITIONS

1. **Administrator:** Person directly responsible for administering the Professional Services Agreement (Agreement) on behalf of the Local Public Agency.
2. **Combined Overhead:** The sum of the payroll additives and general administrative overhead expressed as a percent of the direct labor cost.
3. **Cost:** Cost is the sum of the hourly charge out rate and other direct costs.
4. **Cost Plus Fixed Fee:** Cost Plus Fixed Fee is the sum of the payroll costs, combined overhead, and other direct costs, plus the fixed fee.
5. **CPM:** Critical Path Scheduling. The CPM will list work tasks, their durations, milestones and their dates, and State/Local review periods.
6. **Fixed Fee:** A dollar amount established to cover the Consultant's profit and business expenses not allocable to overhead. The fixed fee is based on a negotiated percent of direct labor cost and combined overhead and shall take into account the size, complexity, duration, and degree of risk involved in the work. The fee is "fixed," i.e. it does not change. If extra work is authorized, an additional fixed fee can be negotiated, if appropriate.
7. **General Administrative Overhead (Indirect Expenses):** The allowable overhead (indirect expenses) expressed as a percent of the direct labor cost.
8. **Hourly Charge Out Rate:** The negotiated hourly rate to be paid to the Consultant which includes all overhead for time worked directly on the project.
9. **Incentive/Disincentive Clause:** Allows for the increase or decrease of total Agreement amount paid based on factors established in the Agreement. Normally, these factors will be completion time and completion under budget.
10. **Lump Sum:** An agreed upon total amount, that will constitute full payment for all work described in the Agreement.
11. **Milestones:** Negotiated portions of projects to be completed within the negotiated time frame. Normally the time frame will be negotiated as a calendar date, but it could also be "working" or "calendar" days. As many milestones as the Consultant and the State/Sponsor believe necessary for the satisfactory completion of the Agreement will be negotiated.
12. **Not-To-Exceed Amount:** The Agreement amount is considered to be a Not-to-Exceed amount, which amount shall be the maximum amount payable and shall not be exceeded unless adjusted by a Supplemental Agreement.
13. **Other Direct Costs:** The out-of-pocket costs and expenses directly related to the project that are not a part of the normal company overhead expense.
14. **Payroll Additives:** All payroll additives allocable to payroll costs such as FICA, State Unemployment Compensation, Federal Unemployment Compensation, Group Insurance, Workmen's Compensation, Holiday, Vacation, and Sick Leave. The payroll additive is expressed as a percent of the direct labor cost.

15. **Payroll Costs (Direct Labor Cost):** The actual salaries paid to personnel for the time worked directly on the project. Payroll costs are referred to as direct labor cost.
16. **Per Diem Rates:** Per Diem will be reimbursed at actual cost. However, reimbursements shall not exceed the current approved rates. The current rates are listed on the following Web site:
<http://www.itd.idaho.gov/design/caw/policies.htm>.
17. **Standard of Care:** The level or quality of service ordinarily provided by normally competent practitioners of good standing in that field, contemporaneously providing similar services in the same locality and under the same circumstances.
18. **State:** Normally "State" refers to the Idaho Transportation Department.
19. **Sponsor:** The "Sponsor" refers to the local public agency.
20. **Unit Prices:** The allowable charge out rate for units or items directly related to the project that are not a part of the normal overhead expense.

NOTE: All cost accounting procedures, definitions of terms, payroll cost, payroll additives, general administrative overhead, direct cost, and fixed fee shall comply with Federal Acquisition Regulations, 48 CFR, Part 31, and be supported by audit accepted by the State.

B. STANDARDS OF PERFORMANCE

Except as otherwise specifically provided for in the Consultant's Scope of Work, the Consultant agrees that all work performed under the Agreement will be performed in accordance with Idaho Transportation Department Standards and other appropriate standards with generally acceptable standard of care. When the work is of a nature that requires checking, the checking shall be performed by a qualified person other than the one who performed the work.

C. AGREEMENT ADMINISTRATOR

The Agreement Administrator will administer the Agreement for performance and payment, and will decide all questions which may arise as to quality and acceptability of the work, rate of progress, definition of work to be performed, completion of milestones, and acceptable fulfillment of the Agreement. The Consultant shall address all correspondence, make all requests, and deliver all documents to the Administrator. The Administrator shall be responsible for the timely coordination of all reviews performed by the State or their representatives.

D. PERSONNEL

The Consultant shall provide adequate staff of experienced personnel or Subconsultants capable of and devoted to the successful accomplishment of work to be performed under the Agreement. The specific individuals or Subconsultants listed in this Agreement, including Project Manager, shall be subject to approval by the State and shall not be removed or replaced without the prior written approval of ITD. Replacement personnel submitted for approval must have qualifications, experience and expertise at least equal to those listed in the proposal.

E. SUBCONSULTANTS

The Consultant shall have sole responsibility for the management, direction, and control of each Subconsultant and shall be responsible and liable to the Sponsor for the satisfactory performance and quality of work performed by Subconsultants under the terms and conditions of this Agreement. The Consultant shall include all the applicable terms and conditions of this Agreement in each Subconsultant Agreement between the Consultant and Subconsultant, and provide the State with a copy of each Subconsultant Agreement prior to the Subconsultant beginning work. No other Subconsultant shall be used by the Consultant without prior written consent by the State.

F. PROFESSIONAL SERVICES AUTHORIZATION

1. A written PROFESSIONAL SERVICES AUTHORIZATION (PSA) will be issued by the State to authorize the Consultant to proceed with a specific portion of the work under this Agreement. The number of PSAs required to accomplish all the work under this Agreement is one to several. Each PSA will authorize a maximum dollar amount and specify the milestone(s) for which the PSA represents. The Sponsor assumes no obligation of any kind for expenses incurred by the Consultant prior to the issuance of the PSA; for any expenses incurred by the Consultant for services performed outside the work authorized by the PSA; and for any dollar amount greater than authorized by the PSA.
2. The Consultant's work of this Agreement will be divided into milestones, each governed by a separate PSA. It is not necessary for a PSA to be completed prior to the issuance of the next PSA. The Consultant shall not perform work which has not been authorized by a PSA. When the money authorized by a PSA is nearly exhausted, the Consultant shall inform the Administrator and shall identify the need for additional authorization via issuance of the next PSA. The Administrator must concur with the Consultant prior to the issuance of the next PSA.
3. The Agreement is lump sum, unit cost, or cost plus fixed fee amount as indicated in this Agreement and may include an Additional Services amount for possible extra work not contemplated in the original scope of work. For the Consultant to receive payment for any work under the Additional Services Amount of this Agreement, said work must be authorized and performed under a PSA issued by the State specifically for the extra work. Should the Sponsor request that the Consultant perform additional services, the scope of work and method of payment will be negotiated. The basis of payment for additional work will be set up either as a Lump Sum or Cost Plus Fixed Fee.

G. PROJECT SCHEDULING

All negotiated agreements shall be accompanied by a critical path method schedule (CPM Schedule). The CPM Schedule will list the work tasks for the Agreement, their duration, negotiated milestones and their completion dates, including State/Local review periods. The format of this schedule shall be agreed on prior to signing the Agreement.

Along with the monthly progress report, the Consultant shall provide monthly CPM Schedule updates to the Agreement Administrator for approval. The CPM schedule shall show the project percent completed on each task.

H. MONTHLY PROGRESS REPORT

The Consultant shall submit to the State a monthly progress report on Form ITD-771, as furnished by the State. When no work will be performed for a period of time, this requirement can be waived by written notice from the Agreement Administrator. However, at such time as work re-commences, the monthly progress reports shall resume.

The Consultant shall provide monthly progress schedule (CPM) updates to the Agreement Administrator.

The monthly progress report and schedule update will be submitted by the tenth of each month following the month being reported or as otherwise agreed to in the approved scope of work.

The Agreement Administrator will review the progress report and submit approved invoices for payment within two weeks of receiving the invoice, the associated monthly report and the schedule update.

Each progress report shall list invoices by PSA number and reference milestones.

I. PROGRESS AND FINAL PAYMENTS

1. Progress payments will be made once a month for services performed which qualify for payment under the terms and conditions of the Agreement. Such payment will be made based on invoices submitted by the Consultant in the format required by the State. The monthly invoice shall be submitted no later than the tenth of each month following the month being invoiced.

Lump Sum

Progress payments will be made based on a percentage of the work or milestones satisfactorily completed.

Cost Plus Fixed Fee

The Consultant shall submit a breakdown of costs by each item of work on the monthly invoice, and shall show the percent complete of each item of work, each milestone and percent complete of the entire Agreement. Progress payments will be made based on the invoice cost less the fixed fee for the work satisfactorily completed for each invoicing period. Said payment shall not exceed the percent complete of the entire Agreement. Upon satisfactory completion of each milestone, full payment for all approved work performed for that milestone will be made, including Fixed Fee.

Cost

The Consultant shall submit a breakdown of costs by each item of work on the monthly invoice, and shall show the percent complete of each item of work and percent complete of the entire Agreement. Progress payments will be made based on the invoiced cost for the work satisfactorily completed for each item of work. Said payment shall not exceed the percent complete of the entire Agreement.

Direct expenses will be reimbursed at actual cost, not to exceed the current approved rates as identified at <http://www.itd.idaho.gov/design/cau/policies.htm>.

For "Cost Plus Fixed Fee" and "Cost" agreements, invoices must include backup documentation to support expenditures as appropriate, and as requested by the Agreement Administrator. Such support may consist of copies of time sheets or cost accounting system print-out of employee time, and receipts for direct expenses.

2. The Sponsor will make full payment for the value of the services performed which qualify for payment. This full payment will apply until 95 percent of the work under each Project Agreement PSA or Supplemental Agreement has been completed. No further progress payments will be made until all work under the Agreement has been satisfactorily accomplished and accepted by the Sponsor. If at any time, the Sponsor determines that the work is not progressing in a satisfactory manner, further payments may be suspended or withheld for sums that are deemed appropriate for unsatisfactory services.
3. Final payment of all amounts retained shall be due 60 days after all work under the Agreement has been completed by the Consultant and accepted by the Sponsor. Such final payment will not be made until satisfactory evidence by affidavit is submitted to the State that all indebtedness incurred by the Consultant on this project has been fully satisfied.
4. Agreements which include an incentive/disincentive clause will normally have the clause applied only to the completion of the BID OPENING milestone. If the project is deemed by the Sponsor to be ready for advertisement, but advertisement is postponed at no fault of the Consultant, any incentive earned will be paid.
5. **Payments to Subconsultants**

The Consultant shall pay each Subconsultant for satisfactory performance of its contract items no later than twenty (20) calendar days from receipt of each payment the Consultant receives from the State under this Agreement, in accordance with 49 CFR, Part 26. The Consultant shall return retainage payments to each Subconsultant within twenty (20) calendar days after the Subconsultant's work is satisfactorily completed.

Form ITD-2892 (Certification of Payment) shall be filled out by the consultant for each invoice and provided to the Agreement Administrator verifying payments to subconsultants. Upon completion of the work, the consultant shall certify total payment to all subconsultants on Form ITD-2921 (Certification of Payment Amounts). Forms will be provided by the State.

J. MISCELLANEOUS PROVISIONS

1. COVENANT AGAINST CONTINGENT FEES

- a. The Consultant warrants that they have not:

Employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person to solicit or secure this Agreement, other than a bona fide employee of the firm;

agreed, as an expressed or implied condition for obtaining this Agreement, to employ or retain the services of any firm or person in connection with carrying out this Agreement, or;

paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee of the firm) any fee, contribution, donation, or consideration of any kind for, or in connection with, procuring or carrying out the Agreement.

- b. The Sponsor warrants that the above Consultant or its representative has not been required, directly or indirectly as an expressed or implied condition in connection with obtaining or carrying out this Agreement.

Employ or retain, or agree to employ or retain, any firm or person, or, pay, or agree to pay to any firm, person or organization, any fee, contribution, donation or consideration of any kind.

2. PROHIBITION AGAINST HIRING PERSONNEL AND WORKING FOR CONTRACTOR

In compliance with the Code of Federal Regulations, (23 CFR, Section 1.33, Conflict of Interest), the Consultant agrees that no one in their employ will work on a part time basis under this Agreement while also in the full-time employ of any Federal Agency, the State, or the Sponsor, without the written consent of the public employer of such person. The Consultant agrees that no one in their employ under any circumstances shall perform any services for the contractor on the construction of this project.

3. CHANGES IN WORK

All changes in work shall conform to one or more of the following conditions and in no instance shall such change in work be undertaken without written order or written approval of the Sponsor.

- a. Increase in the work required by the Sponsor due to unforeseen circumstances.
- b. Revision in the work required by the Sponsor subsequent to acceptance of such work at the appropriate conference or after revision of such work as outlined at said conference.
- c. Items of work which are beyond the scope of intent of this Agreement and pre-approved by the Sponsor.
- d. Reduction in the work required by the Sponsor due to unforeseen circumstances.

An increase in compensation will be considered when Department Design Standards or expectations have changed from the time of negotiation.

Adjustment in compensation for either an increase or reduction in work shall be on a negotiated basis arrived at by mutual agreement between the Sponsor and the Consultant. During such negotiations the Sponsor may examine the documented payrolls, transportation and subsistence costs paid employees actively engaged in the performance of a similar item or items of work on the project, and by estimated overhead and profit from such similar items or items of work.

Said mutual agreement for a negotiated increase or reduction in compensation shall be determined prior to commencement of operations for an increase in a specific item or items of work. In the case of Sponsor order for nonperformance, a reduction in the specific item or items of work will be made as soon as circumstances permit. In the event that a mutual agreement is not reached in negotiations for an increase in work, the Sponsor will use other methods to perform such item or items of work.

The mutually agreed amount shall be covered by a Supplemental Agreement and shall be added to or subtracted from the total amount of the original Agreement.

Adjustment of time to complete the work as may pertain to an increase or a reduction in the work shall be arrived at by mutual agreement of the Sponsor and the Consultant after study of the change in scope of the work.

4. DELAYS AND EXTENSIONS

Time adjustment may occur when the negotiated scope of work is increased or reduced through mutual agreement of the State and the Consultant.

Extensions of time may be granted for the following reasons:

- a) Delays in major portions of the work caused by excessive time used in processing of submittals, delays caused by the State, or other similar items which are beyond the control of the Consultant.
- b) Additional work ordered in writing by the Sponsor.
- c) Department Design Standards have changed or expectations have changed from the time of negotiation.

5. TERMINATION

The Sponsor may terminate or abandon this Agreement at any time, without further obligation, upon giving notice of termination as hereinafter provided, for any of the following reasons:

- a. Evidence that progress is being delayed consistently below the progress required in the current approved CPM Schedule.
- b. Continued submission of sub-standard work.
- c. Violation of any of the terms or conditions set forth in the Agreement, other than for the reasons set forth in a. and b. above.
- d. At the convenience of the Sponsor.

Prior to giving notice of termination for the reasons set forth in a through c above, the Sponsor shall notify the Consultant in writing of any deficiencies or default in performance of the terms of this Agreement, and Consultant shall have ten (10) days thereafter in which to correct or remedy such default or deficiency. Upon their failure to do so within said ten (10) days, or for the reasons set forth in c above, such notice of termination in writing shall be given by the Sponsor. Upon receipt of said notice the Consultant shall immediately discontinue all work and service unless directed otherwise, and shall transfer all documents pertaining to the work and services covered under this Agreement, to the Sponsor. Upon receipt by the Sponsor of said documents, payment shall be made to Consultant as provided herein for all acceptable work and services.

6. DISPUTES

Should any dispute arise as to performance or abnormal conditions affecting the work, such dispute shall be referred to the Sponsor and the Director of the Idaho Transportation Department or his duly authorized representative(s) for determination.

Such determination shall be final and conclusive unless, within thirty (30) days of receipt of the decision Consultant files for mediation or arbitration. Consultant agrees that any mediation or arbitration hearing shall be conducted in Boise, Idaho. Consultant and Sponsor agree to be bound by the mediation agreement or the decision of the arbitration. Expenses incurred due to the mediation or arbitration will be shared equally by the Consultant and the Sponsor.

7. ACCEPTANCE OF WORK

- a. The Consultant represents that all work submitted shall be in accordance with generally accepted professional practices and shall meet tolerances of accuracy required by State practices and procedures.
- b. Acceptance of work will occur at phases appropriate to the terms of the Agreement and level of detail required by the State in its project development procedures.
- c. It is understood by the Consultant that the Sponsor is relying upon the professional expertise and ability of the Consultant in performance of the Agreement. Any examination of the Consultant's work product by the State/Sponsor will not be considered acceptance or approval of the work product which would relieve the Consultant for any liability or expense. Consultant is solely responsible for the propriety and integrity of its work product.

Acceptance or approval of any portion of Consultant's work product by the Sponsor for payment, partial or final, shall not constitute a waiver of any rights the Sponsor may have against the Consultant. If due to errors, omissions and negligent acts by the Consultant, or its Subconsultants, agents or employees, in its work product, the Consultant shall make corrections to its work product at no expense to the Sponsor. The Consultant shall respond to the Sponsor's notice of any error or omission within twenty-four hours of receipt, and give immediate attention to any corrections to minimize any delay to the construction contract. This may include, if directed by the Sponsor, visits to the site of the work.

If the Consultant discovers errors or omissions in its work product, it shall notify the State within seven days of discovery. Failure of the Consultant to notify the State shall be grounds for termination of the Agreement.

The Consultant's liability for damages incurred by the Sponsor due to negligent acts, errors or omissions by the Consultant in its work product shall be borne by the Consultant. Increased construction costs resulting from errors, omissions or negligence in Consultant's work product shall not be the Consultant's responsibility unless the additional construction costs were the result of gross negligence of the Consultant.

8. OWNERSHIP OF DOCUMENTS

All material acquired or produced by the Consultant in conjunction with the preparation of the plans, study, or report, shall become the property of, and be delivered to, the Sponsor without restrictions or limitations of their further use. Any use of these materials by the Sponsor for purposes other than intended under this agreement shall be at the risk of the Sponsor. The Consultant has the right to make and retain copies of all data and documents for project files. All material acquired or produced by the Consultant under this contract may be public records under the Idaho Public Records Act. Reference Idaho Code Section 9-338(9).

9. AERIAL PHOTOGRAPHY

After aerial photography has been flown, processed and checked for coverage, the negatives shall be sent to the State at the address indicated on the Agreement for evaluation, labeling, and prints or diapositives as needed by the District and the Consultant. The negatives shall become the property of the State. Along with the negatives, the Consultant shall also deliver the Report of Calibration for the aerial camera used for the aerial photography, the flight maps, and the flight log. Once complete, a copy of the mapping shall be placed on a CD-ROM and sent to the address specified in the Agreement.

10. CADD SPECIFICATIONS

Two copies of all drawings shall be furnished to the Department upon completion of the contract. One copy shall be a durable reproducible of the drawing stamped and signed by the Engineer. An electronic stamp is acceptable, provided it is registered and approved with the Board of Professional Engineers and Land Surveyors. Roadway plans shall be furnished on 11" x 17" sheets. Structures plans shall be furnished on 22" x 34" sheets. The other copy shall be an electronic drawing file in a MicroStation .DGN file format. Electronic files shall be delivered on one of the following:

- a. Standard CD-ROM format;
- b. Standard DVD-ROM Format

Files shall be developed with MicroStation software, XM Version 8.09.X or higher; or converted to the MicroStation .DGN file format with all conversion errors corrected prior to delivery. If the consultant elects to convert files from other CADD software to the .DGN format, the consultant may be required at various times during the contract period to provide proof that all conversion errors can be corrected.

Refer to the CADD Manual for a complete set of CADD Standards. The manual is available at the following website: <http://itd.idaho.gov/manuals/ManualsOnline.htm>.

11. GEOTECHNICAL AND MATERIALS WORK

If geotechnical and materials work is required under this Agreement, the Consultant must ensure that any Subconsultant performing geotechnical and materials work be involved in the final design review. This does not mean that the geotechnical and materials Subconsultant must attend the actual final design review meeting, but does mean that the Subconsultant, will at a minimum, participate in the final design plans and proposal review to assure that all geotechnical and materials recommendations/issues it raised concerning the project have been addressed, or notify the Consultant of any outstanding issues.

12. HIGHWAY CONSTRUCTION ESTIMATING PROGRAM

The Idaho Transportation Department has adopted the Trns.Port Estimator™ Highway Construction Cost Estimation software package as the standard for developing all highway construction cost estimates. Consultants who prepare PS&E (Plans, Specifications and Estimate) packages for submittal to ITD are required to use Estimator. Further information is available at the following Web Site: http://www.itd.idaho.gov/design/cau/general_info.htm.

13. INDEMNITY

- a. Concerning claims of third parties, the Consultant shall indemnify, and hold harmless and defend the Sponsor from any and all damages of and against any and all suits, actions, claims or losses of every kind, nature and description, including costs, expenses and reasonable attorney fees that may be incurred by reason of any negligent act, error or omission of the Consultant in the prosecution of the work which is the subject of this Agreement.
- b. Concerning claims of the Sponsor, the Consultant shall assume the liability and responsibility for negligent acts, errors or omissions caused by the Consultant or a Subconsultant or their agents or employees to the design, preparation of plans and/or specifications, or other assignments completed under this Agreement, to the standards accepted at the time of the Final Design Review, other established review periods.
- c. Notwithstanding any other provision of this Agreement, the Consultant shall not be responsible for claims arising from the willful misconduct or negligent acts, errors, or omissions of the Sponsor for contamination of the project site which pre-exist the date of this Agreement or subsequent Task Authorizations. Pre-existing contamination shall include but not be limited to any contamination or the potential for contamination, or any risk to impairment of health related to the presence of hazardous materials or substances.

14. INSURANCE

The Consultant, certifying it is an independent contractor licensed in the State of Idaho, shall acquire and maintain commercial general liability insurance in the amount of \$1,000,000.00 per occurrence, professional liability insurance in the amount of \$1,000,000.00, and worker compensation insurance in accordance with Idaho Law.

The professional liability insurance coverage shall remain in force and effect for a minimum of one (1) year after acceptance of the construction project by the State (if applicable), otherwise for one (1) year after acceptance of the work by the State.

Regarding workers' compensation insurance, the Consultant must provide either a certificate of workers' compensation insurance issued by an insurance company licensed to write workers' compensation insurance in the State of Idaho as evidence that the Consultant has a current Idaho workers' compensation insurance policy in effect, or an extraterritorial certificate approved by the Idaho Industrial Commission from a state that has a current reciprocity agreement with the Idaho Industrial Commission.

The Consultant shall provide the State with certificates of insurance within ten (10) days of the Notice to Proceed.

15. ENDORSEMENT BY ENGINEER, ARCHITECT, LAND SURVEYOR, AND GEOLOGIST

Where applicable, the Professional Engineer, Architect, Land Surveyor, or Geologist in direct charge of the work or portion of work shall endorse the same. All plans, specifications, cost summaries, and reports shall be endorsed with the registration seal, signature, and date of the Idaho professional in direct charge of the work. In addition, the firm's legal name and address shall be clearly stamped or lettered on the tracing of each sheet of the plans. This endorsement certifies design responsibility in conformance with Idaho Code, ITD's Design Manual, and acceptance of responsibility for all necessary revisions and correction of any errors or omissions in the project plans, specifications and reports relative to the project at no additional cost to the State based on a reasonable understanding of the project at the time of negotiation.

16. LEGAL COMPLIANCE

The Consultant at all times shall, as a professional, observe and comply with all Federal, State and local laws, by-laws, safety laws, and any and all codes, ordinances and regulations affecting the work in any manner and in accordance with the general standard of care. The Consultant agrees that any recourse to legal action pursuant to this agreement shall be brought in the District Court of the State of Idaho, situated in Ada County, Idaho.

17. SUBLETTING

The services to be performed under this Agreement shall not be assigned, sublet, or transferred except by written consent of the Sponsor. Written consent to sublet, transfer or assign any portions of the work shall not be construed to relieve the Consultant of any responsibility for the fulfillment of this Agreement or any portion thereof.

18. PERMITS AND LICENSES

The Consultant shall procure all permits and licenses, pay all charges, fees, and taxes and give all notices necessary and incidental to the due and lawful prosecution of the work.

19. PATENTS AND COPYRIGHTS

The Consultant shall hold and save the Sponsor and its agents harmless from any and all claims for infringement by reason of the use of any patented design, device, material process, trademark, and copyright.

20. CIVIL RIGHTS ACT

During the performance of work covered by this Agreement, the Consultant for themselves, their assignees and successors in interest agree as follows:

- a. **Compliance With Regulations.** The Consultant shall comply with all regulations of the United States Department of Transportation relative to Civil Rights, with specific reference to Title 49 CFR Part 21, Title VI of the Civil Rights Act of 1964 as amended, and Title 23 CFR Part 230 as stated in the ITD EEO Special Provisions and Title 49 CFR Part 26 as stated in the appropriate ITD DBE Special Provisions. (<http://www.itd.idaho.gov/civil/eeocc.htm>)
- b. **Nondiscrimination.** The Consultant, with regard to the work performed by them during the term of this Agreement, shall not in any way discriminate against any employee or applicant for employment; subcontractor or solicitations for subcontract including procurement of materials and equipment; or any other individual or firm providing or proposing services based on race, color, sex, national origin, age, disability, limited English proficiency or economic status.
- c. **Solicitations for Subcontracts, Including Procurement of Materials and Equipment.** In all solicitations, either by bidding or negotiation, made by the Consultant for work or services performed under subcontract, including procurement of materials and equipment, each potential subcontractor or supplier shall be made aware by the Consultant of the obligations of this Agreement and to the Civil Rights requirements based on race, color, sex, national origin, age, disability, limited English proficiency or economic status.
- d. **Information and Reports.** The Consultant shall provide all information and reports required by regulations and/or directives and sources of information, and their facilities as may be determined by the State or the appropriate Federal Agency. The Consultant will be required to retain all records for a period of three (3) years after the final payment is made under the Agreement.
- e. **Sanctions for Noncompliance.** In the event the Consultant or a Subconsultant is in noncompliance with the EEO Special Provisions, the State shall impose such sanctions as it or the appropriate Federal Agency may determine to be appropriate, including, but not limited to:
 - Withholding of payments to the Consultant until they have achieved compliance;
 - Suspension of the agreement, in whole or in part, until the Consultant or Subconsultant is found to be in compliance, with no progress payment being made during this time and no time extension made;
 - Cancellation, termination or suspension of the Agreement, in whole or in part;
 - Assess against the Consultant's final payment on this Agreement or any progress payments on current or future Idaho Federal-aid Projects an administrative remedy by reducing the final payment or future progress payments in an amount equal to 10% of this agreement or \$7,700, whichever is less.
- f. **Incorporation of Provisions.** The Consultant shall include the provisions of paragraphs a. through e. above in every subcontract of \$10,000 or more, to include procurement of materials and leases of equipment unless exempt by regulations, orders, or directives pursuant thereto. The Consultant shall take such action with respect to any subcontract or procurement as the State or the appropriate Federal Agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. In the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Consultant may request the State to enter into such litigation to protect the interest of the State, and in addition, the Consultant may request the United States to enter into such litigation to protect the interest of the United States.

21. INSPECTION OF COST RECORDS

The Consultant shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred on the project. They shall make such data available for inspection, and audit, by duly authorized personnel, at reasonable times during the life of this Agreement, and for a period of three (3) years subsequent to date of final payment under this Agreement, unless an audit has been announced or is underway; in that instance, records must be maintained until the audit is completed and any findings have been resolved. Failure to provide access to records may affect payment and may constitute a breach of contract.

22. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

By signing this document the Consultant certifies to the best of his knowledge and belief that except as noted on an attached Exception, the company or its subcontractors, material suppliers, vendors or other lower tier participants on this project:

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;
- b. have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records making false statements, or receiving stolen property;
- c. are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- d. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

NOTE: Exceptions will not necessarily result in denial of award, but will be considered in determining Consultant responsibility. For any exception noted, indicate to whom it applies, initiating agency and dates of action. Providing false information may result in criminal prosecution or administrative sanctions.

23. CERTIFICATION CONCERNING LOBBYING ACTIVITIES

By signing this document, the Consultant certifies to the best of their knowledge and belief that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

The Consultant also agrees that he or she shall require that the language of this certification shall be included in all lower tier subcontracts, which exceed \$100,000, and that all such sub-recipients shall certify and disclose accordingly.

24. EMPLOYEE ELIGIBILITY

The Consultant warrants and takes the steps to verify that it does not knowingly hire or engage persons not authorized to work in the United States; and that any misrepresentation in this regard or any employment of person not authorized to work in the United States constitutes a material breach and shall be cause for the imposition of monetary penalties up to five percent (5%) of the contract price, per violation, and/or termination of its contract.



Integrity in the Ground

Attachment No. 2

Acceptance and Verification Testing Services Scope
13132 Grandview Drive; Skyline to Saturn
Materials Testing QA Support
City of Idaho Falls

SCOPE OF SERVICES

The following paragraphs describe our understanding of the project and our anticipated scope of services. The scope of services is derived from:

- ☛ ITD Quality Assurance Manual's Minimum Testing Requirements (MTR);
- ☛ The Grandview Dr., Skyline Dr. to Saturn Ave. plans and specifications
- ☛ Conversations with the City and Strata; and
- ☛ Strata's experience with similar ITD, and City projects.

Services will consist of field and laboratory testing of earthwork, aggregate, concrete, reinforcing steel, and asphalt, as well as providing personnel to augment and assist the project staff with various testing, inspection, and project documentation activities as directed by the City.

Project Team

STRATA will assign Mr. Jon Kishiyama as project manager to provide coordination, supervision and technical oversight of our field and laboratory observation and testing services. Additionally, Mr. Kishiyama will act as the liaison with the City to coordinate project needs and act as the point of contact for STRATA's services. Mr. Jacob Christensen will be in direct communication with Mr. Kishiyama and City staff to assist with keeping the project on budget and address contract and payment issues. Staff assignment will be dependent on the nature of the testing required and the laboratory work required will be performed from STRATA's ITD qualified Idaho Falls Laboratory.

Earthwork/Aggregate Testing Services

STRATA will provide a WAQTC-qualified field professional to perform compaction testing services during earthwork placement and densification activities, as established in the MTR and project specifications. STRATA personnel will sample the materials used for granular borrow, granular subbase, and ¾" aggregate base materials and develop moisture density relationship curves using the AASHTO T-99 test method or a sieve analysis for too granular to test material for the 205 item, and using the contractor provided Idaho T-74 or AASHTO T-180 density curves for acceptance testing of the 301 and 303 items. We will conduct all laboratory testing at STRATA's ITD-accredited facility in Idaho Falls. Our site visits and testing services will be provided on a periodic basis upon request by the City's project staff.

Concrete Testing Services

STRATA will provide a WAQTC-qualified field professional to provide field testing during concrete placement, including testing for: slump, temperature (concrete and ambient), entrained air content, unit weight (density), and casting compressive strength cylinders. STRATA will place the fresh made compressive strength cylinders in a climate controlled cure box for the initial cure. Upon

completion of field testing, STRATA's onsite personnel will verbally communicate preliminary test results to you or your designated on-site representative. STRATA will cast one set of five 4" x 8" compression test cylinders at the frequency established in the MTR. STRATA will test two specimens at 7-days and three specimens at 28-days. We will pick up and deliver the concrete compressive strength cylinders to our Idaho Falls laboratory for the appropriate laboratory curing and testing. Strata will also perform aggregate sieve, Sand Equivalency, and fracture face tests on designated Concrete sources as required by the MTR.

STRATA's certified professionals will sample the cement and fly ash and will deliver the materials to ITD for the appropriate testing. STRATA will also sample and test the coarse and fine aggregates in accordance with ITD's MTR and the project's specification's.

Miscellaneous Materials

STRATA will collect a sample of item #401 and deliver it for verification testing by the ITD Central Laboratory. STRATA will also collect samples of Emulsified Asphalt and Blotter material for item #403-045A. STRATA is capable of testing this item for an additional fee, or deliver the samples to ITD headquarters for the applicable testing.

Asphalt Testing Services

We understand the SP-3 hot mix asphalt (HMA) will require an acceptance test strip. During the test strip, STRATA personnel will obtain samples from the Contractor and deliver the samples as directed by the City to the appropriate laboratory for the required test strip acceptance testing. STRATA will also provide a WAQTC-qualified field professional with a nuclear density gauge during the test strip to correlate the gauge to the required asphalt acceptance cores. During production paving operations STRATA will provide two field professionals for HMA acceptance testing. The first professional will test the liquid asphalt for anti-strip, the SP-3 HMA for air voids, asphalt content, gradation, voids in mineral aggregate (VMA), voids filled with asphalt (VFA), dust to binder ratio (DP) and moisture content. The second field professional will assist in obtaining/transporting liquid asphalt and HMA samples (obtained by the plate method) to our Idaho Falls laboratory for the required testing, as well as perform the acceptance density (percent compaction) testing with the nuclear density gauge. The STRATA field professionals will be available to assist City personnel with inspection or documentation of the paving operations as directed during paving operations.

AUGMENTATION SCOPE OF SERVICE

Administrative Staff

STRATA's administrative team will be utilized to facilitate paperwork flow from our field and laboratory staff to the City.

Technical Management and Reports

Prior to leaving the site, our field professionals will generate a preliminary Daily Diary documenting that individual's testing activities, observations, results of tests performed, and status (incomplete, compliant, non-compliant, etc.). A copy of this Diary entry will be provided to the City project representative or other designated person by 8:30 AM the following day. These Diary entries will also serve as STRATA's internal records documenting our services. STRATA's project manager will review ITD daily diaries and other reports generated by our field staff during construction. Items found in non-compliance with the project requirements will be brought to the immediate attention of the City's designated representative.



Safety

STRATA is committed to providing a safe work environment and takes actions to prevent injury to our employees and project personnel. Accordingly, STRATA will participate in the Construction Contractor's project safety program including the use of personal protective equipment, training, and/or testing, as applicable. STRATA recognizes that the most important element in the success of our business are our individual employees. STRATA encourages our employees to increase their awareness of the hazards that lead to occupational injury and illness, to think about their safety and well-being, as well as that of fellow employees and co-workers.





CONSULTANT NAME STRATA, INC.

PROJECT NAME Grandview Dr., Skyline Dr. to Saturn Dr.

PROJECT NUMBER A013(132)

KEY NUMBER 13132

Integrity from the ground up

A. SUMMARY OF ESTIMATED LABOR COSTS

	Man-Hours		Raw Hourly		Fully Loaded Rate		Loaded Labor Cost
Project Manager (Jon Kishiyama)	80	@	\$50.00	=	\$152.37	=	\$ 12,189.63
Project Coordinator (Jacob Christensen)	20	@	\$31.73	=	\$96.69	=	\$ 1,933.89
Senior Field Professional	194	@	\$25.50	=	\$77.71	=	\$ 15,075.53
Field Professional **	20	@	\$20.00	=	\$60.95	=	\$ 1,218.96
Senior Lab Professional	107	@	\$28.50	=	\$86.85	=	\$ 9,293.07
Lab Professional**	20	@	\$20.00	=	\$60.95	=	\$ 1,218.96
Administrator	32	@	\$18.85	=	\$57.44	=	\$ 1,838.20
TOTAL LOADED LABOR COST =							\$ 42,768.24

B. PAYROLL, FRINGE BENEFIT COSTS, OVERHEAD & FIXED FEE RATES

Total Loaded Labor Cost
\$42,768.24

Approved Overhead Rate
172.09%

Fixed Fee*
12.00%

C. FCCM (NOT APPLICABLE)

Total Raw Labor Cost
\$42,768.24

X Approved FCCM Rate
0.00%

\$0.00

D. OUT-OF-POCKET EXPENSE SUMMARY

	Estimated Amount		Unit Cost		Estimated Expense
Density Gauge	30	@	\$ 35.00	\$	1,050.00
Laboratory	45	@	\$ 125.00	\$	5,625.00
Expendable - cost+10%		@		\$	-
Boxes, molds, oil containers, etc.				\$	6,675.00

E. SUBCONSULTANTS (NOT APPLICABLE)

TOTAL = \$49,443.24

* ITD Negotiated % Fee

** Field personnel designated to augment the Estimate by task



MEMORANDUM

To: Honorable Mayor & City Council

From: Chris H Fredericksen, Public Works Director

Date: August 1, 2016

Subject: **ENGINEERING SERVICES AGREEMENT – TASK ORDER NO. 03, HDR
ENGINEERING, WASTEWATER TREATMENT PLANT NPDES
(NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM)
PERMIT REAPPLICATION**

Attached is proposed Task Order No. 03 for an Engineering Services Agreement with HDR Engineering in an amount of \$33,496.78. This Task Order provides for professional services to prepare and submit a reapplication for the National Pollutant Discharge Elimination System (NPDES) permit for the Wastewater Treatment Plant.

Public Works recommends approval of this Task Order; and, authorization for Mayor to sign necessary documents.

Respectfully,

Chris H Fredericksen
Public Works Director

CF:jk

c: Canfield
Smith

F12-8-d

2016-76

TASK ORDER #03

This Task Order pertains to a Master Project Agreement for Professional Services by and between City of Idaho Falls, ("OWNER"), and HDR Engineering, Inc. ("ENGINEER"), dated April 8, 2013, ("the Agreement"). Engineer shall perform services on the project described below as provided herein and in the Agreement. This Task Order shall not be binding until it has been properly signed by both parties. Upon execution, this Task Order shall supplement the Agreement as it pertains to the project described below.

TASK ORDER NUMBER: 03

PROJECT NAME: NPDES Permit Reapplication Support

PART 1.0 PROJECT DESCRIPTION: OWNER needs to prepare and submit a reapplication for the National Pollutant Discharge Elimination System (NPDES) permit for the wastewater treatment plant (WWTP). The permit was issued by the Region 10 of the Environmental Protection Agency (Region 10) in November 2012 and expires October 2017. The OWNER must submit an application for permit reissuance on or before May 4, 2017.

PART 2.0 SCOPE OF SERVICES TO BE PERFORMED BY ENGINEER ON THE PROJECT:

Task 1 – Project Management

DescriptionENGINEER will provide project management, coordination and administrative activities through completion of deliverables. This task will include activities associated with day-to-day management of the Project: general communication with the OWNER's project manager, oversight of Quality Control, monthly invoicing, and progress reporting.

AssumptionsThe project duration is eleven (11) months.

DeliverablesMonthly progress reports and invoices (PDF by email).

Task 2 – Prepare Permit Application Forms

Description

Draft a NPDES permit application for the City and prepare the materials for submittal from the City of Idaho Falls to EPA based on the City's previous NPDES permit application, data from the City, and readily available public information. The approach involves drafting the application based on current information and two permitting strategy meetings to be held in Idaho Falls.

ENGINEER will incorporate the information from the strategy meetings in the application (and/or attachments) to assist EPA in understanding the OWNER's long-term approach for permit issuance and compliance.

Compile and present the information and data required in the permit application format, EPA Form 1, 2A and 2S. The permit application includes the following items:

- Map with topography of the facility
- Description of industrial users and pretreatment requirements
- Wastewater treatment process information and flow diagram
- Effluent data, which will be compiled in the trend viewer and summarized as required for inclusion in the permit application.
- Existing reported Whole Effluent Toxicity (WET) data
- Existing receiving stream data
- Description of and data on biosolids and land application processes

Assumptions

- OWNER will provide the necessary data for the application unless it is otherwise publically available.
- Receiving stream data will be based on readily available information as collected by the OWNER, DEQ, and/or USGS and as provided by the OWNER or otherwise in the public domain.
- No new biosolids and land application sites, individual permits, or otherwise will be included beyond the NPDES permit application requirements.
- An initial data gathering and permitting strategy meeting will be held in Idaho Falls. It will be a half day meeting (plus travel) attended by ENGINEER's project manager and lead permitting specialist.
- A second permitting strategy meeting will be held in Idaho Falls to review a draft application and discuss the preliminary results of Task 3. It will also be a half day meeting (plus travel) attended by ENGINEER's project manager.
- Consultant will address OWNER comments and provide final NPDES permit application for submittal from the OWNER to EPA

OWNER Input

OWNER will provide the following information to the Consultant:

- Permit application for the current NPDES permit
- Most current topographic contours of the WWTP site and biosolids application site(s)
- List of significant industrial users and flow and load characteristics (existing and new)

- Most recent annual pretreatment report
- Most recent five (5) years of influent, effluent and receiving water data, including WET analyses and reports
- Current biosolids and land application information
- The City will provide one set of reconciled comments on the permit application within 30 working days of receiving the draft.

Deliverables

- Draft NPDES permit application in Word .doc format for OWNER review
- Final NPDES permit application in Word .doc format ready for submittal by the OWNER

Task 3 – Preliminary Evaluation of RPE/WQBELs and Other Permitting Issues

Description

ENGINEER will use the data gathered for the application to conduct a preliminary evaluation of reasonable potential to exceed (RPE) and water quality based effluent limits (WQBELs). The evaluation will guide permitting strategy discussions with the OWNER, including if there would be potential advantages to additional effluent sampling or receiving water modeling (such as mixing zone evaluation or ammonia decay in the river) to be conducted in support of the application and reissuance. Based on ENGINEER's experience with other recently issued or pending municipal NPDES permits in Idaho, other issues that might be of strategic importance to OWNER will be identified if applicable (e.g., potential implications of the primacy transition to Idaho Department of Environmental Quality (IDEQ)).

Assumptions

- The evaluation will be based on typical EPA procedures and assumptions for these calculations, and the effluent data compiled for the application.
- Existing water quality standards (or reasonably foreseeable standards likely to be in place when the permit is developed) will also be used.
- One one-hour conference with EPA and/or IDEQ will be coordinated by ENGINEER if determined appropriate by OWNER based on the strategy meetings and/or data review.
- Receiving water modeling is not included in the scope or estimated compensation, but can be added via amendment of this task order or issuance of a follow up task order.

Deliverables

- Draft technical memorandum in Word.doc format for OWNER review
- Final technical memorandum in Word.doc and/or PDF format

PART 3.0 OWNER'S RESPONSIBILITIES: As defined in Part 2.0.

PART 4.0 PERIODS OF SERVICE: From Notice to Proceed (assumed July/August 2016) to June 30, 2017 (one month after application submittal).

PART 5.0 PAYMENTS TO ENGINEER: Compensation will be on a time and materials basis not to exceed \$33,497.

This Task Order is executed this _____ day of _____, 2016.

CITY OF IDAHO FALLS
"OWNER"

BY: _____

NAME: _____

TITLE: _____

ADDRESS: _____

HDR ENGINEERING, INC.
"ENGINEER"

BY: _____

NAME: Kate Eldridge

TITLE: Vice President, Idaho Area
Manager

ADDRESS: 412 E. Parkcenter Blvd
Suite 100
Boise, ID 83706



To: Honorable Mayor & City Council

From: Chris H Fredericksen, Public Works Director

Date: August 4, 2016

Subject: **BID AWARD – BEL AIRE CONCRETE IMPROVEMENTS - 2016**

At 11:00 Am, Local Time, Wednesday, August 3rd, 2016, bids were received and opened for the Bel Aire Concrete Improvements - 2016 project. A tabulation of bid results is attached.

Public Works recommends approval of the plans and specifications, award to the lowest responsive, responsible bidder, 3H Construction, LLC, in an amount of \$47,840.00 and, authorization for the Mayor and City Clerk to sign contract documents.

Respectfully,

Chris H Fredericksen, P.E.
Public Works Director

CF:jk

Attachment

c: Mayor
Council
Fugal

2-38-17-4-STR-2016-25

2016-78

City of Idaho Falls

Engineering Department Bid Tabulation

Project..... Bel Aire Concrete Improvements - 2016

Number..... 2-38-17-4-STR-2016-25

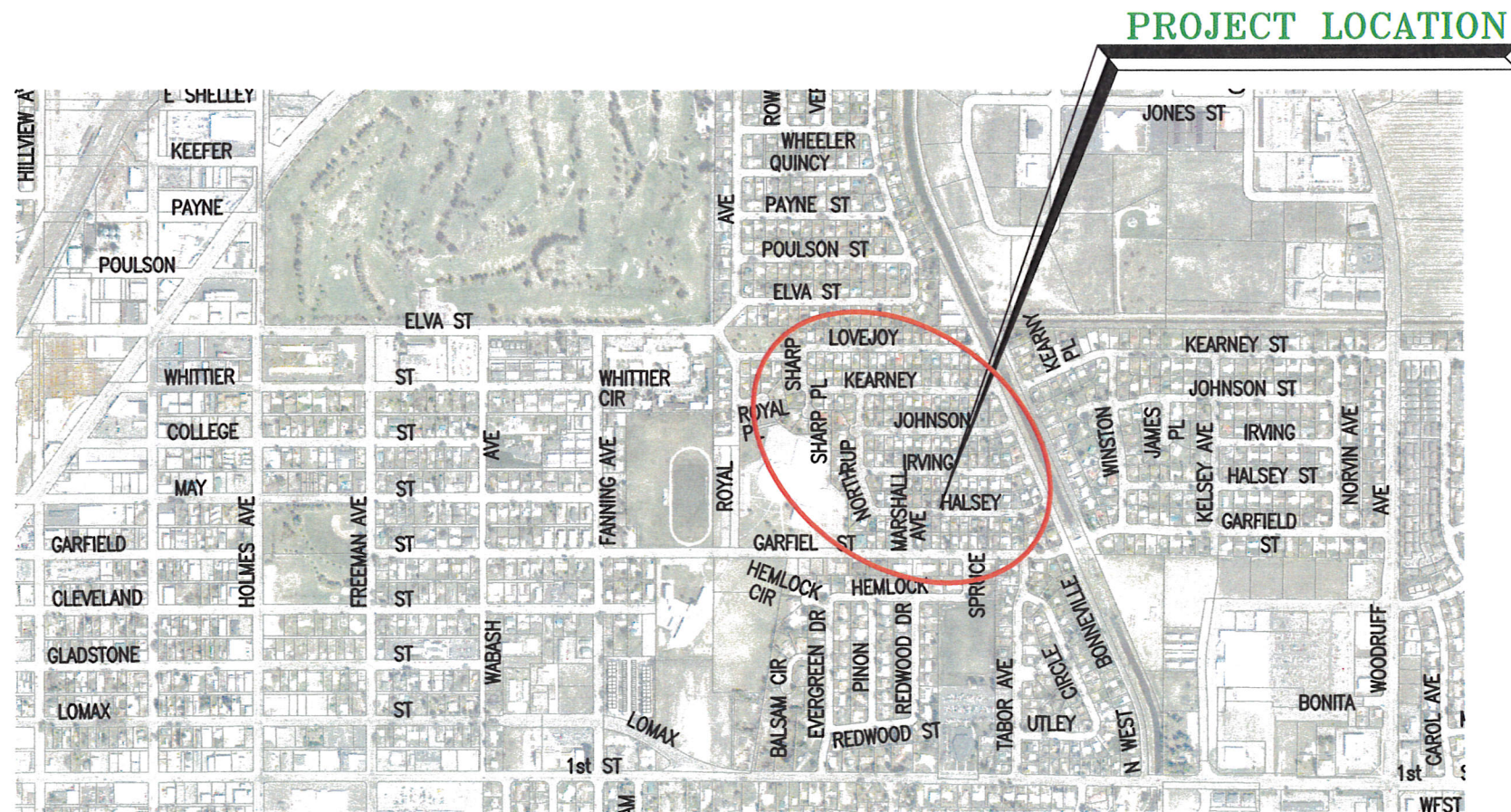
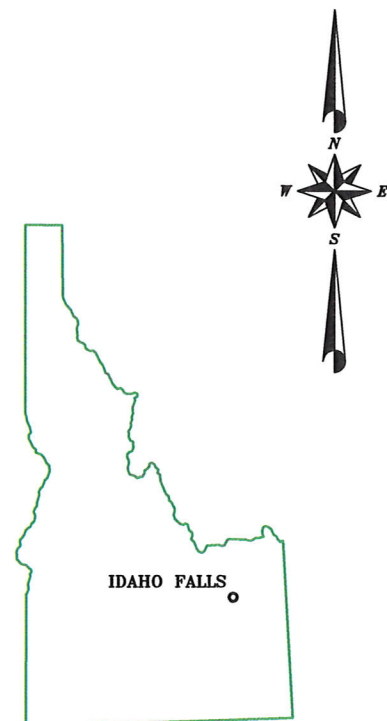
Submitted Kent Fugal

Date..... August 3, 2016

Item NumberDescriptionEstimated QuantityUnit				Engineer's Estimate		3H Construction LLC		Depatco	
				Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
EARTHWORK AND BASES									
209.03.4	Removal of Curb and Gutter	510	L.F.	\$10.00	\$5,100.00	\$14.00	\$7,140.00	\$18.70	\$9,537.00
209.03.5	Removal of Sidewalk	125	S.Y.	\$30.00	\$3,750.00	\$28.00	\$3,500.00	\$39.40	\$4,925.00
PORTLAND CEMENT CONCRETE									
509.02.2	Combination Curb and Gutter - Type STANDARD	510	L.F.	\$45.00	\$22,950.00	\$45.00	\$22,950.00	\$68.30	\$34,833.00
509.03.2	4" Flatwork	125	S.Y.	\$70.00	\$8,750.00	\$98.00	\$12,250.00	\$71.70	\$8,962.50
SPECIAL PROVISIONS									
SP - 1	Project Sign	1	L.S.	\$1,500.00	\$1,500.00	\$2,000.00	\$2,000.00	\$2,135.00	\$2,135.00
TOTAL					\$42,050.00		\$47,840.00		\$60,392.50

BEL AIRE CONCRETE IMPROVEMENTS – 2016

PROJECT # 2-38-17-4-STR-2016-25



MAYOR

REBECCA L. NOAH CASPER

CITY COUNCIL

BARBARA DEE EHARDT
THOMAS HALLY
DAVID M. SMITH

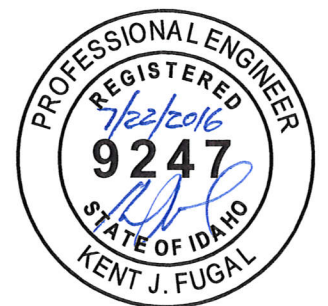
ED MAROHN
JOHN B. RADFORD
MICHELLE ZIEL-DINGMAN

ENGINEERING DIVISION

PUBLIC WORKS DIRECTOR
CHRIS H FREDERICKSEN, P.E.

CITY ENGINEER
KENT J. FUGAL, P.E., PTOE

2016



AS BUILT:			
SCALE SHOWN IS FOR SHEET 11 x 17 ONLY			
CITY OF IDAHO FALLS			
ENGINEERING DIVISION			
BEL AIRE CONCRETE IMPROVEMENTS – 2016			
CHK BY:	YG	DSG BY:	CW
FILE NO. 2-38-17-4-STR-2016-25	DATE PLOTTED:	SHEET NO.	
DWG NO. Titlepage.dwg	6-2-2016	1 OF 5	



MEMORANDUM

To: Honorable Mayor & City Council

From: Chris H Fredericksen, Public Works Director

Date: August 5, 2016

Subject: **WATER LINE EASEMENT VACATION – LOT 29, BLOCK 64 OF THE
HIGHLAND PARK ADDITION, 1080 ELMORE AVENUE**

As earlier authorized, the City Attorney has prepared the attached documents to vacate the water line easement at Lot 29, Block 64 of the Highland Park Addition, 1080 Elmore Avenue.

Public Works recommends approval of this vacation; and, authorization for Mayor and City Clerk to sign the necessary documents.

Respectfully,

Chris H Fredericksen, P. E.
Public Works Director

Attachments

CF:jk

c: Mayor
Council
Fugal
Cox

2-38-31-4

2016-80

ORDINANCE NO. 2016-

AN ORDINANCE OF THE CITY OF IDAHO FALLS, IDAHO, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, PROVIDING FOR THE VACATION OF A WATER LINE EASEMENT LOCATED WITHIN THE CITY OF IDAHO FALLS AND LEGALLY DESCRIBED IN SECTION 1 OF THIS ORDINANCE; PROVIDING THAT TITLE TO SAID VACATED EASEMENTS SHALL VEST AS SPECIFIED IN SECTION 3 OF THIS ORDINANCE; PROVIDING THAT THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT FROM AND AFTER PASSAGE, APPROVAL AND PUBLICATION ACCORDING TO LAW.

WHEREAS, City of Idaho Falls has been granted a water line easement as recorded in Instrument #753661 in Lot 29 of Block 64 in the Highland Park Subdivision; and

WHEREAS, City no longer utilizes that easement for a water line; and

WHEREAS, the City would like to vacate said easement to enhance the use of the property.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF IDAHO FALLS, IDAHO, AS FOLLOWS:

SECTION 1. Vacation. The following easement on the property located in Lot 29, Block 64, Highland Park, Section 13, and recorded as Instrument #753661 to the City of Idaho Falls, Bonneville County, Idaho, (the "County") as shown in Exhibit "A" attached hereto is hereby vacated.

SECTION 2. Exceptions from Vacation. Vacation of property described in Section 1 of this Ordinance shall not include franchise rights and utilities, including public utilities, existing as of the effective date of this Ordinance.

SECTION 3. Easement Vacation. Council deems it expedient for the public good and to be in the best interests of the adjoining properties that the property described in Section 1 of this Ordinance be in the same are hereby vacated in its entirety, and shall revert to property owners as follows:

Vacation of easement, shown in Exhibit "B" attached hereto and incorporated herein, shall be to Wright Real Estate Holdings, an Idaho limited liability company, whose mailing address is 1355 E. Lincoln Road, Idaho Falls, ID 83401.

SECTION 4. Savings and Severability Clause. The provisions and parts of this Ordinance are intended to be severable. If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

SECTION 5. Publication. This Ordinance, or a summary thereof in compliance with Idaho Code, shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval, and publication.

SECTION 6. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval and publication.

PASSED BY THE COUNCIL AND APPROVED BY THE MAYOR this ____ day of August, 2016.

Rebecca L. Noah Casper, Mayor

ATTEST:

Kathy Hampton, City Clerk

(SEAL)

STATE OF IDAHO)
 : ss.
County of Bonneville)

I, KATHY HAMPTON, CITY CLERK OF THE CITY OF IDAHO FALLS, IDAHO,
DO HEREBY CERTIFY:

That the above and foregoing is a full, true and correct copy of the Ordinance entitled: "AN ORDINANCE OF THE CITY OF IDAHO FALLS, IDAHO, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, PROVIDING FOR THE VACATION OF A WATER LINE EASEMENT LOCATED WITHIN THE CITY OF IDAHO FALLS AND LEGALLY DESCRIBED IN SECTION 1 OF THIS ORDINANCE; PROVIDING THAT TITLE TO SAID VACATED EASEMENTS SHALL VEST AS SPECIFIED IN SECTION 3 OF THIS ORDINANCE; PROVIDING THAT THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT FROM AND AFTER PASSAGE, APPROVAL AND PUBLICATION ACCORDING TO LAW."

Kathy Hampton
City Clerk

(SEAL)

EXHIBIT A

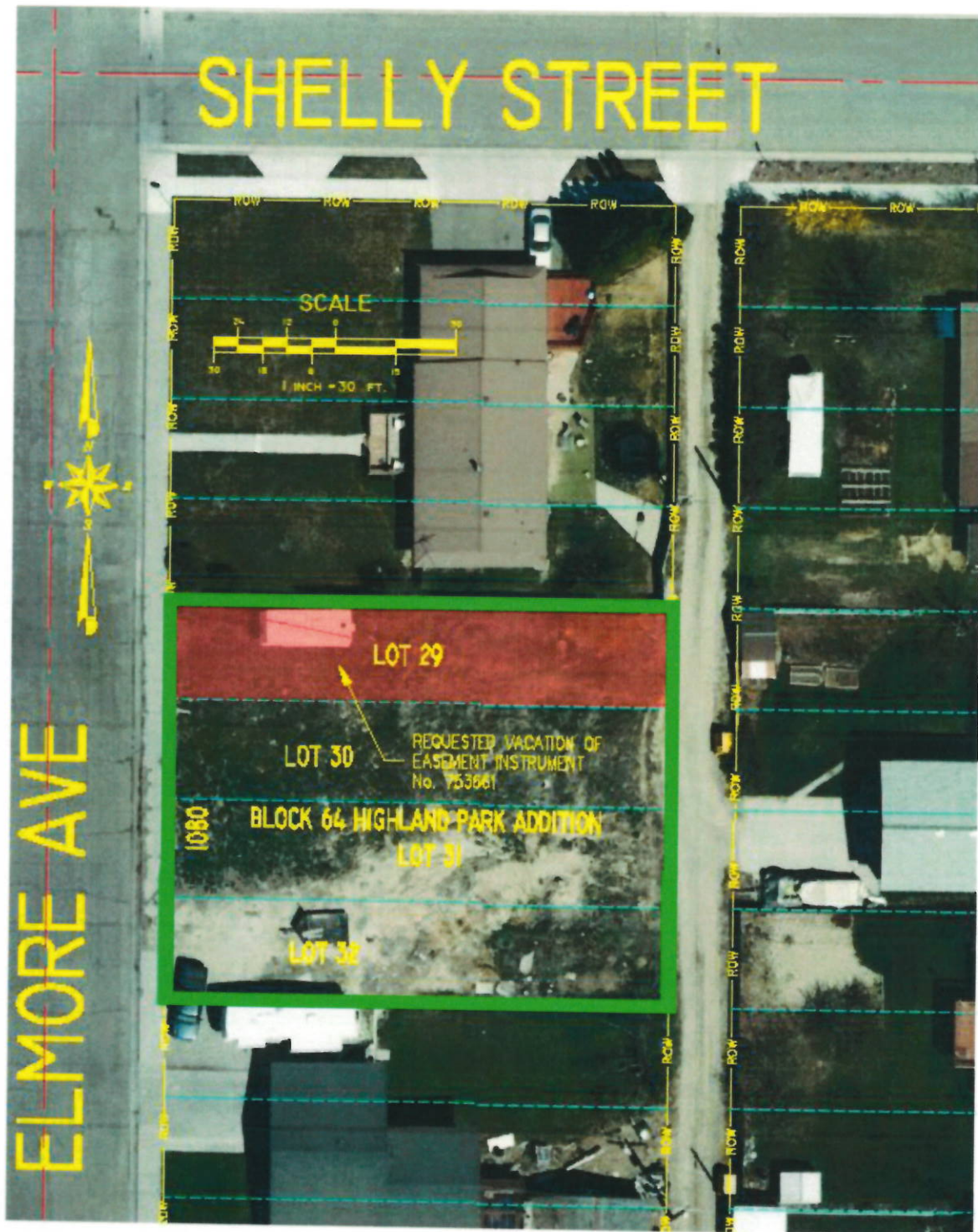


EXHIBIT B

DEED OF EASEMENT

COMMERCIAL COUNTY
CLERK

753661

BE AUG -8 PM 4:20

THIS INSTRUMENT, made and entered into this 10 day of
July, 1988, by and between

Nike-Tenochick

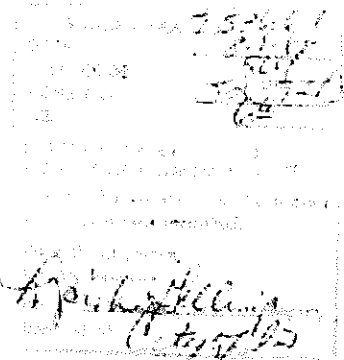
as party of the first part, and the CITY OF IDAHO FALLS, a municipal
corporation of the State of Idaho, as party of the second part,

WITNESSETH:

That for and in consideration of the sum of One Dollar and other
valuable considerations, and receipt whereof is hereby acknowledged,
the party of the first part does hereby grant, sell, and convey unto
the party of the second part a perpetual easement and right-of-way for
the purposes of constructing, maintaining, and operating
water line

upon, over, and across the following described land and premises,
situated in Bonneville County, Idaho, to-wit:

Lot 29, Block 54, Highland Park, Sec. 13, T. 2N, R. 3E



It is understood and agreed that first party may make any use of
said premises which does not interfere with or injure the use thereof
by second party for such purposes.

The party of the second part shall have full right of ingress and
egress to the said premises for the purpose of construction,
maintenance, and repair of any improvements placed on the premises
hereunder, and shall have the right to remove, cut, and trim any trees,
brush, or other obstructions on said premises which may injure or
interfere with second party's use thereof for such purposes.



MEMORANDUM

To: Honorable Mayor & City Council

From: Chris H Fredericksen, Public Works Director

Date: August 8, 2016

Subject: **RIGHT-OF-WAY USE AGREEMENT – CROWN CASTLE**

Attached is a proposed Right-of-Way Use Agreement for Crown Castle to install fiber optics in public right-of-way.

The Agreement was prepared by the City Attorney and has been reviewed by Idaho Falls Power.

Public Works recommends approval of the Right-of-Way Use Agreement; and, authorization for the Mayor and City Clerk to sign the documents.

Respectfully,

Chris H Fredericksen, P.E.
Public Works Director

c: Mayor
Council
Fugal
Cox

Right-of-Way Use Agreement

THIS RIGHT-OF-WAY USE AGREEMENT ("AGREEMENT") is entered into on the ____ day of ____ 2016 (the "Effective Date"), by and between City of Idaho Falls, Idaho (herein referred to as "City,") and Crown Castle NG West LLC, (hereinafter referred to as "Crown Castle").

WHEREAS, Crown Castle, has requested that City grant it the right to install, operate and maintain fiber optic telecommunications lines within the rights-of-way of City; and

WHEREAS, City has the authority, and is willing, to grant the rights requested subject to certain terms and conditions herein expressed; and

WHEREAS, the parties desire to enter into an agreement authorizing Crown Castle to use the rights-of-way and specifying the terms and conditions under which said use may be made,

NOW, THEREFORE, City and Crown Castle agree as follows:

Section 1. Authority Granted. City hereby grants to Crown Castle subject to the terms and conditions set forth in this AGREEMENT, a revocable license to construct, operate, maintain, replace, and use all necessary equipment and facilities thereto for fiber optic telecommunications lines, in, under, on, across, over, through, along, or below the public rights-of-way, and easements, in the City subject to approval of City engineer, provided however, the depth, horizontal alignment, and precise location of any and all facilities installed pursuant to this AGREEMENT shall be first approved by City Engineer prior to issuance of a street use and excavation permit in the manner set forth in Section 8 below.

The rights, authority, and privileges granted herein shall be subject to all ordinances, regulations, and police powers now exercised by City or which may hereafter be exercised generally with respect to telecommunications operations or facilities located within the public street rights-of-way.

Nothing herein shall be construed as a grant of any right or privilege or authority to cross, occupy, or otherwise use any facility or railroad company or canal company located within such rights-of-way, or above or below any railroad right-of-way or canal company right-of-way, and Crown Castle shall secure such rights or privileges directly from the railroad company or canal companies, independent of this AGREEMENT.

Section 2. Right-of-Way Use Fees. Crown Castle shall pay a one-time administrative permit fee in the amount of Five Hundred Dollars (\$500) to cover City's costs in drafting and processing this AGREEMENT and performing all engineering review and inspection related to the initial installation of Crown Castle facilities. The fee shall be paid within thirty (30) days after the date Crown Castle and City execute this AGREEMENT. City reserves the right to impose, require, and collect, to the fullest extent permitted by law, additional nondiscriminatory permit fees, rental, charges, compensation, or license fees hereafter adopted by ordinance and allowable under state and federal law, including but not limited to Section 253(c) of the United States Telecommunications Act of 1996, for the right to use the public right-of-way.

Section 3. Non-Exclusive Grant. This AGREEMENT shall not in any manner prevent City from entering into other similar agreements with other telecommunication companies or granting other or further rights for use in, under, on, across, over, through, along, or below any of City rights-of-way, streets, avenues, or all other public lands and properties of every type and description. This AGREEMENT shall in no way prevent or prohibit City from using any of said roads, streets, or other public properties or affect its jurisdiction over them or any part of them, and City shall retain power to make all necessary changes, relocations, repairs, maintenance, establishment, improvement, dedication of same as City may deem fit, including the dedication, establishment, maintenance, and improvement of all new rights-of-way, thoroughfares and other public properties of every type

and description and all rights and privileges granted herein to Crown Castle shall be subordinate to such reservation of rights in favor of City. The rights, privileges, and authorities granted therein shall be subject to and subordinate to all existing electric lines, telecommunications lines, sewer mains, water mains, gas lines, street improvements, and other public or privately owned facilities located within the public right-of-way, and Crown Castle shall at all times take all reasonable and necessary precautions to ensure that the installation and operation of its lines will not in any way interfere with, endanger, or compromise the operations of such facilities.

Section 4. Relocation of Telecommunications System Facilities.

A. Crown Castle agrees and covenants at its sole cost and expense, to protect, support, and relocate from any street, right-of-way, or easement any of its installations when so required by City by reason of traffic conditions or public safety, dedication of new rights-of-way and the establishment and improvement thereof, widening and improvement of existing rights-of-way, street, vacations, freeway construction, change or establishment of street grade, or the construction of any other public improvement or structure by any governmental agency acting in a governmental or proprietary capacity, provided that Crown Castle shall in all such cases have the privilege to temporarily bypass, in the authorized portion of the same street upon approval by City, any section of cable or any other facility required to be relocated.

Upon request of City and in order to facilitate the design of City street and right-of-way improvements, Crown Castle agrees, at its sole cost and expense, to locate and if determined necessary by City, to excavate and expose Crown Castle's facilities for inspection so that the location of the same may be taken into account in the improvement design. The decision

as to whether said facilities need to be relocated in order to accommodate City's improvements shall be made by City at its sole discretion upon review of the location and construction of Crown Castle's facilities.

If City determines that the project necessitates the relocation of Crown Castle's then existing facilities, City shall:

1. At least one hundred eighty (180) days prior to the commencement of such improvement project, provide Crown Castle with written notice requiring such relocation provided, however, that in the event of an emergency posing a threat to the public safety or welfare, or on the event of an emergency beyond the control of City, City shall give Crown Castle written notice as soon as practicable; and

2. Provide Crown Castle with copies of pertinent portions of the plans and specifications for such improvement project and a proposed location for Crown Castle's facilities so that Crown Castle may relocate its facilities in other City right-of-way in order to accommodate such improvement project.

3. After receipt of such notice and such plans and specifications, Crown Castle shall complete relocation of its facilities at no charge or expense to City so as to accommodate the improvement project at least ten (10) days prior to commencement of the project.

Crown Castle may, after receipt of written notice requesting a relocation of its facilities, submit to City written alternatives to such relocation. City shall evaluate such alternatives and advise Crown Castle in writing if one or more of the alternatives is suitable to accommodate the work which would otherwise necessitate relocation of the facilities. If so

requested by City, Crown Castle shall submit additional information to assist City in making such evaluations. City shall give each alternative proposed by Crown Castle full and fair consideration, within a reasonable time so as to allow for the relocation work to be performed in a timely manner. In the event City ultimately determines that there is no other reasonable alternative, Crown Castle shall relocate its facilities as otherwise provided in the section. The provisions of this section shall survive the expiration, revocation or termination of this AGREEMENT, provided that relocation shall not be required after expiration of this AGREEMENT if City consents to Crown Castle abandoning its facilities in place.

B. Crown Castle will indemnify, hold harmless, and pay the costs of defending City against any and all claims, suits, actions, damages or liabilities for delays on City construction projects caused by Crown Castle's, breach of this Section. The indemnity provisions of this Section shall survive the expiration, revocation or termination of this AGREEMENT.

Section 5. Undergrounding of Facilities. Crown Castle agrees that all facilities authorized by this AGREEMENT shall be installed underground. Crown Castle shall have no right under this AGREEMENT to erect poles, run or suspend wires, cables, or install any other pad, box, or other facility above ground, except as expressly permitted in writing by the parties in a Pole Attachment Agreement. Crown Castle shall bear all costs of undergrounding its facilities and nothing herein shall require City to pay any costs associated with such undergrounding. Notwithstanding the foregoing, the City acknowledges that Crown Castle will be installing aerial facilities within the City's rights-of-way on infrastructure owned or controlled by Idaho Falls Power and/or other third parties through separate agreements and that this AGREEMENT does not preclude such installations. Crown Castle agrees that

the installation all of all aerial facilities must be properly authorized by the facility owner.

Section 6. As-Built Drawings, Maps and Records. After construction of Crown Castle's, facilities is complete, and as a condition of this AGREEMENT, Crown Castle shall provide to City at no cost, complete and accurate copies of as-built drawings, plans, maps, and records of all portions of Crown Castle's system located within City. Such information shall include digital information in a format suitable for City's Geographical Information System ("GIS"). A copy of the GPS survey performed by Crown Castle's engineer shall also be simultaneously delivered to City Engineer. In the event of any changes in the location or configuration of Crown Castle's facilities, Crown Castle shall also provide updated as-built drawings which accurately reflect such changes.

Section 7. Work in the Right-of-Way. During any period of relocation, construction, or maintenance, all surface structures, if any, shall be erected and used in such places and positions within said public rights-of-way and other public properties so as to interfere as little as possible with the free passage of traffic and the free use of adjoining property. Crown Castle shall at all times post and maintain proper barricades and comply with all applicable safety regulations during such period of construction as required by the ordinance, and resolutions during such period of construction as required by the ordinance, and resolutions of City or the laws of the State of Idaho. Crown Castle shall at all times take all reasonable and prudent measures as are necessary for the protection and safety of the general public using the public right of way within the vicinity of Crown Castle's facilities.

During the progress of any work within the public right-of-way, Crown Castle shall not

unnecessarily obstruct the passage or proper use of the right-of-way, and shall take all necessary precautions to protect the public health and safety. All work by Crown Castle in any area covered by this AGREEMENT and as described in this Section shall be performed in accordance with City of Idaho Falls Standard Specifications and Drawings, or if not specifically addressed therein, then in accordance with the directions of City Engineer. Permits may be issued subject to construction schedules established by City Engineer as necessary to avoid unduly burdening traffic or business access during the course of construction.

Crown Castle shall at all times comply with the Underground Facilities Damage Prevention Act of the State of Idaho, as set forth in Chapter 22, Title 55, Idaho Code.

Section 8. Restoration After Construction. Crown Castle shall, after installation, construction, relocations, maintenance, removal, or repair of cable/facilities within Agreement area, promptly restore the surface of the right-of-way and any other City facilities which may be disturbed by the work, to at least the same condition the right-of-way or facility was in immediately prior to any such installation, construction, relocation, maintenance, removal, or repair. City Engineer or his representative shall have final approval of the condition of such streets and public places after restoration. All survey monuments which are to be disturbed or displaced by such work shall be referenced and restored as per all pertinent federal, state, and local standards and specification. Crown Castle agrees to promptly complete all restoration work and to promptly repair any damage caused by such work to the right-of-way or other affected area at its sole cost and expense according to the time and terms specified in the permit issued by City as the same now exists or as it may hereafter be amended or superseded. The provision of this Section shall survive the expiration, revocation or termination by other means of this Agreement. All work by Crown Castle pursuant

to this section shall be performed in accordance with City of Idaho Falls Standard Specifications and Drawings. Crown Castle further agrees to repair or replace all such remedial work found to be defective in any respect for a period of one (1) year from the date such work is accepted by City.

Section 9. Emergency Work – Permit Waiver. In the event of any emergency in which any of Crown Castle's facilities located in, above, or under any street, right-of-way or easement, breaks, are damaged, or if Crown Castle's construction area is otherwise in such a condition as to immediately endanger the property, life, health or safety of any individual, Crown Castle shall immediately take the proper emergency measures to repair its facilities to cure or remedy the dangerous conditions for the protection of property, life, health or safety of the public. However, this Section shall not relieve Crown Castle from complying with any provisions of any ordinance adopted by City which regulates work within the public right-of-way or from any obligation to obtain permits necessary for this purpose, unless such permits are temporarily waived by City Engineer. In such event, Crown Castle shall notify City Engineer by telephone immediately upon learning of the emergency and Crown Castle shall apply for all required permits not later than the second succeeding day during which City is open for business. In addition to the above, Crown Castle shall promptly reimburse City for any and all costs City reasonably and necessarily incurred in response to any emergency caused by the installation, operation or maintenance of Crown Castle's cable or facilities.

Section 10. Dangerous Conditions, Authority for City to Abate. Whenever construction, installation, or excavation of facilities authorized by this AGREEMENT has caused or contributed to a condition that appears to substantially impair the lateral support of the adjoining street or

public place, or endangers the public, an adjoining public place, street utilities or City property, City Engineer may direct Crown Castle at Crown Castle's own expense, to take action to protect the public, adjacent public places, City property or street utilities, and such action may include compliance within a prescribed time.

In the event that Crown Castle fails or refuses to promptly take the actions directed by City, or fails to fully comply with such directions, or if emergency conditions exist which require immediate action, City may enter upon the property and take such actions as are necessary to protect the public, the adjacent streets, or street utilities, or to maintain the lateral support thereof, or actions regarded as necessary safety precautions; and Crown Castle shall be liable to City for the costs thereof. The provisions of this Section shall survive the expiration, revocation or termination by other means of this AGREEMENT.

Section 11. Reservation of Authority to Recover City Expenses. City reserves the right to adopt an ordinance requiring Crown Castle to pay its proportionate share of all actual, identified expenses incurred by City in any future construction, installation, repair, or alteration of any City facility as a direct result of the presence in the right-of-way or public easement of Crown Castle's facilities on a non-discriminatory basis to the fullest extent permitted under state and federal law, including but not limited to Section 253(c) of the United States Telecommunications Act of 1996. Nothing herein shall be deemed to obligate Crown Castle to pay such costs and expenses. Such costs and expenses may include but shall not be limited to Crown Castle's, proportionate cost of City personnel utilized to oversee or engage in any work in the right-of-way. Such costs and expenses may also include Crown Castle's proportionate share of any time spent by City or its consultant in reviewing construction plans in order to either accomplish the relocation of Crown

Castle's facilities or the routing or rerouting of any utilities so as not to interfere with Crown Castle's facilities.

Section 12. Indemnification and Waiver. It is expressly understood and agreed by and between Crown Castle and City that Crown Castle shall save City harmless from all loss sustained by City on account of any suit, judgment, execution, claim, or demand whatsoever, resulting from negligence on the part of Crown Castle in the construction, operation, or maintenance of its system in City except to the extent such claims are caused by the intentional misconduct or negligent acts or omissions of City. City shall notify Crown Castle's representative within ten (10) days after the presentation of any claim or demand, either by suit or otherwise, made against City on account of any negligence as aforesaid.

A. **Waiver of Punitive and Consequential Damages.** Both parties hereby waive the right to recover punitive or consequential damages from the other party.

Section 13. Insurance. Crown Castle shall procure and maintain for the duration of the AGREEMENT, a policy of commercial general liability insurance against claims for injuries to persons or damages to property which may arise from or in connection with the exercise of the rights, privileges, and authority granted hereunder to Crown Castle its agents, representatives or employees. Crown Castle shall provide an insurance certificate to City for its inspection prior to the commencement of any work or installation of any facilities pursuant to this AGREEMENT, and such insurance certificate shall evidence:

A. Automobile liability insurance with limits no less than \$1,000,000 Combined Single Limit per accident for bodily injury and property damage; and

B. Commercial General Liability insurance, written on an occurrence basis

with limits no less than \$1,000,000 combined single limit per occurrence and \$2,000,000 aggregate for personal injury, bodily injury and property damage. Coverage shall include but not be limited to: contractual liability meeting the indemnification obligations herein; products/completed operations; broad form property damage; explosion, collapse and underground (XCU); and employer's liability.

The above coverage may be provided in part through an umbrella policy with the approval of City.

The insurance policy or policies required by this clause shall be endorsed to state that coverage shall provide thirty (30) days' prior written notice of cancellation by the insurer for any reason other than non-payment of premium by mail to City.

Section 14. Abandonment and Removal of Crown Castle's Cable or Telecommunication System Facilities. No cable, or other facility placed in the right-of-way by Crown Castle may be abandoned by Crown Castle without the express written consent of City. Any plan for abandonment or removal of Crown Castle's cable and facilities must be first approved by City Engineer or his representative, and all necessary permits must be obtained prior to such work. The provisions of this section shall survive the expiration, revocation, or termination of this AGREEMENT. Crown Castle agrees to remove any abandoned cable or facilities within sixty (60) days of abandonment, at their own cost.

Section 15. Commencement of Construction. Construction of the facilities contemplated by this AGREEMENT shall commence no later than one year after execution of the AGREEMENT by both parties, provided that such time limit shall not apply to delays caused by acts of God,

strikes, eminent domain litigation or other occurrences over which Crown Castle has no control.

Section 16. Bond. Before undertaking any of the work, installation, improvements, construction, repair, relocation, or maintenance authorized by this AGREEMENT, Crown Castle shall, upon the request of City, furnish a bond executed by Crown Castle and a corporate authorized to do a surety business in the State of Idaho in the sum of Ten Thousand Dollars (\$10,000) or a sum to be determined by City Engineer or his representative as sufficient to ensure performance of Crown Castle's obligations under this AGREEMENT. The bond shall be conditioned upon Crown Castle's performance of all the covenants, terms, conditions and obligations of this AGREEMENT, including without limitation upon Crown Castle's agreement to repair or replace any defective work or materials discovered in the repair of City's streets or property located within the public right of way for a period of one (1) year from the date of the acceptance of such repaired streets or property by City.

Section 17. Modification. This AGREEMENT shall not be modified or altered except upon express written agreement of both parties approved by motion or resolution of the board of directors or City Council, as the case may be, of each party.

Section 18. Forfeiture and Revocation. If Crown Castle willfully violates or fails to comply with any of the material provisions of this AGREEMENT, or through willful misconduct or gross negligence fails to heed or comply with any notice given Crown Castle by City under the provisions of this AGREEMENT, then Crown Castle shall, at the sole election of City, forfeit all rights conferred hereunder, provided such action shall not be taken unless written notice is first sent to Crown Castle at least ten (10) days prior to the date such action is taken. City may decide, after consideration of the reasons for Crown Castle's failure to

comply with the AGREEMENT, to allow Crown Castle additional time to cure before such termination or revocation. City may elect, in lieu of the above and without any prejudice to any of its other legal rights and remedies, to obtain an order from the superior court having jurisdiction compelling Crown Castle to comply with the provisions of this AGREEMENT and to recover damages and cost incurred by City by reason of Crown Castle's failure to comply.

Section 19. Election of Remedies. In addition to any other remedy provided herein, City reserves the right to pursue any remedy to compel or force Crown Castle and/or its successors and assigns to comply with the terms hereof, and the pursuit of any right or remedy by City shall not prevent City from thereafter declaring a forfeiture or revocation for breach of the conditions herein. In making such election, City may pursue any remedy cumulatively or simultaneously, except to the extent simultaneous or cumulative exercise of such remedy is directly inconsistent with the exercise of any other remedy.

Section 20. City Ordinances and Regulations. Nothing herein shall be deemed to prohibit or restrict City's ability to adopt and enforce all necessary and appropriate ordinances regulating the modification, maintenance and repair of existing telecommunication lines or facilities within the public rights-of-way of City. City shall also have and does hereby reserve the authority at all times to control by appropriate regulations or ordinances the location, elevation, and manner of construction of any new communication lines or cable facilities installed by Crown Castle after the effective date of such regulations or ordinances and Crown Castle shall promptly conform with all such regulations, without notice or demand by City. Subject to the provisions of state and federal law including the Telecommunications Act of 1996, City reserves the right to pass ordinances or regulations that may also levy or impose a non-discriminatory obligation to pay reasonable right-

of-way use fees and/or other charges for the use and maintenance of the rights-of-way occupied by Crown Castle irrespective of whether such facilities and lines were installed prior to the effective date of such ordinances or regulations

Section 21. Survival of Terms. All of the provisions, conditions and requirements of Section 1, "Authority Granted; 5, Relocation of Telecommunications Facilities; 6, Undergrounding of Facilities; 8. Work in the Right-o f-Way; 9, Restoration After Construction; 11, Dangerous Conditions; 13, Indemnification; and 15, Abandonment and Removal of Crown Castle's Facilities" of this AGREEMENT shall be in addition to any and all other obligations and liabilities Crown Castle may have to City at common law, by statute, or by contract, and shall survive the expiration or termination of this AGREEMENT, and any renewals or extensions thereof. All of the provisions, conditions, regulations, and requirements contained in this AGREEMENT shall further be binding upon the heirs, successors, executors, administrators, legal representatives and assigns of Crown Castle and all privileges, as well as all obligations and liabilities of Crown Castle shall inure to its heirs, successors, and assigns equally as if they were specifically mentioned whenever Crown Castle is named herein.

Section 22. Non-Severability. Each term and condition of this AGREEMENT is an integral part of the consideration given by each party and as such, the terms and conditions of this AGREEMENT are not severable. If any section, sentence, clause, or phase of this AGREEMENT should be held to be invalid or unconstitutional by a court of competent jurisdiction, this AGREEMENT shall terminate unless suitable replacement terms can be worked out by the parties.

Section 23. Assignment. This AGREEMENT may not be assigned or transferred without the

written approval of City, which approval shall not be unreasonably withheld or delayed, except Crown Castle may freely assign or delegate this AGREEMENT in whole or in part to a parent, subsidiary, or affiliated entity or as part of any corporate financing, reorganization or refinancing.

Section 24. Notice. Any notice or information required or permitted to be given to the parties under this AGREEMENT may be sent to the following addresses, unless otherwise specified, to-wit:

If to City:

City of Idaho Falls
P.O. Box 50220
Idaho Falls, Idaho 83405

If to Crown Castle:

CROWN CASTLE NG WEST LLC
c/o Crown Castle
2000 Corporate Drive
Canonsburg, PA 15317-8564
Attn: Ken Simon, General Counsel
(724) 416-2000

with a copy which shall not constitute legal notice to:

CROWN CASTLE NG WEST LLC
c/o Crown Castle
2000 Corporate Drive
Canonsburg, PA 15317-8564
Attn: Small Cell Contracts Administration
(724) 416-2000

Section 25. Jurisdiction and Venue. It is agreed that this AGREEMENT shall be construed under and governed by the laws of the State of Idaho. In the event of litigation concerning it, it is agreed that proper venue shall be the District Court of the Seventh Judicial District of the State of Idaho, in and for the County of Bonneville or in United States District Court.

Section 26. Entire Agreement. This AGREEMENT constitutes the complete and final

STATE OF IDAHO)
) ss.
County of Bonneville)

On this____day of_____, 2016, before me, the undersigned, a notary public for Idaho, personally appeared Rebecca L. Noah Casper, known to me to be the Mayor of the City of Idaho Falls, Idaho, a municipal corporation that executed the foregoing document, and acknowledged to me that she is authorized to execute the same for and on behalf of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public of Idaho _____
Residing at: _____
My Commission Expires: _____

(Seal)

STATE OF _____)
) ss.
County of _____)

On this____day of_____, 2016, before me, the undersigned, a notary public for _____, personally appeared Rod Hanson, known to me to be the VP/General Manager, SCN, West Region of Crown Castle NG West LLC, a limited liability company that executed the foregoing document, and acknowledged to me that he/she is authorized to execute the same for and on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public of: _____
Residing at: _____
My Commission Expires: _____

(Seal)

understanding and agreement between the parties as to the subject matter herein and no other agreements or understandings, written or otherwise, shall be binding upon the parties except as expressly set forth herein.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

CITY OF IDAHO FALLS

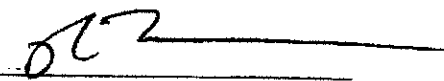
Kathy Hampton
City Clerk

Rebecca L. Noah Casper
Mayor

(SEAL)

CROWN CASTLE NG WEST LLC

By:



 Rod Hansen HANSON

Its: VP/General Manager, SCN, West Region

STATE OF IDAHO)
) ss.
County of Bonneville)

On this _____ day of _____, 2016, before me, the undersigned, a notary public for Idaho, personally appeared Rebecca L. Noah Casper, known to me to be the Mayor of the City of Idaho Falls, Idaho, a municipal corporation that executed the foregoing document, and acknowledged to me that she is authorized to execute the same for and on behalf of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public of Idaho _____
Residing at: _____
My Commission Expires: _____

(Seal)

STATE OF _____)
) ss.
County of _____)

On this _____ day of _____, 2016, before me, the undersigned, a notary public for _____, personally appeared Rod Hanson, known to me to be the VP/General Manager, SCN, West Region of Crown Castle NG West LLC, a limited liability company that executed the foregoing document, and acknowledged to me that he/she is authorized to execute the same for and on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

See Attached
Notary Public of: _____
Residing at: _____
My Commission Expires: _____

(Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of ORANGE

On AUG. 4, 2016 before me, Michael Peluso, Notary Public
(insert name and title of the officer)

personally appeared Rodman Michael Hanson
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Michael Peluso (Seal)

