

## MINUTES OF THE REGULAR COUNCIL MEETING

April 10, 2019

At 6:00 p.m. the meeting was called to order by Mayor Mac Pooler.

A roll call of the Council resulted as follows:

Sid Armstrong  
Ron Mercado  
Terry Douglas  
Dennis Norris  
Ron Delcamp  
Anna Moody

Officers present were:

Mayor Mac Pooler  
Building Official Mark Magnus  
Chief of Police David Wuolle  
City Clerk/Treasurer Nila Jurkovich  
Project Manager Rod Plank  
Consulting Planner Collin Coles

Absent: Public Works Superintendent Craig Lewis

Councilmember Moody led the Pledge of Allegiance.

Mayor Pooler announced the agenda item listed under New Business # "Executive Session" will no longer be needed.

### **ORAL COMMUNICATIONS**

None.

### **STAFF REPORTS**

Reports by the staff were submitted.

### **CONSENT CALENDAR**

1. Approval or correction of the minutes of the March 13, 2019 regular council meeting.
2. Approval of payment of the bills for the month of March 2019 as presented. (Proving documents on file in the City Clerk's office)
3. Treasurer's Reports of Income & Expenditure.
4. Treasurer's Quarterly Financial Statement
5. P&Z Commission minutes from March 18, 2019 Meeting. No Recommendations.
6. Report of Commissions and Committees: None

It was moved by Councilmember Douglas and seconded by Councilmember Delcamp to approve the Consent Calendar. Motion carried.

### **OLD BUSINESS**

EPA Road Remediation Projects & Sewer Project Updates– Alta Science & Engineering  
Mr. Ben Davis, Alta Science and Engineering was present to update the council.  
Phase 2, Knife River will start work on April 22, 2019 on Cameron and Riverside.  
Phase 3, Big Sky will start work on May 6, 2019 with the additional water work on State and Legion.

Alta prepared the McKinley Ave. Bids and the notice will be advertised on April 17<sup>th</sup> and April 24<sup>th</sup>, a pre-bid meeting on April 30<sup>th</sup> at 1 p.m. Bid opening will be on May 8<sup>th</sup> at 1 p.m.

Councilmember Douglas inquired on the location of the pre-bid meeting. Nila Jurkovich stated this is normally set up at the Panhandle Health Building conference room, however Alta had prepared the bid documents. Mr. Davis stated the location for the pre-bid meeting is set up at Kellogg City Hall.

Mr. Davis also provided the draft drawing of the Teeter's Field Concession for Council review and comments for the next council meeting.

Councilmember Douglas inquired if the annual meeting with the School District had taken place, and if so, an additional meeting should be held to discuss the concession stand drawings.

### **NEW BUSINESS**

#### **Loan Resolution for USDA RD**

The City is in receipt of the Loan Resolution from United States Department of Agriculture, Rural Development. Which will be a part of the bond closing packet. The loan resolution has been provided to each Councilmember.

It was moved by Councilmember Douglas and seconded by Councilmember Mercado to adopt the USDA RD Loan Resolution, number in the City books as Resolution 2019-05 in the amount of \$2,580,000 and grant funds in the amount of \$860,000. A roll call vote of the Council resulted as follows:

Douglas-Aye	Mercado-Aye
Armstrong-Aye	Norris-Aye
Delcamp- Aye	Moody-Aye

Motion carried.

#### **Ordinance Authorizing Bond Closing**

City's Bond Counsel Danielle Quade discussed the ordinance that was before the Council for their consideration. Mrs. Quade reminded the Council on the time line of this sewer project to get us where we are at this evening. At the November 2014 election the voters approved the City to bond up to \$8.08 million. In 2016 the City authorized the first bond closing for \$4,410,000 and this evening the City is authorizing the closing of the bond in the amount of \$2,580,000 at an interest rate of 1.375%, which is a significant savings to the taxpayers of Kellogg and for the length of forty years. Later this evening the City Council will be authorizing the Mayor, or Council President to execute the documents for the remainder of the bond authorized in November 2014. The remaining bond is \$1,090,000.

Mrs. Quade congratulated the City with their achievement, and reminded the Council of their fiduciary responsibilities. Sewer fees need to be high enough to take care of business and keep close tabs on the collections and delinquencies.

The City Clerk advised the Council the City is in their third year of annual payments on the first sewer bond obligation, with an annual amount of \$144,075. The City's second sewer bond payment will be due April 18, 2020 in the amount of \$84,289 and due annually for forty years.

It was moved by Councilmember Douglas and seconded by Councilmember Armstrong to have the proposed ordinance read by title only. Motion carried.

Mrs. Danielle Quade then read the title of proposed Ordinance #602.

#### SUMMARY OF ORDINANCE NO. 602

AN ORDINANCE OF THE CITY OF KELLOGG, SHOSHONE COUNTY, IDAHO, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF WASTEWATER REVENUE BOND, SERIES 2019, IN THE PRINCIPAL AMOUNT OF \$2,580,000 FOR THE PURPOSE OF

FINANCING THE ACQUISITION OF CERTAIN IMPROVEMENTS TO THE WASTEWATER COLLECTION SYSTEM AND FACILITIES OF THE CITY (THE "SYSTEM"); DESCRIBING THE BOND AND TERMS THEREOF; PROVIDING FOR THE SALE OF THE BOND TO THE UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL UTILITIES SERVICE; RATIFYING ESTABLISHMENT OF RATES AND CHARGES FOR SYSTEM SERVICE AND PROVIDING FOR THE COLLECTION AND DISPOSITION OF REVENUES THEREOF; PROVIDING FOR THE PLEDGE OF NET REVENUES OF THE SYSTEM TO PAY THE PRINCIPAL OF AND INTEREST ON THE BOND; ESTABLISHING FUNDS AND ACCOUNTS; PROVIDING COVENANTS RELATING TO THE BOND; AND PROVIDING FOR OTHER MATTERS RELATING THERETO

A summary of the principal provisions of Ordinance No. 602 of the City of Kellogg, Shoshone County, Idaho (the "City"), adopted on April 10, 2019, is as follows:

Sets out findings and declarations of the City.

Defines the terms and phrases used in said Ordinance.

Describes the System improvement project to be constructed with the proceeds of the Bond authorized by said Ordinance, and states that \$2,580,000 of the cost thereof is to be paid from the sale of the bond of the City described therein and authorized at a special election held on November 4, 2014, and the balance of which is to be paid from grant funds and other legally available funds.

Describes the City of Kellogg Wastewater Revenue Bond, Series 2019 (the "Bond"), provides for the sale of the Bond to the United States Department of Agriculture, Rural Utilities Service, and provides for the terms of payment and the maturity of the Bond which are as follows:

Principal Amount:	\$2,580,000
Interest Rate:	1.375% per annum
Maturity:	40 years from date of delivery
Payments:	Annual payments of principal and interest in the amount of

\$84,289.00

Provides for the manner and method of execution of the Bond.

Provides for the place and manner of payment of the Bonds.

Appoints the City Treasurer as Bond Registrar.

Provides for the prepayment of the Bond.

Provides for System rates and charges.

Pledges the Net Revenues of the System for the payment of the Bond on parity with the City's 2016 USDA-RUS Bond.

Establishes the "City of Kellogg 2019 Wastewater Project Improvement Fund."

Ratifies and continues the "City of Kellogg Wastewater Revenue Fund."

Ratifies and continues the "City of Kellogg Wastewater Revenue Bond Fund."

Establishes "City of Kellogg 2019 Wastewater Revenue Project Debt Service Reserve Account" within the Bond Fund.

Provides for the disposition of surplus funds.

Establishes the condition of and limitations on the issuance of additional bonds or other obligations.

Provides for the investment of surplus funds.

Provides certain general covenants of the City with the Registered Owner of the Bond.

Provides certain special covenants of the City with respect to the exclusion of interest on the Bond from income taxation.

Provides for method of amending the Ordinance and adopting supplemental ordinances.

Recites that the Bond is issued pursuant to the Idaho Revenue Bond Act.

Provides for remedies of the Registered Owner of the Bond.

States that the Ordinance constitutes a contract with the Registered Owner of the Bond.  
Provides for severability.

Repeals prior inconsistent ordinances, to the extent of any inconsistency.

Provides for issuance of bond anticipation notes, and payment thereof from proceeds of the Bond.

Authorizes the Mayor, City Clerk and City Treasurer to execute any additional documents necessary to sell and deliver the Bond.

Provides for the publication of the Ordinance or a summary thereof and the effective date of the Ordinance.

The full text of Ordinance No. 602 is available at City Hall and will be provided to any citizen upon personal request during normal office hours.

DATED this 10<sup>th</sup> day of April, 2019.

CITY OF KELLOGG, SHOSHONE  
COUNTY, IDAHO

By Macklin E. Pooler, Mayor

ATTEST:

Nila Jurkovich, City Clerk

It was moved by Councilmember Delcamp and seconded by Councilmember Norris to pass Ordinance #602 under suspension of the rules. A roll call vote of the Council resulted as follows:

Douglas-Aye	Mercado-Aye
Armstrong-Aye	Norris-Aye
Delcamp- Aye	Moody-Aye

Motion carried.

It was moved by Councilmember Armstrong and seconded by Councilmember Douglas to publish Ordinance #602 by Summary prepared by City's Bond Counsel. A roll call vote of the Council resulted as follows:

Douglas-Aye	Mercado-Aye
Armstrong-Aye	Norris-Aye
Delcamp- Aye	Moody-Aye

Motion carried.

Consideration of authorizing Mayor to execute all bond closing documents for the waste water system, and in the absence of the mayor, authorize the council president to execute

City's Bond Counsel Danielle Quade advised the Council that with the ordinance that will be published in the Shoshone News Press, the Rural Development will be paying off the interim loan with Columbia Bank, and the Rural Development loan is at an amazingly low interest rate that will save the citizens of Kellogg hundreds of thousands of dollars over the forty year terms of both bond loans.

The City Clerk advised the Council in speaking with Mr. Howard Lunderstadt, USDA RD, he intends to have the funding package to the City for signatures, no later than April 22, 2019.

After discussion was held, it was moved by Councilmember Mercado and seconded by Councilmember Delcamp to authorize the mayor to execute all bond closing documents for the waste water system, and in the absence of the mayor, the president of the council will execute said documents in the amount of \$1,080,000 with any grant funding offered by USDA RD. Councilmember Douglas reminded the Council the City's interest rate for this final funding package is locked in at 2.5%. Mrs. Quade stated the interest rate is a very good interest rate.

A roll call vote of the Council resulted as follows:

Moody-Aye	Delcamp- Aye
Norris-Aye	Douglas-Aye
Mercado-Aye	Armstrong-Aye

Motion carried

Notice to Proceed – Knife River

It was moved by Councilmember Norris and seconded by Councilmember Douglas to provide the approval on the Notice To Proceed for Knife River to begin their work on the sewer project effective April 22, 2019.

A roll call vote of the Council resulted as follows:

Norris-Aye	Moody-Aye
Douglas-Aye	Mercado-Aye
Armstrong-Aye	Delcamp-Aye

Motion Carried.

Notice to Proceed – Big Sky

It was moved by Councilmember Armstrong and seconded by Councilmember Mercado to provide the approval on the Notice To Proceed for Big Sky to begin their work on the sewer project effective May 6, 2019.

A roll call vote of the Council resulted as follows:

Douglas-Aye	Mercado-Aye
Armstrong-Aye	Delcamp-Aye
Norris-Aye	Moody-Aye

Motion Carried.

Discussion was held on the need to place items in the Mayor's Corner for the Water District's work on Cameron Avenue, Phase 2 Riverside work and the sewer work on the 200 block of E. Cameron Avenue.

Northwest Christian Teens, LLC Fireworks Booth Permit

This organization has been running this fireworks booth in Kellogg for several years and it has worked out well.

It was moved by Councilmember Douglas and seconded by Councilmember Norris to approve the temporary fireworks booth upon proof of insurance and the Fire Chief's letter of approval.

Motion carried.

Kellogg Elks Lodge 1841 Parade Permit

The Kellogg Elks Lodge has applied for a parade permit for Saturday, May 18, 2019. Items in their request have been reviewed.

It was moved by Councilmember Delcamp and seconded by Councilmember Moody to approve the parade permit as submitted by the Kellogg Elks Lodge 1841 as requested.

Motion carried.

Up North Distillery to serve their product during Radio Brewery's Anniversary Event

Police Chief Wuolle advised the Council of the circumstances of the distillery that would like to pour their licensed crafted product at the anniversary event.

Discussion was held on the ordinance in place for those establishments outside of Kellogg's city limits.

Chief Wuolle advised the Council that Up North has both a distillery license and the state license to sell and serve. The Council has the option to act on this in several different ways, and if an ordinance amendment is warranted, the City could act on the amendment.

Councilmember Delcamp commented that it may be best to see how this event goes with Up North Distillery and decide if any further action will be necessary from the Council at a later date with respect to the City's ordinance.

It was moved by Councilmember Delcamp and seconded by Councilmember Moody to allow Up North Distillery to serve their product during Radio Brewery's Anniversary Event on May 11, 2019.

A roll call vote of the Council resulted as follows:

Douglas-Aye	Mercado-Aye
Armstrong-Aye	Delcamp-Aye
Norris-Aye	Moody-Aye

Motion Carried.

Arbor Day Proclamation

City Clerk Jurkovich read the following proclamation.

Arbor Day Proclamation

WHEREAS, In 1872 J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, the holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, lower our heating and cooling costs, moderate the temperature, clean the air, produce oxygen, and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal.

NOW, THEREFORE, I, Mac Pooler, Mayor of the City of Kellogg, Idaho, do hereby proclaim April 26, 2019 as Arbor Day in the City of Kellogg, and urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands; and

FURTHER, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

DATED this 10th day of April 2019.

By \_\_\_\_\_  
Mac Pooler, Mayor

It was moved by Councilmember Delcamp and seconded by Councilmember Douglas to accept the proclamation as submitted. Motion carried.

Councilmember Delcamp asked if a location for the Arbor Day planting celebration has been decided upon.

The City Clerk advised the Council she and Public Works Superintendent Craig Lewis had discussed this, and the 200 Block of W. Mullan Avenue was being considered.

Councilmember Armstrong stated there is need in the southern part of the City also, and mentioned the area by the Catholic Church could be a consideration also.

Cooperative Agreement with Central Shoshone County Water District – Water Work

Mr. Ben Davis, Alta Science & Engineering advised the Council this agreement with the Water District to provide the avenue for work to be completed under Phase 3. All costs for the Water District's work will be their district's fiduciary responsibility.

It was moved by Councilmember Delcamp and seconded by Councilmember Douglas to enter into the agreement with the Water District to provide the avenue for work to be completed under Phase 3.

A roll call vote of the Council resulted as follows:

Douglas-Aye	Mercado-Aye
Armstrong-Aye	Delcamp-Aye
Norris-Aye	Moody-Aye

Motion Carried.

Contract with Alta Science & Engineering – Kellogg E. Portland Shop Drain Design

Mr. Ben Davis, Alta Science & Engineering advised the Council he has had conversations with Craig Lewis on the DEQ requirements for the shop drain. The Council knew of these requirements and understands that this work will need to be completed.

Councilmember Mercado discussed the possibility of a new location for the shop.

It was moved by Councilmember Douglas and seconded by Councilmember Delcamp to enter into the contract with Alta Science & Engineering for the design of the drain. A roll call vote of the Council resulted as follows:

Douglas-Aye	Mercado-Aye
Armstrong-Aye	Delcamp-Aye
Norris-Aye	Moody-Aye

Motion Carried.

## **ANNOUNCEMENTS AND REPORTS**

### Councilmember Mercado

Spring time is here. Fog sealing will be forthcoming. The City has a new patrol vehicle and graphics will be placed on the vehicle next week.

### Councilmember Douglas

The City is issuing the Notice To Proceed for each phase. Very exciting, this will be the last construction year for the sewer and roads projects. The City has been working on the sewer and road projects for six years now. It is very rewarding to go down these finished streets and see the finished product, admiring the curbs and sidewalks. This is an amazing project.

### Councilmember Norris

In the Spokesman Review there was an article regarding the Bunker Hill Superfund improvements scheduled on April 24<sup>th</sup> at 9 a.m. for a focus group and then on April 25<sup>th</sup> a community forum. Both discussions will be held at the Panhandle Health District building on Wildcat Way.

Mayor Pooler advised the Council that he and Project Manager Rod Plank will be attending these discussions.

### Councilmember Delcamp

Welcomed the City's newly appointed Councilmember Anna Moody.

### Councilmember Moody

Although she was unable to make the Library's board meeting, she has been in contact with the Library Director and looks forward to meeting with her.

### Mayor Pooler

The letter he wrote to Basin Commission Chairperson Jack Buell on behalf of the Silver Valley Transportation Team will be provided to the Council. This letter discusses the need to maintain the barriers in all cities and the county.

There being no further business to come before the Council at this time, it was adjourned at 6:50 P.M. to meet at its regular time of May 8, 2019.

\_\_\_\_\_  
Mac Pooler, Mayor

ATTEST:

\_\_\_\_\_  
Nila Jurkovich, City Clerk/Treasurer