

This regular meeting of the Jerome City Council was called to order by Mayor Davis at 5:30 p.m.

Present: Mayor David M. Davis, Councilman Robert Culver, Councilman Chris Barber, Councilman Jason Peterson and Councilman Brent “Oop” Johnson.

Also present were staff members: City Clerk Bernadette Gomes, City Attorney J.B. Lothspeich, City Administrator Mike Williams, Information Services Director Carlos Hernandez, Finance Director Ross Hyatt, Assistant Finance Director Michelle Frostenson, Building Official Dave Richey, Wastewater Superintendent Gilbert Sanchez, City Engineer Rick Wuori, Human Resources Director Ida Clark, City Planner Esmeralda Chavez, Fire Chief Jeremy Presnell, Deputy Fire Chief Mike Harrison, and Police Chief Dan Hall.

PLEDGE OF ALLEGIANCE:

Mayor Davis led the audience in recitation of the pledge of allegiance.

INVOCATION:

Invocation was given by Pastor Knutson with Bible Baptist Church.

BOARD OF CORRECTIONS:

This being the time published for the Jerome City Mayor and Council to meet as a Board of Corrections to correct irregularities or errors to the 2018 Irrigation Assessment Roll, the Chair opened the meeting at 5:32 p.m.

As opined by J.B. Lothspeich (communication dated 3/14/11), the annual review by the Board of Corrections addresses the irrigation assessments for that year. Thus, City staff does not make recommendation for adjustment to prior year assessments or to future year assessments wherein facts do not exist (such as a future repair to a broken or abandoned line or future installation of a delivery device or system).

Mr. Hyatt stated staff is recommending consideration of the 2018 assessments in accordance with Idaho Code 50-1807 the mayor and council are required to sit as a board of corrections no later than March 20th of each year to make any adjustments to the assessment role for irrigation that conform to the facts. He stated the following accounts have been determined to be qualified for an adjustment:

Account 411105.01 in the name of Leonard Luckman. Property is located at 120 N Cleveland St. Public Works has verified that there is no access.

Account 544607.01 in the name of Jesus Pineda. Property is located at 220 8th Ave E. Public Works has verified that there is no access.

Account 404100.01 in the name of Aracely’s Enterprises. Property is located at 147 N Adams. Public Works has verified that there is no access.

Account 330300.01 in the name of Diva Gomes. Property is located at 123 6th Ave E. Public Works has verified that there is no access.

Account 330400.01 in the name of Diva Gomes. Property is located at 121 6th Ave E. Public Works has verified that there is no access.

Upon inquiry by Councilman Peterson, Ms. Frostenson stated these customers did not have irrigation access but staff was not notified until earlier this year. Additionally, irrigation access to one account was determined to be unavailable this year because of an issue with the system. Upon inquiry by Councilman Johnson, Ms. Frostenson stated these accounts are assessed the minimum fee. Councilman Peterson also asked how staff knows if a customer is billed the minimum where they should be billed the full assessment amount; Ms. Frostenson stated one customer's account was changed to the full assessment last year after it was determined they had full access. However, staff in attendance was unavailable to confirm how full access was determined and billed accordingly.

Councilman Culver made a motion to adjust the 2018 assessments as presented to the minimum bill for Account No. 411105.01 Leonard Luckman 120 N. Cleveland, No. 544607.01 Jesus Pineda 220 8th Ave. E, No. 404100.01 Aracely's Enterprises 147 N. Adams, No. 330300.01 Diva Gomes 123 6th Ave E., No. 330400.01 Diva Gomes 121 6th Ave E. Second to the motion was made by Councilman Peterson. After consideration the motion passed unanimously by the following vote: **AYES:** Councilman Barber, Councilman Culver, Councilman Peterson and Councilman Johnson. **NAYS:** None.

CONSENT CALENDAR:

Those items contained in the consent calendar are as follows:

1. Approve the minutes of the March 6, 2018 regular meeting and March 13, 2018 special meeting
2. Approve Monthly Department Reports
3. Approve claims

Aerzen USA Corporation \$1,305.40, Aflac \$164.90, Aleph Objects, Inc \$1,187.50, Andy's Heating and A/C, Inc. \$222.80, Assoc of Jerome City Firefighters \$156.00, Association of Idaho Public Works \$40.00, Atlas Business Solutions, Inc. \$576.00, B & R Bearing \$14.10, Backflow Assembly Testing and Supply LLC \$53.00, Bennett's Truck Repair \$820.36, Blue Cross \$6,902.14, Bonneville Blue Print Supply \$110.00, Bonneville Industrial Supply Co \$1,300.02, Bound to Stay Bound Books Inc \$33.68, Bound Tree Medical \$969.99, Breckon Landdesign Inc \$1,163.75, B-Z Plumbing \$16.71, Candlewood Suites \$150.00, Carrot-Top Industries, Inc \$131.94, CDW Government, Inc. \$2,100.00, Center Point Large Print \$130.62, Century Link \$2,043.42, Chase Paymenttech \$1,968.57, Christianson, Jared \$66.78, Cintas Corporation \$334.52, City of Jerome \$259,421.78, Cole-Parmer \$210.43, Colonial Life & Accident Insur \$2,369.20, Con Paulos Inc. \$529.08, Consolidated Electrical Distri \$1,092.19, Culligan Soft Water Service \$133.45, Curtis, Intermountain Division \$1,971.21, D & B Supply \$2,599.13, Dat-Sun Construction \$860.00, Dell \$1,439.93, Dig Line Inc \$120.64, Dubois Chemical \$38,710.90, Energy Management Corp. \$458.73, ESRI, Inc. \$5,100.00, Farmore of Idaho \$913.39, Fastenal Company \$1,078.94, Ferguson Enterprises, Inc. \$244.73, Fred Kenyon Repair Inc. \$4,027.24, Freedom Electric Inc. \$759.40, Freedom Mailing Services, Inc \$1,959.06, Frostenson, Michelle \$293.75, GB Books \$130.00, Gem State Paper & Supply \$96.42, Gem State Welder's Supply \$1,278.72, Go-Fer It Express \$256.00, Gov't Finance Officer Assn \$150.00, Great America Leasing Corp. \$292.00, H.D.Fowler \$1,445.12, Hach Company \$1,544.59, Hall, Daniel \$6.96, Hanson Janitorial Supply, Inc. \$153.00, Harvey's Office Plus \$220.97, Home Depot Credit Services \$87.67, Hyatt, Ross \$128.62, Hydro Specialties Company

\$2,927.76, ID Child Support Receipting \$3,252.35, ID Dept Of Commerce & Labor \$25.30, ID Electric Motor Service Inc \$785.00, ID State Tax Commission \$12,851.00, Idaho \$375.00, Idaho Power Co. \$65,893.98, ILA-Region4 \$300.00, Ingram Book Company \$842.72, Integrated Technologies - Lease \$250.00, Integrated Technologies, Inc. \$130.82, Intellichoice, Inc. \$2,400.00, Intermountain Comm., Inc. \$61.00, Intermountain Gas Company \$5,051.89, Intermountain New Holland \$41.41, Intermountain Traffic, LLC \$7,345.00, International Code Council \$127.00, Interstate Battery System ID \$103.95, J & J Enterprises \$169.20, Jerome Chamber of Commerce \$10.00, Jerome City Fire Fighters Assoc \$225.00, Jerome City Water Department \$824.37, Jerome County \$8,842.61, Jerome FF Local Union 4589 \$600.00, Jerome Peterbilt Inc \$405.40, Jerome Printshop \$184.00, Jerome Recreation District \$777.50, Keller Associates Inc \$54,487.30, Kloepfer Inc. \$499,174.77, Kubota Membrane USA Corp \$500,000.00, Landrian, Benjamin \$139.10, Les Schwab Tire Centers Inc \$2,705.82, Lifemap Assurance Company \$4,555.94, Magic Valley Labs \$7,103.80, Magic Valley Library Systems \$25.00, Mason's Trophies & Gifts \$262.90, McHugh Bromley, PLLC \$2,560.72, Megan R. Williams \$67.44, Metroquip, Inc. \$486.72, MHL Systems \$789.56, Michael Richard Wastewater Microbiology \$700.00, Monsen Engineering, Inc. \$1,200.00, Mower & Sons Construction \$124.99, Munimetrix Systems Corp. \$89.98, MV Pipe & Steel \$21.75, MWI Veterinary Supply \$74.92, Napa Auto Parts \$895.52, NCPERS Group Life Ins C356 \$224.00, New Tech Security, Inc. \$240.00, Penworthy \$201.53, Pipeco \$209.58, Prevent Fire, LLC S Corp \$709.00, Pro West Engineering, LLC \$2,366.11, Project Mutual Telephone \$611.20, PSI Environmental Services Inc \$19,427.64, Reliant Behavioral Health, LLC \$265.32, Rexel USA Inc \$332.21, Ricoh USA, Inc \$435.14, RSCI \$2,429,789.09, Rubink, Duane \$18.61, Rush Truck Centers of Idaho, Inc. \$71.97, Safari Inn Downtown \$312.00, Saltus Technologies \$489.02, Sawtooth Veterinary Services \$238.00, Selecthealth \$79,464.30, SHI International Corp. \$492.00, Signed Sealed & Delivered \$250.16, Siteone Landscape Supply, LLC \$983.19, Skaggs Companies, Inc. \$97.98, SKM, Inc. \$71.25, Snake River Veterinary Hosp \$100.00, Something More \$77.86, Southeast Idaho Operators Sect \$195.00, Southern Idaho Solid Waste \$4,022.40, Stotz Equipment \$424.84, Strata \$319.50, Superior Door Inc \$415.00, Thatcher Company \$6,874.80, Times News \$2,881.78, Tore Up \$70.00, Traffic Safety Supply Co Inc \$345.44, Treasure Valley Coffee, Inc. \$73.95, U S Bank of Idaho \$22,742.92, Underwood Recycling \$445.06, Unified Office Services \$52.37, Urgent Care of Jerome/Twin Falls \$90.00, US Bank Credit Card \$10,009.42, USA Bluebook \$143.92, Valley Wide Cooperative \$21,218.51, Verizon Wireless \$3,142.93, Watts Hydrolic and Steam Store \$337.25, W-Cubed, Inc. \$108.36, Western Waste Services \$385.79, White Cloud Communications \$56.00, Williams-Meservy & Lothspeich, LLP \$12,244.17, Xpress Bill Pay \$504.50, Zions Bank Public Financial Services \$56,209.53

Councilman Culver made a motion to approve the consent calendar as presented. Second to the motion was made by Councilman Johnson. After consideration the motion passed unanimously by the following vote: **AYES:** Councilman Barber, Councilman Culver, Councilman Peterson and Councilman Johnson. **NAYS:** None.

CUSTOMER ISSUE:

Ross Bateman, residing at 516 4th Ave W., came before council regarding a problem with his irrigation bill. He stated a tort claim was filed and a federal lawsuit was won in 2002. According to Mr. Bateman, the irrigation bill was to be deleted as part of the judgement in the lawsuit. Upon inquiry by Mayor Davis, Mr. Bateman stated he filed a tort claim for damages

caused by a flood to his home when “the ditch was open,” and the matter went before the court in 2003. The irrigation bill has not been paid since that time. Mr. Bateman stated the attorney who handled the case stated any matters pertaining to the lawsuit would be deleted which included the irrigation bill. He further stated there are no outlets for irrigation access, and the only outlet is on the corner property. The lawsuit itself was for damages to his home in which he currently resides.

Mr. Lothspeich asked about the judgement in 2003; Mr. Bateman stated the city attorney at the time had the order for the judgement and that he did not have a copy. Mr. Lothspeich stated the judgement should be a matter of court record. Mr. Bateman stated judgement was obtained in federal court in Boise with attorney John Keenan. He further stated, upon inquiry, that the judgement was for damages. Mr. Lothspeich asked what it had to do with the irrigation assessment, and Mr. Bateman stated the irrigation assessment was to have been adjusted. He further stated he has not been given an annual assessment since 2003 but has an old bill that accumulates charges each year. Mr. Lothspeich stated he would look into the matter, but also stated that a lawsuit for damages resulting in a judgement would not have had anything to do with any other liability owed to the city (i.e. utility bill or irrigation assessment). He reiterated that the judgement would be a matter of public record if Mr. Bateman needed to obtain the record.

Upon inquiry by Mayor Davis, Mr. Bateman confirmed he filed a lawsuit and was represented by John Keenan in Boise federal court. Councilman Peterson asked why Mr. Bateman was coming before council now when this issue began in 2002. He responded that he keeps getting an irrigation bill. The current balance is \$2,854.28; it was approximately \$700 at the time of the lawsuit. He believed that, within the judgement, he would no longer be assessed for irrigation. He is also concerned if his neighbors want irrigation access and if another flood will occur because of it. He spoke of a run off ditch in the back of his property; Mayor Davis stated this would need to be addressed with the public works department. Upon inquiry by Mr. Lothspeich, Mr. Bateman stated he did not have the case number but the plaintiffs to the lawsuit were Calvin Bateman, Geraldine Bateman and Ross Bateman.

EMPLOYEE OF THE QUARTER:

Mayor Davis presented the Employee of the Quarter award to Administrative Assistant Carla Colfack. Mr. Wuori stated she has been the Administrative Assistant for public works for some time and has done a great job. He read the nominations received; they included her various roles within the department and her willingness to assist wherever she can.

2016-2017 FISCAL YEAR AUDITED FINANCIAL STATEMENTS:

Auditor Laurie Harberd from Rexroat, Harberd, and Associates, P.A. appeared to present the 2016-2017 audited financial statement.

The city was subject to single audit procedures which requires additional testing of the federal programs the city has; more than \$750,000 in federal grant monies were expended in the last fiscal year. The audit report itself is a modified, or clean, opinion. It is the best report that can be given by auditors and states that they audited the financial statements but the responsibility for the financial statements and underlying financial records lies with the management of the city. Audit was conducted in accordance with generally accepted auditing

standards and it was determined the financial statements are fairly presented in all material respects.

The management analysis and discussion on pages 3-12 was written by management was reviewed for reasonableness and compared to numbers in the financial statement. Financial statements begin on page 13. Government-wide financial statements were prepared on the full accrual basis of accounting and include all funds of the City of Jerome and a component unit of the Jerome Urban Renewal Agency. Everything owned and owed by the city as of September 30th is included in these statements along with required accruals related to the PERSI obligation. Fund financial statements are on pages 15-19. Governmental funds are presented on a modified accrual basis of accounting; current assets and current liabilities within sixty days after year-end are reviewed. Every fund showed a positive fund balance. The proprietary funds begin on page 18 and are also prepared on the full accrual and include capital assets and long-term liabilities. Every fund has a positive net worth equivalent and all funds, with the exception of sanitation, showed a positive net profit for the year. Page 20 is a statement of cash flows required for the proprietary funds and page 21 is a statement of fiduciary net assets (monies being held by the city for employees with funds in the cafeteria plan).

Notes to the financial statements are on pages 22-45 and they give detailed information about specific numbers in the statements; the notes are either required by or recommended by generally accepted accounting principles. Pages 46-53 are budgetary comparison schedules which compare budgeted to actual revenue and expenditures for the year by fund. All funds, with the exception of the sewer fund, did better than budgeted. Pages 54-55 are schedules required by governmental accounting standards related to PERSI accruals; they will be 10-year comparative schedules when ten years' information are obtained. Pages 57-58 are the combining schedules for the internal service funds, page 59 lists details of the general fund by department for expenditures and pages 60-62 list 10-year trend information for property tax levies and collections. The single audit section begins on page 63 and is the schedule of expenditures of federal awards and federal grant programs which had expenditures in fiscal year 2017.

Page 64 shows the report on internal control over financial reporting, compliance and other matters. No significant deficiencies nor material weaknesses were identified in internal control. Page 65 speaks of Compliance and Other Matters where tests of compliance were performed with certain provisions of laws, regulations, grant agreements and contracts; no incidences of non-compliance were found. Page 66 is the single audit report on compliance for each major program and on internal control over compliance; it is directly related to the federal programs the city has in place. Page 68 is the Schedule of Findings and Question Costs. Any findings or questions related to the performance of the single audit would be listed; there were none, however, the report is still required. The only grant considered for testing was the Capitalization Grant for the Clean Water State Revolving Funds.

In conclusion, Ms. Harberd stated there were no other issues to report nor any difficulties encountered with management; she stated management was very cooperative and understanding.

Councilman Culver made a motion to approve the Fiscal Year 2017 audited financial statements as presented. Second to the motion was made by Councilman Barber. After consideration the motion passed unanimously by the following vote: **AYES:** Councilman Barber, Councilman Culver, Councilman Peterson and Councilman Johnson. **NAYS:** None.

AWARD FOR S. TIGER DRAINAGE/IRRIGATION PIPE PROJECT:

Mr. Wuori stated this small project is the start of the S. Tiger reconstruction project. He showed a map to council referencing the culvert to be replaced, and stated staff would like the work to be done before water comes in early April. Quote requests for the replacement of three culverts had been sent to contractors with no luck due to schedules and time constraints. The quote request was modified to include work for one culvert only, and one quote was received for \$57,980.00 by Canyon Excavation. One culvert will be replaced, made bigger and wider, with headwalls and catch basins. This will also include rock excavation and removal and pavement restoration if needed. The project will be funded by the Jerome Urban Renewal Agency (JURA). Staff is seeking approval to award the contract to Canyon Excavation.

Upon inquiry by Councilman Peterson, Mr. Wuori stated he is not familiar with the company but has heard they are a licensed contractor that has done work in the area. Additionally, the small project can be easily checked upon daily for work quality and progress. Upon inquiry by Councilman Johnson, the project should take approximately three days to one week unless they hit rock. Mr. Richey commented that Canyon Excavation did water main extension work on E. Avenue A for a local construction company. Upon inquiry by Councilman Barber, Mr. Wuori stated references are contacted for big projects; Councilman Barber stated the small project is still substantial and he would be more comfortable with a known work history of the company. Mr. Wuori also stated the culvert work must be done as soon as possible in order to get the road completed. Upon inquiry by Mayor Davis, Mr. Wuori stated the asphalt restoration will depend upon the main road project and will be removed from the contract if it is not needed. Additionally, there was a minor math error on the part of the company in the bid tabulation which was corrected as item no. 15 on said tabulation. Upon inquiry by Councilman Culver, staff will confirm the company has a public works license; any work over \$50,000 requires one.

Councilman Culver made a motion to approve a contract award to Canyon Excavation for the S. Tiger Drainage/Irrigation Pipe Project for a total unit bid price of \$57,980.80. Second to the motion was made by Councilman Peterson. After consideration the motion passed by the following vote: **AYES:** Councilman Barber, Councilman Peterson and Councilman Johnson. **NAYS:** Councilman Culver.

MEMORANDUM OF AGREEMENT:

Ms. Chavez stated Verizon Wireless received a Special Use Permit and a Variance for the construction of a 91' communications tower at 259 West Ave A, in July 2016. As the proposal was reviewed by the Federal Communications Commission (FCC), the Idaho State Historical Preservation Office (SHPO) was notified and ceased the project due to the adverse impact the communications tower would have on our historic downtown area. Verizon has since worked with the FCC, SHPO, and Commercial Creamery to find an option suitable to all parties to mitigate the impact. Verizon proposes to install two interpretative signs outside the Commercial Creamery historic property to focus on the history of Jerome and the history of Commercial Creamery. The memorandum notes Verizon will hire a professional to design and develop content for the two interpretative signs and submit the proposed sign content and design to SHPO, Commercial Creamery, and the City of Jerome for review and approval prior to installation. Upon inquiry by Councilman Peterson, the tower will be located near Commercial

Creamery on their property which used to be owned by Huber Feed. Ms. Chavez stated Verizon is leasing this space from Commercial Creamery.

Mayor Davis asked if SHPO would be satisfied with interpretive signs, and Ms. Chavez confirmed. No designs have been submitted as of yet and the design of the tower was not modified. Mr. Williams stated the interpretative signs will have a story on downtown Jerome and the Commercial Creamery building, similar to the historical signs found on the highway.

Upon inquiry by Councilman Peterson, Mr. Williams stated the communications tower on the police station building is for agreements with T-Mobile and AT&T and for law enforcement. Ms. Chavez also stated Verizon did a study on that existing tower but it did not have the capacity to meet their needs.

Councilman Culver made a motion to authorize Mayor Davis to sign the Memorandum of Agreement among the Federal Communications Commission (FCC), Idaho State Historic Preservation Office (SHPO), and CELLCO Partnership and its controlled affiliates doing business as Verizon Wireless (Verizon Wireless), regarding the DT Jerome-A telecommunications tower at 259 West Ave A Jerome, Idaho. Second to the motion was made by Councilman Barber. After consideration the motion passed unanimously by the following vote: **AYES:** Councilman Barber, Councilman Culver, Councilman Peterson and Councilman Johnson. **NAYS:** None

COUNCIL REPORTS:

Councilman Barber inquired about progress on N. Tiger Drive in front of the high school where water continues to collect when it rains or snows. Mr. Williams stated that an agreement was in place with Finishing Touch Concrete Construction to put in curb and gutter. They were unable to complete the work due to time constraints and had planned to finish in the spring. However, the school district has inquired about extending the road to the bike path, adding the curb up to the bike path and adding a turn lane at the second entrance into the school. The cost of these improvements would fall upon the school district and staff is hopeful that this will still be a spring project.

STAFF REPORTS:

Mr. Williams stated the legislative session is coming to a close. One bill of concern is SB1220 regarding rules pertaining to shared revenues. It would prohibit cooperative agreements between governments and service delivery (i.e. contract with the county for specific work done).

Next week he and Mayor Davis will be meeting with the Idaho Transportation Department (ITD) as representatives of the Main Street Parking and Beautification Committee to review preliminary ideas for Main Street. They want to ensure the ideas being developed will not be problematic for ITD as the committee would like to move forward with designs for parking and beautification efforts.

ADJOURNMENT:

There being nothing further to discuss, this March 20, 2018 regular meeting of the Jerome City Council adjourned at 6:21 p.m.

By:

Mayor David M. Davis

Attest:

Bernadette Gomes, City Clerk