

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, Library Director Linda Mecham, Fire Chief Jeremy Presnell, Deputy Fire Chief Mike Harrison, and Police Captain Duane Rubink.

PLEDGE OF ALLEGIANCE:

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

INVOCATION:

Invocation was given by Police Chaplin Baldwin Camin.

CONSENT CALENDAR:

Those items contained in the consent calendar are as follows:

1. Approve the minutes of the April 3, 2018 regular meeting
2. Approve Monthly Department Reports
3. Approve claims

Aerzen Usa Corporation \$1,375.47, Aflac \$164.90, Ag Express Inc \$2,097.64, Analytical Laboratories, Inc. \$184.30, Argo Company \$389.66, Assoc of Jerome City Firefighters \$120.00, Association of Idaho Cities \$70.00, Auto Zone \$9.29, B & R Bearing \$219.16, Barry Rental, Inc. \$2,102.19, Big T Recreation \$189.03, Blue Cross \$6,817.99, Bonneville Blue Print Supply \$110.00, Breckenridge Property Fund \$34.80, B-Z Plumbing \$46.37, Canyonside Electric LLC \$635.89, CDW Government, Inc. \$894.00, Center Point Large Print \$88.08, Century Link \$1,734.34, Chase Paymenttech \$2,462.36, Chavez, Esmeralda \$10.60, Childs, Dave \$1,726.40, Cintas Corporation \$51.67, City of Jerome \$247,368.61, Clark, Ida \$91.84, Coast to Coast Solutions \$121.13, Coeur D'com Communications \$2,955.93, Colonial Life & Accident Insur \$2,369.20, Consolidated Electrical Distri \$14.06, Country Auto \$84.00, Crop Production Services \$700.00, Culligan Soft Water Service \$22.05, Curtis, Intermountain Division \$3,245.84, D & B Supply \$1,267.70, DC Frost Associates, Inc \$1,056.93, Dig Line Inc \$127.80, DuBois Chemical \$7,331.80, Element Heating and Cooling Inc \$390.50, Environmental Resource Assoc. \$269.51, Evident, Inc \$98.49, Farmore of Idaho \$900.27, Fastenal Company \$522.92, Fred Kenyon Repair Inc. \$4,635.04, Freedom Electric Inc. \$880.84, Freedom Mailing Services, Inc \$1,933.83, Gem State Paper & Supply \$126.87, Gem State Welder's Supply \$189.81, Glass Plus 1 \$10.00, Go-Fer It Express \$291.00, Gov't Finance Officer Assn \$150.00, Great America Leasing Corp. \$292.00, H.D.Fowler \$687.17, Hach Company \$242.05, Harvey's Office Plus \$4,636.43, Helena Chemical Co. \$924.42, Home Depot Credit Services \$682.01, Hub City Building Inc \$49.56, Hudson, Brett \$25.00, Hughes Fire Equipment, Inc. \$396.91, Hydro Specialties Company \$2,250.00, IAAI \$475.00, ID Child Support Receipting \$2,230.20, IDState Tax Commission \$18,960.11, Idaho Hydrojetting \$400.00, Idaho Materials and Construction \$1,158.99, Idaho Power Co. \$62,845.30, Idaho State Police \$1,718.75, IFSTA

\$285.00, ILA-Region4 \$60.00, Ingram Book Company \$878.99, Instrumart \$1,622.00, Integrated Technologies - Lease \$151.00, Integrated Technologies, Inc. \$164.45, Intermountain Gas Company \$4,337.95, Interstate All Battery Center \$76.00, J & J Enterprises \$40.29, Jerome Chamber of Commerce \$20.00, Jerome County \$8,917.92, Jerome FF Local Union 4589 \$550.00, Jerome Printshop \$102.00, Jerome Recreation District \$755.00, Junior Library Guild \$20.00, Keller Associates Inc \$62,625.60, Kendall Superstore \$22,521.40, Kent's Precision Electric \$101.45, Kubwater Resources, Inc \$6,373.98, Lacelle, David \$171.98, Les Schwab Tire Centers Inc \$1,896.84, Lifemap Assurance Company \$4,482.20, Lighthouse Uniform Company \$424.60, Local Highway Tech Assit.Council \$175.00, Magic Valley Electric LLC \$370.12, Magic Valley Handyman LLC \$2,100.00, Magic Valley Labs \$7,977.00, Mailfinance \$916.68, Mason's Trophies & Gifts \$2.50, McHugh Bromley, PLLC \$1,308.15, Metroquip, Inc. \$2,015.36, Michael Richard Wastewater Microbiology \$700.00, Morley, Larene \$38.00, Mountain View Spraying Inc \$61.00, Mower Office Systems \$124.99, Napa Auto Parts \$600.43, NCPERS Group Life Ins C356 \$224.00, New Tech Security, Inc. \$500.00, Norco \$1,470.85, O'Reilly Auto Parts \$5.45, Overhead Door Company of TF Inc \$890.50, Peterson's Reliable Electric \$87.00, Pro West Engineering, LLC \$2,078.35, Productivity Plus Account \$1,188.02, Pro-Flame, Inc \$221.00, Proforce \$4,632.38, Project Mutual Telephone \$302.94, PSI Environmental Services Inc \$19,559.72, Radar Shop, The \$1,046.00, Red Valve Company Inc \$6,033.43, Reliant Behavioral Health, LLC \$259.96, Rexroat, Harberd & Assoc, P.A. \$15,300.00, Riverside Hotel, The \$918.00, RSCI \$895,700.23, Rush Truck Centers of Idaho, Inc. \$441.28, S.E.I.O.S. \$175.00, Salt Lake Wholesale Sports \$5,596.50, Sawtooth Veterinary Services \$100.00, Scovill, Justin \$1,583.73, SelectHealth \$80,480.30, Signed Sealed & Delivered \$125.29, Siteone Landscape Supply, LLC \$89.30, Something More \$75.08, Southern Idaho Solid Waste \$8,249.44, Special Effects \$919.28, St. Luke's Jerome \$279.36, Stotz Equipment \$661.91, Symbolarts LLC \$110.00, Thatcher Company \$5,338.20, The Results Group, Ltd. \$975.00, Times News \$221.33, Tore Up \$515.00, Treasure Valley Coffee, Inc. \$110.65, Treasure Valley Psychological Services \$550.00, Tri-State Tire Jerome \$1,653.14, U S Bank of Idaho \$2,831.82, Underwood Recycling \$232.01, US Bank Credit Card \$10,632.38, Valley Wide Cooperative \$11,151.56, Verizon Wireless \$3,025.88, Vortex Optics \$3,149.85, Wal-Mart Community \$328.65, Western Waste Services \$783.19, Williams-Meservy & Lothspeich, LLP \$12,244.17, Witmer Public Safety Group, Inc. \$321.20, Xpress Bill Pay \$615.90.

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

COMMERCIAL PARK USE FOR COMMUNITY MOVIE NIGHTS:

Collin Sharp with State Farm Insurance appeared to request the use of North Park for family movies. He stated they had a lot of success with movie nights last year, received positive feedback and would like to do the event again with fees waived if possible. Several high school groups, earned funds for their organizations by serving refreshments. Councilman Barber stated he received positive feedback, and Mayor Davis stated it was a great event. Two of the three movies have been picked out so far, "Coco" and "The Greatest Showman."

Councilman Culver made a motion to approve the application of Collin Sharp, State Farm Insurance, for a permit for Commercial use of the North Park on July 13th, July 27th, and August 3rd, 2018 for three movie and food concession events, and waive any permit fees due to the civic nature of the event. Second to the motion was made by Councilman Peterson. After consideration the motion passed unanimously by the following vote: **AYES:** Councilman Peterson, Councilman Johnson, Councilman Barber and Councilman Culver. **NAYS:** None.

PRESENTATION OF BUDGET CALENDAR FOR FISCAL YEAR 2018-2019:

Mr. Hyatt presented the calendar for the upcoming fiscal year. Highlighted items of interest include finance department preparations. The city administrator and staff will meet with council on May 1st for a budget introduction and to identify top budget focus areas for the new year. On May 8th the city administrator will be meeting with department heads regarding budget priorities. May 18th through June 1st will consist of meetings with department heads and finance to submit budget requests for review. On August 6th staff will present a tentative budget for council to adopt the budget; notice will be published on August 2nd and August 9th with a public hearing to consider the budget on August 21st and final adoption of the budget along with appropriations ordinance approval during a special meeting on August 28th.

Mr. Williams advised staff to set date and notify the county of the public hearing on August 21st.

CITY OF JEROME 401(k):

Mr. Hyatt presented a discussion item regarding the city's 401(k) plan. The city has sponsored an employee 401(k) retirement plan since 1986 and has had various providers for the plan. The current provider is Principal Financial Group. Staff was notified that the IRS is discontinuing their "letter determination program." The city has relied on that program to ensure compliance with IRS codes and without the custom document plan, an outside party or attorney would need to provide the custom document. The city could stay with Principal or explore other options. One option is to move to PERSI Choice 401(k). Some benefits include:

- City fee savings
- Employee fee savings
- Reduced staff time spent on plan compliance/administration
- Shifting of liability to PERSI of ensuring plan is qualified due to IRS determination letter scaleback

Drawbacks of moving to PERSI Choice include:

- Fewer number of investment funds than the Principal Financial Group
- Differing investment information tools
- PERSI Choice allows for one loan at a time
 - There are currently employees with more than one loan outstanding or have loans less than \$1,000. Principal would require that employees pay off the subsequent loans within 60 days; otherwise, the loan becomes taxable

Staff plans to bring back this item to the May 1st council meeting, and Mr. Hyatt asked that council review the memo with the information provided. Upon inquiry by Councilman Barber, Mr. Hyatt stated staff will be available to answer employee questions. Additionally, the investments are transferred to the PERSI Choice plan that, while not exact, will be comparable to those with Principal. Upon inquiry by Councilman Peterson, Mr. Hyatt stated the city, as a government entity, is exempt from an audit of the 401(k) plan. Councilman Culver asked if employees had been notified of the changes, and Mr. Hyatt explained this recommendation is in the preliminary stages. Upon inquiry by Mayor Davis and Councilman Peterson, Mr. Hyatt explained that employees would have the choice of rolling their current plan into an IRA qualified plan within 60 days, otherwise funds would automatically be transferred to PERSI

Choice. Extensive discussion ensued regarding the transfer of funds, the possibility of load charges on funds if they are transferred, holding the same funds versus obtaining different funds, all investments rolled over in-kind by PERSI Choice into default accounts, the option of re-balancing portfolios, like-to-like investments, asset management and mutual fund companies, and opinions expressed by members of the audience. Council advised staff to research the possibility of fees incurred to employees if the plans change, and to continue the discussion at the May 1st council meeting.

CONTRACT AWARD – 16TH AVENUE E PAVING PROJECT:

Mr. Wuori stated this project is one covered under Idaho Office of Emergency Management (IOEM) funding, and is simply an overlay project. Staff completed some in-house soft spot repairs last fall. Written quotes were requested from three contractors and two were received; Kloefer, Inc. provided the lowest quote. IOEM funding requires a 10% match from the city; the soft spot repairs plus in-house engineering can be used as an in-kind match. The budget for the project is \$204,000, and the quote received was for \$98,256.

Upon inquiry by Councilman Johnson, Mr. Wuori stated soft spot repairs were completed last fall and the contractor will be doing overlay work including grinding, milling edges, etc. Upon inquiry by Councilman Barber, Mr. Wuori confirmed the work should take approximately two weeks, and a start date will be determined once they are notified of the award. Work will take place on four blocks of 16th Avenue East between Fillmore and N. Tiger Drive.

Councilman Culver made a motion to approve a contract award to Kloefer, Inc for the 16th Avenue East Overlay Project for a total Lump Sum price of \$98,256. Second to the motion was made by Councilman Johnson. After consideration the motion passed unanimously by the following vote: **AYES:** Councilman Peterson, Councilman Johnson, Councilman Barber and Councilman Culver. **NAYS:** None.

WASTEWATER TREATMENT PLAN PHASE II IMPROVEMENTS UPDATE:

Larry Rupp with Keller Associates provided an update on the Wastewater Treatment Plan Phase II Improvements. A brief presentation showed specific information related to the project. Currently the project is on track to stay within budget.

Milestones are being met timely and the project is approximately 68% complete. Activities include pipework, pump station construction, aeration basin pump station wall forms, concrete work, digester roof and curb replacement and pipe installation, clarifier splitter box rebar work and slab pours. The H Street Lift Station project is underway and within the \$1.84 million budget. The Jerome Cheese lift sewer line project is currently on hold.

Upon inquiry by Mayor Davis, Mr. Rupp stated the substantial completion date is where the project is complete and operational but still under testing for modifications and corrections. The final completion date is where the punch list of items to be completed are finished.

KELLER ASSOCIATES ADDENDUM #13:

Mr. Wuori reviewed the bidding process for the project and the suggestions by bidders to extend time from twenty months to twenty-nine months to save money and ensure quality work. At that time, the Keller Associates contract was already in place for Construction, Engineering and Inspection at twenty months. The addendum will include miscellaneous support services

and additional and engineering /construction observation services during the extended nine-month construction period.

The additional funds will come from the 2% contingency of the Phase II bid that was built into the Phase II funding. Approximately \$500,000 was saved by extending the contract nine months, and this additional cost will still result in a savings of approximately \$330,000. Upon inquiry by Councilman Barber, Mr. Wuori explained the addendum includes soft engineering costs: structural engineering, support and construction observation. Councilman Peterson inquired about the budget and Mr. Keller explained the amount of loans are at approximately \$37.55 million; the total cost of the project, including the addendum, will be approximately \$37.5 million. Mr. Williams explained the contingency fund balance will be approximately \$441,000 and it is hopeful there will be no future change orders in construction. Idaho Power monies are also expected in the near future. Councilman Peterson commented on the small number of change orders considering the size of the project.

Councilman Culver made a motion to approve Addendum #13 to the Keller Associates Agreement in an amount not-to-exceed \$166,593 for wastewater engineering services related to industrial expansion. Second to the motion was made by Councilman Barber. After consideration the motion passed unanimously by the following vote: **AYES:** Councilman Peterson, Councilman Johnson, Councilman Barber and Councilman Culver. **NAYS:** None.

COUNCIL REPORTS:

Councilman Barber inquired about the status of the S. Tiger Drive project. Mr. Wuori stated the project will go to bid on May 3rd, and the estimated start date is prior to the start of the fair in August. Councilman Barber also wanted to confirm the fair board's inability to use S. Tiger for their parade line-up and Mr. Wuori stated he spoke to board members regarding this issue. He also asked staff about protection for the front counter of the police station and would like cost estimates for some type of protection for staff. Mr. Williams stated he will meet with Chief Hall to discuss this further.

Councilman Peterson inquired about the schedules of contractors and if the project would be pushed back due to the inability to get contractors to commit to the project or if bids came in too high. Mr. Williams commented that the S. Tiger Drive project needs to be a priority and other projects may be pushed back if needed. Staff is hopeful the project will take approximately two to three months and be completed before school resumes in the fall. The availability of contractors will not be known until bids come in.

STAFF REPORTS:

Mr. Williams spoke of a groundbreaking ceremony for Commercial Creamery on April 19th at 10:00 a.m. He also stated staff will be asking council for preliminary feedback regarding budget needs at the next council meeting, and financial reports will also be provided at said meeting.

Mr. Sanchez stated construction at the Wastewater Treatment Plan is at its peak and access to the plant is minimal with closed roads during construction.

ADJOURNMENT:

There being nothing further to discuss, this April 17, 2018 regular meeting of the Jerome City Council adjourned at 6:25 p.m.

By:

Mayor David M. Davis

Attest:

Bernadette Gomes, City Clerk