

**City of Rigby
City Council Meeting
May 18, 2010
7:00 p.m.**

Mayor Smith welcomed everyone to the meeting and turned the time over to Councilman Day who invited everyone to join him in the pledge of allegiance. Mayor Smith then turned the time over to Councilman Maloney who gave the prayer.

Dave Swager, City Clerk/Treasurer, performed roll call. Those present were: Mayor Smith, Councilwoman Hinckley, Councilman Maloney, Councilman Day and Councilman Simonson. Those absent were: Councilman Blackburn and Councilman Zimmermann (excused).

ECIPDA – The Development Company Collection Project Contract-

Mayor Smith stated the next item on the agenda was for the Development Company and the collection project contract and turned the time over to Rick Miller for his presentation.

Mr. Miller stated he was present this evening to give an update on the school project and also needed to see that a letter of intent to confirm to DEQ's loan offer. Mr. Miller stated that DEQ needed to have a formal letter showing the city's intent to use the loan money and explained their request to have this by the end of May. Mr. Miller stated he could go over the Judicial Review process and explain how this works. Mr. Miller stated he had brought a copy of their proposed contract for the city to review and approve. Councilman Day stated he would like to talk about the timelines for the judicial review and the camera work in the lines and whether construction to commence in the fall was a reasonable expectation or not. Mr. Miller stated they wanted to be comfortable with the judicial confirmation prior to having the city pay out a lot of money for construction related expenses. Mr. Miller stated that he would have Mike Jaglowski explain some of the timelines in greater detail.

Keller Associates-Collection Project Contract-

(continuation of prior item)

Mike Jaglowski of Keller Associates, City Engineer, referred to the sewer collection system and explained he has been working closely with Mr. Miller trying to get everything put together for this project. Mr. Jaglowski stated they had met with city employees Mike McCowin, Building Official/Public Works Director and James Andersen, Water Supervisor, and explained together they came up with a list of sixteen (16) different troubled lines. Mr. Jaglowski stated that of those sixteen they found ten (10) to be part of wither the 2006 or 2003 video inspections and explained those were high priority projects. Mr. Jaglowski stated there were seven (7) lines that have reported failures or back-ups or troubled spots and would need to be next in line after the ones previously mentioned and filmed. Mr. Jaglowski referred to Councilman Day's question about whether this could be started this fall and stated that his opinion would be yes. Mr. Jaglowski stated that at least the first ten projects could be designed, bid and under construction by fall. Mr. Jaglowski explained that during the design process they would also have other areas in the city video inspected as well and subsequently prioritized. Mr. Jaglowski stated the construction window due to high ground

water in the area is end of October, November and December plus as much as possible during the winter. Mr. Jaglowski stated that ideally they would like to have as much of the ground work done as possible during this time and then just have the actual surface work to complete in April or May before the ground water comes up again. Mr. Jaglowski gave a brief explanation of the process timelines and scheduling. Mr. Jaglowski stated he had previously submitted the project contract and stated that he could answer questions on that if necessary. Mayor Smith stated Mr. Swager had noted some items in question. Mr. Swager stated that he had footnoted his concerns on the contract copies submitted to the council and explained that he had talked with Mr. Jaglowski earlier in the afternoon on these items. Mr. Swager asked Mr. Jaglowski to explain to the council what was discussed. Mr. Jaglowski referred to the 5% retainage and explained they would submit invoices for 100% and then the city would pay 95% and hold back the other 5% until the completion of the project. Mr. Jaglowski referred to the no fixed contract date and explained this contract completes and coincides with the completion of the project construction. Mr. Jaglowski referred to the engineer gets paid the same percentage of completion as the contractor and stated what they were proposing was each task has a construction and completion time and would like to be paid according to task completion. Mr. Jaglowski gave a brief explanation of the various tasks and how their payment proposal would work but did state this was not to exceed the budgeted amount for that task. Mr. Jaglowski referred to the asking for a project manager and stated this part stated to ask him to be the project manager and he stated that he would be happy to do so. Mr. Jaglowski stated the contract stated there was a fee restriction of 9.4% of the construction budget versus a fixed fee and explained what this meant for the project and task payments. Councilman Day referred to page 1 of 4 of the contract regarding payment rates and asked for a definition of lump sum for clarification. Mr. Jaglowski stated it was their position that they were basing their fees on the 9.4% of the construction budget and in the lump sum was broken down by task and referred to Table-C of the contract. There was a brief discussion regarding how this percentage could be changed and the best way to word it for clarification in the contract. Councilman Day referred to page 2 of 4 and the last two sentences and asked if there was a reason they needed to obtain written permission to reuse the data because he feels the city has already bought this data. Mr. Jaglowski stated the last sentence where it states unauthorized use is intended for any use that is outside this construction project which currently conforms to DEQ regulations. There was a brief discussion regarding the addition of a clause regarding the reuse of the data to the contract. Mr. Jaglowski referred to page 2 under scope where it says summary of deliverables and suggested having the hard copies of data added to this. Councilman Day referred to part 5 under termination and stated that if the city chose to terminate the contract it states Keller will be paid for all satisfactory work that has been completed and entitled to reasonable damages and asked that be changed to where the non-defaulting party was subject to damages. There was a brief discussion regarding the wording that would normally be used and how this would protect both parties. Councilman Day referred to part 8 under standards and asked if this was the ISPWC or exactly which standards were being followed. Mr. Jaglowski stated there were several different standards out there that could be followed but explained for construction it will be the ISPWC and for design it will be 10 states standards which DEQ has adopted. Councilman Day asked that those standards be identified in the contract and Mr. Jaglowski stated they could. There was a brief discussion regarding the different standards and how they apply to the various stages of construction. Councilman Day referred to part 9 under records where it states the records are available to the city for three (3) years after the completion of the construction and asked for clarification. Mr. Jaglowski stated all documents would be made available under the summary of deliverables and explained they are kept on their server for only 3 years and then are archived and put on CD so

that was the meaning behind that limitation. Councilman Day referred to part 11 under insurance and asked about the liability insurance not exceeding \$200,000 and wondered if that was standard. Mr. Jaglowski stated other clients have asked they insure for the amount of the contract and so that is something that could be adjusted but explained this is the typical amount. Councilman Day referred to the last paragraph in part 14 under research documentation and analysis and asked if they were expecting any of the city staff to do this work. Mr. Jaglowski stated they were asking to have access to current and available information. Councilman Day referred to where it talks about the line locates and asked if this was city staff responsibility and Mr. Jaglowski stated that when the surveys are being conducted they would require that assistance. There was a brief discussion regarding some of the data being absent, incomplete or inaccurate and how this would pertain to this work process. Councilman Day referred back to the item listed as scope and stated the project management and services guaranteed and asked about prior conversations about different contracts. Mr. Jaglowski stated this fee was listed as if the work was being done in one but and explained that if it was split into phases and different bids then these fees would be adjusted accordingly. There was a brief discussion regarding the different bids, the acceptance of the block grant, the matching funds and how this applies to this project. There was a brief discussion on the video inspection requirement and how that pertains to this construction project and loan acceptance process. Councilman Maloney moved to authorize Councilman Day, Mayor Smith and Mr. Dunn to approve and sign the construction contract. Councilman Simonson seconded. On a roll call vote:

Councilman Day	--	aye
Councilwoman Hinckley	--	aye
Councilman Maloney	--	aye
Councilman Simonson	--	aye

Mr. Jaglowski stated the next item he wanted to discuss was the Downtown Revitalization Project. Mr. Jaglowski stated there really wasn't much to discuss other than scheduling a preconstruction meeting at 10:00 on Tuesday. Mr. Jaglowski explained this meeting would establish the notice to proceed and get the contract going.

Mr. Jaglowski stated the next item he wanted to discuss was the water facility study and explained this is approximately 95% completed. Mr. Jaglowski stated he had submitted a list of questions to Mr. Swager last week and would like to schedule a meeting that could solidify those questions and get the project completed and sent to DEQ for finalization.

Mayor Smith expressed his appreciation to Mr. Jaglowski for the work he has done and stated the city looks forward to continuing the working relationship that has been established.

Recreation Center-Report on Equipment-

Mayor Smith stated the next item on the agenda was a report on the Recreation Center equipment and turned the time over to Councilman Day for his presentation.

Councilman Day stated Ririe School district had come in and expressed an interest in some of the equipment and so they had gone to the Rec Center. Councilman Day stated they would like all the weight equipment, any cardio machines, the rolling mirrors and any available mats. Councilman Day stated that he had worked up an estimate on this equipment and felt that \$5,400 was a fair

value. Councilman Day reminded the council the first portion of the equipment had been sold for \$8,500. Councilman Day stated that if this portion was sold for his amount the total income would be about \$14,000 and explained the original offer for all the equipment was \$8,437. Councilman Day stated there has been some equipment given to the Police Department but explained the city would still be recouping the majority of the money on this equipment. Councilman Day stated the equipment was remaining within the county and would be benefiting the kids in the area and that was what he had been wanting. Councilman Day moved to allow the sale of the equipment to the Ririe School District. Councilman Simonson seconded. Councilwoman Hinckley asked where the money from this sale would go and Mr. Swager explained it would go into Capital Improvement just like the previous money. All were in favor.

Councilman Day expressed his appreciation to Councilwoman Hinckley and the community service people for all the work they have done over at the Rec Center. Councilwoman Hinckley stated she would like to hold an auction or something that would get the rest of the equipment and miscellaneous items cleaned out of the building prior to putting it up for sale. There was a brief discussion regarding holding an auction and bringing all surplus supplies over for that sale.

Other Council Business-

Mayor Smith stated the next item on the agenda was other council business and turned the time over to the council for anything they needed to discuss or disclose.

Councilman Maloney stated that he had received a phone call from Gary Spaulding over at the Museum regarding some damage done presumably by a service truck on the southwest corner of the building. Councilman Maloney stated that Mr. Spaulding had reported it to the insurance company as required and the work had been completed. Councilman Maloney stated the insurance company had paid the contractor prior to contacting anyone to see if they were satisfied and now the contractor has left. Councilman Maloney stated that Mr. Spaulding had asked if something like this happens in the future if they could be contacted prior to payment to make sure the work is satisfactory. There was a brief discussion regarding how the ICRMP insurance works, the suggestion of submitting the bill to the city for approval prior to sending it to the insurance company and making sure the museum has some responsibility in assisting in this process.

Councilman Maloney stated that periodically the council receives an assignment sheet that shows what departments and things they are over and asked if an updated one had been given. Mayor Smith stated there was one and explained he would send it in an email to the council members for their information.

Mr. Dunn stated that he had an MOU for the Mayor to sign between the county and city for the removal of the dry waste material to the landfill in exchange for payment of their water. There was a brief explanation of what this MOU would entail for both parties. Councilman Maloney asked if this would be an ongoing process and Mr. Dunn stated that until times changed that was correct.

Councilwoman Hinckley referred to the Stampede Days parade and asked if the city council was planning to have a float or not. Councilwoman Hinckley stated that she had an idea if the council wanted to pursue it. Councilwoman Hinckley stated she felt the city should show its support to the Chamber since this task was given to them. Mayor Smith stated that in years past the city has entered the fire truck in the parade and the council rode on that. Councilwoman Hinckley stated the

theme was Western Spirit and gave an explanation of the idea she had in mind for the parade. Mayor Smith stated he agreed the city should support the Chamber and have something in the parade. Mayor Smith stated that he would give the assignment to Councilwoman Hinckley to put something together.

Mayor Smith asked if there was any further council business. No other business was stated.

Approval of Minutes-

Mayor Smith stated the next item on the agenda was the approval of minutes and asked if there were any changes or corrections.

Councilman Maloney stated he noticed an error on page 2 under the special use permit where there is a "t" missing off the word event on the first line. Councilwoman Hinckley moved to approve the minutes as corrected. Councilman Maloney seconded. All were in favor.

Review and Approval of Bills-

Mayor Smith stated the next item on the agenda was the review and approval of bills and asked if there were any questions or concerns.

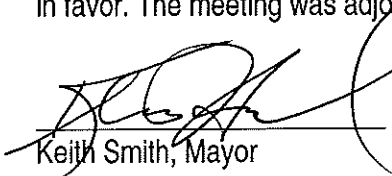
Councilman Maloney asked if Mr. Swager could explain the item halfway down on page one that is listed as insurance buydown. Mr. Swager stated the insurance started out with a \$300 deductible and then was changed to a \$1,000 deductible and in order to compensate the employees for the difference the city agreed to pay 80% of that difference. Mr. Swager explained the insurance has been changed again to a \$3,000 deductible in order to keep the costs down but the city has chosen to continue with the 80/20 buydown after the \$300 has been met by the employee. Councilwoman Hinckley referred to the police expenditures and asked if this was part of the contract and Larry Anderson, Chief of Police, stated that was correct. Councilwoman Hinckley asked Chief Anderson what a no touch towel was and Chief Anderson gave a brief explanation of what it was. Councilman Maloney moved to approve payment of the bills. Councilman Simonson seconded. All were in favor.

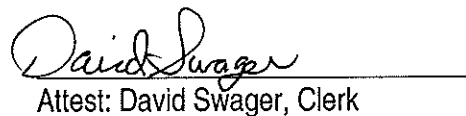
Public Comment-

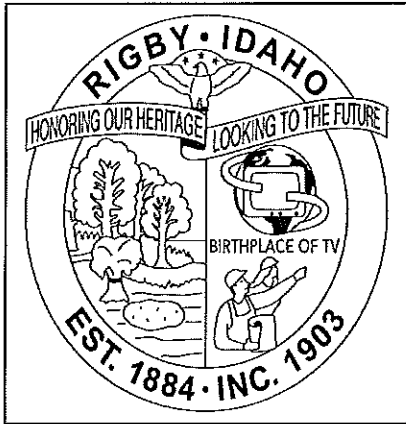
Mayor Smith stated the next item on the agenda was public comment and turned the time over to the audience.

No public comment was given.

Councilman Simonson moved to adjourn the meeting. Councilwoman Hinckley seconded. All were in favor. The meeting was adjourned at 8:30 p.m.


Keith Smith, Mayor


Attest: David Swager, Clerk



CITY OF RIGBY, IDAHO

Rigby City Hall
158 W Fremont, Rigby, Idaho

Keith Smith – Mayor
David Swager, CPA – Clerk/Treasurer

Carol J. Garrison
Loan Officer, Water Quality Loan Program
Idaho Department of Environmental Quality
1410 North Hilton
Boise, ID 83706

May 18, 2010

Dear Carol,

In response to your letter dated April 21, 2010 the City of Rigby would like to formally confirm our intention to pursue the project funding offered by the Idaho DEQ for fiscal year 2011. We are currently in the process of refining our project scope and working with our attorney to have the debt judicially reviewed and confirmed. Also, the City is currently in the process of preparing the DEQ loan application provided on your website.

Please confirm that this letter does indeed clearly state the purpose of our intentions, and that funding will continue to be made available for our use. We appreciate your assistance in regards to this project and our cities needs.

Sincerely,

Keith Smith, Mayor

Cc: Tim Wendland, DEQ
Willie Teuscher, PE DEQ