

MINUTES
REGULAR MEETING OF THE SANDPOINT CITY COUNCIL
October 19, 2016

OPENING Mayor Rognstad called the regular meeting of the City Council to order at 5:30 p.m. on Wednesday, October 19, 2016, in the Council chambers at City Hall, 1123 Lake Street.

ROLL CALL Council members Aitken, Snedden, Camp, Williamson and Eddy were present. Councilwoman Ruehle was absent.

PLEDGE OF ALLEGIANCE Mayor Rognstad led the Council and the public in the pledge of allegiance to the flag.

ANNOUNCEMENTS

Mayor Rognstad announced that the agenda has been amended by adding a Proposed Resolution for a Parking Space Agreement with Kaniksu Health Services. Because the agenda was amended more than 48 hours prior to this evening's meeting, a motion from Council is not required in order to approve the amended agenda.

Public Works Director Ryan Luttmann announced he has been working with the contractor and the Idaho Transportation Department to minimize the time delay between striping and activation of the signals with reverting the two-way traffic timeline to next Spring. He doesn't anticipate any increases in the cost due to the delay. A press release will be upcoming. Public meetings will be held to include review of downtown plans prior to when the street reversion occurs.

CONSENT CALENDAR

Councilwoman Williamson moved that items A-1 through E on the Consent Calendar be approved. **Councilman Snedden seconded the motion.**

A roll call vote resulted as follows:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Snedden	Yes
Councilman Camp	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous vote of Council present.

A MINUTES

A-1 City Council regular minutes of October 5, 2016

A-2 Urban Renewal Board minutes of September 6, 2016

B Bills in the total amount of \$985,070.76; \$552,648.24 for regular payables and \$432,422.52 for payroll

C CONFIRM APPOINTMENTS TO CITY COMMISSIONS, ADVISORY COMMITTEES, AND BOARDS

C-1 Carol Kovalchuk, Arts Commission, October 19, 2016 – December 31, 2018

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C-2 Steve Berenson, Pedestrian and Bicycle Advisory Committee, November 1, 2016 – October 31, 2019

D RESOLUTIONS

D-1 **Resolution No. 16-79** – Declare Fire Department 2001 Ford Expedition and Gym Flooring as Surplus

D-2 **Resolution No. 16-80** – Bond Counsel Agreement for Refinancing of 2008 Wastewater Treatment Facility Revenue Bond

E Approval of Mural at 113 Main Street – Arts Commission recommendation

OLD BUSINESS

F. ORDINANCE NO. 1335 – VACATE PORTION OF DAISY STREET AND PORTION OF ALLEY IN RIDLEY’S PARK PLACE

City Clerk Maree Peck read the proposed ordinance by title only. **Councilman Eddy moved** that the proposed ordinance titled “An ordinance of the City of Sandpoint, a municipal corporation of the State of Idaho, vacating the southern one-half of Daisy Street, an unimproved 60 foot right of way between Monroe and Division Streets, and that portion of a 16 foot alley in Ridley’s Park Place Block 2 bisecting Lots 1 and 12, as set forth and described herein, located in Section 28, Township 57 North, Range 2 West, Boise Meridian, Bonner County, Idaho; repealing all ordinances and parts of ordinances in conflict herewith; and providing for publication and an effective date hereof” pass its first reading by title only.

Councilwoman Williamson seconded the motion.

A roll call vote of the Council resulted as follows:

Councilman Eddy	Yes
Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Camp	Yes
Councilman Snedden	Yes
Councilwoman Williamson	Yes

The motion passed by a unanimous vote of Council present, and the proposed ordinance passed its first reading by title only.

Councilman Eddy moved that the rules requiring three separate readings, once in the ordinance’s entirety, be suspended and that the ordinance pass its second and third readings under suspension of the rules. **Councilwoman Williamson seconded** the motion.

A roll call vote of Council resulted as follows:

Councilman Aitken	Yes
Councilman Camp	Yes
Councilman Snedden	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes
Councilwoman Ruehle	Absent

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The motion passed by a unanimous vote of Council present, the rules requiring three separate readings, once in the ordinance's entirety, were suspended, and the proposed ordinance passed its second and third readings under suspension of the rules. **The ordinance was considered read, passed and adopted.** The ordinance is Number 1335.

NEW BUSINESS

G-1. PUBLIC HEARING – MODIFICATIONS TO SANDPOINT CITY CODE TITLES 6, 9 AND 10

Mayor Rognstad announced that the purpose for the public hearing is to hear public testimony on the modifications to Sandpoint City Code Titles 6, 9 and 10. The proposed modifications will add a definition of footprint; establish changes in lost line procedures; allow NAVD88 for purposes of establishing high water mark; clarify house number signs in residential zones; clarify bicycle parking requirements; abolish maximum surface parking for industrial zones; add tree house and play structure to definition of accessory building; update Business District section with current zoning; establish a height for fences in front of primary structure; and establish libraries as conditional use within Residential and MUR zones. The Planning Commission has recommended approval. In accordance with Idaho Code, notice of this public hearing was published in the Bonner County Daily Bee on September 28, 2016.

Planning and Economic Development Director Aaron Qualls noted that they received a recommendation from the Pedestrian and Bicycle Advisory Committee that adds a standard for and more distance between bicycle racks. He explained to **Councilman Eddy** that the reason play structures and tree houses are included as an accessory building or use is because there a couple of permanent tree houses in town that are not addressed in City Code. They are referred to as an accessory dwelling in other communities.

Mayor Rognstad asked whether the Planning and Zoning Commission considered a transparent fence higher than four feet. Mr. Qualls explained that, in order to retain the objectives and goals of the Sandpoint Comprehensive Plan, it clarifies that fences over four feet shall not be allowed in front of the primary façade, regardless of setback, in residential zones. The Commission did not consider transparent fences in front of the facade. You can still have a maximum height of a seven-foot fence in side and rear yards with no permit required.

Councilman Camp raised concern that play structures and tree houses were included within the definition of accessory building or use. He felt this was overregulating these types of structures. Aaron Qualls explained that a permit was not required for those structures less than 200 square feet. Play structures and tree houses would have to adhere to accessory building setbacks. The setback would be based from the edge of the structure to the property line. The setback is five feet from the rear or side, but it can be constructed closer, as long as they are maintained through a maintenance easement. There are height requirements in residential and multi-family zones, with 35 feet maximum.

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They would have to adhere to height restriction, as well. City staff brought this issue to the Planning and Zoning Commission for clarity and to consider setbacks. Staff has received a couple of complaints on these types of structures.

The Mayor advised that the hearing would be conducted in compliance with the following rules of procedure: Before persons testify at public hearings, they are to fill out the signup sheet available at the front of Council chambers and hand deliver to staff. If you desire, you may note your objection, approval or comment on the form provided. If you wish to comment during the public hearing, please come to the microphone and state your name and whether you reside within the City limits. Please limit your comments to no more than three minutes. Testimony shall directly address the subject at hand and shall not be personally derogatory nor shall it be personally directed at any individual, organization or business. Members of the Council may ask questions of persons who testify. If they do so, it will be only for the purpose of clarifying information. Once the public hearing portion of this meeting is closed, there will be no further opportunity for public input on the proposal. The Council will then discuss among themselves the testimony they have heard and what, if anything, they may propose as a result of this hearing. Those testifying should clearly indicate their name. You are not required to state your residence address but whether you reside within the City limits.

The Mayor opened the public hearing to accept testimony. No one testified.

Mayor Rognstad closed the public hearing.

Councilman Snedden moved that the City Council, after consideration of the criteria and relevant standards of *Idaho Code and Sandpoint City Code*, **APPROVE** the proposed amendments to Titles 6, 9 and 10 of Sandpoint City Code.

This decision is based on the following:

1. Particular consideration has been given to the effects of these proposed changes upon the health, safety and welfare of the residents and the delivery of services by any political subdivision providing services, including school districts, within the City of Sandpoint.
2. Staff has followed the notice procedures applicable to zone changes contained in Idaho Code 67-6511 and Sandpoint City Code Title 9, Chapter 9.
3. The proposed amendments are in accordance with the goals and policies of the Sandpoint Comprehensive Plan.

Councilman Eddy seconded the motion.

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Councilman Camp moved to amend to delete play structures and tree houses from definitions for Accessory Building or Use under Title 9, Chapter 1, Section 3. **Councilman Eddy seconded the motion.**

A roll call vote of Council resulted as follows:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Snedden	Yes
Councilman Camp	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous vote of Council present.

Councilwoman Williamson moved to amend to approve the Pedestrian and Bicycle Advisory Committee's recommended amendment to Title 9, Chapter 5, Section 16: Off-Street Parking Design Standards. **Councilman Aitken seconded the motion.**

A roll call vote of Council resulted as follows:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Snedden	Yes
Councilman Camp	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous vote of Council present.

A roll call vote of Council resulted as follows to the main motion:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Camp	Yes
Councilman Snedden	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous vote of Council present.

G-2. RESOLUTION NO. 16-81 – PARKING SPACE AGREEMENT WITH BOUNDARY REGIONAL COMMUNITY HEALTH CENTER, DBA KANIKSU HEALTH SERVICES

City Administrator Jennifer Stapleton noted that Kaniksu Health Services and their developer, Richard Villelli, approached the Mayor and City staff with a desire to relocate all their facilities into a single location in our downtown. Their current primary location for their medical offices is in the City of Ponderay, but they have outgrown their facility and are having challenges with lack of parking spaces. Many of their administrative offices are in our downtown. Their preferred location would be within close proximity to Bonner General Health. Kaniksu Health Services has entered into an agreement for the purchase of the facility located at 200 Main Street, which is adjacent to the City parking lot. They want to

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remodel the building for their medical offices at this location and erect a new building on the west side of the same property in order to consolidate their services. They would have approximately 40 parking spaces on this site but will require a minimum of 100 parking spaces in order to address the challenges they have for their patients. The impact of this project will bring employees to our downtown. Kaniksu Health Services currently has 85 employees and over 35,000 patient visits annually. They are requesting to pay for 60 reserved parking spaces within the City parking lot. There is a need to conduct a parking study to determine the parking rate for the reserved parking spaces, to assess enforcement, what impact there will be for downtown businesses and potential future development considerations. Kaniksu Health Services won't move into their new location until June 2018. Upon commencement of the lease in June 2018, Kaniksu Health Services would have the ability to exercise their right to reserve the 60 parking spots at a market rate payment for each space and agree to pay up to one-half or \$10,000 toward the parking study. They will agree to pay a set-up fee for signage for each space that will include the cost of signs and installation at a rate of up to \$85 per parking space.

Richard Vilelli said he is contracted with Kaniksu Health Services to find a new location for their headquarters. Kaniksu Health Services is the second largest health provider north of Coeur d'Alene. They also have facilities in Bonners Ferry and Priest River. They want to consolidate their offices, as a large portion of their clientele lives in Sandpoint. Their Chief Financial Officer would like to have an identity to the downtown. They will develop at least 40 and up to 46 covered parking spaces. Kaniksu Health Services has agreed to provide these covered parking spaces to the public when not utilized by their clientele according to the proposed agreement. They currently have 85 employees, including more than 20 practitioners. They provide veteran and pediatric services downtown. They are a non-profit organization that is government funded, as they provide services to everyone. Their facility is the top-rated veteran administration service in the United States. The agreement is subject to their constructing the building. A large portion of the funding will be from Federal and State government, which may require that language in the agreement state that the parking agreement can be assigned to any user of the building.

Councilman Snedden asked how Mr. Vilelli arrived at the 100 spaces that are necessary for the development, why the request is for a twenty-year term (ten years with two five year options to renew) and what designs were provided for construction on their site. Mr. Vilelli replied that the code requires that a typical medical development provide four parking spaces per 1,000 square feet. They anticipate the building to be at 30,000 square feet, which would require 120 parking spaces. They will provide 40 parking spaces, along with the 60 reserved parking spaces from the City. The Board feels they can find 20 more spaces, which will be enough for now. Kaniksu Health Services has agreed to a ten-year lease, but several lenders require a 15-year lease. The lender may require that Kaniksu Health Service exercise their option prior to commencement of lending, at which time they will notify the City that they already have a 15-year commitment. Kaniksu Health Services may purchase the building, but they are not in a position to purchase it right now, because they purchased the Bonners Ferry building. The Federal government will only allow Kaniksu Health Services to have so much of their balance sheet in a real estate

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investment. He said he did not bring with him the construction design that was the original rendering when they were considering building at the old Safeway building site at Cedar and Second. The ground floor would be for parking, and the second, third and fourth floors would be medical offices to be complementary to the existing 200 Main Street building, utilizing timber masts, which substitutes wood with steel. It would be constructed as a green building. There are three contingencies purchasing the property: a lease with Kaniksu Health Services, a parking agreement with the City and the lending aspect.

Councilman Snedden said he is struggling with the agreement based on several contingencies. He asked why there is no memorandum of understanding at this time instead of a contract. Mr. Villelli responded that the contract is contingent to the development. If there's no development, there's no obligation for the City. He replied to **Councilman Camp** that they will not remove the old building on 200 Main. They will build the new building on the parking lot west of the current building. The property is 14,312 square feet. The first floor will be approximately 12,000 square feet, the second floor will be approximately 8,000 square feet and the third floor will be approximately 6,000 square feet, with a total of 26,000 square feet. They don't know if the building will be 30,000 square feet. They will lease the old building from Sotheby's for two more years, and Independent Mortgage has the lease on the single story building on the northern location of the lot. They don't have many other parking options. They looked at building a medical facility above the City parking lot, but it would be burdensome for everyone and would take a long time to accomplish. Kaniksu Health Services hopes to move into a new facility in June 2018. They also looked at the granary site, but this entailed building a parking garage, which is cost prohibitive. They also looked at vacant land near Super 1 Foods, but the property was already purchased. This location is the farthest distance Kaniksu Health Services wants to be from the hospital.

Mayor Rognstad asked if it would be agreeable to Kaniksu Health that 60 reserved spaces could be within a one block radius, whether they were on the streets or a private parking lot within the vicinity. Mr. Villelli stated yes, as long as there's proximity close to the facility. There's concern that practitioners will have to walk a long distance, particularly during the winter season. He stressed that the clock is ticking. If we go another couple of months before entering into an agreement, then he would have to tell Kaniksu Health Services that their development won't occur downtown. They would like to have an indication that the agreement is acceptable, and if we need to have a provision that the City will provide an alternative within a block of their facility, to incorporate that into the agreement. He will have to go back to the Board for their approval.

Councilwoman Williamson said there would be potential to accommodate business owners in the event the City moves forward with this decision. Based on the outcome of the study, there would there be an opportunity to revisit what our current parking regulations and fee structure is. **Councilman Aitken** asked if this proposal was discussed with the Chamber of Commerce and downtown businesses. He noted the City parking lot has been utilized since the City provided free parking. He is hesitant to compromise several City parking spots that are being utilized, and we are making these spaces

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exclusive to one business downtown. He also raised concern with enforcement. Jennifer Stapleton confirmed that the Chamber of Commerce was communicated with on the proposal and supports the development. There have been conversations with downtown retailers who will have their next meeting on Wednesday at 8:00 a.m. She will be attending this meeting to provide outreach to these businesses.

Mayor Rognstad explained that we still allow permits for street parking and at the parking lot. The lease holder can park anywhere on a designated spot on the street. There would be greater flexibility for those parking on the streets, with an exception of First and Second Avenues. One of the objectives in creating free parking in the City parking lot was to free up spaces on the street. At the conclusion of the parking study, we will have a better understanding of how our parking resources are used downtown. There would be an opportunity to make adjustments, if necessary, to further cater to downtown businesses and to expand free parking available on City streets. The agreement is contingent upon the successful development of this facility. The development should drive economic health and vitality to downtown based on our goal of the recently adopted economic policy. Parking problems are a good problem to have. Jennifer Stapleton agreed that a significant amount of public outreach is important to our downtown businesses. The parking study will be in conjunction of our downtown planning. It is anticipated that there will be additional downtown street parking that will coincide with the construction of the facility. Until June 2018, Kaniksu Health Services would continue to remain under our current parking structure.

Councilman Eddy asked what would happen to the agreement if the City decided to develop on the City parking lot. Jennifer Stapleton noted there's a provision in the agreement that, if the City wanted to develop on the parking lot, the 60 parking spaces would need to be incorporated into the development. **Councilman Snedden** stated that one of his long-term goals for the City parking lot is to develop structured parking with mixed use retail with possible residential. He commented that this development may assist the City to reach this goal. His concern is that he has no idea how much revenue this would generate. Jennifer Stapleton replied that, based on discussions with experts involved in parking management and parking studies, they indicated a market rate for a reserved parking space in our current situation would be \$30 per month. This would be based on the availability and our current market in Sandpoint. There has been some discussion with funding agencies about the possibility for development of a parking structure on the City parking lot. She spoke with grant writers who have been highly successful of obtaining EDA grants. On the advice provided, you have to consider where our workforce is commuting so we can define a broader regional area of impact that will significantly impact our ability to secure grant funding for a project like this. **Mayor Rognstad** commented that, until we have the stress on demand, there's no opportunity to invest the capital for the structure.

Councilman Snedden said there's no requirement mentioned in the agreement that they develop 40 spaces for themselves first. He raised concern that the City would be obligated to provide the full 60 reserved spaces if they weren't required based on current building

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code requirements. He suggested that the City provide up to 60 parking spaces or as many as they need according to current code requirements. City Attorney Scot Campbell replied that it's in conjunction with the time they construct their building. He agreed with the suggested changes. **Mayor Rognstad** felt this would be a fair commitment, that Kaniksu Health Services provide a minimum of 40 spaces on their private lot to be available for public parking after regular working hours. There is a potential for City Council to create a provision that, if a certain number of spaces aren't used over a period of time, City staff can monitor it to reclaim the lots.

Councilman Camp agreed the development will be an economic benefit to our downtown, but we should consider that our existing retail businesses downtown have an opportunity to reserve parking spaces. He pointed out that Kochava recently opened their new development downtown. Jennifer Stapleton stated that the results of the parking study might provide a recommendation that the City dedicate 75% of the lot for reserved parking, and, in addition, there would be a certain percentage to be available for other businesses, as well. We currently have 120 parking spaces in the parking lot. There are plans to do upgrades to the lot next year. Kochava anticipates expanding into their full building space they currently have. They may have to build an additional structure in their parking lot. This would be another consideration as to the parking availability in our downtown. **Councilman Snedden** said that he views this as a tool to recruit a major development downtown but has difficulty with what the costs and impacts will be on existing businesses. **Councilwoman Williamson** said that we have the ability to restructure our parking fees and parking regulations downtown within the next 1½ years. This is a time sensitive decision, and she can't see another business coming to our downtown that will provide critical service to our residents. This is a relatively small commitment from the City. **Councilman Camp** suggested postponing a decision for three weeks and asked if this would impact Kaniksu Health Services' schedule.

Mr. Villelli responded that the project is time sensitive, but it's more important to get it right for Kaniksu Health Services and the City. We have to have drawings and loan commitments in January but no later than February, with a closing on March 1st. We would start construction on April 2nd. We will not spend money on designs and engineering unless they have a commitment.

City Clerk Maree Peck read a comment from Ben Tate, owner of Finan McDonald. He urged City Council not to lease one half of our public parking lot to a private business. Kaniksu Health may be good for downtown, but our City parking lot is critical to our retail businesses. Kaniksu Health would be wise to look at areas in the perimeter of the retail core, such as vacant space in the Columbia Bank building and undeveloped areas to the west of Fifth Avenue that have room for buildings and parking.

Councilman Camp moved that City Council approve the proposed resolution, Parking Space Agreement with Boundary Regional Community Health Center, dba Kaniksu Health Services. **Councilwoman Williamson seconded the motion.**

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Councilman Snedden moved to amend that Kaniksu Health is required to provide 40 spaces on their private lot prior to exercising their option to use 60 parking spaces in the City's parking lot. **Councilman Camp seconded the motion.**

A roll call vote of Council resulted as follows:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Snedden	Yes
Councilman Camp	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous roll call vote of Council present.

Councilwoman Williamson moved to amend that the City has the ability to reevaluate the utilization of 60 reserved parking spaces by Kaniksu Health. **Councilman Eddy seconded the motion.**

Councilwoman Williamson asked if a timeframe was necessary. City Attorney Scot Campbell said City staff could come up with a specific deadline to reevaluate the usage of the 60 reserved parking spaces.

A roll call vote of Council resulted as follows:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Snedden	Yes
Councilman Camp	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous roll call vote of Council present.

There was a consensus of City Council that City staff would come up with an appropriate deadline.

Councilman Snedden moved to amend that the City is only required to provide the lesser of 60 reserved parking spaces or as necessary to meet the parking standards for medical facilities. **Councilwoman Williamson seconded the motion.**

Planning and Economic Development Director Aaron Qualls stated Kaniksu Health Services would not be required to provide any parking spaces in our downtown core. We deregulated parking in our downtown core in order to maintain the traditional urban fabric in our downtown core.

Mayor Rognstad left the meeting at 7:15 p.m. Council President Shannon Williamson presided over the meeting in his absence.

Jennifer Stapleton stated that City staff would assess what the standard is in the medical industry outside of City Code and incorporate it into the agreement.

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A roll call vote of Council resulted as follows:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Snedden	Yes
Councilman Camp	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous roll call vote of Council present.

Councilman Snedden noted that, in Mr. Vilelli's presentation, he provided a timeframe of one ten-year lease with two five-year options to renew because of potential lender requirements, but we don't know what those requirements are. In the numbers provided by Vilelli, it was 15 years. He may come back to City Council with additional requirements by the lenders. If required additionally by the lender, then we can look at a possible 20-year lease in the future.

Mayor Rogstad returned to the meeting at 7:17 p.m.

Councilman Snedden moved to amend that the City enter into a ten-year lease with an additional one five-year renewal. **Councilwoman Williamson seconded the motion.**

A roll call vote of Council resulted as follows:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Snedden	Yes
Councilman Camp	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous roll call vote of Council present.

A roll call vote of Council resulted as follows to the main motion:

Councilman Eddy	Yes
Councilwoman Ruehle	Absent
Councilman Aitken	Yes
Councilman Camp	Yes
Councilman Snedden	Yes
Councilwoman Williamson	Yes

The motion passed by a unanimous roll call vote of Council present.

H. HEARING – AURIT COMPLAINT

City Attorney Scot Campbell explained that the complaint was lodged by Ms. Aurit against Mr. Bokowy. This hearing was scheduled pursuant to City Code 1-7-1. He referred to Ms. Aurit's letter, where she stated that Mr. Bokowy was speaking in his capacity as a Sandpoint Urban Renewal Agency (SURA) Board member. Mr. Bokowy was speaking in his individual capacity. The City has no authority to discipline a public speaker unless they

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are disruptive. She also mentioned in her letter that Mr. Bokowy approached her after the meeting. Freedom of speech allows people to talk and argue. The City's responsibility at that time was to keep the peace. Police Chief Corey Coon was present at the meeting, and, when he was made aware that there were rising tensions, he controlled the situation. The City of Sandpoint code of ethics doesn't apply to this situation because SURA is an independent entity statutorily created under the laws of Idaho. Mr. Bokowy is not an employee or agent for the City. Section 1-7-1 of City Code provides that the public judges its government by the way public officials and employees conduct themselves in the post to which they have been elected or appointed. This situation is judging Mr. Bokowy as an independent speaker, not as a member of the SURA Board. The only action that can be taken against a SURA Board member by City Council is outlined through Idaho Code 50-2006(b)(2), which provides "for any inefficiency or neglect of duty or misconduct in office, a commissioner may be removed by a majority vote of the local governing body only after a hearing." When Mr. Bokowy spoke, he didn't follow the rules established by the Council regarding public comments. Prior to opening the public forum portion of the meeting, the Mayor states that testimony shall not be personally derogatory, nor shall it be personally directed at any individual, organization or business. Mr. Campbell advised that what should occur is that the City Attorney, the Mayor and City Council apologize to Ms. Aurit for not attempting to stop what was being said or failing to make Mr. Bokowy aware that he was breaking the rules.

Scot Campbell advised City Council that they can ignore his recommendation and hold a formal hearing, conduct further fact finding and make their own decision or follow his recommendation to administratively dismiss the complaint as being outside the jurisdiction of the City. He confirmed that the local governing body is the City Council that can discipline for this reason. **Councilman Snedden** said the complainant should have the opportunity to respond. **Mayor Rognstad** suggested that City Council make a motion on how they want to proceed. **Councilman Snedden** felt that, if Mr. Bokowy wasn't acting in his official capacity, then it's not proper to have a hearing. If he was acting under his official capacity, then a decision should be made on whether or not we have a hearing. He is interested in what Ms. Aurit has to say about Mr. Bokowy not acting in his own capacity. **Mayor Rognstad** apologized to Ms. Aurit, City Council and the public for not ensuring that speakers adhere to the rules. He requested that Ms. Aurit come to the podium to speak.

Anita Aurit said she didn't know if Mr. Bokowy was speaking in his official capacity, but it would have been a courtesy of the Mayor or City Council to notify her. She noted Mr. Bokowy was notified on September 19th when this issue was going on the City Council agenda. She said she was notified later in the afternoon on October 4th by voice mail. She said she's extremely disappointed that she wasn't notified ahead of time of the City Attorney's recommendation so that everyone wouldn't have had to sit through the entire meeting, including her witnesses. When she and Mr. Bokowy had a conversation that his behavior is unbecoming as a mayoral appointee to the SURA Board, that's when his position came into the conversation. **Councilman Snedden** questioned whether Mr. Bokowy was speaking as a member of the SURA Board. Ms. Aurit stated that Mr. Bokowy attacked her during the meeting and asked how she pronounced her last name. She said

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an apology is not enough. Why couldn't these questions be asked of her prior to this evening's meeting? She said she's extremely disappointed how this issue was handled. **Mayor Rognstad** noted that this issue was previously going to be on the October 5th Council meeting agenda, but Mr. Bokowy was not available. Scot Campbell added he conducted an in-depth review yesterday and today by contacting other attorneys. He apologized for not having this information prior to this evening.

Scot Campbell explained that the Mayor and he received a copy of the letter on the same day it needed to go on the September 21st agenda. Tom Bokowy was unable to attend the October 5th Council meeting. Our city code needs to be updated in conjunction with the Idaho Attorney General's rules on ethical conduct and how it's handled.

Mayor Rognstad requested that Tom Bokowy respond to Ms. Aurit's comments and welcomed an apology for his breach of rules at the September 7th Council meeting.

Tom Bokowy approached the podium and apologized to Ms. Aurit. He said when he addressed her during public comment he was trying to be polite when asking how to pronounce her name. He apologized for the pain it has caused.

Councilman Snedden moved that the City take no further action on this issue. He directed City staff to update our code of ethics to replicate the Idaho Attorney General's current code of ethics. **Councilman Eddy** added there should be more attention taken on the procedure for receiving and dissemination of complaints. **Councilman Aitken** suggested that new appointees to members of City Commissions, Committees and Boards be provided a quarterly orientation on proper conduct and procedures. **No one seconded the motion.**

Scot Campbell further explained that a majority of the issues brought forward in Ms. Aurit's letter pertain to what occurred after the City Council meeting. This is not subject to City Council jurisdiction. City Council can review the issue during an open hearing or during an executive session, but neither is proper. His legal opinion is that this issue should be dismissed, because City Council doesn't have any authority.

Councilman Eddy moved that City Council take no further action on the complaint. **Councilwoman Williamson seconded the motion.**

Councilwoman Williamson stressed that City Council did not follow their own rules in this instance. She raised concern that there was a lack of communication. The City should make a better effort and be more responsive to these types of complaints so that everyone is kept up to date and equally informed. City staff should update our code of ethics. **Councilman Camp** concurred.

A roll call vote resulted as follows:

Councilwoman Ruehle	Absent
Councilman Aitken	Yes

MINUTES
REGULAR MEETING OF THE SANDPOINT CITY COUNCIL
October 19, 2016

Councilman Snedden	Yes
Councilman Camp	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes

The motion passed by a unanimous roll call vote of Council present.

ADJOURNMENT The meeting adjourned at 7:56 p.m.

Shelby Rognstad, Mayor

ATTEST:

Maree Peck, City Clerk

DRAFT