

Meridian City Council Work Session

July 9, 2024.

A Meeting of the Meridian City Council was called to order at 4:30 p.m., Tuesday, July 9, 2024, by Mayor Robert Simison.

Members Present: Robert Simison, Luke Cavener, Liz Strader, John Overton, Anne Little Roberts and Brian Whitlock.

Members Absent: Doug Taylor.

Other Present: Chris Johnson, Bill Nary, Crystal Campbell, Laurelei McVey, Todd Lavoie, Jamie Leslie, Kris Blume and Dean Willis.

ROLL-CALL ATTENDANCE

<input checked="" type="checkbox"/> Liz Strader	<input checked="" type="checkbox"/> Brian Whitlock
<input checked="" type="checkbox"/> Anne Little Roberts	<input checked="" type="checkbox"/> John Overton
<input type="checkbox"/> Doug Taylor	<input checked="" type="checkbox"/> Luke Cavener
<input checked="" type="checkbox"/> Mayor Robert E. Simison	

Simison: Council, we will call this meeting to order. For the record it is July 9th, 2024, at 4:30 p.m. We will begin this afternoon's work session with roll call attendance.

ADOPTION OF AGENDA

Simison: First item up is adoption of the agenda.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Move we adopt the agenda as presented.

Strader: Second.

Simison: Have a motion and a second to adopt the agenda as presented. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay? The ayes have it and the agenda is adopted.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

CONSENT AGENDA [Action Item]

1. **Approve Minutes of the June 18, 2024 City Council Work Session**
2. **Approve Minutes of the June 25, 2024 City Council Work Session**

- 3. Watts Meridian Medical Partners Subdivision Sanitary Sewer Easement No. 1 (ESMT-2024-0060)**
- 4. Watts Meridian Medical Partners Subdivision Water Main Easement No. 1 (ESMT-2024-0061)**
- 5. Watts Meridian Medical Partners Subdivision Water Main Easement No. 2 (ESMT-2024-0062)**
- 6. Gregg Olsen (WUF Holdings IV, LLC.), Full Release of Re-Use Water Main Easement (ESMT-2024-0083)**
- 7. Prairiefire Subdivision Release of Water Main Easement (ESMT-2024-0084)**
- 8. Prairiefire Subdivision Release of Water Main Easement No. 2 (ESMT-2024-0085)**
- 9. Victory Commons Subdivision No. 2 Sanitary Sewer and Water Main Easement No. 1 (ESMT-2024-0089)**
- 10. Victory Commons Subdivision No. 2 Sanitary Sewer and Water Main Easement (ESMT-2024-0090)**
- 11. Artisan Victory Market Sanitary Sewer and Water Main Easement No. 1 (ESMT-2024-0091)**
- 12. Inglewood Place Subdivision No. 2 Water Main Easement No. 2 (ESMT-2024-0092)**
- 13. Final Order for Windrow Subdivision No.1 (FP-2024-0004) by Conger Group, located at the Northeast Corner of S. Linder Rd. and W. Amity Rd.**
- 14. Final Order for Horse Meadows Subdivision (FP-2024-0006) by KB Homes, located at 710 B. Black Cat Rd.**
- 15. Final Plat for TM Creek Subdivision No. 7 (FP-2024-0010) by Brighton Development, Inc., located at 153 S. Benchmark Way**
- 16. Final Plat Modification for Graycliff Estates Subdivision No. 5 (MFP-2024-0001) by KB Homes, generally located south of W. Harris St. and west of S. Meridian Rd.**

17. **Approval of Task Order 10038.e to Consor for Services during Construction to Can Ada Lift Station and Gravity Line for the Not-to-Exceed amount of \$385,842.00.**
18. **License Agreement Between the City of Meridian and the United States Bureau of Reclamation Installation of Gravity Sewer Line and Force Mains Under Ninemile Creek in Canyon County**
19. **Fiscal Year 2024 Budget Amendment in the Amount of \$30,000.00 for Office 365 Migration Phase 1**
20. **Fiscal Year 2024 Net-Zero Budget Amendment in the Amount of \$8,378.00 for grant revenue from the Office of Drug Policy Partnership for Success Law Enforcement Grant**

Simison: Next up is the Consent Agenda.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Move that we approve the Consent Agenda, for the Mayor to sign and the Clerk to attest.

Strader: Second.

Simison: Have a motion and a second to approve the Consent Agenda. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay? The ayes have it and the Consent Agenda is agreed to.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

ITEMS MOVED FROM THE CONSENT AGENDA [Action Item]

Simison: There are no items moved from the Consent Agenda.

DEPARTMENT / COMMISSION REPORTS [Action Item]

21. **Public Hearing for Program Year 2024 Community Development Block Grant Action Plan Continued to July 16, 2024**

Simison: So, we will move on to our Department/Commission Reports. First up is Item 21, which is the public hearing for Program Year 2024, Community Development Block Grant. We will open this public hearing with comments from Crystal.

Campbell: Thank you, Mr. Mayor, Members of the Council. Sorry. So, tonight is for our action plan for the program year that starts October 21 of this year and continues through September 30 of 2025. We have a couple of different planning documents for this. So, we have our five year consolidated plan each five years, then, we go out to the community and work with them to identify what the needs are and, then, we use those assessments to develop goals for our next five years. Our current plan is from 2022 to 2026 and, then, the second guiding document is our action plan, which we do every year and this details the specific projects that we intend to fund and it's also our application to funding -- or for funding to HUD. We do reach out for community involvement several times throughout the year. The first one for this action plan was when we were getting ready to develop the plan we wanted to work with the community to see what services they wanted to see funded this year. So, we were taking public comments from March 15 to April 7th and during this time we had a feedback survey. We had community partners we were working with. And, then, we also did a few different in-person interactions, which included two public hearings, an open house and we had a booth at the Do The Right event. We used this information to reach out to different public service providers and ask that they complete applications, then, those went through the application process and the scoring committee selected several projects to fund. So, those are included in this draft action plan and we are reaching out to the public again to see if the plan kind of meets the needs of the community and if they have any feedback on it. So, our public comment period for this opened on June 11th and will -- will close on June -- July 17. We, again, have a feedback survey and we work with our community partners and we also sent a letter to our neighbors that might be impacted by any of the construction projects, asking them to provide feedback as well. We have had multiple in-person interactions again, including this public hearing and, then, we have had two open houses and we were also at the Boys and Girls Club for a parent pickup. Our open houses -- we held one at City Hall and, then, I think it was a week later we held another one at the Meridian library and here we provided information on the CDBG program, what it is and which projects were selected, how much we were intending to fund and we had that information in English and Spanish. We also had -- you can see in the picture there is the sheets of paper where people could say whether or not they supported those projects. So, it was a green sticker if they did and a red sticker if they did not and we had -- throughout the entire event we had one person put a red sticker on the walkability project, but everything else was green. Also at the open house in the Boys and Girls Club we asked people what their community looks like and they drew a picture of that on the puzzle pieces and we put this together. So, it shows just the diversity of our community and this is actually a display on the third floor, so if anybody wants to go check it out it will be there through the month of July. We have our feedback survey that's open through July 17, but I looked at the information through yesterday so that you guys could get a general feel of what the public was saying. We asked people to rate the projects on a scale of one to five and so the first one was the importance of emergency rental assistance for housing stability, childcare scholarships to support families, homeowner repairs to improve housing stability and better walkways to improve safety and accessibility and as you can see everybody is rating them for the most part above a four, with the homeowner repairs being about a 3.5. We also asked people to rate if the projects meet the current needs,

which was a 3.8, and if the projects will have a lasting impact, which was -- so far it's a 3.6. Our three action plan, we -- the amount HUD has said we are going to receive is 524,378 dollars. Of this we are proposing about ten percent of it goes toward admin and fair housing, 15 percent towards services, 31 percent toward housing and 45 percent for infrastructure. For admin and fair housing it looks like about 50,500 dollars and activities will include a fair housing campaign and, then, most of it will go toward the general administration of the program. For public services there were two projects that were selected. The first is emergency rental assistance through Jesse Tree, which provides temporary rental assistance for people who are at risk of losing their housing and the second one is Boys and Girls Club scholarships and this provides access to child care through the Boys and Girls Club and it includes extended care and summer programs. For housing, Neighborworks Boise's homeowner repair program was selected. This provides weatherization, accessibility and emergency repairs and the final project is better walkways, which improve sidewalk and lighting in areas that were identified in our CDBG walkability study. We have several different projects identified here. They were broken out based on how much we think they are going to cost and how much CDBG funding we anticipate having. So, the first two projects we feel like we will have enough funding for -- the first one is North -- Northwest 3rd and there is a section of Northwest 7th, which is right over by Meridian Middle and if we have funding that needs to be reallocated or these projects come in less than we think they will, then, we will continue with the next two phases of Northwest 7th and if we still have funding after that or if any of these projects are unable to go through, then, we would work on the West Maple Street. As I said, our public comment period opened on June 11th and we have our public hearing tonight and the public comment period will close on July 17th. The final report, after everything's done, then, I will put all of the comments, the summaries and everything in there, any changes that need to be made and I will have that, along with the resolution, on your July 23rd Consent Agenda and once that's approved by all of you, then, I will get it submitted to HUD by the end of July. If anybody has any questions about the program or anything they can reach out to me, Crystal Campbell, at ccampbell@meridiancity.org or 208-489-0575. So with that I will stand for questions.

Simison: Thank you, Crystal. Council, any questions for staff?

Overton: Mr. Mayor?

Simison: Councilman Overton.

Overton: Not so much a question as a comment. I was lucky enough to participate in this process -- some of these programs this year and my hat's off to Crystal and all the hard work she did. She had a very large and diverse group of people to help score these projects and choose these for the future of what this is going to be and I was just absolutely happy to be a part of that. When I look at this I see such a diverse group of projects and where it reaches out into our community and affects so many different people, I think it's been done wonderfully, I think you have done a great job.

Simison: Thank you, Councilman. I know Crystal appreciates that. She can speak for herself and I don't have to do that for her, but do appreciate those comments. Mr. Clerk, did we have anyone sign up to provide testimony on this item?

Johnson: Mr. Mayor, we did not.

Simison: Okay. This is a public hearing. Is there anybody present, either in the audience or online, that would like to provide testimony on this item? If you are online you can use the raise your hand feature. It looks like we only have two staff online, so probably not going to do that. Anyone from the audience? Seeing none, Crystal, were you anticipating leaving the public hearing open or try to close, since you are bringing the resolution in two weeks?

Campbell: I was intending to close it.

Simison: Council, thoughts on that?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: If Crystal is bringing a resolution back in two weeks do we need to close tonight, as opposed to two weeks?

Campbell: No, not necessarily. We are still accepting public comments through the 17th, so it could stay open longer if you were wanting to.

Cavener: Mr. Nary, going to pull up a Dave Zaremba and ask you a sideways question. Could the Council take an action tonight to close the public hearing -- on the 17th we can move to close the public hearing and on the 17th or do we need to wait for that meeting to occur before we close the hearing?

Nary: Mr. Mayor, Members of the Council, Council Member Cavener, the only reason I would suggest the latter is simply in case something would and we couldn't the meeting on the 17th, made it clear that you're allowed, but I didn't --

Simison: And it would be the 16th, this next week's meeting, so it's still the day before her -- she accepts public comment, so I think the real question is the 20 -- you would want to leave it open until the 23rd. Does that create any problems if you would accept public testimony through the 23rd?

Cavener: Mr. Mayor, I think that's where my question was coming from. If we have said we were going to accept comments after our next hearing, but without closing the public hearing to provide time for the resolution, I feel like that we are a little bit out of sequence here and I want to meet the deadline that Crystal has, I just -- I guess I -- Mr. Nary, I don't know the best way to do that. If that -- if we indicated we are going to keep

-- take comments on the 17th, I assume that necessitates leaving the public hearing open and, then, if Crystal wants to come back on the 21st or 22nd -- I don't have my calendar in front of me --

Simison: 23rd.

Cavener: -- the following week.

Simison: 23rd.

Cavener: 23rd. How we would best do that. Is it just for us to actually close the public hearing on the 17th, even though we won't be here on the 17th.

Nary: Well, I think -- and let's -- trying to think of timing where Crystal might -- I mean we can certainly bring forward a resolution on the 23rd, take -- take all comments of the 17th that's been directed, with direction to simply bring back that resolution the 23rd. Crystal will take everything from the 17th, be able to report that back to the Council with a resolution on the 23rd and I think we have met the requirements of the -- of the federal guidelines, so I think we are okay.

Simison: And I think the only question is do you want the public comments be included in the public hearing record, because they are two separate --

Nary: Correct.

Simison: -- so that's really the question mark is do we leave this open for one week and take any additional comments next week or do -- irregardless of that, since that goes into the federal side -- and I'm looking at Councilman Cavener, because I know this has been your issue over the years.

Cavener: Yeah. Mr. Mayor, I appreciate that, and I guess I hate doing this, but I would almost say let's -- let's punt for a week, bring back a recommendation for when we would need to close the public hearing. I do like leaving the public hearing open as long as possible, but I don't want to hinder operations and so where we have got a -- a date that we are taking public comments after the date of our City Council meeting, for me it puts it a little out of sync. So, I guess I would just look for a recommendation to come back from staff next week about when they would like us to close the public hearing.

Campbell: Mr. Mayor?

Simison: Crystal.

Campbell: So, we -- it's not actually due until -- I think it's August 16th -- the 15th or 16th. So, I actually do have a little bit of extra time, I just like to make sure everything's in order and get it in ahead of time. So, if -- if you would all feel more comfortable, then, we could close it on the 23rd and I could have everything ready with the resolution and

everything and, then, if we need to push it out a little bit further, if something changes, then, I can always do that and come back the following week with the resolution.

Cavener: Well, Mr. Mayor?

Simison: Now over here for this one.

Cavener: We have got a clerk who is following our calendar that we don't have a meeting the end of July or the first week of August.

Johnson: Correct. After August -- or after July 23rd the next meeting would be August 13th.

Simison: So, how -- could we shoot for having everything wrapped up by the 23rd one way or the other from the city's perspective?

Cavener: Makes sense to me. As long as that works for --

Simison: Yeah. I mean even if we close the public hearing next week and she takes comment for one additional day, I don't think -- again it doesn't impact our process, that's the federal process, but it's how long do you want the public to comment to you all.

Cavener: That makes sense.

Simison: So --

Cavener: Thanks, Mr. Mayor.

Simison: Okay.

Whitlock: Mr. Mayor?

Simison: Mr. Whitlock.

Whitlock: Is there a difference between a public hearing which we open tonight and a public comment period which has been open for a week? Are we conflating the two together? Can we -- this is a noticed public hearing tonight that we opened. Can we close it tonight and continue with the public comment period and not affect the application?

Simison: Correct. These are bifurcated. They don't -- neither one has anything to do with the other in that context. So, you could -- Councilman Cavener tends to like to leave it open for longer for people to comment. Otherwise, we normally could have -- we could have done this -- comment, close it, and been done and still done the public comment required on the federal side.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Maybe just a comment, because I agree and appreciate the Mayor kind of indulging my desire to keep this open. I think it is largely because while they are two separate things from a governmental process, from a citizen process, they don't see it as two separate action, they see it as a way for them to communicate to their elected representatives their feelings about these particular projects. I try and keep them as wide open as consistently as possible.

Simison: Okay. Well, we will come back with this. Continue the public hearing, when we get a motion, to next week. That's what I would recommend from Council. And close the public hearing next week for the public purpose, not the federal purpose. With that do I have a motion?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: I move that we continue the public hearing for program year 2024 to July the 16th.

Overton: Second.

Simison: Have a motion and a second to continue the public hearing to July 16th. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay? The ayes have it and the public hearing is continued. Thank you, Crystal.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

22. Fiscal Year 2025 Water and Sewer Rate Increase Proposal

Simison: Next up is Item 22, which is Fiscal Year 2025 Water and Sewer rate increase proposal and just as Laurelei comes up, just an FYI to Council, recommendation from two of our directors today was to not do shut-offs based on the weather that's occurring here in the community. So, while tomorrow would have been a normal shut-off -- shut-off -- shut-off day that has been canceled at this point in time.

Cavener: I appreciate the directors on that meeting.

McVey: All right. Thanks, Mayor and Council. So, tonight is just an informational presentation. So, I'm not asking for any action tonight, but basically wanted to start the process and start the conversation. So, first, to give you a little bit of history on what kind of rate increases we have done over the past ten years. So, they have been few and far between and that's a good thing. In 2014 we did a two percent rate increase

and we also implemented the \$3.75 monthly EPA fee. That -- that was a ten year fee, expected to sunset this year. The great news is it worked as it was intended and we didn't need to do another rate increase until 2022. We did a two percent increase in 2022 and we did a three percent increase in 2023. So, very few rate increases over that -- over the last ten years. You will see down on the bottom in that square, just for reference, those are our assessment fee increases, so different from our user fees. Those are our assessment fees that we charge for new development. We are not proposing an increase to those this year, but we are looking at them next year. There is very specific things that can be included in those formulas, but we evaluate those every three years to determine if we need to increase those fees. So, that will be next year, but just for some context we also have not done very many increases there. So, a couple of notable things that are happening in FY-25 in the Enterprise Fund. The first is our fund split. So, this is something that we have been working on with Finance for many years and, really, it just keeps the -- the Enterprise Fund cleaner. So, it separates the water and the sewer and so water rates pay solely for water expenses, sewer rates pay solely for sewer expenses. So, this is a best practice. It just keeps the finances really clean and it's been a recommendation and so we are excited to move forward with that with Finance in FY-25. So, our funds will split. We are sunsetting the EPA fee in October, something that's really -- I think this is a huge win for the city. Like I mentioned, it did exactly what it needed to do, it paid for the significant capital costs that were associated with our MPDS permit and not very often in government do they say fees are going to go away and, then, they actually go away. So, I think that's something to be really proud of and so that fee is sunsetting. However, we do have continued rises in operational costs, wages, chemicals, equipment, supplies, power. So, we do need to look at a small rate increase to still maintain those operational expenses and, really, our philosophy is to do small rate increases over time rather than large fluctuations. It seems like that's a better approach. So, the proposal that I'm bringing forward to -- tonight is a three percent rate increase that would go towards both the base and the use. So, these are all the components that somebody would see on their utility bill. So, base is a charge that everybody gets charged whether you use one gallon or 20,000 gallons, everybody gets charged that flat rate. Use charge is based off of actual use. So, you will see that based off of per thousand gallons you get charged that amount. The EPA fee, like I mentioned, is coming off and, then, trash and recycling rates -- you will also see those on your utility bill. We aren't talking about those tonight. Those are a little bit of a separate process that happened through our contract with Republic Services. They are pre-setting those to us shortly. Those run through SWAC and, then, eventually make their way here, too. But today we are just talking about the city components for the water and the sewer base. So, you will see the impacts there. And the actual impact on the monthly customer -- or the average customer is a monthly decrease of about \$1.90 and even with that three percent increase because that EPA fee is dropping off. So, why do we need the three percent increase? So, we have a rate model that we run with Finance that looks at our -- all of our revenues that come in, all of our operational expenses and all of our big capital expenses and what we try to do is we try to maintain solvency for at least the five year period and I don't want you to panic when you see this -- this graph go below zero. Todd doesn't panic, I don't panic, because it's not really the actual of what's going to happen. This is a very conservative

graph. It usually forecasts lower revenues. It also forecasts very conservative expenditure -- expenditure rates, which are usually higher than what we actually see. So, really, Finance and the Enterprise -- General -- or Enterprise Fund, we really tried to just focus on those first five years and this graph ends up usually looking better than -- than what's presented. But with the three percent you will see it does push our solvency out just a little bit and so -- but you will see it does drop below zero in the -- in the further out years and what that tells you is that if we do three percent this year, we likely will have to do another rate increase sometime in the next several years. If you look at our water model -- oh. So, one other thing, too, is this line doesn't include our emergency revenue. So, we are -- sorry, not revenue -- our emergency fund. So, we have about ten million dollars that we are mandated to hold in emergency. So, this -- this -- we don't really truly hit zero. We have some emergency funding in there. So, this is our water side of the rate model. You will see we lose solvency a little bit faster. One of the reasons on that is the sewer rates are about the -- the proportional amount is about double than the water rates. So, it takes a lot less on the sewer side to collect more, if that makes sense. So, if you use a thousand gallons of water, it's about eight dollars that we collect from you. If you use a thousand gallons of sewer it's about 15 dollars that we collect from you. So, what this graph tells you is that water is likely going to need more rate increases over that period than wastewater. So, we may actually get to a point where we don't need to increase wastewater rates anymore, but we do need to do some more increases on the water side. Good news all around though. These are looking like very small rate increases over this time period to make everything solvent. So, the three percent on the water side, again, just like the wastewater side pushes your solvency out just a little bit further, but within that five year range, so we feel comfortable with that. So, I know that we don't always like to do comparisons and all cities have different challenges and regulations and growth pressure, but I think it can be helpful to really show our customers the premier value that we are getting with Meridian's water and wastewater services. So, we have some of the lowest rates in the valley. All of these rates have been standardized to a set. If a customer in any of these cities used 6,000 gallons of water and sewer, this is what they would pay. So, this chart, too, doesn't contemplate that most of these agencies may also do a rate increase in FY-25. So, this is just where we stand today. So, we would become the lowest rate in the valley and we are about 24 dollars a month lower on our average rate than other cities in the valley. So, I think it's something to be really proud of. It takes a lot of foresight and planning and the proactive approach of save before you spend, anticipate what your big capital expenditures are and so I think, you know, past councils and current councils have done a really good job working with us on that. So, while our rates are some of the lowest in the valley, it's not lost on us that it can impact some of our low income customers. So, I always like to take this opportunity to include -- there are two programs that are resources to our citizens. The first to a city program and that's the Meridian Cares program. We partner with El-Ada and this will pay up to a hundred dollars per year for low income residents to go towards their water, sewer, and garbage bills. In FY-23 one of our customers asked for assistance through this program and, then, the other program -- it's not a Meridian specific program, but the Boise School District puts out a really good excellent -- they call it a self-help manual that has resources for all sorts of services. But utility assistance is included in that and it has a

whole handful of options that are not city sponsored, but other options for getting help with your utility bills. So, our schedule for this is we have several opportunities throughout the remainder of the summer to reach out to our citizens. It will go out in the next two upcoming utility bills, it also gets published in the newspaper for two weeks, and we will hold a public hearing in late August at the 6:00 p.m. Council meeting and if this all goes approved through Council it would go into effect on October 1st. And so with that I will stand for any questions.

Simison: Thank you, Laurelei. Council, any questions?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: No questions, just a point of clarification. Very kind to talk about past and present councils, but it's you and your team that do an exceptional job that help make those decisions -- they easily to come to that same conclusion. So, I appreciate you kind of giving some bus accolades, but it's a good opportunity to give you and your team some great accolades for your ongoing great work. We appreciate you bringing this. I know rate increases are never a topic that anybody gets excited about, but I appreciate you including the comparison. I agree, everybody's different, but it does paint a good picture for the continued value of that assistance, yes. So, thank you for doing that.

Simison: Okay. Thank you very much.

McVey: Thank you.

23. Standard Operating Policy Discussion: Line of Duty Death Benefit

Simison: Okay. Up next is Item 23. Councilman Cavener.

Cavener: If it's okay I'm going to go down to the podium. There we go. There is some people smiling. We get to do this, guys. Mayor, Council, thanks for the chance to get in front of you. As we have some new members of Council, I know that the topic -- if we got a question about a city policy, maybe something we wanted to enact, maybe something we wanted to take away, maybe something we want to modify, that tends to come up and we don't have a real verbalized process about how we go about doing that and so when this came up I thought this would be a good opportunity just to kind of walk through kind of how we have done things just in case this is something that interests you, but also this came about because some members of our police department reached out after a tragedy with the county and said is there an opportunity or a willingness for the City Council or the city to do something more. So, what I'm going to talk to you a little bit about today is talking about expanding benefits for an employee should they lose their life in the line of duty. Now, I know we have a really great time here in the city and our community and I love that we have got great employees who just really really care about our community. This is a little bit of a serious topic and so I

want to really thank our Human Resources Department, Mayor's Office and our CFO for helping to give me some guidance and so what I thought I would do first is just go over with all of you what the city currently does if an employee -- somebody who works for us passes away, whether it's in their role as an employee or they experienced some other tragic event in their home. So, currently the city provides -- and I put this I think in the e-mail that I sent you, but just in case you missed it -- 50,000 dollars life benefit. So, any employee 50,000 dollars. If that employee passed away within the capacity of their work they get a 50,000 dollar accidental death benefit that may be paid depending on the situation of the death. The city, then, can also expand the COBRA benefits up to 36 months, but we don't pay any of that portion, it's up to the employee or their family to cover those costs and, then, we pay our vacation as we would normally do when an employee -- when they leave the city. In addition to that, that's what the city does. Should a death in employment capacity occur, the state through the Industrial Commission, provides a workmen's comp benefit. There is a formula that goes into that. It can be paid up to 50 weeks for as little as 300 dollars a week up to five hundred dollars a week. If the employees are PERSI eligible their PERSI is paid out to their designee, whether that's a spouse, child, et cetera. So, again, not through the city, done through the state. PERSI also provides a 100,000 dollar benefit for our police and firefighters through PERSI. So, again, not administered through the city, administered through PERSI for two separate employee classes and, then, let me share this that the Department of Justice also provides a public safety officers benefit program that can pay up to a little over 430,000 dollars. Now, there is an investigation to what results in that death, they ultimately make all of those determinations. Those three that I shared with you are not ran through the city, those are run through other forms of government separate from us and in many cases don't cover all of our employees. When the tragic situation happened in the county, members of our police department reached out and said would you be open to having a conversation about expanding that and I said I would, but I really felt it was important to look at this for all of our employees. So, what I sent you last night is I think just step 1-A, which is is the Council open to having this conversation? If so, there is some very basic language of what a policy would look like, which, essentially, would say this is what we would do for all city employees if they are killed while performing their duties as a city employee. What that amount is I think is up for -- for conversation and, then, a separate piece is would the city entertain covering those health insurance benefits for the employee for a predetermined amount of time? Did a little bit of digging. I believe city of Boise and Ada county, if an employee dies while in the line of duty, the city or the county will just pay their insurance benefits up to 30 -- they will be paid for the full 36 months. There is with all things that we talked about certainly a budget element and this would have an impact on our budget and it's one of those things that would sit within our budget, you hope you would never have to utilize. Currently right now our death benefit is provided by a third-party entity. They administer that benefit. They pay it. We pay them just like we would pay for other benefits to the city. I think that if the Council wants to head down a path of expanding that benefit we would, again, from a procedure standpoint turn it over to the administrative branch to develop the procedures to administer the policies as we see fit. So, that is a high level overview about what I'm looking to achieve. Not looking for necessarily, yes, let's go do this, let's put it on the agenda for next week, but something

for you to marinate on next couple of weeks, likely bring back something that is more formalized for a discussion at a later point in time. That said I'm here, are there questions that I can answer for any of you? Mr. Mayor? Council? And, Mr. Mayor, I know that you and your directors team met about this today. If there is any context or insight that you would want to provide as well I'm happy to hear -- that's important for all of us to hear as well.

Simison: Thank you. Well, I think we are here for two reasons today, to get our Council's viewpoint. We did talk about directors, but I think it's -- you know, we will start with what Council's prerogative is and to your point, because there is some administrative stuff. There is also tax implications if the city wants to do it versus go through a third party, but we are here to listen and, then, based on that feedback and our conversation we can have an appropriate dialogue on what we think as an executive branch would be an appropriate benefit proposal.

Little Roberts: Mr. Mayor?

Simison: Council Woman Little Roberts.

Little Roberts: Mr. Mayor, Luke, thank you very much for bringing this up. I'm definitely in support of a continuing conversation here. Just -- not to be picky, but at one point you used the word died while working versus killed. Two different --

Cavener: Yeah. Yeah. I would always look to our legal counsel to help me in terms of -- of definitions I would look at this that if an employee is performing their role within the city and as a result their life ends, that's how I would classify this, whether it is the actions of an individual or a thing, you know -- you know, to me, it's important that we look at this not just for our police and fire emergency responders, who have a very, very dangerous, incredibly important job, but it's also about all of our employees. I think we realize that, but our -- our Public Works Department performs in many aspects a very, very dangerous job. I have worked here on shut-off day and it can be a scary time for our employees. We are fortunate that we have got a great team that has deescalated situations; right? These are the things that I'm sure all of you stay up at night thinking about the what abouts, the what abouts, and you hope that we never have to become involved with all those certainly. If we leave this as is or we change it doesn't bring anybody back that's important to us. This is just I think a -- an important way for -- and I want to commend our CFO, as he and I were talking about this, he said it best, these are our people and we should be taking care of -- we should be taking care of our people and I think that this city has done a really admirable job of being really mindful of our employees. You know, this is -- when I was employee here the only organization I have ever worked at where they said if you get into a car accident while you are on vacation, the city is going to provide monetary compensation to your family. As an employee that's a big deal and I have worked for other organizations that none of them do that. So, I like that this is a -- a first step -- has been a first step. To me I think, though, there is an opportunity for us to do more and that's why I'm bringing this today.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Thank you so much. We are definitely interested in having the conversation. I think it's a really worthwhile topic. I think paying for the COBRA premiums is a really important component of it. I think almost if not more important than -- than the death benefit, particularly, you know, because people's families rely on those benefits and that -- that seems like one we should look at. The one piece for me I think that we just owe it to ourselves to try to figure out is whether we should continue paying a third party to do it or does it makes sense for the city to self-insure, you know, these death benefits if they are expanded or not, but I think we need to look at that and kind of get some history on -- you know, on average how many employees die, what -- what do we think the total is that the city could be on the hook for? And I think you have mentioned some of that, but if you wanted to walk us through that really quick.

Cavener: Happy to, Council Member Strader. Thanks. And I think you bring up a really good question, something I appreciate. I think the Mayor and probably our Human Resource Department is here to -- to answer any kind of administrative questions that you may have -- is that I will come back to whatever is the best path for our employees is the one that I would want to, you know, pursue. So, to that point as -- as I understand with things right now is if the city were to hold those funds and, then, provide it to an employee, there would be significant tax implications that would significantly reduce the benefit that can be provided to the employee versus an insurance policy that's administered via third party would not necessarily have those tax implications. Now, listen, we are at step one here and I appreciate the Mayor, our HR and Finance Department moving wheels quickly to be able to get some of these questions answered. As is often the case with these big things, you answer one question, but you get three more. So, I'm committed to work with our CFO, Mayor's Office, HR, and our department directors to make sure that whatever recommendation we come back with in terms of how it's administered, it's what's best for our employees.

Simison: And just to touch on that, you know, one of the little things, you know, it's kind of -- we are self-funded for health, but we still have a relationship with Blue Cross and they still perform a function and duty and it's valuable for us compared to us doing all the work ourselves. Similarly -- and I look at it this -- you know, I'm not saying this is the answer, but I have asked the team to go sit down with our current provider and have a conversation if there is a relationship that exists -- that can exist in a similar way where we take on the -- one side of it, just to point -- just to say a hundred thousand dollars, the city says we are going to do that. Fifty thousand of that goes to the government, because it impacts taxes. I would rather give our employees 75,000 and the insurance provider 25, than 50,000 to the federal government for the same dollar. So, those type of conversations are well -- will ensue to see what could -- what type of changes, if any, can make sense or not and we can work on those type of things. But those are the implications we know.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Do you just mean in terms of -- I mean at the end of the day we all file our taxes and you -- you may get taxed on a one-time payment at a higher rate, but --

Simison: Correct.

Strader: -- as opposed to an annuity and you are treating it as more of an ordinary income.

Simison: Yeah. And that's what -- according to our CFO this would -- if we paid this benefit in our current scenario it's an income-based dollar figure to the individual compared to an annuity, which has -- which is not.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: If I'm not mistaken that would be more of a procedural element. This is -- the Council setting the policy that we wanted to do and, then, the administrative side, the procedure side would determine how it would be implemented; correct?

Simison: I mean -- yes. I mean it's -- I think it's all relative to what's in the policy though. If the policy were to say we want to spend 200,000 dollars per death towards somebody for COBRA and other benefits, yes, we could determine how to do that, but at the same time what's the -- what's the end result, we want what's best for the employees and that's what we want to get to in those conversation. So, we touched on some of this, but we don't have the answers as to what's the appropriate way and can we work with a third party effectively to achieve that same goal or are we taking on the cost -- the unknown cost is like saying, well, we have historical data from three -- you know, three deaths over a ten year period. Well, we could have four deaths next year. And, you know, very soon what you think is a historical number that says it's cheaper to do a one week and it's more expensive, but if we are willing to take on those risks at that time that's a different equation into this and maybe the -- our insurance provider would say, yeah, you guys will pay out the full cost and here is why it makes sense to work with us on this compared to paying a tax, but those are the conversations.

Cavener: Thanks, Mr. Mayor.

Overton: Mr. Mayor?

Simison: Councilman Overton.

Overton: A quick follow up. I'm fully supportive of this discussion and moving forward with the two parts that you presented, first being the 36 months of COBRA. I think we should be there already. We are not. But I think in this process we can probably get there. Secondly, I really like the idea of a city-wide benefit. But I would -- at this point I would only want to be supportive of it if the amount we are saying we are going to give them is the amount that gets given to them.

Cavener: Mr. Mayor? Well put, Council Member Overton. And we -- I think the Mayor touched on that. We would -- we want as much of the financial benefit to benefit the families, as opposed to going to a third-party entity or the government. That's I think ultimately what's going to impact the family the most should be kind of our Northstar to a degree. So, Mr. Mayor, I think next steps are some continued conversations with all of you. You have got a very rough draft version of the policy. One of the things I love about Council is that we all have our own path to get to the right idea. So, I would encourage your feedback, suggestions. It sounds like that there is some desire for us collectively to look at this. So, challenge me as to the best way to do that and we will continue to work together and in a number of weeks maybe come back with a policy for a more flushed out version for deliberation. Okay? Thank you.

24. Standard Operating Policy Discussion: Grant Application and Administration Policy

Simison: All right. Thanks very much. Okay. Up next Item 24, standard operating policy discussion, grant application, administrative policy and, Todd, you can also talk about any other items that were up there tonight if you want to update.

Lavoie: We are good, Mayor, but I appreciate you allowing us to talk about this. On June 27th we provided you, Council, a brief overview of what changed between the old policy and the new policy and I don't have a presentation for you. I'm here to possibly answer any questions that were not answered via the e-mail string on June 27th. So -- so, anybody. We are all here to answer any outstanding questions that you may have.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: I don't have any outstanding questions, but I -- I appreciated that information and just sort of taking the moment to understand the changes and why they are being made. So, I appreciate that. It feels like this will further standardize our approach to these and I think kind of get some guardrails around what we are doing. So, I appreciate you bringing it forward.

Lavoie: You are correct. Yeah. We are just trying to clean up a little bit of language, make it more understandable for all.

Simison: Council, any additional questions? All right.

Lavoie: Thank you.

25. Resolution No. 24-2460: A Resolution of the City Council of the City of Meridian to Amend City of Meridian Standard Operating Policy 9.8, Regarding Grant Management; and Providing an Effective Date

Simison: Thank you. The next item up is Item 25, Resolution No. 24-2460. Ask the Clerk to read this Resolution by title.

Johnson: Thank you, Mr. Mayor. A Resolution of the City Council of the City Meridian to amend City of Meridian Standard Operating Policy 9.8, regarding grant management and providing an effective date.

Simison: Council, you have heard this resolution read. Is there anybody that would like it read further? Or do I have a motion?

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: It's all very good discussion and work. Appreciate it. I move that we approve Resolution No. 24-2416.

Cavener: Second.

Simison: Have a motion and a second to approve Resolution No. 24-2460. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay? The ayes have it and the resolution is agreed to.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

Simison: Council, that wraps up our meeting. Do I have a motion to adjourn?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Move we adjourn our work session.

Simison: Motion to adjourn. All in favor signify by saying aye. Opposed nay? The ayes have it. We are adjourned.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

MEETING ADJOURNED AT 5:15 P.M.

(AUDIO RECORDING ON FILE OF THESE PROCEEDINGS)

_____ /_____/_____

MAYOR ROBERT SIMISON

DATE APPROVED

ATTEST:

CHRIS JOHNSON - CITY CLERK