Meridian City Council Work Session **January 28, 2025.**

A Meeting of the Meridian City Council was called to order at 4:30 p.m. Tuesday, January 28, 2025, by Mayor Robert Simison.

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

Others Present: Chris Johnson, Bill Nary, Emily Kane, Todd Lavoie, Jeff Brown, Steve Taulbee and Dean Willis.

ROLL-CALL ATTENDANCE

__X__ Liz Strader	__X__ Brian Whitlock
__X__ Anne Little Roberts	__X__ John Overton
__X__ Doug Taylor	__X__Luke Cavener

___X___ Mayor Robert E. Simison

Simison: Council, we will call this meeting to order. For the record it is January 28, 2025, at 4:30 p.m. We will begin this afternoon's work session with roll call attendance.

ADOPTION OF AGENDA

Simison: Next 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: ALL AYES.

CONSENT AGENDA [Action Item]

1. **Approve Minutes of the January 14, 2025 City Council Work Session**

2. **Approve Minutes of the January 14, 2025 City Council Regular Meeting**

3. **Final Order for Gander Creek South No. 4 (FP-2024-0021), by Bailey Engineering, generally located south of W. McMillan Rd. on the S. side of the Five Mile Creek, west of N. McDermott Rd.**

4. **Findings of Fact, Conclusions of Law for Apex Zenith (H-2024-0052) by Brighton Corporation, generally located at the southeast corner of S. Meridian Rd. and E. Lake Hazel Rd.**

5. **Development Agreement (Black Cat East H-2024-0047) Between City of Meridian, Meridian BC Holdings LP, St Lukes Health System Ltd, Meridian BC 2 LP, and Meridian BC 1 LP for Property Located at 935 S. Black Cat Rd.**

6. **Development Agreement (Pivot Pointe Subdivision H-2024-0029) Between City of Meridian and KB Home Idaho LLC for Property Generally Located South of W. Pine Ave. and East of N. Black Cat Rd.**

7. **Release of Liability and Indemnification Agreement between the City of Meridian Police Department and the Sundance Company and Sundance Investments L.L.L.P. for the temporary use of The Diamond Point Building for the purpose of K-9 and Police Academy Training**

8. **City of Meridian Financial Report - December 2024**

Simison: Next up is the Consent Agenda.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Move 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. the Consent Agenda is agreed to.

MOTION CARRIED: ALL AYES.

ITEMS MOVED FROM THE CONSENT AGENDA [Action Item]

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

DEPARTMENT / COMMISSION REPORTS [Action Item]

9. Proposed Updates to Title 2, Meridian City Code, regarding City Commissions

Simison: So, we will move on to Department/Commission Reports. First up is Item 9, proposed updates to Title 2 Meridian City Code regarding city commissions. Good evening -- late afternoon, Emily. I don't think we get to call it evening just yet.

Kane: Not yet. Good afternoon. I'm sorry. Let's see if that stays. Okay. Mayor and Council Members, I'm Emily Kane, I'm a deputy city attorney in your city attorney's office. I'm here to present to you about some proposed updates to Meridian City Code, Title 2, which relates to city commissions and committees. So, first just a really quick overview of what we are doing today. You have heard this before, but to refresh, since it's been a while, the 2021-25 Citywide Strategic Plan has the goal of updating ordinances and simplifying processes to improve effectiveness and provide premier services to our citizens and the one and only strategy assigned to the city attorney's office is to perform a complete review of all ordinances, codes and policies in the City of Meridian. So, today's project is -- or today's presentation as part of that project as it relates to Title 2. So, in Title 2 right now we address our -- our commissions. So, Historic Preservation, Solid Waste, Arts, Parks, Transportation, Planning and Zoning and the Board of Adjustment. We have other bodies that are addressed in other titles of city code, the compensation committee, districting committee and the Impact Fee Advisory Committee. We also have in our city some ad hoc committees. The Mayor's Youth Advisory Council, the Meridian Anti-Drug Coalition, the Senior Advisory Board. Those are some examples of -- of other bodies that are not specifically addressed in our code. My approach to the overhaul of Title 2 was to organize all these bodies into four general categories. So, we have advisory commissions, statutory commissions, ad hoc committees and standing committees. So, advisory commissions are those that are established and operate pursuant to City Code and those focus -- those commissions focus on general city functions, so a specific to a particular subject area. So, Arts, Parks, Historic Preservation. Statutory commissions are the ones that are established and operate pursuant to Idaho Code. So, the Impact Fee Advisory Committee, that's how it's -- that's how it's -- that's its title under Idaho Code. And the Planning and Zoning Commission. Ad hoc committees are the ones that are -- that operate kind of informally. We have had -- we have had a dog park committee or MYAC is one that operates kind of informally, come and go as you please. We had a UTV committee or precious metals, something that a group gets together to talk about something on an as needed basis and, then, a standing committee are those that are also established by city code that focus on a specific task or action. The utility billing review committee or it was called the Board of Adjustment. I'm proposing a name change. Or the districting committee. And this code is set up to -- it has actually three chapters. Our committees are all in one, but advisory commissions and statutory commissions are in their own chapters. So, it just sorts everyone into where they -- into where they go and establishes the rules for each one. So, I also worked to move redundant provisions from each commission's code into a general kind of umbrella provision that governs each of these four categories. I updated language to reflect what the commissions are actually doing right now. Some of the language was outdated, because the city has evolved. What we will see is this theme of -- a lot of our commissions started out as the -- kind of the department. So, for example, we didn't used to have a Parks Department, we only had a Parks and Recreation Commission and as we had a department, we had staff, a lot of the operational things that that commission did had transferred over to staff and we are seeing that with a few other of our commissions over the years as well. So, this -- this update attempts to address some of those changes. The changes clarify roles and responsibilities of commissions and staff and the Mayor and Council and this one's a little bit selfish, but we sought to clarify the application of the transparent and open government laws, the open meetings, public records and ethics laws. Some of the definitions in, for example, the open meeting laws, do apply to commissions, but not committees. So, this sorts some of that out. Finally, I just thought to have uniformity in the structure of the code for each commission, so we are not repeating ourselves, but also being inconsistent at the same time. So, with that I will turn to the draft updates. I'm going to talk about the red line version that's in your packet. I -- feel free, of course, to interrupt me, but I'm going to do my best to kind of give the highlights and kind of just haul all the way through there if we can. So, starting at the top, so chapter one starts with the advisory commissions and as I said that's one of our four categories of -- of boards that were -- that I organized these into. The -- it starts with an explanation of all the advisory commissions. So, everything that they have in common. They, again, serve their -- their purpose is to advise the Mayor and City Council on specific subjects pursuant to this chapter of City Code. So, A, you will again see this repeating. So, A is the creation, how they are created. There is something I would point out under Section B there is the -- I deleted a reference to -- well, I moved a reference to the open meetings law to a little bit farther down in Section C and also while I was there addressed the public records and governmental ethics. So, that is all -- that's all together and maybe in a -- in a better spot, a spot that makes a little more sense. The roles and responsibilities are now described as the duties and authority and the -- the advisory commissions are established for the purpose of making recommendations to the Mayor and City Council. They are recommending bodies. The -- oops. A little bit further down I moved the -- and consolidated the provisions for advisory commissions regarding bylaws. The chair and the vice-chair and the annual report. In speaking with the commissioners that -- who -- the commissions that were changing from president to chair was that was actually the most controversial thing that we talked about. So, I'm proposing that they all be called the chair and that distinguishes them a little bit from City Council. You have a president and this way those bodies have -- have a chair.

Simison: And -- and maybe just to add into that, Emily did go and talk to all the commissions through this change process for those who weren't aware. Okay.

Kane: Good point. And that -- that kind of a summary of their comments is in your packet as well. The -- I added some prohibitions for commissioners based on some lessons that we have learned from some other jurisdictions. Commissioners are volunteers, so we don't want them entering into contracts, including verbal agreements and binding this to the expenditure of funds or making commitments on behalf of the city. Applying for grants. We have a grant procedure that our policy that establishes how we do that and volunteers are not to -- to apply for grants and entering private property. So, of course, as government -- government representatives they have some obligations and they need to either get consent or a warrant, which would be tough for a volunteer, but if -- if that's where our commissions lead us that will be a weird day, but that's what you need if you are cloaked as a government representative. So, this clarifies that they are not to do that. The -- the next thing I would highlight is membership and qualification. So, all advisory committees or commissions, rather, all the information regarding appointment, how big they are, the minimum age, the terms, the process for partial terms, vacancies, reappointments, the kind of nuts and bolts housekeeping stuff is all -- that's all here, too. So, moving on to page three. Another component of the uniformity is talking about budget. Staff -- it clarifies that staff will handle the budgetary requests and handle basically all the money through the process -- processes that we have established for that. Moving on to page four. So, after the umbrella provision I go into the -- the provisions that address each commission. So, starting with Arts, each advisory commission's code has -- has four sections. The establishment, so why is this commission established. Their duties and powers. What are -- what is this commission authorized to do. Their qualifications of who can serve and, then, when meetings -- when do they meet. So, the Arts Commission, again, it says their duties and powers are to make recommendations to the Mayor, City Council and city staff and I would point out that rather than focus on specific tasks, the focus of these rewrites is on subject matter areas. Commissioners are really our subject matter experts and the eyes and ears of the public to know what is going on in -- in the city and provide input on that and they are -- they are uniquely positioned to do that. So, this is a list of the areas that we are asking them to -- to look at in that capacity. We are going to try to hit the highlights and keep on tricking. So, please let me know if you have a question. Again, we see in the -- in the arts commission section there the arts -- arts is an area where we -- we hadn't had staff and now we do have staff. So, this shifts some of those operational expectations that we used to have of the commissioners over to staff and clarifies that this is what -- these are the -- this is the information we want from the commission and these are the tasks that we expect of staff. So, this -- this does sort some of that out there. They have successfully made that transition the way that Parks did, so we are grateful for Cassandra and she is really taking on these operational tasks so well. So, I'm really grateful for that. The one thing I will point out to you is that near the bottom of page five the Arts Commission, I added a provision saying that the commission recommends the adoption of a strategic plan for the arts in Meridian. The MAPS funding is tied to the MAPS strategic plan. Those funds can only be spent on that which is outlined in the strategic plan. So, this just -- we don't have anything in the commission's mandate ordinance that specifies that they do that. So, this is an addition. You will see the language -- excuse me -- regarding recommendations for the city Comprehensive Plan in all of these commission's duties and powers or most of them that we do rely on those commissions to help update our -- our Comprehensive Plan. We have our qualifications, then, the meetings and we are on to Historic Preservation Commission. Oh, before we get there I will -- I will point out that there is another reference to the open meetings law in this -- in the Arts Commission's code and that's an example of something that is taken out in all of them and moved to the umbrella provisions that relate to all of the advisory commissions. Again, addressing the subject matter instead of specific tasks. There are a number of outdated provisions in the HPC's provisions. They -- there is a lot of talk about acquiring historic properties and leasing and transferring, so I think at one time it was envisioned that the city would have a number of holdings of historic properties. We are going away from that, so the -- these -- this reflects those changes. There is a catch-all provision. The commission is to recommend actions that may further the protection, enhancement and preservation of historic properties. So, we are still covered, they are still providing input, providing expertise, but not acquiring properties. Moving on. In Section 8 -- so, the Parks and Recreation Commission -- again I'm looking at subject matter rather than specific tasks. The Parks Commission still makes recommendations regarding parks, pathways, and related facilities, rules and regulations. The Parks and Rec master plan, the city's Comprehensive Plan, the -- I will point out that I added a provision stating that the Parks and Rec Commission will serve as the city's tree board. The National Arbor Day Foundation requires that the city have a tree board and this -- they have always been -- been that and served in that capacity, but this makes it clear for purpose of our accreditation with that agency to get that award. The qualifications changed a little bit. I demonstrated interest, competence or knowledge in parks, pathways, open spaces or recreation. Again getting that citizen input and somewhat expertise, but more citizen input for parks. The Parks Commission would like to change their regular meeting time to 4:00 o'clock instead of 5:30. They have been successfully doing that for a little while, so this makes that change as well. The Planning and Zoning Commission is deleted right here. I moved it to later. So, you have a little break as we cruise to page 11. The Solid Waste Advisory Commission, again, the same structure, establishment, purpose, duties, powers. The Commission is tasked with making recommendations regarding ordinances, policies, fees, programs, projects. This is another commission that didn't have staff and now they do. They used to be the -- all that the city had with regard to these tasks and functions. Now, we have staff that does a lot of this, so they -- this represents some of that operational change. The SWAC cares, initiatives, concerns, complaints that are brought by the City of Meridian and overseas the community recycling fund and, again, makes -- makes comments on the Comprehensive Plan. We cede them that. The bottom of page 12 is a catch all that talks about -- that addresses their -- their mandate to address solid waste initiatives. Again qualifications and meetings. I'm now on page 13. We arrive at the Transportation Commission. Again establishment purpose, duties, powers. The Transportation Commission does -- their catch all is actually at the beginning here. Policies, programs and issues related to traffic safety and transportation. They hear concerns and issues referred to the Commission. They review lists of -- priority lists for roadway intersection, bike and pedestrian improvement projects and refer that to City Council. They do provide expertise and city -- citizen input. Comments on the five year work plan. There is some outdated language kind of in our membership provisions that this corrects. For example, the old -- it used to say Meridian Joint School District 2. Now we have updated that to West Ada. So, there is a lot of little tweaks throughout this draft. Meetings. I'm now on page 15. So, we have journeyed through the first branch of these -- the four categories and onto statutory commissions. We only have two at this time. There may be others that arise later or in the future, but for now we just have P&Z and the Impact Fee Advisory Committee. So, statutory commissions -- well, I will add some provisions of the relevant Idaho Code provisions that apply to these commissions are mandatory and some just require that the city code address certain operations. So, I made an effort to not cut and paste what was in Idaho Code and that can live there and what we need to adopt to make sure that we adopt that here. So, we -- we -- we are missing a few, but we are -- we are caught up now. We -- you, again, see the -- I repeated the prohibitions for the commissioners here. Idaho Code Section 67-6504 states that the Planning and Zoning Commission is to have bylaws, which they haven't had before, so that's a requirement that was added. The -- the appointment of commissioners is addressed in state code and that is clarified here to match what's in state code.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: If I can just ask you a quick question. When you mentioned P&Z is now required to have bylaws, does P&Z, then, have the statutory authority to create those bylaws or how do they actually -- that -- that's kind of an interesting concept and do we currently have any bylaws in our P&Z? If you can just take a moment and talk about that for a second I would appreciate it.

Kane: Sure. We do not currently have bylaws for the Planning and Zoning Commission. That will be corrected in the near future. Our other commissions do have bylaws and kind of by tradition we have had the commission's bylaws adopted by City Council by resolution, mostly just so we can track them and find them again later, so that they can live on laserfiche. Planning and Zoning has not had bylaws before. So, that is on our list to update all commission bylaws and have Planning and Zoning adopt some bylaws. The Idaho Code provision -- it's not new, so it's something we have kind of ran across in this process, but it does just state that they are to have bylaws. It's not -- it -- it just says bylaws consistent with this chapter and other laws of the state for transaction of business of the commission. So, really, it's -- I -- I would envision that it's a lot like the bylaws that we have for the other commissions, just how -- how it works, who runs the meeting and how -- how they get stuff done. Really there is no other guidelines.

Simison: And how the chair is selected, you know, some of those elements.

Kane: The housekeeping. Okay. On page 16 -- so, again, stating that city staff deals with expenditures and contracts. The Idaho Code -- again Section 67-6504 talks about -- oops. Sorry. I skipped that.

Johnson: Emily? So, you are not sharing that screen.

Kane: Right.

Johnson: I'm sharing it for you over here if that's okay.

Kane: Thank you. Mine is jumping around. I think I wanted to mention the -- oh, here it is. Thank you. The -- comment 92 there, the -- the code did change Section 67-6526 regarding the area of impact. It required us to do math, which lawyers don't do, but we did it and we had it double checked, but the provisions say that at least the area of impact must be represented to a proportionate degree. Our impact in Meridian is about three percent of our population, so whether we have seven members on the P&Z Commission or nine, one member from the area of impact is adequate to meet that -- that statutory requirement. So, this code is now updated to reflect that -- that change in the state code. Mention of officers and, then, meetings and at the bottom of page 16 I start the discussion of the Impact Fee Advisory Committee. This is governed by Idaho Code Section 67-8205 and it's relatively short, so we did what is required in the state code. Again left in the state code what needs to be there. Addressed qualifications as outlined in state code and their meetings are at least annually as designated by the CFO. All right. Moving on to our last two branches. Committees. So, committees are operational tools. They are organized to assist the Mayor and staff with operational functions. So, either -- either just one time or on an infrequent basis, but whenever we have something to get done that requires our citizens could help us we have ad hoc committees and this is an attempt to kind of give some sideboards to that -- or guidelines to help. So, we have our ad hoc committees and our standing committees. Standing committees, again, have an enabling ordinance, so it's the -- the -- this ordinance establishes them and they convene on a -- on a regular basis or on as required by the ordinance. But, again, starting with -- at the bottom of page 17, all committees. So, it's that umbrella provision that governs all of them. So, I will point out just at the top of page 18 the committees are established by -- by the Mayor and directors and staff. The term of their appointments. Oops. Sorry. I have ruined my screen again. Here we are. The -- the term of these appointments is one year. Nope. Done it again. Oh. I guess the point -- the Mayor and the directors establish ad hoc committees and convene them as -- as set forth in this chapter, which is really just this -- this provision. So, this is the part where it clarifies the really confusing part of whether open meetings law, public records laws and governmental ethics apply to these ad hoc committees. So, ad hoc committee members are not required to comply with open meeting law, because they are not a public agency under the definition set forth in that -- in that statute. However, since they do meet that definition -- so, members of the districting committee -- or I should say the districting committee, the Board of Adjustment, the compensation committee, those are subject to open meetings laws. So, the public is invited, there needs to be a noticed agenda, there would need to be minutes. But that -- that doesn't apply to these ad hoc committees. They are really just meetings.

Simison: Councilman Taylor.

Taylor: Emily, in -- on Section B it says both standing and ad hoc committees shall be subject to the Idaho Public Records Act, but, then, in your notes you say that ad hoc committees are not. Is that a typo or am I just -- if you see it on --

Kane: Uh-huh. Oh, I do see that. Oh, I'm sorry. So, that's the Idaho Public Records Act. So, the open meetings law does not apply to the ad hoc committees, but the Idaho Public Records Act does apply to both of them. So, whatever records produced by the ad hoc committee would still be a public record. Good spot. Yeah. The Public Records Act applies to all city business, so it would apply to both kinds of committees and same with ethics in government, whenever -- whenever anyone's acting on behalf of the government they are subject to those laws. However, open meetings law -- the definition is just slightly different, so --

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Thank you, Emily. First of all, just thanks for providing the red line and all the background information. I thought it was really helpful. I just had a question. Where would MDC fit into all this framework if at all? I was wondering if you grappled with that and they are kind of our urban renewal agency in a way. They are kind of a creature that we created. But how -- how do they fit into this?

Kane: Uh-huh. The Meridian Development Corporation is not a city -- it's not an arm of the city. Once they were created they are their own governmental entity. So, they -- they are subject to all these laws, too, but we are not responsible -- we, the city, is not responsible for -- for their compliance with these laws and we -- the city does not notice their meetings or keep their minutes or anything of that nature. They -- they are responsible for that even though the city did create them.

Strader: Yeah. That's interesting. And going forward I guess -- well, you know, maybe I will take it offline. I just had some more questions about that. But I -- I appreciate it.

Kane: Okay. All right. Standing -- standing committees is our final of the four. They -- so these, again, are the ones that we create by city code to do a particular thing. Like commissions, the Mayor, with the approval of City Council, appoints the members. Their appointment is for one year or for however long it takes them to accomplish the particular task. So, with the districting committee however long it takes that committee to accomplish the -- the districting procedure set forth in the code. So, we address officers, which is possibly -- might be new for some of these. I don't know that all of these standing committees have had a chair, but that just sets up some order, so that it's clear who is in charge. Require agendas. Quorum. We address voting and meetings. The provisions in the Meridian Districting Committee have not changed. I did move the -- the parliamentary procedure provisions to the umbrella section above, but, otherwise, this is the -- this is a cut and paste from what we already have for the districting committee. So, given that I'm going to move on to page 22. The compensation committee. These provisions are currently in Sections 165-C and 179-C. One’s regarding the Mayor's compensation. One is -- relates to the City Council's compensation. They are consolidated here and brings them all under the umbrella of standing committee. So, we would take them out of Title 1 and move them to here.

Otherwise there are no substantive changes proposed to these provisions regarding the Compensation Committee. The Board of Adjustment I'm recommending a name change to the Utility Billing Review Committee, just to better reflect the -- the function of that committee. Again, the -- there is really no substantive changes to these provisions. It's largely to kind of re-sort and make it match what we -- match the format that we have. There -- I took out some superfluous language, so the changes that you see are largely for efficiency and clarity. The only substantive change I made is that the committee would have seven days following the hearing to issue its decision -- decision instead of two days. It's a pretty tight turn around. So, it just -- it makes it a little more reasonable for staff frankly. I didn't change anything in the appeals process, so -- and -- and I don't know if we have had this for a number of years, but City Council could still hear an appeal of the Utility Billing Review Committee's decision. And that brings me to the end. Are there any questions?

Taylor: Mr. Mayor?

Simison: Thank you. Council, questions? Councilman Taylor.

Taylor: Thanks, Emily. When was the last time we kind of had a thorough look at this section of our code and kind of reviewed it like this? Have we done it before? If so do you know by chance when we did that?

Kane: Mayor, Council Member Taylor, we have done it within each commission, but never before to my knowledge have we done a full overhaul of the -- of the title.

Taylor: Thank you. Follow up, Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Just maybe some feedback. First off when I first opened the file and saw all the red lines I quickly closed it to prepare myself for actually diving into it, but what I found as I went through it -- really appreciated how you have reorganized it. I think it's more readable. I think -- I like how you have eliminated a lot of the redundant language, kind of cleaned it up. I think it's more approachable as much as we can possibly make it. So, I do appreciate that. Really appreciate the change where we are asking the commissions to advise, as opposed to promoting certain activities. I think by doing that and by eliminating some of the tasks we are asking them to do, we are actually giving them -- the committee members a little bit more freedom to say, well, instead of doing this task I'm asked to advise and I think it will give us some better feedback from -- potentially from members of the committee that might feel a little bit more free to say, well, here is my advice on how to move ahead, recognizing that they are not to be necessarily promoting or to dictate sort of what the city should be doing. So, I think that's good clarity for that. I will just ask one last question and, then, I -- that's all I really have. I find it a little odd that we would actually include in their specific meeting times for some of these committees. Is there a statutory reason for that or is that just best practices?

Kane: Mayor, Council Member Taylor, there is a statutory reason. We are not required to do that, but if we do that, then, the regular meetings can be noticed all at once at the beginning of the year. But in order to take advantage of that -- that I guess statutory out to having to notice every single time, that the city does have to adopt an ordinance that says this is when the -- the regular meetings will be.

Simison: And if the law changes so that we don't have to do the same type of noticing in a different way, maybe that would be something that could be considered in the future if we didn't want to have a standing time. I think that -- I think for the purposes of the people on it they want to know when they are going to meet. That's one of the main questions we always ask. Can you meet at this time regularly? So, I don't think we would want to generally change it, but whether or not you want to put it in statute I think that's a different component.

Whitlock: Mr. Mayor?

Simison: Councilman Whitlock.

Whitlock: Emily, just a quick question on standing committees and the term of appointments at one year. The -- the language that says or the time necessary to achieve the purpose for which the committee is convened, who determines when they have completed their task? Is it when a recommendation or a report is given to the Mayor and Council? Is it when challenged in court and run that process or just who determines when they have completed their task and if there is a challenge or some reason why they need to be reassembled, is there an opportunity to do that if they have been, quote, unquote, dismissed?

Kane: Mayor, Council Member Whitlock, yes, the -- I -- I really hope it's not related to litigation, but the committee does have a -- well, sorry. The districting committee and the compensation committee and the utility billing review committee, they do have a specific task, they are trying to get done one specific thing with a pretty obvious deliverable. So, it is that when that deliverable is complete that is when their appointment would end and in the case -- in all of these cases a year is hopefully way too long, but that does -- what the utility billing review committee, that's the one that the year might matter, because anytime within that year there could be an issue that the -- the committee needs to convene. The other two there -- it really does depend on how long it takes the process to unfold and the process is very well defined, so there is a beginning, a middle and an end. So, it's pretty clear when their objective is complete.

Whitlock: Follow up?

Simison: Councilman Whitlock.

Whitlock: I guess my frame of reference would be the statewide redistricting committees. No matter what their recommendation is it always ends up in the Supreme Court. So, they get to go back and review it again. And I -- I -- I -- the districting committee is in -- districts in Meridian are fairly new and who knows what the future holds with challenges to that. So, that's why I –

Kane: Mayor, Council Member Whitlock, good point, and in that event the -- I agree that that committee would remain that committee -- those appointments would stay in place until it's all concluded.

Overton: Mr. Mayor?

Simison: Councilman Overton.

Overton: Just -- not a question, but remember back in history when the Transportation Commission started as a traffic city – the Traffic Safety Task Force committee watching all these things evolve over the years, knowing that they all kind of began at different times. I really appreciate the fact that we are taking them all and bringing that high level of consistency to all of them at the same time now. I think that's -- this is a -- it's overdue. I think it's fantastic that we are bringing them all up to speed now and I appreciate all the hard work and I'm not used to seeing that much red ink, but I knew it was yours when I saw it.

Kane: Thank you.

Strader: Mr. Mayor?

Simison: Council Woman Strade.

Strader: Just kind of a random comment, but I noticed that -- that we will remove commissioners that miss more than 50 percent of the meetings and, obviously, support that, but just want to make sure we are just communicating that the expectation is certainly for them to attend them anymore on a percentage basis than that. I would hope it would never get to that point, but I appreciate all the work on it and just process wise I -- I saw a two-step process. We are going to kind of digest this. Should we just provide questions or comments directly to you, Emily, or how -- how do you want us to go about tackling this as we move toward adopting it?

Kane: Mayor, Council Member Strader, certainly I am open to questions. I could either collect them and -- and return or – or, actually, I think that's probably the best way is to collect them up and prepare responses and return with a Q&A session.

Simison: Yeah. That was -- I mean the impression this was an overview. If you have any questions in advance get them to her, otherwise, we will schedule a meeting to come back at her earliest convenience, but after you have had time to digest. So, minimum -- you won't see her at least for two weeks, but we will find the time that works after that. But she will come back and bring back anything, then, after that in theory that's when we would say, okay, we will move this forward for public process.

Kane: Thanks.

10. City Revenue Sources Discussion

Simison: Okay. Up next Item 10, city revenue sources discussion.

Lavoie: Mr. Mayor, Council Members, appreciate the time to present to you. As the slide says what are our revenue sources? This is an informational presentation. Not looking for direction. Again, happy to answer any questions for you. Working with Mr. Cavener this is kind of a -- an attempt to bring content that we manage on your behalf on the executive branch to the legislative branch and the citizens. So, you can ask any questions about how we look at finances in this particular case. Back in November I presented Property Tax 101. So, again, this is just kind of a building of that opportunity for us to stand in front of you and kind of talk about what we do. So, today is going to be what are the revenue sources for the City of Meridian. After this presentation starting on Monday you will start receiving an e-mail informational series that's going to bring all this content into – I can tell you nine different e-mails, but I'm trying to put it in small little bites, so you can store it away so when you are bored one day you can open it up and read it. But, again, nine e-mails will support this document. We do it every year so that you have the information at your fingertips of how we look at finances. So, with that we run two major revenue sources here at the City of Meridian, the General Fund and the Enterprise Fund. Within each fund we separated into what we call ongoing and one time and for this presentation here I will split the presentation into General Fund and I will talk about ongoings and one times and I will talk about the Enterprise Fund ongoing and one times in detail for this presentation. Just as a general definition of what is ongoing revenue sources in our perspective and how we manage your finances – again it’s revenue received from a guaranteed agreement contract or state law or -- or services of income not driven by customer use that is dictated or for an indefinite period beyond annual proportion -- appropriations. So, again, we are looking for things that we know that are solid, that we know we can rely on, that we know that will be there and we consider those ongoing. The one time will be the revenues received from nonguaranteed agreements, contracts or state law or customer use driven with the one exception of water and sewer sales. Water and sewer sales is a driven component revenue source by our consumers, but we don't consider that as a one time, we consider it as an ongoing, because of the consistency and the reliability of water and sewer sales, as opposed to softball tournament sales. Again, those can just kind of stop for a -- whatever reason. Homes usually don't get up and walk and leave. Usually our homes are there, they are moving water, they are receiving water. So, that's the one exception we do consider in ongoing that we still say is sales based customer driven. So, that is how we define ongoing versus one time. So, with that we will jump into the General Fund data I guess discussion. Note that all the numbers in this presentation are fiscal year ‘24 actuals. So, we are just using the most recent data just for a presentation purpose only, but the data that is shown to you is 2024 actual data. So, the General Fund generated 101 million dollars in fiscal year 2024. Again, the audit report will come out in February and March. But, again, that is what we ended the fiscal year at for fiscal ‘24. We separate this into two funds -- or two sources just like we talked about, ongoing and one time. In this case the ongoing revenues for the General Fund were 65.7 million and the one time were 35.3. So, again, when we dive into the 65 million, we will go ahead and show you what the primary revenue sources are for this bucket. As you would guess, 65 million is made up by -- a majority of it is made up by property taxes, state liquor revenues, state sales tax revenue sharing and franchise fees. When you put those four buckets inside of our ongoing that is what makes up our ongoing revenue sources. That's our most reliable sources of income and we put those into effect to pay what we call our base revenue expenses. I'm going to talk about each one of these a little bit more in detail. Again this was presented to you back in November. I will probably quickly go over property taxes. I have already done property Tax 101, but, again, it is comprised of four functions. We have the base property taxes, allowable property taxes, new construction, new annexation and, again, what's missing from here is that new little thing that we added this fiscal year budget -- again I didn't add it in here, because it's ‘24 actuals, but ‘25, we did add a new bubble called foregone, but, again, I did not present that here, because this is ‘24 actuals, because I wanted to show you what the revenues look like when you put in the correct buckets. We did not have foregone in ‘24, but, again, those are the revenue sources for fiscal ‘24. Your base property taxes 40 -- almost 46 million . We elected for 735,000 dollars in new allowable taxes. New construction by Ada county provided us 1.5 in new annexation for 57, for a total revenue source for property taxes of 48.2 million dollars. So, we quickly went over that because we had property Tax 101 back in November. Again, this is what allowable increases we have done over time, which we have shown you in the past. You can see that last column is 2024, which is that 700,000 number. Then we get into the new annexation for the – or, actually, I apologize. I apologize. This is our three percent decision making opportunity. So, this is where Council gets to decide do you take three percent, not three percent, so you can see back into -- between -- since 2004 to 2024, you know, how many times we have taken the full three, percent that would be the bar all the way to the top and, then, you can see what we have done recently. So, those are our allowable decisions that the City Council has made over the years. This is the new construction. This is where Ada county tells us how much new construction revenues we can add to our budget. Again, our peak was in 2020 when we had 2.6 million dollars of new revenues that I could -- we could allocate to you to spend on new things. The most recent completed fiscal year 2024 is 1.5 million and I just want to make a note that if you notice a little trend here, this sliding is going downwards. Again, we are still growing, we are just growing at a declining rate. But just please note that since 2020 the new construction revenues are going down. We finished 2024 with 1.5 million and I believe 2025’s budget is right around 1.3 million. So, again, it's going on a downward trend. That is -- but that's Property Tax 101. Or property taxes. I didn’t want to spend too much time on that, since I presented that in November. The next major revenue source is our ongoing function for the General Fund is state liquor. There is a state code that mandates how this works. Again, we are a recipient of the state code. They have the opportunity to provide us revenue sharing within the liquor sales that they manage and we are a recipient of that. We really have no input on how this works. We have influence at the state level. We can influence them how decisions are made, but the state mandates how this is managed. They collect all the revenues and, then, during the quarter they will determine how much is distributed to the City of Meridian and all other agencies within the state, but they control this, they manage this. We are a recipient of this. Again – so, I want to point out in 2021 there was a state law change and they -- they changed the way they calculated revenue sharing and, unfortunately, you can see a new trend is occurring. The last three years we are averaging 51,000 dollars of new revenue sources I get to provide to you. So you get 51,000 new dollars every year. Last year we actually lost money. If you are just looking for a year over year change, as compared to the previous four or five years to the law change, we are getting 170,000 dollars of new monies every single year. So, fortunately, it's a new direction that we are managing. We had 170, now we are at about 51,000 of new money. So, when I present to you your ‘26 budget don't -- I mean you probably expect about 51,000 dollars of me giving you new monies to spend at your decision making. But, again, the trend is now on the lower side as of before the laws changed. So, we are collecting less revenues on an annual basis for new monies.

Simison: Council Woman Strader.

Lavoie: Oh, I apologize.

Strader: Is it -- is it okay if we ask a couple quick questions --

Lavoie: Jump in there please.

Strader: -- as we go or do you want us to wait? Okay.

Lavoie: No. No. No. Jump in. This is –

Strader: If you don't mind going back to the new construction, because I think this is an important point. Yeah. The new construction revenue slide. Just curious if you -- and I think some of us that are talking to you on a regular basis are kind of deeply entrenched in it, but maybe if you could just preview what do the quarterly results look like in terms of new construction, in terms of the activity that we are seeing? Does it still follow this trend? Because the last full year you have is ’24; right? We are already kind of -- you know, I mean it's early in ‘25. I guess do we have any indication just so far how it's going? Is this backward looking at all? Is it -- just give us a sense of what you are seeing in terms of the trend. So, how much is it kind of on average declining from your perspective?

Lavoie: We can definitely update it. So, the payment method for this is actually annual, but what we do get to use is our new permitting and new development activity. That is how they determine new construction. So, an example, a -- they do our tax bill, figure it out and, then, we open up bank number A down the street. That is now new construction that was not previously on that tax bill, so they are saying you need to add this to your functional tax situation, because that's new. So, we get to use development numbers to keep track of this and to answer the question is it still sliding, I sent you an e-mail before this about your Q1 revenue results and in there you will see that our permitting activity is below or behind our Q1 estimates. So, with that I would say that the -- using that data our Q1 estimates, I would say that the sliding growth pattern or growing at a declining rate put still – still stay intact. So, we are estimating that 2026's budget will be 996,000 dollars, as opposed to 1.3. We are looking at about a 300,000 reduction every single year over the last four years and we don't see any difference from that using our Q1 development results right now. So, I don't see anything deviating. But you had a comment, Mayor?

Simison: Yeah. And I -- I guess my -- on the Q1, just from -- when -- when I look at that information it looks like you are -- the way you divide it is you take here is what we expect for the year and here is where we were compared to and divide that into four equal parts. That's -- that's how I interpreted the Q1, because I thought the number that you showed we were below –

Lavoie: For development?

Simison: For the development was one-fourth, not –

Lavoie: The permit activity.

Simison: The permit activity.

Lavoie: That’s taken and divided by 12. I apologize.

Simison: Yeah. In that context, yes. But it's also during the part of time when people aren't doing development that -- you know, generally, not entirely, it's -- it slows down during this time frame and it's not -- it may or may not be reflective. I'm not going to speak to the 300,000 dollars, but that Q1 -- I don't think it's a projection, unless you compare it against the previous Q1s to have maybe an idea. I think that's what you would want to go back and look at to -- to maybe have your own determination about the year, because most of the activity actually comes in Q3 – two and three on the -- at least three.

Lavoie: Could we add a season -- seasonality approach to it? We can do that for you.

Simison: Yeah.

Lavoie: That way if it makes it feel better on -- or that makes it look more accurate, happy to do that.

Simison: Just for comparison purposes.

Lavoie: Happy to do that. Yeah.

Simison: The winter months when people aren't pulling permits --

Lavoie: Happy to do that for you.

Simison: -- as much.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Yeah. I think that's a good point. It would be interesting to -- to maybe look on it on that basis as well.

Lavoie: Sure.

Strader: Couldn't -- couldn't hurt. Get a little -- few -- few different viewpoints on it for sure. Thanks, Todd.

Lavoie: Thank you. So, I think we left off on state liquor. So, the next major ongoing revenue source for the General Fund is called state sales tax. Apologize.

Simison: Well, just a general comment on liquor and I think –

Lavoie: Okay.

Simison: -- at least from the national articles that some of us have probably seen, the drop off in liquor from the pandemic is huge. You know, the -- the -- the amount that was purchased in 2020, 2021, there is a nationwide hangover on amount of liquor being purchased, wine and liquor specifically. At least the articles that I have seen. So, I don't -- you know, I think that that's a -- just a national trend that is occurring, you know, and brown liquor specifically is not moving like it once did and it's been over produced. At least that's what I have seen on the national documents, so --

Whitlock: Mr. Mayor?

Simison: Councilman Whitlock.

Whitlock: That was still untouched.

Simison: I assumed.

Whitlock: Todd, I -- I have been involved with state government for 30 years and, honestly, I have to plead ignorance on -- on liquor tax distributions. How do they factor Meridian's distribution? Based on consumption? Is it based on sales? Is it based on some other activity that they can say -- because 50 percent of what remains after the surcharges goes out to cities and local jurisdictions, 50 percent of what remains after the surcharge goes to community colleges and other -- other sources. Is it just a wild guess what we are going to get or is there an actual distribution formula?

Lavoie: Great question, Mr. Whitlock. There is a formula. I don't want to get nauseated if I go through 23 of these sites, but I do have at the very end there is a mathematical formula that the state of Idaho manages, but it's out of our hands. I mean I can quickly read it to you. It's -- I mean not read it, but state liquor distribution 50 percent -- no, I'm not going to get into it. But there is a mathematical -- I'm happy to give you this. I have it in the slides. I will present it to you guys. But there is a formula to it.

Simison: Is it based on population at the end? A population of what the areas are? I mean we -- we know it gets divided up, but, ultimately, what's our share and what comes to the cities as a number of permits or population or something completely --

Lavoie: Well, here we go. I will start confusing you right now. First the account pays for the operating expense of the state liquor division. Done. Then 50 percent is allocated to the state, specifically the substance abuse treatment account of 2.8 million. Then the community college account. So, then, you get -- they have this – they hit these things first -- yeah. It's complicated. And, then, you get into the remaining 50 is split 49 percent in the counties, 36 percent to the Magistrate Court, then, 15 percent into the fiscal year 2023 funding and, then, 90 percent – so, you can see it's complicated, but I have it all. I put in these presentations so when I do get the question I go --

Simison: I -- I think just get down to the last line. How is it divided once it gets to the cities? Is -- is it, you know, with one –

Lavoie: Okay. Ten percent is distributed to the cities without liquor. So, that's 90 percent is distributed to the cities with liquor stores or distribution stations within city limits, according to the city's proportionate share of statewide liquor sales. If that makes sense.

Simison: To government guys probably.

Lavoie: Yeah.

Whitlock: And follow up?

Simison: Councilman Whitlock.

Whitlock: Can you just explain the negative 57,000 more time to me?

Lavoie: Those are the actual results received from the state. Again, we have -- they determine how much money they collect and they determine how much money is distributed to us. They are telling us that year over year we -- they collected less revenues for our proportionate share than in ‘23. So, this is telling you that in ‘23 if we collected ten million, in ’24 we collected nine million 900 and something, they determined that for us. We get a quarterly payment. Yeah. But that's what that's doing. For whatever reason ‘24 collected less revenues than our proportionate share in ‘23.

Whitlock: Okay.

Lavoie: Yeah. And our – and our forecast is flat and that is the recommendation from the state. When we get our quarterly payments they give a recommendation, they just keep it flat, don't expect anything more or less. We call it 50 grand in the hole. We call that flat. Yeah. Stumble upon that. I apologize, I don't know everything about the state liquor program and how it all mathematically works. I guess I know enough to be dangerous. Don't worry, this one's even more complicated, so don't ask. I can try to answer it, but the state again controls revenue sharing for the city for all the municipalities and agencies in the state of Idaho. We are receiving and we are happy to be a recipient to collect the funds, but the revenue sharing for sales tax is mandated and controlled by the state of Idaho. They collect all of this, just like in 2021's liquor, they did a sales tax adjustment in 2021 as well and you can see that we had a one time bump in ‘21, which we received gladly, but you can see the new trend for the City of Meridian is now -- not as well as it once was, so back before the change we were earning about 739,000 dollars of new revenues I got to provide to you to spend. Our new number is 280,000. So, we now are -- we are going to project just 280,000 dollars more for 2026, how would you like to spend that, as compared to the old number was 739. So, again, this is all controlled by the state of Idaho. We are a recipient.

Simison: And if I could just – on this one. This is one that is still changing every year, because how the law is set up it's a -- it's a moving target number that we are working towards other cities. So, it does -- it can -- there is nothing to say that next year we couldn't get 3.7 million again based on how the formula is evolving for every city under the formula, but you don't know that in advance, unfortunately, so –

Lavoie: So, we will use the data that we have right now. We are going to use our last three years as our guiding principle of how we forecast for this particular revenue source. Our last major revenue source for the ongoing side for the General Fund is what we call franchise fees. The state of Idaho does provide the agencies -- municipalities an opportunity to charge customers a fee for providing access to our power and natural gas and telecommunications for our companies. Again, if you wish to read the code it's in 5329. We do here at the city impose three different franchise fees. One for Intermountain Gas, one for cable or Internet connectivity, and the other one is for electricity. So, we collect about one percent from Idaho Power, five percent from -- in this case Sparklight and, then, three percent from Intermountain Gas. We do have long-term franchise agreements with these agencies. Again, kind of like the revenue sharing franchises -- in this case Idaho Power and Mountain Gas and Sparklight, they control everything. They do all the billing, they do all the collection, they do all the charging, we are a recipient of some payment on a quarterly basis. We do not have rights to their financial books. We cannot audit their books. We cannot question whether or not they are charging Mr. Cavener right or Mr. Overton right. Again, we are recipients. Again, we are -- don't have a lot of power here. Again, yeah, we will take the -- it's an opportunity for us and we do manage it accordingly, but, again, we don't have a lot of input on this, other than please collect three percent, five percent, one percent. But I don't -- we can't audit their books to see if it's really occurring. I trust it is a hundred percent occurring. I trust them. But you can see here last year, again, Mr. Whitlock, the other one we lost money year over year. Why? I'm not sure. I'm thinking they may have overcharged this in '23 and they finally made -- corrected their books in '24, but I don't have the right to call them and say give me all your financial, all of your books completely to figure out why I only collected two -- or why I collected 216,000 less than I did the year before.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: If you don't mind going back one slide. So, from -- I'm trying to remember the last time we did this. The Idaho Power one I think was pretty recent. How do -- how do we compare in terms of the franchise fees that we charge compared to other cities? Is it just a straight percentage based on Idaho law or is it -- or is there some flexibility? And I'm just -- this could be a follow up. I'm just curious, just because I noticed that we do have -- it looks like one agreement that is up for renewal in 2026 and one in 2027. So, it would be good for us to get our arms around that.

Lavoie: Fair question. We can look and see if it's up two or is it a flat one, three and five. Yeah. Fair question.

Strader: Thank you.

Lavoie: So, for the ongoing revenue sources for the General Fund, again we finished the fiscal year at -- we had less new monies in 2024 than we did in 2023 for X reason. Again, not exactly sure why. Again we don't get to audit their books. You can see in 2018-2019 we lost money two years in a row. So, again, not really sure why. I mean, again, the cable, video, Sparklight makes sense. If you look at our trend that one's going down, down, down, down, down every year because we are not using cable anymore, we are using Internet providers by TDS or other companies, Google Fiber and things like that, so -- and I don't -- we don't have franchise agreements with them. So, we are having less cable users and more streaming users, if that makes sense. So, less people signed up for Sparklight cable, but you are using TDS or other Internet providers to get your content to your house. So, we are showing a trend in cable revenues year over year, which will be displayed in your annual revenue report in April. Luke, I see a possible question. I see the mind turning.

Cavener: Mr. Mayor, I will -- I will wait until the end of Mr. Lavoie's presentation.

Lavoie: Okay. Cool. So, what that does with the four major ongoing revenue sources for the General Fund. So, if we kind of put this in a bucket, the far left one is your lever that you get to pull. The other ones you don't pull any levers, you don't turn any knobs, it's whatever they determine is the number for you. Those are the actual revenue sources that we collected on an annual basis. If you want to know what the new portion as I talked to you about it, new -- three percent was 735,000. The liquor we lost 57 grand. The sales tax we earned 188 year over year, in addition to. Franchise we lost 216. And property taxes was 1.5 positive. So, when you add up all that new revenue of that 48 million or that number right there, 2.2 million dollars is what you got new. So, that is the new monies you got to kind of manage accordingly for fiscal year 2024. And, then, we do this every single year. So, this is how much new revenue you have this year to hire a firefighter or a policeman, ta da, ta da, ta da. So, that is the number for fiscal year '24 and that's how we manage our finances for ongoing revenues and I'm looking at the clock, I have got 20 -- less than -- we are down to 20 minutes. So, I'm going to try to go through this so you guys can go get some dinner and make this happen. These are all the one time revenue sources that the General Fund manages. They manage licenses and permits. Intergovernmental. That big number is mostly grant dollars, fines and forfeitures, charges for service. That's going to be your Parks and Recreation going to the Home Court, football, baseball, things like that. Interest income, that's our investment, that's what we are earning on our investments that we manage and, then, impact fees are restricted, building permits, that's our community development and, then, planning fees are your planning fees. So, those are your on -- those are your one time revenue sources. We manage these separately from what we call our ongoing expenses. So, we do not depend on these expenses to pay for your ongoing expenses and that's how we kind of divide up your expenses as well, along with the revenue. Lots of information. I apologize. That's why we put this in nine e-mails later on. So, again, Enterprise Fund, same concept, they generate 56 million. These numbers, again, as a reminder of fiscal '24 actuals. We separate them into two buckets. No different than the General Fund. Thirty-three million in ongoing and 22 million in one-time. They have three major buckets for their 33 million. Water sales. You know, what people use in water and sewer sales, what we collect from the houses and, then, our trash billing services. Those three components make up our major ongoing revenue sources for the city. I'm not going to explain what this is. This is again for the citizens as well. This is how it works. We put money -- we put the water and collect the money and that's just an informational slide. This is your revenues -- new revenues year over year for your water and sewer sales and we are averaging about -- over the last three years 1.3 million dollars of new revenues that we get to manage accordingly for the Enterprise Fund and they are driven by our customers and as you know the city is growing with customers. So, again, revenue should naturally increase as we get -- go through 2,000 new homes every single year type of thing. Next up trash billing services. You have had some conversations about this with the Republic Services and, again, we collect six percent of the billings that we manage on their behalf. So, we do that per the contract and these are the new revenues that we collect for the utility billing and it's about 113,000 dollars over the last three years of new revenues, because they have added new customers and we get six percent of all new sales for customers. So, it's just mathematically -- you can see we are averaging about 100 thousand to 113 thousand of new revenues to the Enterprise ongoing revenue source and those are the three major ongoing revenue sources that we manage for the Enterprise Fund. Everything else of the 22 million is what we consider one time in nature. We sell water meters. Again, that's one time in nature. It's not ongoing. So, it's one time. Engineering fees, miscellaneous fees, going to be grants and such. Interest income. The EPA compliance will disappear. That's sunsetted, so you will not see that one going forward and the connections of water and sewer and those are what we consider our one time revenue sources that we use for one time expense sources and with that got that done, 20 minutes left. I'm happy to stand or sit for any questions. Again, we will present this in nine e-mails, so that you have it, so that you can share it with whoever you wish. We send it to all the directors. We send it to the Council, so that they can share with all their employees as well, so that everyone has a general understanding of how we manage your finances here at the City of Meridian. I appreciate it.

Simison: Council, questions?

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Quick comment and, then, a question. You and Homer Simpson look a lot alike when you have your glasses on, so –

Lavoie: Well, thank you, Doug.

Taylor: That's why you put it in your presentation. On franchise fees you can just talk to me for a second. They are not -- trying to understand what level they are required by the city to people versus like the different entities out there. Let's use cable for example. I was just thinking as you were talking the other cable providers aren't collecting franchise fees or -- I guess I'm just trying to understand a little bit of background about franchise fees in terms of -- do -- how do we come down and decide who is going to be signing these contracts with us to do that? Is this just completely -- what the city wants to do or –

Lavoie: We did just sign one with TDS. So, I know TDS is a new provider here in the valley.

Taylor: Okay. Do we require – if it's a new provider do we require them – is this something that we mutually say, hey, let's talk about this?

Lavoie: Great question. These were all developed before I was here and other than TDS -- Bill, I mean maybe you have some historical. If not, again, we can research this. I'm not sure how that works. That's a great question.

Taylor: Mr. Mayor, follow up if I may?

Simison: Councilman Taylor.

Taylor: I'm just trying to understand as other potential providers of these services are in the City of Meridian are they required to come to us to sign a contract? Can they just go out and provide it? Because I'm just trying to understand –

Lavoie: Sure.

Taylor: -- is this just another way to collect some revenue? Is this offsetting some impacts to the city services in some way? Maybe this is a broader discussion at another time it sounds like on franchise fees, so –

Nary: Mr. Mayor? Mr. Mayor, Members of the Council, I can give you kind of a two minute version. So, previously historically, yes, all providers of both cable services, power, gas, all had to get franchise agreements to basically use the streets as a means of their conveyance. Over the air providers, again, don't use streets, so they don't have the same requirements. But the state a number of years ago created a statewide franchise to get out of the business of every individual city having a different franchise agreement, different amounts, different reasons, different requirements. So, it's -- now it's governed by the PUC and the state. So, we get a portion and which is why I think that the revenue amount has changed. We get a proportion divided by the state formula that's governed by the PUC. So, we don't have any individual ones anymore. We had this issue with cable last year when our requirements changed because of that. Same thing with, you know, we still have them I think with Intermountain Gas and Idaho Power. But the other ones, yeah, the state supervises those, so --

Simison: And there is some -- some variability. The state can be up to three -- or the Idaho Power can be up to three percent, you know. So, why was one percent selected back in 2008? I -- I was here, but I don't recall this conversation in that context, but -- so, there is a little bit of decision point that the city has if they are to have these.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: I want Council to get a chance for dinner, so thanks, Todd, for doing this. Mayor, maybe a request is a good conversation with you and our CFO and maybe our comms manager. This is beneficial to the Council, but I think it's also equally important that we are proactively communicating that to our citizens. So, perhaps there is a spot on our website where we could post this, promote this, the series that Todd is going through and I think e-mails that outline this for Council is also beneficial for the public. I recognize when Mr. Lavoie gave his presentation he wasn't intending for it necessarily to be a saved on YouTube and time and -- and -- and forever. So, if -- if -- you know, if we want to work to find a way to maybe to do those I think it could be beneficial for not only the public, but for me late at night at 3:00 in the morning when I'm trying to remember something that he went over to be able to go back and -- and recall it is also helpful. So, just food for thought as we continue this.

Simison: Council, questions or comments at this time? All right. Thank you, Todd.

Lavoie: Thank you.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Move to adjourn the workshop.

Strader: Second.

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

MOTION CARRIED: ALL AYES.

MEETING ADJOURNED AT 5:45 P.M.

(AUDIO RECORDING ON FILE OF THESE PROCEEDINGS)

______________________________ ______/______/______

MAYOR ROBERT SIMISON DATE APPROVED

ATTEST:

____

CHRIS JOHNSON - CITY CLERK