

June 26, 2023, Council Work Session

The City Council of the City of Idaho Falls met in Council Work Session, Monday, June 26, 2023, in the Idaho Falls Civic Center located at 501 S Holmes Avenue in Idaho Falls 3:00 p.m.

Call to Order and Roll Call

There were present:

Mayor Rebecca L. Noah Casper
Council President Michelle Ziel-Dingman
Councilor John Radford (Virtually)
Councilor Hally
Councilor Jim Freeman
Councilor Jim Francis
Councilor Lisa Burtenshaw

Also present:

Mark Hagedorn, Treasurer
Randy Fife, City Attorney
Ryan Tew, Human Resources Director
Julie Combe, Human Resources Manager
Heather Wade, Human Resources Manager
Bruce Young, Assistant Airport Director
Rick Cloutier, Airport Director
Eric Grossarth, Public Information Officer
Corrin Wilde, City Clerk

Mayor Casper called the meeting to order at 3:01 p.m. with the following items:

Airport: Presentation and Discussion-Parking and Revenue Control System Recommendations.

Bruce Young and Rick Cloutier Present the following:

Director Cloutier reminded everyone that the Airport tenant BBQ is this Friday from 11 am to 2 pm. He also noted that there is an Airport Board meeting on July 18th, from 8 am to 11 am. Bruce Young presented three options for Parking and Revenue Control Systems. Mr. Young stated that the current equipment was installed 20 years ago around 2001. He said typically, these machines are replaced every 7 to 10 years and so you can see that we are way overdue for replacement. The current equipment requires daily maintenance and malfunctions are common and it is very expensive to find any replacement parts if you can find them. Bruce stated the system that we use to get the revenue control still works but it is outdated and is comparable to using Windows 95. Bruce says they started RFQ (request for qualifications) in March and had five proposals come in. He said during that time we had vendors come out and do a walk through and they took notes and asked questions. Bruce stated they ranked the vendors according to criteria in the RFQ and narrowed it down to 3 vendors, Flash Parking, DGM (Amano), and Spaces USA. Flash Parking is a National brand with Cloud-based and highly customizable equipment. Mr. Young stated one thing we want is to allow options for our parkers, not just to be able to get a ticket but allow other options including cell phone, credit card, and license plate. Mr. Young says this company allows for growth as needed, and because the Kiosks are USB-based it allows you to pull out the modules and use them somewhere else. This would allow the airport to be able to scale operations giving the ability to open additional gates or open another exit. Mr. Young talked about the cons of going with Flash Parking. He says it will be expensive costing around 260 thousand just to get everything installed. Mr. Young stated we do not have that kind of money in our

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budget this year or next year. Mr. Young says the company is based on the west coast and they do not have a call center. Flash company does recommend a third party for the call center but that adds additional cost, and you have the call center being the middle management to the company to resolve issues. Mr. Young presented another company called DGM (Amano) DGM is the authorized dealer based out of Seattle, WA, or Portland, OR. Mr. Young says Amano Equipment is a national manufacturer of parking equipment and would work with the Airport for troubleshooting issues. The equipment (kiosk) is not very customizable but does offer a cloud-based solution. Mr. Young stated that Amano installed their current equipment 20 years ago and we do have a working relationship with them. Mr. Young noted that this equipment would be 4 or 5 versions ahead of what we currently have and feels the staff will know how to use it and that should be straightforward for users. This equipment has multiple entrance options such as tickets, QR codes, proximity cards, and prepaid however you cannot use your cell phone with it. Mr. Young talked about the cons of going with DGM (Amano); he says it is expensive costing 260 thousand to install it. He says the equipment is not customizable so using cell phones is not an option. This company does not have a call center and would require a third party to provide that service. Mr. Young presented the third company called Spaces USA. Mr. Young stated we have been working with this company since May of last year in our remote parking lot and have experienced very little maintenance to the equipment. He says they have had to reset power maybe 5 times within the year. Mr. Young stated Spaces is a hybrid kiosk and does not require as much maintenance as the other kiosks. He said there are no tickets; it requires the use of a cell phone to get in and out. The core system utilizes cell phones and LPRs (license plate readers) allowing you to pull up to the gate and gain entry by reading your license plate. Mr. Young stated that Spaces USA has partnered with a company called Flowbird to provide ticketing options. Mr. Young says the cost of equipment is funded through technology fees charged to the user, so the users pay the technology fee that funds the equipment instead of the Airport funding it. He says this company has its call center and because it is their equipment they know how to troubleshoot. He says it does cost a little more because they provide a call center however it is not nearly as much as the third-party for the other two companies. Mr. Young talked about the cons of going with Spaces. Mr. Young points out that there is a possibility there will be communication between Flowbird and Spaces USA. Mr. Young stated Spaces has assured him that it will work fine but you never know until it is up and running. He says there may be some issues with the acceptance of users that don't carry cell phones or only have a flip phone and for that reason, we wanted to bring in Flowbird so they can still pull a ticket. Mr. Young says the reporting data and revenue data are accessible through their portal and is the least user-friendly and has the least ability to get information that is needed; however, they do send monthly reports that have been tailored to his needs. Councilor Burtenshaw clarified that the posted fee is the fee the customer is charged. Director Cloutier agreed the fee will be posted and the technology fee will only be charged once so if you have your car parked for 30 days you will only be charged the technology fee once. Mr. Young also pointed out that there is no convenience fee for using your credit card because it can be upsetting for the customer to see a technology fee and a convenience fee. Mr. Young stated the recommendation is to go with Spaces USA the biggest part of that is the cost of implementation and this allows us to pass the cost on to the user instead of raising the ticket fee much higher to pay for those over time. Spaces also has an in-house call center and users have had good experiences when talking to the call center. Mr. Young stated with Flowbird kiosks allow users the ability to get the traditional ticketed entry and exit method.

Mayor Casper asked what involvement IT (Information Technology) has had or will have in the process of using the equipment selected. Mr. Young stated that Joseph Nilsson, Derek Bates, and Cameron Ward have come out multiple times and visited with us. He said we also have included in our conversation Fiber because all of these are cloud-based, we must run fiber connections out to all the entry and exit lanes and should be able to start on the installation in the next couple weeks. Councilor Francis wanted to know if Spaces is a large national company doing a lot of parking in various urban areas. Mr. Young stated that Spaces is fairly new to the realm of parking together and have been in business for 10 to 15 years and have been involved in parking lots such as hospital, shopping malls; and parking garages. He said they are new to Airport parking, but they have experience in parking. Councilor Freeman is curious about the routing of the parking lots and asked if that is going to be included at all with these changes. He said will there be improvements to the ease of getting in and out of the parking lots. Mr.

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Young stated they do have some plans including closing off some of the entrances for example the entrances after the terminal where there is a three-headed parking are going to be closed off and will only have one entrance per lot. Director Cloutier noted that the Council will receive a Master Plan update in the next couple of months on the future improvements of the parking lot.

Human Resources and Municipal Services: Compensation Strategy, Structure and Recommendations.

Director Tew reviewed some of the key points of the Gallagher study. Mr. Tew says the study was to help us understand how we stack up in the marketplace and to give us guidelines on things like separate salary structures as well as provide potential salary structures that we could consider. Mr. Tew stated that we found out from the study that we are competitive with the market. Mr. Tew presented a slide representing the findings of the market comparison and results. He says the study shows as far as our salaries are concerned at the bottom level, we are well over the market at 19% over the market and in the middle of the salary structure we are about 5% over the market and at the top end we were 9% under the market. Director Tew stated that regarding the salary structure for the bottom of our ranges we are at 10% above the market and at the mid-point, which is what we look at most carefully we are 5% over the market and at the top of the scale we are only 1% above market. Director Tew said Gallagher recommended three salary structures to consider. He said all of them are step and grade structures. The first option is based on a living wage structure. This option anchored the bottom of the scale at the living wage and would cost the city even more than the one million three hundred thousand that Gallagher was projecting. He said the second option is a structure anchored at the lowest 25% of entry-level people. He said the third option they recommended was taking our current salary structure and implementing a 3% inflationary adjustment looking forward.

Director Tew turned time to Mark Hagedorn to present comparisons for these three structures but for option three instead of 3% over the current structure we are recommending a 2% over the current structure. Mr. Hagedorn stated that what we are presenting here is the Minimum, the Mid, and the Max, which are years 1, 6, and 19. Mr. Hagedorn notes that the differential is based on the Mid-point. Option one the Living Wage structure would require regrading of positions to shift down and is an expensive option at 2.75 million and 1.75 million of that out of the General Fund. Mr. Hagedorn presented the second option numbers regarding salary structure Lowest 25th Percentile which is close to our current salary structure, but they proposed to change the step system from being front end from the first one to six years but to make them even for all nineteen years that changes the Midpoint from grade 6 to grade 10. Mr. Hagedorn says that what that means is that everyone would be shifted to the high end to maintain their current wage. He said by doing that raises the cost which is estimated at 1.3 million with \$830,000 of that out of the general fund. Mr. Hagedorn presented the third option which is a 2% increase with a grade adjustment. This changes the midpoint differential on higher grades to match the market. Mr. Hagedorn stated that we are taking the data from Gallagher's findings and how it fits our step and grade system. This option changes the midpoint differential on higher grades to match the market and with a minimum 2% increase, higher grades will be repositioned. The estimated total cost is \$980,000 and \$615,000 out of the general fund and does include the wages and benefits. Mr. Hagedorn stated that we are on average about 6% deficient on the top end and so we are spreading that out to incorporate that top end and graduating it from grade 12. Mr. Hagedorn recommends a 2% increase and grades 13 to 16 would be readjusted down on their steps to be more in line with a 2% increase. Council President Dingman asked if this recommendation permanently changes the Mid-point. Mr. Hagedorn agreed. Council President Dingman wanted to make it clear to Council members that this is a permanent change here and in subsequent budget years an inflationary adjustment, (she points out that this 2% is a one-time inflationary adjustment) and wanted to make it clear that it is an inflationary adjustment but then adjusting that mid-point so that you relieve some of the compression at the top. Mr. Hagedorn agreed, he said the reason they chose 2% is because it's a blend of cost and understanding what others are doing. He said if we did nothing our market position would go down so this keeps us competitive within that market range as well as resolves some of the compression issues. Mayor Casper stated she is careful when talking about inflation and would not characterize the 2% as something to address inflation. She said right now we are pegging off the market and when you are paying market it doesn't matter what the inflation rate is because you are in the

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competitive range, and we are aiming for our mid-point to be at market, and when that is the goal, you don't have to factor inflation in. Mr. Tew stated that the market is moving and that is why we are looking at the 2%. Director Tew recommended that we do a Gallagher-type study every five years. Director Tew says the AmeriBen study is done every year and is a touch point for him giving access to data that can be accessed throughout the year and is used to do the grading. Mr. Hagedorn reminded the Council that we discussed last year that when we passed a flat rate and percentage that it would create a compression problem because that is what happens when you do a flat rate it squeezed everything together and we knew it would be one of the outliers that we would have to address. Mr. Hagedorn stated that we could cover this cost but there will be consequences that will have to be made. He recommended taking Forgone every year from a financial perspective. He said we will have to address the services we provide at some point because we can't always provide the services we want to.

Council President Dingman stated that she feels that we should make this decision upfront and start the budget process knowing these numbers. Councilor Dingman is in support because of the recommendations and does fix the compression issues and is clear that we can still stay competitive in the marketplace. Councilor Freeman agreed with Council President Dingman, he feels it's important to get this figured out to help the Directors set their budgets. Councilor Freeman stated in the past we have not done this early, and it makes it difficult for staff. Councilor Francis stated 4 years ago the council made a promise of substantially more than we were able to give in the end and employees and department heads were upset. He said it's hard for him to commit this money when he cannot see the big picture of how much is available. He feels they agreed to pay 1 million dollars for insurance from the general fund and now here is another 600 hundred thousand dollars and both are done without knowing what the whole picture is. He feels uncomfortable committing that today. Mr. Hagedorn stated each year we come to Council and have a set amount to use to pick and choose what the Council would like for each department and that has not changed this year there is still a set amount, it just won't be 2 million it might be 5 or 6 hundred thousand. Councilor Hally stated there are no services without our employees and we never know the big picture. He said he values the employees and feels we should go to bat for them. Councilor Hally stated he is in support of this recommendation. Council President Dingman stated that if we give no direction today and then we hear the whole budget, she feels that we are either going to prioritize employee wages as a top budgeting priority or we are not. She says it's okay if it is not. Council President Dingman stated fixing the compression issues and staying competitive in the market is our vision and it comes with a price tag. Dingman stated the Council has a way of saying they don't want to make a decision and then on July 20th one of the Council members has a brilliant idea and staff now has 10 more hours of work to do because you didn't like any of the ideas presented today. Council President Dingman stated that is a problem. She says if we don't give direction today it's unfair to staff. She stated that how we pay our employees must come with a clear philosophy and a clear program and direction and not say here is what is left over. Councilor Francis wants to know if there is more than 1.5 million. He said can he count on that money being there. Mr. Hagedorn stated as of this morning there were about 1 million before this decision that is unallocated and would leave \$400,000 left over. Mr. Hagedorn stated it is not a question of money it is a question of priority, and this is a big priority and may mean that you will have a different discussion later. Council President Dingman asked Mr. Hagedorn if it was correct that we have dollars budgeted from the general fund last year that we will continue to possess and collect that may have the opportunity to be re-allocated in this year's budget because they were one-time expenses that the general fund allocated last year. Mr. Hagedorn stated the money goes back in to be reallocated however benefits and wages and other requests have come and have used up those funds. Councilor Burtenshaw understands this compression issue and has seen the budget and the biggest ask is for more employees and feels that saying yes to this recommendation is putting the opportunity for some new positions on the chopping block. Councilor Burtenshaw stated that she is in favor of taking care of who we have on payroll now but recognizes that we will not be able to afford the new positions being asked for with this budget. She feels that Directors were hoping for new employees this year. Mayor Casper stated that Mr. Hagedorn's comment about services is insightful because we have more residents and more square miles to serve with the same number of employees therefore, we will have to cut something. We maintain services and get more employees or cut services because we cannot keep overworking people. Councilor Burtenshaw stated that the question from her to Directors is if you do not get new

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employees what services will you be cutting? She feels that the answer to this question is important for her to know. Mr. Hagedorn stated that what we should be doing is indexing our position count to the revenue stream because right now our position count is what the Directors are telling you what their needs are and not what the revenue stream says we can handle. Councilor Hally stated that he accepts the 2% increase. Councilor Radford feels his thoughts were represented well in this discussion and does not disagree with anything said. He says he is not fully committed currently. Councilor Freeman and Councilor Burtenshaw are in support of the 2%. Councilor Francis stated that he will support the 2% increase based on the options. Council President Dingman is also in support.

City Attorney: Discussion-Council proposed Amendments to Childcare Ordinance.

Councilor Francis stated the amendment on page 5 is what he was trying to represent at the meeting on June 8th when Council voted to go to the state standards regarding childcare. Councilor Francis stated that what the legal department has done is put on paper a clear statement of what he was trying to accomplish. On June 8th we voted to eliminate section C of the ordinance (page 5) and that meant we were not having any restriction for a violation of a civil protection order, misdemeanor domestic violence, assault, battery, and stalking in the second degree. He said we did eliminate the ones Council has had trouble with like substance abuse, and petite theft but Councilor Francis feels we should keep the violations in our Ordinance that were focused on anger management problems and the threat of violence to a child. He said is presenting this today to see if there is a will of the Council to add those back in and to clarify what he was saying on June 8th. Councilor Francis feels the restrictions we put in for licensing and childcare certificates should be recognized as a different thing than the process. He said we have discussed delays in the process as keeping people from getting a certification in a timely matter but it is not the restrictions that are preventing that, it is the process. He stated that he talked to the Police Department, and they said it takes 3 to 5 days to get results for a background check. Councilor Francis stated that within a week of doing the fingerprinting the answer is back. He says if other elements in the process are delaying it then we should address that differently instead of reducing the restrictions of the things that represent possible threats to children which he says is our purpose. Mayor Casper pointed out that the agenda says the discussion is Council proposed Amendments to Childcare Ordinance to include Citation. Mr. Kirkham does not know what "to include citation" might have meant unless it is a citation to the state code which this Ordinance has several references. Councilor Francis feels that adding these restrictions back into the ordinance is important, especially for misdemeanor domestic violence. He stated that after speaking to a variety of people it seems to be a common practice that what would normally be a felony is pled down to a misdemeanor. He says this type of offense could have been a serious offense and it ends up as a misdemeanor and that is why he feels these restrictions should be added back into the ordinance as a city requirement even though it is stricter than the state. Councilor Freeman wanted to verify that Mr. Kirkham has vetted these restrictions and that it is not in the state statutes. Mr. Kirkham agreed these are not requirements in the state statutes. He said for example you could get a permit to open a childcare facility in the county even if you have a misdemeanor domestic violence charge on your record. He said that will not make you ineligible. Mr. Kirkham stated that what this proposal would do is make you ineligible for a city license if you have been convicted of any of these crimes within the last 3 years and would not be able to own or manage or work at a childcare facility. Councilor Radford feels it is odd that the state would not have these restrictions and feels there are reasons why they do not appear in the state code. Councilor Freeman is in support of this. He stated that Councilor Francis has given this a lot of thought and feels that if legal has found that these things are not in state code then he agrees they should be in the code and is in support of it. Councilor Radford stated that he would like to have some time to talk about this with the Idaho Department of Health and Welfare before voting on this. Councilor Francis stated that a problem with delaying this decision is that we start issuing certificates based on what we passed on June 8th which does not include these. He feels that the more expeditious we could be in coming back to these would allow the most consistency. Councilor Burtenshaw stated that she will go look at 18-901 and wonders what it constitutes to get a conviction on that record and will look at that before the next Council meeting with this agenda item. Mayor Casper stated that this will be on the July 13th Council meeting agenda for consideration.

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Acceptance and/or Receipt of Minutes:

It was moved by Councilor Francis, seconded by Councilor Burtenshaw, that Council receive the recommendations from the June 6, 2023, meeting of the Planning and Zoning (P&Z) Commission pursuant to the Local Land Use Planning Act (LLUPA). The motion carried with the following vote: Aye – Councilors Burtenshaw, Hally, Radford, Dingman, Freeman, Francis, Nay – none.

Mayor and Council: Calendars, Announcements, Events, Reports, Updates, Concerns, Questions, and Discussion:

Mayor Casper distributed calendar items for June. She stated the employee picnic is tomorrow from 5:30 to 8 pm at Tautphaus Park and Ice Arena. She said the Zoo will be open to the employees and family from 6 pm to 7:30 pm. Wednesday Ribbon Cutting at Heritage Park, the Rotary Club will also be there and that is where they are holding their weekly meeting so the turn out will be good.

Wednesday evening is the BMPO (Bonneville Metropolitan Planning Organization) policy board meeting in the Annex conference room.

Independence Day holiday next week on the 4th of July.

Station 7 Ribbon cutting on July 10th. Mayor Casper stated July 12th is the Public Works Annual Utilities meeting.

Mayor Casper announced that at AIC (Association of Idaho Cities) GIFT program received an award.

Mayor Casper also announced that our City Attorney Randy Fife received a prestigious William Herrington Career of Service award, she said this is the highest award available to city attorneys in our state.

Randy Fife stated that Assistant City Attorney Mike Kirkham received the 2023 Dale W. Storer Professionalism Award.

- Councilor President Ziel-Dingman had no items to report.
- Councilor Hally had no items to report.
- Councilor Radford had no items to report.
- Councilor Francis stated the Sister Cities committee is doing very well and on at the Wednesday meeting they will be making a recommendation to the mayor's office for their budget of that money both for this year's \$11,000 and for the 2024 fiscal year.
- Councilor Freeman stated there was an article recently about the APPA and the work they did at the Legislative rally in D.C. earlier this year seems to be bearing fruit. He said two bills have been introduced to stop the DOE from introducing these new transformer standards and is going through Congress at this time.
- Councilor Burtenshaw stated that 17th Street is now being widened over by the Sandwich Tree. She said there has been a few community groups that have been cleaning the green belt and planning shrubs and flowers around the Funland. She said she saw this on East Idaho News and feels appreciative to those groups getting miles of the green belt cleaned with a company sponsored project.

There being no further business, the meeting adjourned at 5:04 P.M.

s/Corrin Wilde
Corrin Wilde, City Clerk

s/Rebecca L. Noah Casper
Rebecca L. Noah Casper, Mayor