Lewiston City Council
WORK SESSION AGENDA
March 3, 2025 - 3:00 PM
Lewiston Bell Building – Second Floor Conference Room – 215 D Street
Lewiston, Idaho 83501

Seating will be available on a first-come, first-served basis. All others who wish to observe this meeting may watch and listen to the livestream on their own device(s) by visiting the City of Lewiston's website at cityoflewiston.org.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. CITIZENS COMMENTS

This is an opportunity for citizens to address the Council on agenda items or other items they wish to bring to the attention of the Council. Citizens are encouraged to discuss operational issues in advance with the Mayor. In consideration of others wishing to speak, please limit your remarks to three minutes.

IV. PRESENTATIONS

A. **POLICE DEPARTMENT BADGE PINNING:** Promoting Corporal Josh Arnzen to the rank of Sergeant (Police Chief Kuzik)

V. DISCUSSION ITEMS

Please note that identifying an item as an "Action Item" does not require the City Council to vote on that item.

A. **MAIN STREET BOND PROPOSAL:** Discussion and direction on a potential bond proposal for Main Street infrastructure improvements - Action Item

VI. UNFINISHED AND NEW BUSINESS

A. **CITY COUNCILOR COMMENTS:** Comments shall not be related to an item currently before the City Council or an item that may come before the City Council in the foreseeable future, and shall be limited to comments, not discussion.

B. **CITY BOARDS AND COMMISSIONS LIAISON UPDATES**

C. **MAYOR COMMENTS**

D. **AGENDA TOPICS:** Action Item

VII. ADJOURNMENT - Action Item

The City of Lewiston is committed to providing access and reasonable accommodation in its services, programs, and activities and encourages qualified persons with disabilities to participate. If you anticipate needing any type of accommodation or have questions about the physical access provided at this meeting, please contact Nikki Province, ADA Coordinator, at least forty-eight (48) hours in advance of the meeting at 208-746-3671 x 6211.

PROMOTION ANNOUNCEMENT

Please join us in congratulating
Sgt. Josh Arnzen on his promotion

Date: March 3rd, 2025
Time: 3:00 pm

215 D st
2nd floor of the bell building

Josh Arnzen

CITY COUNCIL MEETING
AGENDA ITEM SUMMARY

<table>
<tr><td>ITEM TITLE
MAIN STREET BOND PROPOSAL</td><td>AGENDA NO. V. A.

AGENDA DATE: March 3, 2025</td></tr>
<tr><td colspan="2">ITEM SUMMARY (Background, Discussion, Key Points, Recommendations, etc.)

Main Street Corridor Improvements will be discussed for the proposed bond. Attached documents include:
A cover memo from Public Works Director Johnson
Welch Comer Memo
Election Ordinance
Clearwater Financial Memo</td></tr>
<tr><td colspan="2">BUDGET IMPACT (Identify any or all impacts this proposed action would have on the City budget and/or personnel resources)

Project budget will be the budget impact; currently estimated at $33,300,000. Funding options still pending, additional information in attached documents.</td></tr>
<tr><td colspan="2">ACTION PROPOSED

Staff would like direction from Council on moving forward.</td></tr>
</table>

www.welchcomer.com
O: 509-505-5551
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5620 E Desmet Ave
Spokane, WA 99212

WELCH-COMER
ENGINEERS | SURVEYORS

Memorandum

TO: DUSTIN JOHNSON, P.E., PUBLIC WORKS DIRECTOR

FROM: MELISSA CLEVELAND, P.E. AND PHIL BOYD, P.E.

PRJ. #: 48003

SUBJECT: MAIN STREET CORRIDOR IMPROVEMENTS BOND AND FINANCING

DATE: FEBRUARY 19, 2025

CC: CLEARWATER FINANCIAL

The current estimates for the Main Street Corridor Improvements project (i.e. Reimagine Downtown Lewiston) are shown in the tables below. The design team and City Staff need clarification from Council on: 1) the amounts to utilize from the water and sewer enterprise funds for the project, which could buy down the bond, and 2) whether to initiate a local improvement district for a portion of the streetscape including cost difference between pavers and concrete in the pedestrian ways and public plaza spaces (3rd Street plaza and New 6th Street festival street).

Additionally, the street category is currently funding the majority of the roadway reconstruction. The City may want to consider allocating more road reconstruction costs (currently 25% in the area of sewer construction) to the sewer category, which would allow the street category to cover more of the LID category cost.

The water category includes the plans currently being completed by Merrick. The assumption is that if the bond passes, the ARPA funds will be used elsewhere.

<u>Costs without LID</u>

Street	Sewer	Water	Total
$26,300,000	$2,900,000	$4,100,000	**$33,300,000**

<u>Costs with LID</u>

Street	Sewer	Water	LID*	Total
$23,700,000	$2,900,000	$4,100,000	$2,600,000	**$33,300,000**

*The Local Improvement District costs include costs to address the existing sidewalk vaults. These vaults would not be split evenly across the downtown users, but rather each property owner would be responsible for their own vault cost. In the estimate, the vaults account for about $950,000, which is included in the $2.6 million for the LID above. The LID scope and assessment amounts will need to be thoughtfully discussed with property owners as the current scenario results in a $186 front foot assessment (on Main St. and D St.) which would result in an average amortized assessment (based on and average lot width of 70 feet) of $1,200 over 15 years at 4% interest.

ORDINANCE NO. ______

AN ORDINANCE OF THE CITY OF LEWISTON, NEZ PERCE COUNTY, IDAHO, ORDERING A SPECIAL BOND ELECTION TO BE HELD ON THE QUESTION OF THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY IN AN AMOUNT NOT TO EXCEED $24,940,000 FOR THE PURPOSE OF CONSTRUCTING IMPROVEMENTS TO WASTEWATER, WATER, STORMWATER AND ROAD INFRASTRUCTURE AND RELATED IMPROVEMENTS AND COSTS; ESTABLISHING THE DATE AND TIME OF THE SPECIAL BOND ELECTION; APPROVING A FORM OF BALLOT; PROVIDING FOR REGISTRATION OF VOTERS; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Lewiston, Nez Perce County, Idaho (the "City"), is a municipal corporation duly organized and operating under the laws of the state of Idaho; and

WHEREAS, the Mayor and City Council (the "Council") of the City have determined that the interests of the City and the public interest and necessity require the incurring of an indebtedness of the City in the amount not to exceed $24,940,000 to finance the cost of the providing for wastewater, water, stormwater, and road improvements, together with related improvements and costs; and

WHEREAS, the proposed indebtedness would exceed the City's income and general obligation provided for the current fiscal year, and the Council has determined that the necessary funds should be raised through the issuance and sale of general obligation bonds of the City, subject to the approval of two-thirds (2/3) of the qualified electors voting at the election called for that purpose as provided herein below.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF LEWISTON, Nez Perce County, Idaho, as follows:

Section 1: THE PROJECT

A. The Mayor and Council hereby find, determine, and declare that the interest of the City and the public interest and necessity require the incurring of an indebtedness exceeding the income and general obligation provided to the City for the current fiscal year in an amount not to exceed $24,940,000 for the purpose of reconstruction of the infrastructure on downtown streets, which is spurred by aging, failing, and undersized underground utilities. Tearing up the deep underground utilities destroys much of the aboveground streetscape. Rather than patching the streetscape back, the City is seeking to improve wastewater, water, stormwater and roads all at once seamlessly and cost-effectively to meet the current and future desires of the community. Downtown businesses are struggling and there is a desire to have the infrastructure better support business, draw people downtown, and spur investment. Also, improving major transportation corridors has long been a priority for the community, with Main Street consistently ranked at the top, together with related improvements, professional services and related costs (the "Project").

B. The costs and expenses of the Project are estimated to be $33,300,000, including the payment of all preliminary expenses incurred and incident to the Project and properly incident to the issuance of the bonds as such expenses are set forth in Idaho Code Sections 50-1019 through 50-1026, all of which shall be payable from the proceeds of the sale of general obligation bonds of the City as provided herein.

C. Subject to the approval thereof by the City Council and by the qualified electors voting at the election for which provision is hereinafter made, general obligation bonds of the City shall be issued pursuant to the provisions of Idaho Code Sections 50-1019 through 50-1026, inclusive, and Title 57, Chapters 2 and 9, Idaho Code, in an amount not to exceed $24,940,000 to pay the costs of the Project.

Section 2: SPECIAL ELECTION

A special municipal bond election is hereby called to be held within the City of Lewiston on Tuesday, May 20, 2025, for the purpose of voting upon the proposition set forth in Section 4 of this Ordinance. The polling place or places for the special bond election shall be determined by the Nez Perce County Clerk, and the election shall be conducted by the Nez Perce County Clerk. The Nez Perce County Clerk shall appoint election judges and election clerks for the polling place or places for the special bond election.

Section 3: ADMINISTRATION OF ELECTION

The polls of the special bond election shall open at the hour of 8:00 o'clock A.M. on May 20, 2025, and shall remain open continuously until the hour of 8:00 o'clock P.M., at which time the polls shall be closed. The administration of the election shall be conducted by Nez Perce County in accordance with Chapter 4 of Title 50, Idaho Code, Title 34 of Idaho Code, and this Ordinance.

The ballot proposition to be voted upon at the special bond election, as set forth in Section 4 of this Ordinance, shall be separate from any other proposition being voted upon at or in conjunction with any other election being held and conducted on the same date. Only those qualified electors of the City casting valid ballots upon the proposition set forth in Section 4 of this Ordinance shall be counted in determining the number of qualified electors voting at or participating in the special bond election.

Section 4: BALLOT PROPOSITION

The ballot proposition for the special bond election shall be in substantially the following form:

CITY OF LEWISTON
Nez Perce County, Idaho

SPECIAL BOND ELECTION
MAY 20, 2025

SHALL THE CITY OF LEWISTON BE AUTHORIZED TO INCUR AN INDEBTEDNESS AND ISSUE AND SELL ITS GENERAL OBLIGATION BONDS IN THE PRINCIPAL AMOUNT NOT TO EXCEED $24,940,000 FOR THE PURPOSE OF CONSTRUCTING WASTEWATER, WATER, STORMWATER AND ROAD INFRASTRUCTURE, TOGETHER WITH RELATED IMPROVEMENTS AND COSTS, THE BONDS TO MATURE AND TO BE PAYABLE FROM A LEVY OF TAXES FOR A TERM WHICH MAY BE LESS THAN BUT WHICH SHALL NOT EXCEED THIRTY (30) YEARS, ALL AS MORE FULLY PROVIDED IN ORDINANCE NO. ______, ADOPTED ON MARCH 10, 2025?

The purpose of the bonds is to construct wastewater, water, stormwater, and road improvements, primarily in the downtown area. The City currently has outstanding indebtedness of $_________, payable solely from sewer system revenues and outstanding indebtedness of $_____, payable solely from water system revenues. The anticipated interest rate on the proposed bonds is 3.75% per annum. The total proposed principal amount to be repaid over the 30-year life of the bonds is $24,940,000; the total interest anticipated to be paid over the life of the bonds is $17,145,875; the total amount to be repaid over the life of the bonds is $42,085,875. The City intends to use existing savings and revenue to minimize or eliminate the need for a tax levy. If the tax levy is fully utilized, the following disclosure will apply.

The estimated average annual cost to the taxpayer on the proposed bond levy is a tax of $111.44 per $100,000 of taxable assessed value, per year, based on current conditions.

IN FAVOR OF issuing bonds in an amount not to exceed $24,940,000.................... [ ]

AGAINST the issuance of bonds in an amount not to exceed $24,940,000............... [ ]

Section 5: QUALIFIED ELECTORS

Every person eighteen (18) years of age or older, who at the time of the specified bond election is a United States citizen who has been a legal and bona fide resident of the City for at least thirty (30) days immediately preceding the date of the election, if properly registered as required by law, shall be qualified to vote at said election.

All electors must be registered before being able to vote at the special bond election. The Nez Perce County Clerk is the registrar for the City, and voter registration shall be conducted pursuant to the provisions of Section 34-1402, Idaho Code.

Any person who is eligible to vote May register on election day by appearing in person at the polling place established for the election, by completing a registration card, making an oath on the form prescribed by law, and providing proof of residence in the manner provided by Section 34-408A, Idaho Code, as amended.

Section 6: BALLOTS

The Nez Perce County Clerk shall cause the official ballot for the special bond election to be prepared in a sufficient quantity for the special bond election.

Section 7: NOTICE

Notice of the special bond election shall be given by the Nez Perce County Clerk prior to the election by publishing notice of the election in the official newspaper of the City, the first publication being at least twelve (12) days prior to the election, the last publication to be not less than five (5) days prior to the special bond election. In accordance with Section 34-602, Idaho Code, as amended, the second publication of the notice of election shall be accompanied by a facsimile of the sample ballot for the special bond election.

Section 8: CANVASS

When the polls are closed, the election officials shall immediately proceed to count the ballots cast at the special bond election. The counting shall be continued without adjournment until completed and the result declared. The election judge and clerks shall thereupon certify the returns of the special bond election to the County Clerk, who shall present the results to the County Commissioners.

The Board of County Commissioners shall meet within ten (10) days following the election, or at such time to which said meeting is continued, for the purpose of canvassing the results of the special bond election. The County Clerk shall thereupon certify the election results to the City Clerk. The results shall then be entered in the minutes of the City Council and proclaimed as final.

Section 9: DEBT DISCLOSURE STATEMENT

A brief official statement containing the information required by Idaho Code § 34-439, as amended, shall be prepared by the City Clerk.

Section 10: GENERAL OBLIGATION BONDS

If, at the special bond election, two-thirds (2/3) of the qualified electors of the City voting therein vote in favor of the issuance of the bonds for the purposes set forth herein and designated on the aforesaid ballot, fully registered general obligation bonds of the City shall be authorized, issued, sold, and delivered. The full faith and credit of the City will be pledged for the payment of the principal of and interest on the bonds. The bonds will be paid from annual taxes levied upon all taxable property within the City in sufficient amount to constitute a sinking fund for the payment of the principal thereof, together with the interest on the bonds as it falls due, for a term which may be less than but which shall not exceed thirty (30) years.

The officers now or hereafter charged by law with the duty of levying taxes for the payment of the bonds and interest thereon shall, in the manner provided by law, make annual levies upon all taxable property within the City sufficient to meet the annual payments of bond principal and interest accruing and maturing as hereinabove provided.

All bonds shall be issued in the form and manner, and shall be registered, disposed of, and redeemed, in accordance with the provisions of Sections 50-1019 through 50-1026, Idaho Code, and Title 57, Chapters 2 and 9, Idaho Code.

Section 11: OFFICERS AUTHORIZED

The officers of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance.

Section 12: RATIFICATION

All action heretofore taken, not inconsistent with the provisions of this Ordinance, by the Mayor and Council, and the officers of the City, directed toward acquisition of the Project and the issuance of general obligation bonds of the City therefor, and for the holding of a special bond election, are hereby ratified, approved, and confirmed.

Section 13: PUBLICATION

This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval, and publication.

DATED this 10th day of March, 2025.

CITY OF LEWISTON
Nez Perce County, Idaho

____
Mayor

ATTEST:

____
City Clerk

(S E A L)

Memo

Prepared For: **Lewiston City Council**
Mayor Dan Johnson

Prepared By: Dustin Johnson, Public Works Director

Date: March 3, 2025

Subject: **Main Street Bond Update – March 3rd Work Session**

Over the last year the City of Lewiston has worked on the concept design of the reconstruction of Main Street and some of the neighboring streets in the downtown. The driver behind these necessary improvements are the underground infrastructure that has reached the end of its serviceable life. Water, wastewater, and stormwater have all significant segments that will require replacement in the very near future. The concept has been to combine these projects into a larger single project to minimize the impacts to the downtown businesses and to gain efficiencies in construction.

In order to fund these projects, the City has considered asking the citizens of Lewiston to approve a General Obligation (GO) Bond. At the March 3rd work session City staff will present council draft language for the ordinance for a special election for the GO Bond. City staff will also walk through details regarding the design, options regarding the financing, and the schedule of the project moving forward.

Included with this memo are the following documents:

- A memo from the design engineer summarizing the breakdowns of the project cost by each utility. With this is an option to remove some of the aesthetic features of the project.

- A sample bond ordinance prepared by the City's bond attorney. The ordinance uses an amount of $24,940,000 for 30 years as a placeholder. The actual amount and term will be determined and set by council. However, the bulk of the bond ordinance language should not change significantly.

- Two separate memos from Clearwater Financial that outlines two bond amounts. One bond amount is for the full project cost of $27,165,000. The other bond amount removes items within the project that may be considered aesthetic or specific to the downtown properties frontage. This reduces the total bond amount the $24,565,000.

At the March 3rd work session staff and consultants will present this information in greater detail. Council should be prepared to provide direction as to what the bond preference is (20-year versus 30-year), the total bond amount, and whether council is comfortable with moving forward with the May 20th 2025 election.

MEMORANDUM

To: City of Lewiston
From: Clearwater Financial
Date: 02.24.25
Subject: $27,540MM Bond for Downtown Infrastructure Bond Financing Details

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Clearwater Financial is providing an overview of the bond financing options for the downtown infrastructure projects. Below are the details for a proposed $**27,540,000** bond issuance with corresponding rate estimates and financing scenarios.

NEEDED PROCEEDS	COI	TOTAL BOND AMOUNT	DEBT SERVICE 20 Yr	DEBT SERVICE 30 Yr				
$ 27,165,000	$ 375,000	$ 27,540,000	$ 1,990,000	$ 1,550,000				
				NO LID				
FUND	SOURCE	FUND BALANCE	1X AMOUNT	PROJECT COST	PROCEEDS NEEDED FROM GO BOND	% of Project	PROPORTION OF DEBT SERVICE 20 yr	PROPORTION OF DEBT SERVICE 30 YR
Wastewater (sewer)	Savings	$ 7,400,000	$ 2,000,000	$ 2,900,000	$ 900,000	9%	$ 179,100.00	$ 139,500.00
Water	Savings (ARPA)	$ 6,900,000	$ 1,035,000	$ 4,100,000	$ 3,065,000	12%	$ 238,800.00	$ 186,000.00
Stormwater	Savings	$ 800,000	$ 100,000	$ 2,560,000	$ 2,460,000	8%	$ 159,200.00	$ 124,000.00
Transportation	Savings	$ 5,000,000	$ 3,000,000	$ 23,740,000	$ 20,740,000	71%	$ 1,412,900.00	$ 1,100,500.00
	TOTAL	$ 20,100,000	$ 6,135,000.00	$ 33,300,000	$ 27,165,000	100%	$ 1,990,000.00	$ 1,550,000.00

Bond Rate Estimates

- **Prevailing AAA Rate:** 3.75% (assumes an Idaho Bond Bank Authority conduit issuance)
- **Ceiling Rate for Additional Ordinances:** 5%

20-Year Financing Scenario

- **Bond Amount:** $27,540,000
- **Approximate Annual Debt Service Payment:** $1,990,000
- **Annual Impact per $100,000 of Value (less than the homeowner exemption):**
  - **Per Year:** $51.20, **Per Month:** $4.27
- **Tax Impact on the Average Household (assumed value: $364,985):**
  - **Per Year:** $122.86, **Per Month:** $10.24

30-Year Financing Scenario

- **Bond Amount:** $27,540,000
- **Approximate Annual Debt Service Payment:** $1,550,000
- **Annual Impact per $100,000 of Value (less than the homeowner exemption):**
  - **Per Year:** $39.88, **Per Month:** $3.32
- **Tax Impact on the Average Household (assumed value: $364,985):**
  - **Per Year:** $95.70, **Per Month:** $7.97

Christine Stoll, M.S, MAR
Vice President |Client Experience and Growth | Registered Municipal Advisor Representative
208.800.9689 | cstoll@clearwaterfinancial.biz | www.clearwaterfinancial.biz

MEMORANDUM

To: City of Lewiston
From: Clearwater Financial
Date: 02.24.25
Subject: $24,940MM Bond for Downtown Infrastructure Bond Financing Details

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Clearwater Financial is providing an overview of the bond financing options for the downtown infrastructure projects. Below are the details for a proposed $**24,940,000** bond issuance with corresponding rate estimates and financing scenarios.

NEEDED PROCEEDS	COI	TOTAL BOND AMOUNT	DEBT SERVICE 20 Yr	DEBT SERVICE 30 Yr
$ 24,565,000	$ 375,000	$ 24,940,000	$ 1,805,000	$ 1,405,000

WITH LID

FUND	SOURCE	FUND BALANCE	1X AMOUNT	PROJECT COST	PROCEEDS NEEDED FROM GO BOND	% of Project	PROPORTION OF DEBT SERVICE 20 yr	PROPORTION OF DEBT SERVICE 30 YR
Wastewater (sewer)	Savings	$ 7,400,000	$ 2,000,000	$ 2,900,000	$ 900,000	9%	$ 157,179.40	$ 122,347.40
Water	Savings (ARPA)	$ 6,900,000	$ 1,035,000	$ 4,100,000	$ 3,065,000	12%	$ 222,231.60	$ 172,983.60
Stormwater	Savings	$ 800,000	$ 100,000		$ (100,000)			$ -
Transportatio	Savings	$ 5,000,000	$ 3,000,000	$ 23,700,000	$ 20,700,000	71%	$ 1,284,618.50	$ 999,938.50
	LID	$ -		$ 2,600,000		8%	$ 140,916.35	$ 109,688.35
	TOTAL	$ 20,100,000	$ 6,135,000.00	$ 33,300,000	$ 24,565,000	100%	$ 1,804,945.85	$ 1,404,957.85

Bond Rate Estimates

- **Prevailing AAA Rate:** 3.75% (assumes an Idaho Bond Bank Authority conduit issuance)
- **Ceiling Rate for Additional Ordinances:** 5%

20-Year Financing Scenario

- **Bond Amount:** $24,940,000
- **Approximate Annual Debt Service Payment:** $1,805,000
- **Annual Impact per $100,000 of Value (less than the homeowner exemption):**
  - **Per Year:** $46.44, **Per Month:** $3.87
- **Tax Impact on the Average Household (assumed value: $364,985):**
  - **Per Year:** $111.44, **Per Month:** $9.29

30-Year Financing Scenario

- **Bond Amount:** $24,940,000
- **Approximate Annual Debt Service Payment:** $1,405,000
- **Annual Impact per $100,000 of Value (less than the homeowner exemption):**
  - **Per Year:** $36.15, **Per Month:** $3.01
- **Tax Impact on the Average Household (assumed value: $364,985):**
  - **Per Year:** $86.75, **Per Month:** $7.23

Christine Stoll, M.S, MAR
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