

STATE OF IDAHO )  
COUNTY OF BONNER )  
CITY OF PRIEST RIVER )

MINUTES OF THE PRIEST RIVER CITY COUNCIL – 07/21/25

REGULAR MEETING

OPENING – Mayor Connolly called to order the regular meeting of the City Council at 5:00 pm on Monday, July 21, 2025, at the Priest River City Hall Council Chambers, 552 High Street, Priest River, Idaho.

1. PLEDGE OF ALLEGIANCE

2. ROLL CALL

Council Members Present: Council Member Turner, Council Member Wagner, Council Member Mullaley, and Council Member Brower. Absent: None.

Staff Present: Mayor Connolly, City Clerk/Treasurer Thomas, City Attorney Elsaesser, and Planning and Zoning Administrator Quayle.

3. WORKSHOP

A. FISCAL YEAR 2026 BUDGET WORKSHOP

General topics of discussion included proposed salary increases, insurance renewal rates, proposed holiday bonuses, property tax revenues, school resource officer income from the West Bonner County School District, capital reserve transfers, capital purchases, proposed projects, proposed utility user fee increases, water and sewer improvement bond fee decreases, meter replacement fee increases, water and sewer overage revenue, and impact fees.

General Fund:	\$1,351,726.00
Street Fund:	\$ 654,735.00
Water Fund:	\$1,030,379.00
Wastewater Fund:	\$ 933,098.00
impact Fee Fund	\$ 16,800.00
<b>TOTAL</b>	<b>\$3,986,738.00</b>

4. CONSENT AGENDA

- A. PREVIOUS MINUTES – CC 07/07/25
- B. PAYABLES
- C. MONTHLY RESERVE TRANSFER – JUNE 2025
- D. TREASURER’S MONTHLY REPORT – JUNE 2025
- E. RESOLUTION 25-035 – BUILDING DEPARTMENT PERMIT POLICY & PROCEDURE
- F. RESOLUTION 25-036 – WBCSD#83 – PROFESSIONAL SERVICES AGREEMENT – SCHOOL RESOURCE OFFICER

**Council Member Mullaley made a motion to approve the consent agenda. Council Member Turner seconded the motion. After discussion and consideration, the motion passed unanimously.**

**5. ANNOUNCEMENTS/APPOINTMENTS**

Mayor Connolly thanked the public works crew for getting the City ready for Timber Days. Council Member Mullaley thanked the plant operators for the quality of the City's water.

**6. UPDATES**

**A. PARKS AND TREE COMMISSION**

Council Member Wagner gave an update on the Parks & Tree Commission.

**B. LAW ENFORCEMENT**

None

**C. PUBLIC WORKS**

Mayor Connolly gave an update on Public Works.

**D. PROJECT UPDATES**

**1. WELCH COMER – PROJECT STATUS UPDATE**

Welch Comer provided a written project status update.

**2. FY25 – THIRD QUARTER FINANCIAL REPORT**

The Fiscal Year 2025 Third Quarter Financial Report was provided to the Mayor and City Council.

**E. BUILDING & ZONING**

Planning and Zoning Administrator Quayle gave an update on Building & Zoning.

**7. BUSINESS**

**A. ADOPTION OF FISCAL YEAR 2026 TENTATIVE BUDGET**

Discussion ensued.

**Council Member Turner made a motion to adopt the tentative fiscal year 2026 budget as discussed, with expenditures totaling \$3,986,738.00. Council Member Mullaley seconded the motion. After consideration, the motion passed unanimously.**

**B. PREVIOUSLY APPROVED CONDITIONAL USE PERMITS – DISCUSSION REGARDING POTENTIALLY REQUIRING ALL TO ANNUALLY REPORT TO COUNCIL**

Planning & Zoning Administrator Quayle provided a list of conditional use permits issued since 2005, along with their status, if known. Discussion ensued.

**C. IDAHO DEPARTMENT OF ENVIRONMENTAL QUALITY – NEW/AMENDED ENVIRONMENTAL COVENANT ADOPTION – TWO RIVERS PARK**

Idaho DEQ staff has approved of the new environmental covenant, and it has been sent to the Attorney General's office for legal review. Discussion ensued.

Council Member Mullaley made a motion to approve the Environmental Covenant with the Idaho Department of Environmental Quality regarding Two Rivers Park. Council Member Turner seconded the motion. After consideration, the motion passed unanimously.

**D. BONNER PARK WEST – POTENTIAL ACQUISITION FROM BONNER COUNTY AND PRELIMINARY ASSESSMENT**

Discussion ensued.

Council Member Mullaley made a motion to table the potential acquisition of Bonner Park West from Bonner County for additional information. Council Member Turner seconded the motion. After consideration and discussion, the motion passed unanimously.

**E. POTENTIAL DECLARATION OF SURPLUS REAL PROPERTY BETWEEN THE DAN ESKELSON MEMORIAL PARK AND AJ'S CAFÉ**

Mayor Connolly gave an update. Discussion ensued.

**F. ROBINSON TRUST – MEMORANDUM AGREEMENT – REAL PROPERTY LEASE – FORMER COMMUNITY GARDEN SITE**

Discussion ensued.

Council Member Brower made a motion to approve the Memorandum Agreement – Real Property Lease with the Carol Sommer Robinson Revocable Trust, c/o Northridge Property Management, LLC, not to exceed \$1.00 per year. Council Member Turner seconded the motion. After consideration, the motion passed unanimously.

**G. PRIEST RIVER HAPPY AGERS, INC. – REAL PROPERTY LEASE – 336 E JACKSON AVENUE**

Discussion ensued.

Council Member Brower made a motion to table the Real Property Lease with the Happy Agers, Inc., for 336 E Jackson Avenue, contingent that the quote obtained from ICRMP included liability coverage. Council Member Turner seconded the motion. After consideration and discussion, the motion passed unanimously.

**H. RESOLUTION 25-037 – STATE INVESTMENT POOL TRANSFER OF FUNDS**

Discussion ensued.

Council Member Mullaley made a motion to approve Resolution 25-037. Council Member Brower seconded the motion. After consideration and discussion, the motion passed unanimously.

**8. PUBLIC COMMENT PERIOD**

None

**ADJOURN:**

**Council Member Mullaley made a motion to adjourn at 7:00 pm. Council Member Brower seconded the motion. After consideration, the motion passed unanimously.**

Motion to approve minutes of 07/21/25: \_\_\_\_\_

Second: \_\_\_\_\_

SIGNED:

ATTEST:

\_\_\_\_\_  
Jeff Connolly  
Mayor

\_\_\_\_\_  
Laurel Thomas, CMC  
City Clerk/Treasurer