

Customer Support Services

City Council Minutes

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CITY OF
REXBURG
America's Family Community

October 03, 2007

Mayor Shawn Larsen

Council Members:

Donna Benfield – Council President
Farrell Young Christopher Mann
Rex Erickson Randy Schwendiman
Bart Stevens

City Staff:

Stephen Zollinger — City Attorney
Richard Horner – Finance Officer
John Millar — Public Works Director
Val Christensen – Building Official
Gary Leikness — Planning & Zoning Administrator
Blair Kay — City Clerk

6:00 P.M. – Work meeting on water issues

Chris Mann, Rex Erickson, Donna Benfield, Randy Schwendiman, Farrell Young, Mayor Larsen, Stephen Zollinger and John Millar were present.

Public Works Director John Millar explained the City has six wells. There is another well at Teton Lakes Golf Course that is being used as an irrigation well but it could be used as a municipal well. Smith Park and the Municipal Golf Course each have an irrigation well. Irrigation rights are for agricultural use from April to November each year. Municipal rights are permitted 12 months of the year. At some point in the future these could be converted to municipal wells.

There are six culinary water wells. The City is going through the adjudication process, which is verifying the authenticity of the water rights. They have all passed the first round, and will now go before a judge to get the certification needed.

The City is looking at a methodology to find a way to build a sub-surface water well where they can withdrawal water from the ground. The city is exploring the possibility of converting surface water rights to ground water rights or sub-surface rights. If this is possible the city can pump 14 thousand gallons a day. As it stands right now, if one of the wells goes down, the city would be in a crisis and have to curtail water.

Council Member Mann asked what would happen if a pump goes down. Public Works Director Millar said it would be a disaster, therefore, the pumps are checked regularly so this does not happen.

Public Works Director Millar said the city is relying on the mitigation plan that is being worked through right now. He said in order to build a new well you have to apply for a permit and all permits are being challenged right now.

There are a few commitments on water rights including:

- The Ditch system
- There is some water that has been leased to Teton Pipe Line to end in 2025 however it does have a termination clause if municipal use is necessary for this water.

Council Member Erickson said unless it is absolutely necessary, we shouldn't get into a water fight. City Attorney Stephen Zollinger said on a case by case basis permits for a new well could be approved. The city will have partial certification by the end of the year and at that time Public Works Director Millar would like the city to try and get approval to dig another well. Another well is needed at the top of the hill. The city has four reservoirs totaling almost 5 million gallons. The peak water usage is at night in the city.

Public Works Director Millar asked the City Council to consider looking at a policy telling developers they need to transfer water rights to the city before the city would accept a new development. Presently, developers are coming into the city, developing homes and then the city has to scramble for water rights for these developments. Developers need to bring water rights with them.

Public Works Director Millar said the fear right now is having water rights called by a water user with an older water right; thus forcing the city to curtail water usage. The city's north well would be the first one to be called.

City Attorney Zollinger said we need a policy or resolution that says before approving a subdivision; water needs to come with the development or an agreement to pay for the necessary water rights.

Mayor Larsen asked Public Works Director Millar to come before the city council at the next meeting with a resolution so the city can move forward on this.

Council Member Schwendiman asked where the money would come from on a new well. It would come from the water department. There is money available for a new well.

Finance Officer Richard Horner said we need to get more water available as soon as possible. If we have a balloon of growth we may have to start rationing water.

Public Works Director Millar said priorities are:

- 1) Adopting a resolution requiring developers to bring water rights with them;
- 2) Asking the Neville's if water is still available on their property for the city to buy;
- 3) Once adjudication is complete the city will ask for mitigation;

- 4) If needed try and find other wells to purchase.

The Mayor and the city council authorized Public Works Director Millar to look further into these options. Anything that happens would first come before city council before any action was taken. Public Works Director Millar said we need to look into maximizing the effects of our water.

7:00 P.M. – Pledge to the Flag

Mayor Larsen welcomed BYU-I Students to the meeting. The boy scouts were welcomed to the meeting to work on their merit badges.

Roll Call of Council Members: All Council Members were present.

Consent Calendar: The consent calendar includes items which require formal city council action, however they are typically routine or not of great controversy. Individual council members may ask that any specific item be removed from the consent calendar for discussion in greater detail. Explanatory information is included in the city council's agenda packet regarding these items.

- A. Minutes from September 19, 2007 meeting
- B. Approve the City of Rexburg Bills

Council Member Erickson moved to approve the consent calendar. Council Member Mann seconded the motion. All voted aye, none opposed. **The motion carried.**

Public Comment: on issues not scheduled on the agenda (limit 3 minutes)

Presentations:

Committee Liaison Assignments for 2007:

- A. Council Member Chris Mann *Parks & Recreation*· *Museum Committee*· *Romance Theatre Committee*

Council Member Mann said the Romance Theatre had a successful presentation of "One Truth". The Teton Flood Museum remodeling is moving along. The new children's museum looks really good. The tentative date for the Teton Flood Museum open house is planned for November 12, 2007.

The committees did not meet.

Mayor Larsen presented the name of Mark Sunderland to serve on the Westwood Theatre Committee for lighting and technical support.

Council Member Mann moved to ratify Mark Sunderland to the Westwood Theatre Committee. Council Member Young seconded the motion; all voted aye, none opposed. **The motion carried.**

B. Council Member Donna Benfield *Beautification Committee· Police Department*

Council Member Benfield said the next Beautification Committee meeting is on October 12, 2007. The Police Department received a grant for a mobile speed trailer. The trailer cost \$10,000; the grant was for \$5,000. The Archibald Agency and Rocky Mountain Power donated the other \$5,000 to cover the rest of the trailer. The trailer is already being used.

C. Council Member Rex Erickson *Airport Board· Planning & Zoning*

Council Member Erickson reported Planning and Zoning had a rezone request at 7th South and 5th West which was turned down by the Planning Commission. The Planning and Zoning meeting for tomorrow night has been cancelled. The Airport Board did not meet.

D. Council Member Randy Schwendiman *Golf Board· Traffic & Safety· Emergency Services Board*

Council Member Schwendiman reported the Traffic and Safety Committee met last night. There will be a new left hand lane at 2nd East and Main Street. It has been hard to get a quorum for the Traffic and Safety Committee. The bid is back on the golf course which will be discussed later in the meeting.

E. Council Member Farrell Young *Tabernacle Committee· Rexburg Arts Council*

Council Member Young said the Rexburg Orchestra is practicing at the Tabernacle every Wednesday evening again. There is a concert coming in November. Four members of the Tabernacle Committee have resigned. The handicap ramp should be finished before winter.

F. Council Member Bart Stevens *Trails of Madison County· IBC Committee· School Board*

Council Member Stevens said a joint use agreement meeting needs to be set up.

Joseph West brought the city council up to date on the new trail system improvements. A grant has been extended until next June. The trail behind Cal Ranch has been graded. It will be completed next spring. The trail behind Community Bank will be extended to the east. Council Member Young asked about the Sugar City Trail. It is on track for a spring 2008 completion date. The grant is still in place. It is waiting for the bidding process. There is a canal bridge needed for the project.

Council Member Benfield thanked Mr. West for his work on the trails projects. The trail behind First American Title will be done next year. Public Works Director John Millar said some trail paving will be done this fall behind Cal Ranch.

G. Mayor Larsen *Mayor's Youth Advisory Board· Legacy Flight Museum*

Mayor Larsen said the Mayor's Youth Advisory Board met this evening and they are planning to provide Halloween safety bags for the school children. They will do a service project every month.

Public Hearings:

A. 7:20 P.M. Rezone property at 796 West 7th South from RR1 to MDR1 – Jon Gregory

B.

Public Works Director Millar presented the rezone proposal on the overhead screen. The property is located on 7th South next to World Gym. The adjoining property is zoned HBD or Multifamily (MFR).

Mayor Larsen opened the public hearing.

Those in Favor: NONE

Those Neutral: NONE

Those Opposed:

Mayor Larsen presented a letter in opposition to this request from Maurine and Teddy Lou Steiner who own a home directly west of this property.

Mayor Larsen closed the public hearing.

Council Member Stevens referred to the letter which stated opposition to the rezone in one sense, because there is not a building plan to go with the rezone request. They are not opposed if it is developed responsibly.

Mayor Larsen asked if this request was in compliance with the Comprehensive Plan. Public Works Director Millar said this rezone request is in compliance.

Council Member Erickson said the concern was not the rezone request but what kind of housing was going to be put in this area. He explained MDR1 zoning allows for many types of housing. It is tough to pin the developer down to the type of development. This request requires the city council to approve the zone change; it does not approve the site plan, buildings, etc. Planning and Zoning approved the rezone request.

Council Member Stevens said the site plan can be reviewed by the Steiner's before it is approved.

Mayor Larsen would like the Steiner's to be contacted so they understand the site plan for this property can be reviewed before approval.

Council Member Erickson moved to approve the rezone request for the property at 796 West 7th South from RR1 to MDR1; Council Member Stevens seconded the motion with the request to contact the Steiner's so they understand their letter was heard and they will be notified when the site plan is reviewed; all voted aye, none opposed. **The motion carried.**

New Business:

A. Resolution 2007-11 authorizing the preparation of an Urban Renewal Plan for the South Arterial area. – Richard Horner/Redevelopment Board

Glen Pond, Joseph West, Rich Ballou, Mayor Larsen, Farrell Young and other members of the Urban Renewal Agency were present for the presentation.

Glen Pond reviewed the proposal to create a new Urban Renewal Plan for South Rexburg adjacent to University Boulevard. The intent of this district would be to create infrastructure in the south part of Rexburg. The agency is asking for approval to proceed with the creation of this new Urban Renewal Plan for the South Rexburg Area. Mr. Pond further explained land owners can opt out of the district if they choose.

Glen Pond provided a handout to the city council showing how and why an urban renewal district is formed. He explained a study was done that found this area does qualify for a district. If the city council approves the resolution to create an Urban Renewal District; public hearings with the public would follow at a later date.

Council Member Stevens asked for the tax ramifications for current and future property owners. Mr. Pond said the tax issue is neutral; however, improvements to the land would change the tax assessment based on the improvements to the land. The tax increment gained to the Urban Renewal District by an improvement to the land would go to purchase infrastructure for the newly formed Urban Renewal District. An example would be to increase the University Blvd from a two lane road to a four lane road.

Council Member Mann asked at what point the school district and county have input. Mr. Pond said they would have input at the public hearing. He also explained the Urban Renewal Agency has always worked hand in hand with the county and the school district.

Council Member Schwendiman reviewed the flow of new tax dollars going to the newly formed Urban Renewal District. The school district does get some new taxes from the Urban Renewal Plan. The starting value of the land is the starting value of the assessment from the tax assessor. An Urban Renewal District can be closed when infrastructures planned are completed. Three percent is held back until the end.

Council Member Benfield asked for clarification on the map. The city council discussed property around 12th West, and University Blvd.

Council Member Erickson clarified the school property is included in the Urban Renewal District. He asked if there was a problem with any of this land being classified as a deteriorating property. Mr. Pond said deteriorated property would not include adequate roads, sidewalks, curb, gutter, etc. Council Member Erickson pointed out Urban Renewal areas do affect the county wide tax roles because the county does not receive the gain on tax increments from new construction. The missing tax gains do not allow the county to get the benefit of the tax increment in the short run; however, the county would receive the gain in the long term. He suggested a letter to the editor or someway of explaining these benefits to everyone. Glen Pond recommended approval of the resolution as time is of the essence. They are hoping to develop a plan and have a public hearing by the end of October so the district can be created in December.

Council Member Stevens asked why church property is included in the legal documents. Finance Officer Richard Horner explained this allows the city to build in this area if needed; to expand the road for example.

Council Member Benfield moved to approve Resolution 2007-11 to prepare the Urban Renewal Plan; Council Member Schwendiman seconded the motion; Discussion: Council Member Stevens clarified they are just approving the preparation of creating this district. All voted aye, none opposed. **The motion carried.**

Staff Reports:

Public Works report on Projects: John Millar

Public Works Director John Millar explained the bids were received on the 9 hole golf course addition to the Teton Lakes Golf Course. All bids were over budget. The low bidder was Edstrom Construction who has agreed to change specifications reducing the cost to \$822,000.00. Some of the changes to bring the cost down to within budget includes: cubic yardage, sand traps to grass bumpers, using own sand on greens.

Council Member Schwendiman asked if more improvements will come later. Any future improvements will be paid by in-house money only. These changes bring the cost within budget. The Golf Board is asking for approval of this bid.

Council Member Young asked if the sprinkler system that was purchased is on site. Duffy McFarland said part of the system is in Rexburg, the rest of the system will be on site in the near future.

Council Member Mann asked if the money they are saving is still going to create a nice project. Duffy McFarland said he is confident in this project with the changes.

Council Member Erickson explained the same approach was done to start the original Teton Lakes Golf course. This proposal will be similar to the start up golf course at Teton Lakes in 1979. It will be a playable golf course but some amenities may not be put in for a few years. He thought it was a very good job to bring the bid in under \$850,000.

Council Member Young asked if the \$822,000 is firm. The bidder is willing to sign a contract for \$822,000. The county will hear the proposal next week.

Council Member Schwendiman asked what issues would cause the need to use contingency monies. Public Works Director John Millar said the concrete is a unit price contract. Prices can change on the units of sand, gravel, etc. The seeding of the course will be done in-house.

City Attorney Zollinger said this proposal is for an approval on a bid for \$822,000. Other funding proposals will be entertained on a separate request.

Mayor Larsen explained it is important to note this project is funded by loans from the city and the county. It is a great opportunity to generate additional revenue. The loan payment is \$55,000 for twenty years. The golf course has been successful. Average revenue for the past 9 years has provided sufficient revenues to make this loan payment.

Council Member Erickson moved to accept the bid from Edstrom Construction for \$844,989.64. Council Member Stevens seconded the motion.

Those voting aye

Farrell Young
Rex Erickson
Bart Stevens
Chris Mann

Those voting nay

Donna Benfield
Randy Schwendiman

The motion carried.

- **Public Works Director John Millar** explained the grass hydro-seeding at Hidden Valley Park has been delayed due to weather. Contractors will still hydro-seed, but none will guarantee it. He asked for direction from the city council on if they want to risk hydro-seeding the park this fall or wait until spring. The cost is about \$3,500. Council Member Erickson said he feels very strongly it needs to be hydro-seeded this fall even if it needs to be redone in the spring. He feels the citizens in that area have waited long enough for this to be done. Council Member Schwendiman asked if it is a flat area. It is a pretty flat surface. He recommended seeding this fall. Mayor Larsen said the city will move forward with the seeding.
- The handicap ramp at the Tabernacle is under construction.
- The north alley parking project is moving forward.
- 4th North and Sunrise Drive area bids are in with Depatco as the low bidder. The engineers estimate was \$476,000. Depatco's bid came in at \$376,000. LID's and City revenues will pay for the project. Council Member Mann asked if the project will be done this year. Public Works Director Millar said it is all weather dependent at this point. He asked the city council to approve the bid from Depatco. Council Member Stevens stepped down from the Dias due to a conflict of interest.

Council Member Mann moved to accept the bid from Depatco. Council Member Erickson seconded the motion. All voted aye, none opposed. **The motion carried.**

Council Member Steven rejoined the Dias.

- South Arterial is moving along. They have run into a few problems that may impact projects for next year. The bids came in too low. At this point there are no alterations that can be made. Paving is due to be done in the next two weeks. Curb and gutter is needed before paving can begin. Street impact fees could be used to supplement overruns. Council Member Mann asked if it is possible to ask the University to help cover some additional costs of this project. Public Works

Director Millar said this may be an option. Council Member Schwendiman asked to explore all options to pay the overruns. They are hoping to have it done this fall, but it all depends on weather.

- **Council Member Young** complimented the excellent road reconstruction of 2nd West and Millhollow Road.
- **Council Member Benfield** asked about a hazard on 3rd East that was caused by a berm that came down that collects water. Public Works Director Millar said this is an issue for the school district. He will meet with Brent McFadden and John Watson on this issue. There is still some standing water at this location so it needs to be fixed.

Financial Officer Report: Richard Horner

1. Monthly Budget summaries

Finance Officer Horner presented the budget summary for August. This is 11 months for fiscal year ending 2007. The operations budget will come in under budget. Depreciation is booked annually, so it will be applied in the annual report for September.

Council Member Schwendiman asked if the city was under budget. Finance Officer Horner said there are some areas under budget.

Council Member Erickson moved to approve the monthly budget summary for August. Council Member Young seconded the motion. All voted aye, none opposed. **The motion carried.**

Calendared Bills and Tabled Items:

- A. BILL Introductions:** - NONE
- B. First Reading:** Those items which are being introduced for first reading. - NONE
- C. Second Reading:** Those items which have been first read. - NONE
- D. Third Reading:** Those items which have been second read. - NONE

Tabled Items: Those items which have been the subject of an affirmative vote to a motion to table: - NONE

Old Business:

Mayor's Report:

Mayor Larsen reported he attended meetings in Washington D.C. with a few other Mayors' from Southeast Idaho and other economic development directors. They met with officials with the Department of Energy. Their purpose was to promote and show support of the expansion of the INL in Idaho Falls. Mayor Larsen said Idaho is well positioned for this project and if Idaho Falls is chosen, it would generate new jobs and more interest.

Council Member Schwendiman asked about funding from the lobbyists. Mayor Larsen said there is one item for \$150,000 for a storm drain study. It has passed the Senate. All appropriations should be passed before the Thanksgiving break.

Calendar:

October 12 – Boise Legislative meeting in October

October 17 – Planning Work meeting at 6 P.M.

October 17 – City council Meeting at 7 P.M.

November 6 – Elections

November 07 – City council meeting at 7 P.M.

November 21 – City council meeting will be rescheduled

Adjournment

Shawn Larsen
Mayor

Attest:

Blair D. Kay
City Clerk