

City Council Meeting

April 02, 2008



CITY OF
REXBURG
America's Family Community

12 North Center
Rexburg, ID 83440

blairk@rexburg.org
www.rexburg.org

Phone: 208.359.3020 x313
Fax: 208.359.3022

April 02, 2008

Mayor Shawn Larsen

Council Members:

Christopher Mann – Council President
Rex Erickson Randy Schwendiman
Bart Steven Richard Woodland
Adam Stout

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

5:00 P.M. Work Meeting with Joint Planners (Cooper, Roberts, Simonsen Associates 700 North 200 West, SLC, UT)

Attending: Christopher Mann, Adam Stout, Richard Woodland, Mayor Larsen, Gary Leikness, Blair Kay, April Howard, Elaine McFerrin, Craig Rindlisbacher, Val Christensen, Mary Haley, Thaine Robinson, Dan Hanna, Charles Anderson, Winston Dyer, David Stein, and Mike Ricks

Soren Simonsen and Laura Hanson went through all the goals and objectives of the comprehensive plan.

Comprehensive Plan Contents

- 1) Introduction and Community Vision Statement
- 2) Population and History
- 3) Private Property Rights
- 4) Schools and Transport
- 5) Economic Development
- 6) Land Use and Agriculture
- 7) Natural Resources and Hazardous Areas
- 8) Transportation
- 9) Public Services, Facilities, and Utilities
- 10) Parks, Recreation, and Open Space
- 11) Housing
- 12) Special Areas or Sites
- 13) Community Design
- 14) Impact Area
- 15) Implementation & Need for Evaluation

Issues Identified by Public and City

- Traffic congestion on limited collector/arterials
- Neighborhood preservation
- Life cycle housing & aging in place
- Parking near university
- Revitalizing Main Street and downtown
- Bringing students downtown
- Population growth
- Traditional development patterns
- Job opportunities to keep students in Rexburg
- Attract tourist traffic off highway to Yellowstone and Grand Teton
- Park and open space preservation, trails and recreation

Community Vision Statement

Residents of Rexburg have chosen to live here because they enjoy the current quality of life, aesthetics, recreational opportunities, mix of land uses, and patterns of development that the City provides. The primary vision of the Rexburg City Comprehensive Plan is to ensure that these qualities are maintained and preserved.

Private Property Rights

Goal 1: Ensure that the City of Rexburg land use policies, restrictions, conditions and fees do not violate private property rights.

Schools and Transport

Goal 1: Increase the quality and accessibility of education in Rexburg.

Economic Development

Goal 1: Promote and support a diverse and sustainable economy.

Goal 2: Work with Madison County to support development as an outdoor adventure recreation and tourism center.

Goal 3: Identify and promote business/industrial park sites with good airport and highway access.

Goal 4: Encourage entrepreneurship by increasing opportunities for business incubation.

Goal 5: Downtown is the center and heart of Rexburg – an attractive and dynamic place for students, residents, shoppers, civic users, employment and business owners.

Goal 6: Expand shopping and entertainment opportunities in Rexburg.

Goal 7: Provide capital improvements, as needed by commerce and industry, through intergovernmental cooperation and public-private partnerships.

Goal 8: Provide a well-educated, trained workforce and educational opportunities for all residents.

Downtown Blueprint Recommendations

1. Define and focus development on **target markets**;
2. Emphasize **mixed-use** development with ground floor retail;
3. Infuse **residential units downtown**;
4. Build a sound **parking system** for employees, customers, visitors and residents;
5. Build a **pedestrian and cycling pathway** network linking key downtown nodes;
6. Undertake **infill, adaptive re-use and historic preservation**. Implement urban renewal program;
7. Install **small business amenities** and services to draw this market;
8. Design the place of downtown for **America's families**;
9. **Connect to community and region** with wayfinding, gateways, parking, amenities and marketing.
10. **Recruit social retailers** to reconnect with major regional markets;
11. Emphasize Rexburg's **rich heritage** in marketing.

Land Use and Agriculture

Goal 1: Preserve the high quality of life that currently exists in Rexburg, and strengthen the image of the City as "America's Family Community."

Goal 2: Preserve key natural and open spaces, maintain and enhance existing park spaces, and promote development of additional park spaces to meet growing demands.

Goal 3: Ensure efficient use of land, public infrastructure, and tax dollars.

Goal 4: Promote an economically stable economy by promoting a coordinated land use strategy, encouraging downtown revitalization and high-quality commercial and office development in appropriate areas.

Natural Resources and Hazards

Goal 1: Preserve open spaces and natural resources of the City that contribute to the overall vision and image of Rexburg City.

Goal 2: Protect the health, safety and welfare of Rexburg citizens by minimizing risks to life and property as a result of natural hazards.

Transportation

Goal 1: Plan ahead for transportation needs in Rexburg, and work with local, state, and regional decision-makers regarding issues that affect the City.

Goal 2: Provide an efficient and integrated transportation system for the City of Rexburg.

Goal 3: Balance access, mobility, and safety on all city streets.

Public Services and Utilities

Goal 1: Provide quality public services to residents, businesses and institutions.

Goal 2: New development should “pay its own way” in building the capital infrastructure needed to adequately provide public services.

Parks and Recreation

Goal 1: Ensure all Rexburg residents have adequate access to high-quality, clean, and safe park and recreation facilities.

Goal 2: Develop an integrated trail network connecting Rexburg neighborhoods to parks, recreation areas, and community amenities such as the Teton River corridor, BYU-I, and downtown.

Housing

Goal 1: Encourage clustered neighborhood development as a basic pattern of growth.

Special Areas and Sites

Goal 1: Protect special areas or sites with cultural, historical, or local significance for the enjoyment of future generations.

Community Design

Goal 1: Preserve the high quality of life that currently exists in Rexburg, and strengthen the image of the City as “America’s Family Community” through good community design policies.

Goal 2: Draw upon the history of Rexburg City to guide future development and preserve the character of the City.

Impact Area

Area of City Impact Purpose & Definition

An unincorporated area bordering a municipality, governed under coordinated standards, mutually agreed upon by all affected local governments, to:

1. Protect the health, safety, and welfare of County residents;
2. Ensure protection for municipalities and landowners against adjacent, incompatible development;
3. Plan for orderly and consistent development where annexation is anticipated;
4. Guide the efficient and prudent expenditure of local governmental resources;
5. Organize and manage growth; and
6. Minimize undue environmental degradation and loss of open space.

Area of City Impact boundaries can accommodate changes in growth patterns and growth rates, natural and environmental constraints and concerns, and community interests.

7:00 P.M. City Hall – Pledge to the Flag

Roll Call of Council Members:

Attending: Council Member Stout, Council Member Stevens, Council Member Mann, Council Member Erickson, Council Member Woodland

Excused: Council Member Schwendiman

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

Winston Dyer from the Dyer Group representing MGI Development explained they will be requesting an extension of city utilities from the Stonebridge Subdivision outside current city limits. It is the former Muir farm. They would like to have water and sewer lines extended on 7th North to this proposed new development. This proposed area is in the impact area, and is in the best interest of the city since the developer is willing to extend these services at no cost to the city.

Mayor Larsen explained the city does have a policy in place to extend services outside the city limits. He feels this would be in the best interest of the city. A future meeting will be scheduled to discuss the proposal.

Council Member Erickson reviewed the proposal and he indicated it would be quite a stretch to extend city service to this location. The water would be on the east side of the county road and the sewer would be on the west side of the road.

Mayor Larsen asked Mr. Dyer to work with Public Works Director John Millar and city engineering and then present a formal proposal to the City Council.

Joe Gannaway president of the Madison Baseball Association would like to see Jack Bowman retained in his recreation position. Mr. Gannaway reviewed Jack Bowman's past contribution to the recreation programs in both baseball and softball. He explained that he has seen Mr. Bowman go the extra mile with preparing baseball fields, rushing from field to field while being understaffed and having a lack of facilities, as well as staying late into the night to make sure everything is in order. Mr. Gannaway said Mr. Bowman has been a great coordinator of Madison Baseball.

Mayor Larsen read a statement concerning his vision and the vision of the City Council for departments within the city's departments.

"As Mayor, I am responsible for appointing department heads that I believe share my vision and the vision as laid out by the City Council. Over the last month I have worked with the City Council in making some organizational changes within the city departments. First we consolidated the Building Safety Department and the Planning and Zoning Department and created the Community Development Department. Secondly, the decision was made to create a Community Affairs Department that will be responsible for grant writing, community events, public relations and various community publications. Finally, the decision was made to separate the Parks, Recreation and Arts Department to create a Parks Department which will be overseen by Greg McInnes who was previously the Parks Supervisor. The Recreation Director has yet to be named, but I have informed Jack Bowman that he will not be appointed to that position. In the next 60 days I will present a name to the City Council that I would like to appoint to be the Recreation Director for the City of Rexburg. It is my expectation that the level of service and professionalism will continue to increase and that a capable individual with experience and an educational background in recreational programming will be appointed to serve as the Recreation Director. I appreciate the support of the City Council as these changes have been made. We have transitioned these changes over a period of time to give an opportunity for those that have to make changes to obtain new employment. Again, I emphasize that it is my responsibility to have a leadership team that I believe will move the city forward in a positive direction."

Mayor Larsen thanked Mr. Gannaway for his comments.

Presentations:

A. Request to hold a festival at Smith Park May 24, 2008:

Family – friendly festival of life through art; (Unci Maka) is the Lakota word for "Mother Earth"

Justin Smith, a student from Madison High School presented a proposal to educate the public on recycling in the community. They would like to hold a festival of nature to show concern for the

environment and promote environmental issues. They are asking the city to help sponsor the event by waiving the \$600.00 fee to reserve Smith Park. It would be a giant community celebration on May 24, 2008 from 10:00 A.M. to 10:00 P.M. They are hoping to have at least 500 people attend the festival. It is a non profit event.

Council Member Mann was supportive of the proposal. He was happy to see local high school students involved in such worthy activities.

Council Member Erickson asked if the police department is prepared to take care of the crowd. Police Chief Archibald said his officers would have no problem taking care of this event. Council Member Stevens was in favor of the event; however, he does not want the city logo on their flyers.

Council Member Mann moved to approve the waiver of fees for Smith Park on May 24, 2008 for this Unci Maka festival. Council Member Stout seconded the motion. Discussion: Council Member Stout asked if they could charge the fee as a refundable deposit. Justin Smith explained \$100 of the \$600 is a deposit. Council Member Erickson asked them if they would clean up the park. Mr. Smith explained they will have a group of volunteers that will clean the park before leaving that evening. All voted aye, none opposed. **The motion carried.**

Council Member Stevens did not want the students to get charged \$100. Mayor Larsen said the city will work with them on the security deposit for the event.

B. Survey Results on Recreation in Rexburg – Introductory Statistics Class/BYU-I
Nick Sorenson and Craig Johnson

Nick Sorenson, a student from BYU-Idaho, explained his statistics class met with Mayor Larsen and Chris Moore, the chairman of the Parks and Recreation Committee, to design a survey concerning recreation services in Rexburg. The survey took place on February 4, 2008. Mr. Sorenson explained 300 utility customers were randomly selected to participate in the survey. They received 145 surveys back. Below are some of the findings.

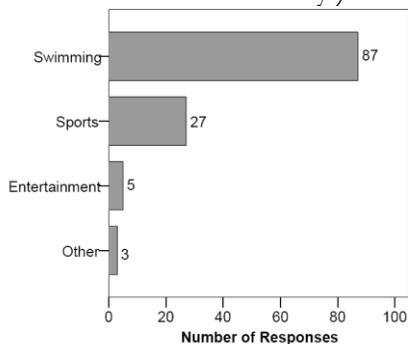
Percentage of respondent who have heard of Riverside Park

21% NO
79% YES

Percentage of respondents willing to donate to enhance ball fields at Riverside Park

52% NO
44% YES
4% NO COMMENT

Activities desired by Rexburg residents. (This graph represents the number of responses given for each activity desired, not the number of respondents. Some respondents participated in more than one activity.)



Among the 87 respondents who requested a swimming pool:

52% specifically requested an indoor pool, 2% requested both an indoor and outdoor pool, while 45% didn't specify a preference.

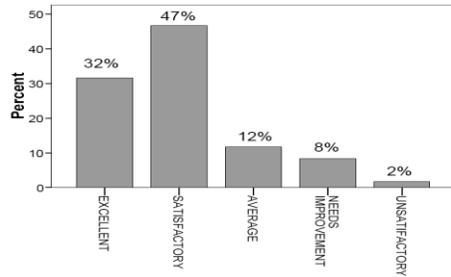
Support for a county-wide recreational district:

48% Favor
50% Opposed
3% No Comment

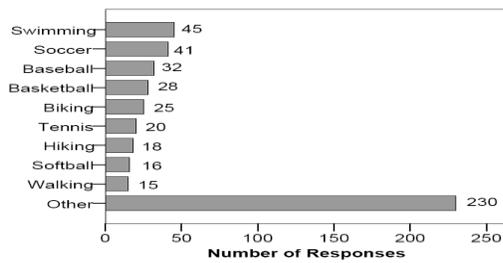
Percentage of respondents who participated in recreational activities in Rexburg in the last twelve months:

48% have participated
 52% have not participated

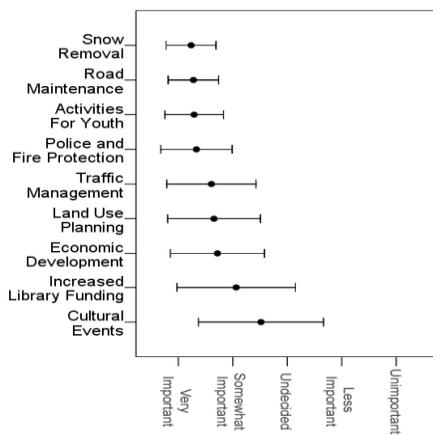
Rating of the quality recreational programs offered by the City of Rexburg:



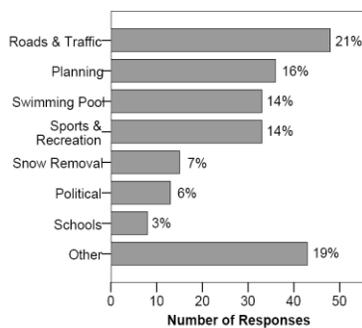
Participation in recreational programs (This graph represents the number of responses given for each activity, not the number of respondents.)



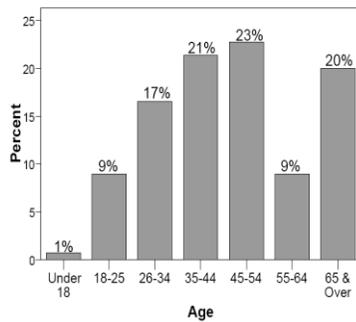
Relative priorities of city services



Suggestions for improvement



Age groups of respondents



Council Member Woodland commended them for an excellent presentation.

Dr. Craig Johnson explained there was not a plan for a follow-up survey, but he would be happy to work with the city again. Mayor Larsen said the survey was done at very little cost to the city.

Mayor Larsen welcomed the scouts to the meeting.

Committee Liaison Assignments for 2007:

A. Council Member Chris Mann *Museum Committee · Beautification Committee · Emergency Services Board*

Council Member Mann explained the Museum Committee met. Things are going well. Kristy Geisler was introduced to the committee. The museum gift shop is being enlarged and improved. They are holding interviews for the Museum Curator position.

B. Council Member Rex Erickson *Golf Board · Planning & Zoning · Rexburg Redevelopment Agency*

Council Member Erickson explained Planning and Zoning has not met since the last City Council meeting. The Golf Board met and reviewed plans on the new 9-hole golf course. Mayor Larsen asked about trees that were cut. Council Member Erickson explained the trees were cut back to help with the longevity of the trees down.

C. Council Member Bart Stevens *Airport Board · Romance Theatre Committee · MYAB · School Board*

Council Member Stevens explained he met with the School Board. A softball program for young girls is trying to be developed so the girls can have an experience similar to the boys. There are a limited number of fields available to play on, so some games will be played on Saturdays. Council Member Stevens also reported the Romance Theatre Committee is looking for additional members.

Mayor Larsen reported the Mayor's Youth Advisory Board sponsored a March Masquerade Dance and raised over \$700.00 for future activities.

D. Council Member Randy Schwendiman *Parks & Recreation · Traffic & Safety Committee*

E. Council Member Richard Woodland *Rexburg Arts Council · IBC Committee · Tabernacle Civic Center*
Nothing to Report.

F. Council Member Adam Stout *Legacy Flight Museum · Trails of Madison County*

Council Member Stout explained the Legacy Flight Museum is still planning the air show to be held in June. The Trails Committee will meet tomorrow.

Mayor Larsen presented the name of Doug Stutz to serve on the Trails of Madison County Committee.

Council Member Stout moved to ratify Doug Stutz to the Trails of Madison County Committee. Council Member Woodland seconded the motion. All voted aye, none opposed.

The motion carried.

Council Member Mann reported a planning meeting will be held on April 15, 2008 at 5:30 P.M. at the Tabernacle for committee members to meet Kristy Geisler who will help coordinate the use of city buildings and fine arts committees. He said Kristy will be a great asset to the city in her new position.

Council Member Erickson asked if all city publicity is to go through Community Affairs Department Director Kristy Geisler. Mayor Larsen said all city publicity except for criminal police issues will go through Kristy. This way the city will have just one voice on community issues.

Public Hearings:

New Business:

A. Cost of Living – Christopher Mann & Employee Committee

Council Member Mann reviewed the cost of living index of 4.3% this past year.

B. Insurance costs – Christopher Mann & Employee Committee

Council Member Mann explained health insurance premiums have increased 18% for the city. He explained the employee committee met to discuss the options of how to pay for this increase. The employees have agreed to increase their deductible from \$500 to \$800 as well as increase their monthly share from 2.1% to 5.5%. The employees are asking the city to increase the city share 1% to 11% instead of the standard 10% the city has contributed in the past. Blue Cross did decrease the amount of increase from 18% to 14%, but the employee committee decided it would be more beneficial to pay at the 18% increase in hopes of keeping the insurance fund solvent. They are also working on a “Wellness Program” to keep the employees healthy. This program will be presented to the City Council in the near future.

Council Member Stout explained he was impressed with the employee’s willingness to increase their costs to keep the fund solvent.

Council Member Woodland asked if the revenue for the City was decreasing. Finance Officer Horner said city revenue is being maintained.

Council Member Stout was concerned with increasing the city’s liability from 10% to 11%. Finance Officer Horner said this proposal is only a temporary change. He explained the only reason he is recommending this is because the past two years, the city has only had to increase their share about 3% and 7%. Mayor Larsen explained the employees costs have raised from 2.1% to 5.5% as well as an increased deductible from \$500.00 to \$800.00.

Council Member Erickson was concerned about building a reserve for health claims. Finance Officer Horner explained the expenses have been estimated at \$230,000. If the expenses are different, the employees would like to build up a reserve to soften future increases to the employees.

Finance Officer Horner said this proposal is for about eight months. They are hoping to have a policy that goes from January to December instead of the current period from May to April each year.

Council Member Mann asked Diane Flores a representative from the employee committee to explain the feelings of the employee committee. She explained the employee committee spoke to members of their departments about the health premium increase. The employee committee concluded that by raising the deductible and the family contribution, it would keep future premiums lower and hopefully avoid a \$1,000 deductible in the future. Council Member Erickson did not want to hold out extra premiums for a reserve if the employee at the bottom of the food chain did not participate in the decision. Diane Flores explained the bottom line is the reserve needs to be raised. The majority of employees were told about the increase, and they agreed with the increases as outlined.

Council Member Woodland thanked the employee committee for their work.

The City Council gave Finance Officer Horner the go ahead to budget numbers including a 4.3% cost of living increase plus a 1% increase in the City’s contribution to the health premium from 10% to 11%.

C. Recycling Plastics – DJ Barney

DJ Barney with Barney Towing and Recovery, who is running the recycling program in Rexburg, explained currently plastics are not being recycled. They had to discontinue the recycling of plastics temporarily this winter due to weather and other problems. He has received a lot of calls requesting plastics be recycled again. To avoid hand sorting, the plastic

will be shipped to Salt Lake City for mechanical sorting. Mr. Barney said public education needs to be given on how to sort plastics and other recyclables.

Mr. Barney explained newspaper is being recycled. They have run into a few problems this winter. Newspaper should be paid at \$100 per ton, but they were only paid \$31 per ton due to water content, bundles, etc. More than 125 tons of material has been recycled since the program started. This averages about \$7,500 in tipping fee savings.

Mr. Barney explained they would like to have a separate bin for milk jugs when they begin recycling plastics again. This will require the city to purchase a few more dumpsters for the program. It is a partnership business with the city.

Council Member Stevens thanked DJ Barney for the donated construction dumpster at the Westwood Theatre. Mayor Larsen said the city's investment in this project is the recycling bins. This investment will eventually pay off in savings by hauling less garbage to the transfer station.

Mr. Barney said he does not want to expand the recycling business to BYU-Idaho until he gets the business running in a normal routine. He has received calls thanking him for the recycling program. He explained this is the cheapest way for the city to do the business of recycling. Mayor Larsen said he would like to do some Public Relation work to communicate the program to the public. The city will work with Mr. Barney to get some additional bins.

Staff Reports:

A. Public Works report on Projects: John Millar

1. Street project list for 2008

City Engineer Keith Davidson reviewed the street projects for 2008. He mentioned a bid opening today for a new lift station on Sunrise Drive to service several developments. There were seven bidders for the project.

The list of 2008 projects includes:

1. \$120,000 East Main Street Island – Council Member Erickson was concerned with the new island aligning with the entrance to the new hospital addition which would narrow the intersection. Staff will make sure the design of the intersection will allow enough room to exit the hospital. Council Member Stout asked if the roundabout for this intersection was discussed with the hospital board. Engineer Keith Davidson said some of the hospital staff was concerned with a roundabout impacting the path to the emergency room. There is not a good base under this section of road.
2. \$150,000 Crack seal and chip seal streets extending the life of a street.
3. \$215,000 city's portion of 7th South (2nd West to bridge)
4. \$25,000 4th East using city crews
5. \$90,000 Contingency

Council Member Stout asked if impact fees could be used for the project on 7th South. Engineer Davidson said this is a possibility. He will look into this.

Mayor Larsen asked for approval of the proposed street budget.

Council Member Stevens wants to proceed with the 7th South project. Mayor Larsen asked if impact fees were available would the City Council want to spend more on 7th South to widen it all the way or spend any additional monies on other street projects.

Council Member Erickson explained the city should widen the south side of 7th South to the bridge. Council Member Stevens wanted to keep the contingency money held in reserve with the engineers making the decision on how far 7th South could be extended.

Council Member Mann moved to approve the 2008 list of street projects with the 7th South project being designed by the engineers. If additional monies are available with impact fees, it will be the discretion of the engineering department to use the money on 7th South or on

other street projects as they see necessary. Council Member Stevens 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 indicated a representative from Upper Valley Industries requested a member of the City Council to be a member of their advisory committee. Their meetings are on the fourth Tuesday of each month. Mayor Larsen asked Council Member Richard Woodland to serve as the City Council liaison to Upper Valley Industries.

Mayor Larsen asked Council Member Bart Stevens to serve on the Madison Community Council as the City Council liaison.

Mayor Larsen announced the "Safe Routes to Schools Grant" for about \$33,000 has been received from ITD. The funding will be used to install plumbing for push button pedestrian signals.

Finance Officer Horner reviewed the budget calendar and explained next year's budget meetings will begin on May 07, 2008 and continue on June 18, July 01, and July 16, 2008 to set the tentative budget for 2009. Council Member Stout explained he would be out of town for the July 01, 2008 meeting. Finance Officer Horner requested a public hearing to be set on August 06, 2008 for the first reading of the appropriation ordinance for the 2009 city budgets.

Council Member Woodland moved to set appropriation budget hearing for August 06, 2008 at 8:00 P.M. Council Member Stout seconded the motion. All voted aye, none opposed.

The motion carried.

- A.** Discuss annexation of lands (enclaves) and lands connected to city services – Staff

Mayor Larsen asked for a City Council discussion on proposed annexations. It is for discussion purposes only at this time. After the annexation of the Widdison Addition, the City Council's policy was established to review any annexation proposal before it is sent to the Planning and Zoning Commission to begin the process.

City Attorney Zollinger reviewed the lands (enclaves) within the City including lands connected to city services. These properties have been the topic of discussion in the past; however, for one reason or another, they have not been annexed. He reviewed the following properties:

1. Enclaves (properties) on South 5th West including four or five property owners. Wes Lawrence's property and some neighbor's properties are an island within the city. They are not on water and sewer.
2. Bowen Petroleum - enclave
3. Double H Gas - enclave
4. Rexburg Heights Subdivision residents are on sewer and water except Bob Franz who is only on sewer. This subdivision was scheduled for annexation a couple of years ago; however, the City Council did not approve the annexation due to residents' concerns. Mayor Larsen indicated some residents of Rexburg Heights are pursuing a petition for annexation at this time. City Attorney Zollinger explained the subdivision qualifies for voluntary annexation by state statute because they are on City services. The residents requested annexation in the early 80's when their septic systems began to fail. The residents constructed a sewer collection system which was connected to the City's waste water system.

5. Artco properties including Hortense Hewitt are surrounded on three sides by City boundaries with both businesses connected to sewer. In addition, Hortense Hewitt has a water connection. Artco has a water source that is not connected to the City water system.
6. Basic American Foods is connected to sewer for human waste with a portion of their property annexed to the City under a previous annexation. They use irrigation circles to apply potato starch waste water from their lagoons to their property. They have an eight to twelve inch City water line connected to their facility for fire suppression; so they do receive both water and sewer from the City. Their ingress and egress for transportation for the facility is a 100% over City streets. They are highly controlled by governmental agencies for their waste water effluent.
7. Harris property has been previously annexed and later de-annexed for agricultural reasons. They are on the list to be annexed in conjunction with an annexation agreement with Sugar City to divide the annexation.

Council Member Erickson asked if water and sewer connections receive addition charges for receiving service outside the City. City Attorney Zollinger indicated the rate was 1.3 or 30% higher outside the City.

Council Member Stout asked about emergency services coverage. City Attorney Zollinger explained the city and county have an agreement to cover areas that may be considered a dual covered area. The road adjacent to an annexed area is considered to be annexed by state statute.

Council Member Erickson asked if the properties further south to Poleline Road on South 5th West were on the list to be annexed. City Attorney Zollinger said they were not on the list at this time.

Finance Officer Horner provided some economic information concerning the properties. The parcels using city services pay 130% of the regular fee for water and sewer. Some properties outside the city being billed for city services would have a small net increase. Some residents would see a near wash in costs difference and some residents would see an increase based on the area watered with city water. He reviewed the chart below showing the comparison in costs for three of the areas.

Decrease in Utility Bills	Artco	BAF	Rexburg Heights	Total
Utility Bills	\$ 21,001	\$ 2,341	\$ 46,591	\$ 69,933
30% Out-of-town Surcharge	\$ (4,846)	\$ (540)	\$ (10,752)	\$ (16,138)
Net Increase in Taxes	\$ 5,145	\$ 8,223	\$ 6,007	\$ 29,376
Percent Change in Taxes Net of Utility Bills	10.14%	19.22%	7.48%	13.00%

Council Member Woodland asked how much more Rexburg Height's residents were paying for city water and sewer. Finance Officer Horner explained they pay an additional 30% surcharge. After the last annexation hearing for Rexburg Heights, some residents communicated to Finance Officer Horner they were surprised the city did not annex them at that time. Council Member Woodland was asked by a resident in the Valley View Subdivision about their city water, sewer, and garbage bills. They were concerned they were paying more for city services. Finance Officer Horner explained if they are in the city, they pay the same rate as other city residents. City Attorney Zollinger indicated some of the residents in Valley View Subdivision have a 3/4 inch water line and some residents have a one inch water line which uses additional water. Finance Officer Horner said the charge is based on the capacity of the water meter to draw water out of the city system. The one inch water meter would have a flow rate of 2 1/2 times higher than a 3/4 inch water meter with a higher flat monthly fee.

Council Member Stevens asked if the additional cost for street maintenance justifies annexation of some of these parcels.

Discussion: on the agreement with the county to plow some roads going past the city like Poleline Road.

Council Member Mann asked the City Council to look at this question in a different light. He wanted to look at it as a sense of community. If the people live, work and drive in the community, they go to school in the community; therefore, they should be part of the community. We want them to be part of our community. Although this annexation can be measured in dollars and sense, Council Member Mann did not think dollars and cents is the overriding concern. In past discussions with the county, they have referred to areas inside the city needing annexed before the city seeks additional growth out in the county. In the long run it is good for the whole community to develop a sense of community.

Council Member Stevens reiterated his concerns with taking on more streets to maintain. Money does matter where the city has expanded north past the Teton Lakes Golf Course to McJon Lane. City crews will be stretched to cover the additional roads annexed into the city. He said the City Council would have to look at the additional costs for snow removal and maintenance. Now the city is responsible for rebuilding and maintaining streets with chip seal and crack seal treatments for streets annexed into the city. He is concerned for the additional streets to maintain without additional revenue. Council Member Mann explained he did not want to measure everything we do in dollars and cents. He thought Artco, Basic American Foods and Rexburg Heights should be in the community (city). Mayor Larsen explained when campaigning, he visited the residents in Rexburg Heights and he was surprised they were not part of the city.

Mayor Larsen reviewed the process for annexation: first the City Council would review the proposal; if a decision is made to proceed; the City Council would ask the Planning and Zoning Commission to move forward with the request made by staff or an applicant. The process would start with a public hearing where the public would be noticed up for a public hearing to gather public input at the Planning and Zoning Commission level. In the past, the city has met with certain neighborhoods in a less formal process to discuss the proposal for annexation. The decision the City Council needs to make is “do we want to pursue this and have Planning and Zoning work with these neighborhoods to pursue annexation”. We are not making a decision tonight for annexation.

Council Member Woodland and Council Member Stevens wanted to wait on Rexburg Heights until they request annexation. The annexation of commercial lands discussed is okay to pursue.

Council Member Erickson asked if Planning and Zoning was required to make a recommendation on Rexburg Heights. City Attorney Zollinger said the Planning Commission has to make a recommendation to the City Council for any annexation. The City Council does not have to follow the Planning Commission’s recommendation. The state statute requires one public hearing and Rexburg holds the public hearing at the Planning Commission level. The Planning Commission can make a recommendation without a public hearing and then have the public hearing at the City Council level. In reviewing past minutes of annexation discussions for Rexburg Heights, Council Member Erickson noted a previous meeting (*on August 13, 1981 Planning and Zoning Commission minutes*) the Planning Commission approved the recommendation to annex Rexburg Heights.

Council Member Woodland noted the streets in Rexburg Heights do not have a curb and they are in need of repair. He was concerned with future discussion over street repairs for “an LID or whatever we need to do”. Mayor Larsen asked “at what point do we annex them”. Council Member Erickson said when they request annexation. Mayor Larsen did not feel the enclaves in the city made sense long term. Council Member Stevens said they could be annexed when they asked to be annexed or when there is development to the south. He felt they were a part of the community as much as his neighbors across the street.

Council Member Mann moved to have the Planning and Zoning Commission explore the possibility of annexing Basic American Foods, Artco, Bowen Petroleum, and Double H Gas, and make a recommendation to City Council. Council Member Woodland seconded the motion. All voted aye, none opposed. **The motion carried.**

Council Member Erickson left the meeting.

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 March 19, 2008 meeting
- B. Approve the City of Rexburg Bills

Council Member Stout asked about having a record in the March 19th minutes concerning the PUD's conditions for approval including the requirement for sidewalks. City Attorney Zollinger explained the conditions applied in a PUD are in the Development Agreement and the Planning and Zoning minutes.

Council Member Stout moved to approve the Consent Calendar. Council Member Stevens seconded the motion. All vote aye, none opposed. **The motion carried.**

Executive Session:

Executive Session pursuant to State Statute 67-2345 (B) personnel; (F) communicate with legal counsel for legal options.

Council Member Stout moved to go into Executive Session pursuant to State Statute 67-2345 (B) personnel; (F) communicate with legal counsel for legal options. Council Member Woodland seconded the motion. Roll call vote:

Those voting aye

Christopher Mann
Bart Stevens
Adam Stout
Richard Woodland

Those voting nay

None

The motion carried.

Executive Session

Executive Session ended.

Adjournment

Shawn Larsen
Mayor

Attest:

Blair Kay
City Clerk