

City Council Meeting

July 16, 2008



CITY OF
REXBURG
America's Family Community

12 North Center
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July 16, 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 on Riverside Park located at 2nd North – JRW & Associates

Shannon D. Miller at P.O. Box 185 in Manti, Utah 84642

Attending: Randy Schwendiman, Bart Stevens, Adam Stout, Chris Mann, Richard Woodland, Mayor Larsen, Joseph West, Marilyn Fife, Steve Oakey, Bob Yeatman, Richard Horner, Terry Butikopher, Rich Ballou, Johnny Watson, Shannon Miller, Blair Kay, April Howard

Johnny Watson with JRW and Associates discussed the history in coming to the decision of building an outdoor pool. There have been votes against raising taxes in the past. The water design helped come to this conclusion. An outdoor pool will balance the needs of the community as well as be self sufficient.

Shannon Miller and Johnny Watson explained the most successful pool they have seen is the North Ogden/Roy pool. They charge \$5 per person and closes at 5:00 P.M. to accommodate nightly parties. They have parties six days a week and charge a \$200 fee plus a per person fee. To rent the entire facility they charge a \$600 fee.

Johnny Watson explained lap pools are not money makers. From what they researched, lap pools stay empty most of the day.

Shannon Miller reviewed the “Mormon landscape” of Rexburg along with the grid system streets around community centers. They compared 30 pools to come up with the design for the Riverside Park pool. She discussed the items that make pools successful and what makes them fail.

Key Take Aways:

- ☛ Community Pools are generally considered investments in quality of life for citizenry.
- ☛ Pools cost money.
- ☛ Programs and activities increase the community pools' exposure and success.
- ☛ Plan for unexpected events.
- ☛ Marketing and brand awareness are important in a pool's success.
- ☛ Pool operation is only as good as the person in charge.
- ☛ Preventive Maintenance is always a good strategy.
- ☛ Capital improvements need to be scheduled.
- ☛ The two largest expense categories are "temporary salaries" and "chemicals" - sometimes labeled as equipment maintenance. Utilities are catching up.
- ☛ Cool-water competition pools historically have a propensity to drive up operational costs without contributing to the revenue generation side of the income statement.
- ☛ Ironically, the notion of operational self-sufficiency (also known as 100% cost-recovery) is contradictory to the community service goal of providing facilities and programs for everyone.
- ☛ Nationally, the vast majority of municipally operated community recreation centers subsidize 20% to 45% of their social and recreational programs, relieving the pressure to balance community services with revenue generating activities to the cost of operations.



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What fails:

- Old style pools fail in today's market
- Rectangular deep pools no longer make money. They cost their communities money and are a financial liability:
 - The diving board is not used
 - Traditional depth of a square pool costs too much to heat

What works:

- Good Planning
- Strong commitment to leveraging pool to community
- Fun/Big Slides
- Water Toys
- Party Rooms
- Concessions
- Zero depth entry

Other items:

- Rexburg has already recognized the importance of marketing
- Run the pool like a business
- Plan for contingencies

Busy pools are happy pools. How to keep the pools busy:

- Gate Fees
- The right mix of toys is critical
 - Slides are favorites of 8-108 year olds
 - Current channel is not just for kids; adults and seniors enjoy it too!
 - Water guns—try one!
 - Zero Entry—Makes moms and babies happy
 - Swimming Lessons are a revenue generator
 - Parties—schedule 3-4 per night
 - Concessions—we all love to eat!

Shannon Miller suggested not allowing swimming tubes. This eliminates a lot of cost and problems. She also said the pool design they are proposing has toys available for kids and adults of all ages. There is a large toy in the middle of the pool for smaller children as well as two slides for

both children and adults. She also said swim diapers should be required to be purchased at the ticket office for small children.

The group discussed the budget, swimming lessons, parties, etc. and how some things will need to be “tweaked” to fit the needs of the Rexburg community.

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

Roll Call of Council Members:

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

Barrett Hope at 5190 S. 2000 West, asked for some consideration on the rate he is charged for dumping sewage waste. He would like to pay by the gallon on the truck. Currently, he is charged for a full load even if his truck is only half full when he dumps. He explained his truck holds 450 gallons but if he is only dumping 200 gallons he wants to pay for 200 gallons not for 450 gallons. Mayor Larsen asked to review the city policy. Public Works Director John Millar explained it is hard to measure how many gallons are dumped, that is why it is just considered a full load. He explained this can be worked out. Mr. Hope has a mechanism on his truck indicating how full it is.

Council Member Mann asked how Idaho Falls is set up on a range schedule. Idaho Falls charges \$30 to dump 0-500 gallons, \$60 to dump 501-1000 gallons, etc. He is dumping portable toilets only. Council Member Woodland asked if the portable toilet chemicals were a problem. Public Works Director Millar said these chemicals have not adverse affect that they have found. Rexburg currently charges \$0.10 per gallon which is \$45 per load. Public Works Director Millar said the city would work something out for Mr. Hope.

Lowell Nygard representing the Upper Valley Friendship Club at 349 S. 5th West, is concerned because the Friendship Club is being included on LID 39 for a new sidewalk. He asked the city to give a variance on the \$2,700 cost to replace the facilities on the LID.

Council Member Mann asked who owns the Friendship Club. Mr. Nygard explained the Friendship Club is run by a board of directors that is paid for by United Way. It is a non profit organization and the building is used for 12 step recovery groups.

Council Member Stevens asked if they could keep the property on the LID but forgive the first year and have it reviewed on a year to year basis to waive the fee annually.

Council Member Stevens moved to assume the first years LID assessment for public service to be reviewed annually. Council Member Stout seconded the motion. All voted aye, none opposed. **The motion carried.**

Mary Ann Beck 796 W. 7th South, presented a letter to the City Council with concerns for a gas line near her property. She explained she is building a new house next to her property which requires electrical lines to be installed. The letter indicated a gas line was installed in 2002 which now prevents the electrical power lines to be installed underground; they have to go overhead with the power lines which cost an additional \$2,200. The letter requested the City of Rexburg pay for the additional \$2, 200 because she felt the city was responsible for the manner in which the gas line was installed.

Mayor Larsen explained the city would not be responsible for this since it was a gas company that installed the lines, not the city. He asked Public Works Director Millar to go to the property and look into the matter further.

Presentations:

1. City Achievement Award for Information Technology – Resource Management Council

Mayor Larsen reviewed the award received from the AIC. IT manager Steve Christenson and Justin McIntyre explained the award. It is a public/private partnership to get internet wireless access

for the public and the city. You can access the internet from a remote site in the city. Smith Park and Porter Park will have access to the wireless resources.

2. AIC City Achievement Award 2008 for Storm Drain Marking Event

Mayor Larsen reviewed storm drain marking event. Storm drains can receive contaminants in the storm drains that could harm the aquifer. Chuck Velman from the water department organized the project to sticker the storm drains in the city.

Mayor Larsen presented plaques for both accomplishments.

Committee Liaison Assignments for 2007:

A. Council Member Chris Mann *Museum Committee · Beautification Committee · Emergency Services Board*
No report

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

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

Council Member Stevens explained the Mayor's Youth Advisory Board is preparing for the coming school year. The Airport Board is working on new bylaws. City Attorney Zollinger explained they have researched other city's airport bylaws and are now ready to put new bylaws together for Rexburg.

Mayor Larsen reported he received a call from Senator Craig's office about future expansion of the airport. They are looking at grant funds to help with future expansion.

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

Council Member Schwendiman explained the Traffic and Safety Committee won't meet until September. **Mayor Larsen** said he has received several calls about the stop sign on Millhollow Road at the intersection of 7th South. The stop sign is stopping traffic on Millhollow Road allowing traffic on 7th South to pass without a stop. Public Works Director Millar explained the recommendation is to leave the stop sign where it is currently.

E. Council Member Richard Woodland *Rexburg Arts Council · IBC Committee · Tabernacle Civic Center*

Council Member Woodland explained the Tabernacle Committee is having a concert every Wednesday evening this summer. BYU-Idaho also gave them an additional piano to use at the Tabernacle.

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

Council Member Stout explained the Trails Committee is still working on a grant for a foot bridge on 2nd East. This will be a matching funds grant.

Public Hearings:

A. 7:30 P.M. Conditional Use Permit for Greenbrier Dormitory Housing – Clint Steltzer

Ross Farmer at 168 South 2nd East explained the reason for the request. They are requesting dormitory housing for converted single family homes. The Jacobs house goes from 10 to 11 students. The other property would go from 6 families to 12 students. Parking meets the city codes. Mr. Farmer explained the four garages will be razed to allow for parking.

Council Member Stout asked where the parking lot accesses the street. The parking lot accesses 2nd East and 1st South. The access to 2nd East is an improvement from the current configuration which will be reduce from 2 accesses to 1 access.

Mayor Larsen opened the public hearing:

Those in favor:

Steve Herdi at 141 South 2nd East said they have been excellent neighbors. Their properties are always well maintained. He was in favor of the proposal.

Those Neutral: - None

Those Opposed:

Jim Newman at 141 East 2nd South has concerns with the proposal. He explained he no longer has any buffer between his property and this single student housing since all trees have been removed. He is concerned with lighting and foot traffic affecting his property. He asked for a buffer to encourage the students to use the sidewalk instead of his lawn. He was concerned with the drainage of the proposed french drains may cause due to the lava rock 2 ½ feet below the surface. He has gotten water from the property when the lawn was watered. He asked the City Council to take care of the homeowner.

Ross Farmer said he has not heard any concerns they can not address. They will put in hedging along the property line to keep students off Mr. Newman's property. He explained some of the parking lot does drain to the neighbor. The drain has accommodated all of the water from the existing parking lot so they feel confident this will not flood Mr. Newman's property. The Jacobs house had a lot of trees that have been removed. The parking lot lights will be in compliance with city code. Mr. Farmer said he is happy to have Mr. Newman sign off on the lighting.

Mayor Larsen closed the public hearing.

Mayor Larsen reviewed the Planning and Zoning minutes and motion for this proposal.

Council Member Stevens asked for a review of the conditions.

Planning and Zoning Administrator Leikness reviewed the nine conditions from Planning and Zoning's staff report. Mayor Larsen reviewed eight conditions in the planning minutes. The staff report has nine conditions. Mayor Larsen asked for the difference. There is a condition of 15 foot lighting that will be added.

Proposed Conditions of Approval

- 1. Trash dumpsters/receptacles shall be located within the interior (behind front building line, but minimum is required setbacks) of the lot and shall be enclosed with materials that are consistent with those materials used in the building that they are adjacent to, e.g. brick, wood, etc.*
- 2. Lighting shall be reviewed. All lighting shall be applicable lighting standards, including full cut-off fixtures and lower wattage light sources, i.e. 60-75 watt. Violating lights on site shall be replaced prior to issuance of a certificate of occupancy.*
- 3. A site plan reflecting all conditions of approval and incorporating all City standards, e.g. landscaping, parking, etc. shall be submitted and approved by the City prior to the issuance of a building permit.*
- 4. A landscape plan shall be submitted. The site shall include 30% landscaping (per ordinance 926), this percentage shall be shown on the approvable landscape plan.*
- 5. In providing reduced setbacks (14-feet on 2nd East, and 13-feet for 2nd South), as allowed by ordinance, parking areas shall be screened by more mature landscaping. Deciduous trees shall be 2-inch caliper at planting. Evergreen trees shall be 7-feet in height at planting, and shrubs shall be 5-gallon at planting. Number of trees and shrubs shall be adequate to screen parking areas. No parking shall be provided on this site within these setbacks.*
- 6. Proposed project entrances shall be enhanced through landscaping. This requirement shall include all mechanical equipment installed as part of the development to be adequately screened from the ROW and from adjacent property.*
- 7. All sidewalks both exterior (adjacent to the site) and interior to the development, shall be interconnected and shall connect to the main entrances of each unit.*
- 8. To encourage alternative travel options, i.e. bicycling, parking for bicycles shall be provided, both long term (several hour stay, weather protected) and short term (visitors- two hours or less). These areas need to be shown on revised site plan.*

Council Member Mann was concerned with losing another block to student housing. He has had a similar experience with a parking lot next to his home. He said it is very intrusive. This area is designated for mixed use. It is all single students. Mr. Newman's home is the only home on the block left that is not single student housing. He did not want the growth of this development to move away from married housing.

Council Member Woodland was concerned with the traffic going onto 2nd East. One more feeder road onto 2nd East could cause problems. Council Member Stout said they are only adding two additional parking stalls.

Council Member Schwendiman asked for a landscape barrier of some kind to protect Mr. Newman. He explained the different levels of the retaining wall which gets smaller as it approaches the sidewalk.

Mr. Farmer will work with Mr. Newman to address the issue.

Council Member Stevens was concerned with the parking lot drainage. Mr. Newman reiterated his concerns with water flowing to his property from this new development. Mr. Farmer said he is willing to work with the Newman's on this issue.

Council Member Mann said it is tough to decide what is right. He is concerned with the growth in Rexburg impacting homeowners.

Council Member Schwendiman moved to approve the CUP for Greenbrier Dormitory Housing with existing condition from Planning and Zoning and adding the condition of a landscaping type buffer and making sure the drainage system works properly. Council Member Stout seconded the motion. Discussion: Council Member Stevens asked to have the lighting issue addressed. Mayor Larsen asked for a bollard type light to only light the sidewalk. City Attorney Zollinger said the code allowed for these variations. The policy allows for restricting lighting from one property to another property. The motion was amended to also include that direct lighting will not impact properties beyond their own development.

Those voting aye

Council Member Schwendiman
Council Member Stevens
Council Member Woodland
Council Member Stout

Those voting nay

Council Member Mann

The motion carried.

B. 7:45 P.M. Change the calculation formula for fees on Residential Construction - Staff
(Align city's formula to the state's formula)

Building Official Val Christensen explained this is a request to change the way residential electrical fees are calculated. This will make residential fees more equitable for the customers by going with the state formula. He explained they are not proposing to change fees, they are simply proposing to change the way the fees are calculated.

Mayor Larsen opened the public hearing.

Those in favor of the proposal: NONE

Those neutral to the proposal: NONE

Those opposed to the proposal: NONE

Mayor Larsen closed the public hearing.

Council Member Woodland moved to approve the change is calculating residential electrical fees. Council Member Schwendiman seconded the motion. All voted aye, none opposed. **The motion carried.**

C. 8:00 P.M. Local Improvement District No. 39, ("L.I.D. No. 39") – Staff
(BILL 1010 for LID 39)

Finance Officer Richard Horner explained this public hearing is to create LID 39. Engineer Keith Davidson explained LID 35 was closed in March. The properties from LID 35 around the city which were not completed have been moved to LID 39. There are a few other properties that have voluntarily added to LID 39. The 7th South nursing home is included in LID 39. City Attorney Zollinger explained the numbers are estimates. The interest will not be charged until after the contract bid is awarded to a contractor and they start making draws on the project funds. Language has been added to make this clear.

Mayor Larsen explained the first annual payment is waived for the Friendship Club property at 349 S. 5th West.

Council Member Schwendiman asked if the contract language will notify the landowner concerning the possible future debt against the property. This has been added to the letter going to property owners.

Mayor Larsen opened the public hearing.

Mayor Larsen reviewed two written comments against LID 39.

James Greene at 419 South 3rd East does not want to be included in LID 39. He would like to put his sidewalk in when the land north of his property is developed.

City Attorney Zollinger explained the city policy. All properties by specific area are being reviewed for a sidewalk. This property at 419 South 3rd East is the last property on this block missing a sidewalk.

Jeff Hochstrasser at 468 Maple Drive explained he feels the majority of the damage to the curbs on his property was caused by the city's snow removal equipment. He also explained the time frame given for homeowners to make these improvements is impossible to meet. He asked that less coercive means of beautifying the city be explored.

Mayor Larsen opened the public hearing.

Jeff Hochstrasser at 468 Maple Street explained the letter that was submitted to the City Council. They purchased the home in October 2007. They were not given any information about the need to install a sidewalk nor were they aware of a possible future debt on the property. Mr. Hochstrasser explained the letter from the city only allowed two weeks to complete the project; otherwise the city would include this property in LID 39. City Attorney Zollinger explained the recorded document states the property is subject to a pending lien when the work is done. This information should have been given by the Title Company at the time of purchase of the property. The City Council discussed the notification process when a property is subject to a pending lien. Mr. Hochstrasser said in light of the fact that this letter came as a surprise; he felt two weeks to get the work done before being included in LID 39 was unreasonable.

City Attorney Zollinger explained the council can get an answer from Mr. Hochstrasser in two weeks on whether he wants to do the work himself or be included on the LID. Then the City Council can give him until October 1st or another date to have the work completed if he chooses to do it himself.

Mr. Hochstrasser said the curb appears to be damaged by snow removal equipment. The costs would take someone 580 hours of work to pay the bill of \$3,400. He felt this requirement is similar to the federal requirements for cities which come to the cities without funding. He asked the city to pick up some additional costs for damage caused by snow removal equipment.

Reginal Richie spoke concerning the Hemming Project. He asked that the Hemming Project be dropped from this LID because of the improvements they are planning for the city. They are redoing an entire street and this property on the LID is already scheduled to be done. They are making many more improvements than what the city requires. The City Council gave direction to City Engineer Davidson to take this item off the LID.

Mayor Larsen closed the public hearing.

Mayor Larsen asked for the time line for starting this project. The second meeting in August would be the third reading of the ordinance if the rules are not waived.

Council Member Mann was not comfortable to waive the rules until the next meeting. Finance Officer Horner explained the residents have had several weeks of notification.

Council Member Stevens asked for a review of Mr. Hochstrasser's property at 468 Maple Dr. City Attorney Zollinger explained snow plow damages are reviewed every spring as the city is notified of

any damages. Public Works Director Millar said they will go inspect this property. Finance Officer Horner explained the LID is financed for ten years.

Council Member Schwendiman moved to suspend the rules. Council Member Woodland seconded the motion. Roll call vote:

Those voting aye

Council Member Schwendiman
Council Member Stevens
Council Member Woodland

Those voting nay

Council Member Mann
Council Member Stout

The motion carried.

Council Member Schwendiman moved to consider LID 39 third read and approved. Council Member Woodland seconded the motion. All voted aye, none opposed. **The motion carried.**

New Business:

A. Preliminary Plat – Everett Place Condominiums - 887 Everett Place

Christopher Meek 428 Park Avenue in Idaho Falls is an attorney representing the property (Carlton Scott) at 887 Everett Place. They are asking to turn a four plex into condominium style homes. Council Member Mann asked if this would be the only four plex turned into a condominium style home. Mr. Meek said he is not sure if any other owners are considering condominiums. Council Member Stevens is favorable to the proposal allowing private ownership. Mr. Meek explained the proposal would require some changes to the parking lot. One of the conditions from Planning and Zoning was that some trees would need to be added. Council Member Schwendiman asked if the building would have a homeowners association. Mr. Meek explained there would be a homeowners association which is in the process of being formed now. City Attorney Zollinger explained the Condominium Association has certain requirements; however, it is a single contact for property concerns.

Discussion:

Council Member Stevens moved to approve the Preliminary Plat for Everett Place Condominiums with the conditions of approval as outlined by Planning and Zoning. Council Member Woodland seconded the motion. Discussion: Council Member Mann explained the buildings were constructed not long ago for single owners. Other property owners on the street own the entire building. Discussion on the concept of condo ownership verses apartment use. City Attorney Zollinger explained condos have stricter requirements.

Those voting aye

Council Member Schwendiman
Council Member Stevens
Council Member Woodland
Council Member Stout

Those voting nay

Council Member Mann

The motion carried.

B. Right-of-Way Landscaping discussion – Val Christensen

Building Official Christensen presented some pictures on the overhead screen explaining some right-of-way problems. Some subdivisions are landscaped up to the curb and others are not landscaped up to the curb. Some areas are not groomed at all leaving a very messy look with tall weeds, etc. The question is maintaining the landscape strip. He explained some of the right-of-ways are in “no mans land”. Mayor Larsen reviewed the inconsistencies in city policy concerning the city right-of-ways. He asked who is responsible for the right-of-way areas. Building Official Christensen said properties facing away from the street into a subdivision become a problem for maintenance.

City Attorney Zollinger explained properties facing the street are maintained because city code requires the property owner to maintain the right-of-way where they access the city streets. The subdivisions in question access city streets through a subdivision street. The City Council discussed the problem of right-of-way maintenance located in back of the subdivision properties. Area LIDs

and city participation are options to correct problems where the right-of-way is not being maintained. Several subdivisions were discussed where the problem exists.

Council Member Schwendiman moved to create a policy that from this point forward the back of the curb to the property line be included in required maintenance in the city right of ways. Council Member Woodland seconded the motion. Discussion: Public Works Director Millar asked that the motion also include the boulevard strip from the property line to the back of the curb (finished portion of the street) be included in the development agreement. Mayor Larsen asked staff to develop a plan to correct existing situations. Council Member Mann said some of those developers are still in the city doing developments. All voted aye, none opposed. **The motion carried.**

C. Ordinance 926 discussion – Val Christensen

Building Official Christensen reviewed a handout to the City Council concerning items of concern in the Planning and Zoning Ordinance.

Johnny Watson a local architect said the document needs to be tightened up. It has some ambiguity for this community. This is a fiscally conservative community. The city needs a code cross referenced to the values of the community and the comprehensive plan. The code is not clear to the expectations of the committee when the code was adopted. Mr. Watson said the code could be modified to the expectations of the community and the comprehensive plan. The current code is very restrictive. The city will not sacrifice in the design standards with the proposed modifications. It would streamline the building permit process without any compromise to the desires of the community. He proposed net square footage instead of gross square footage on requirements for medical parking lots.

Mayor Larsen asked to have Ordinance 926 as part of the discussion. Planning and Zoning Administrator Leikness said the contracted planners are reviewing the code as well.

David Stein, a member of the Planning and Zoning Commission explained his concerns with changing the code. He said the code has been under review for changes for the past six years. Design standards come down to human scale by breaking up the building into smaller elements. He indicated Planning and Zoning Commission has a desire to improve the code without throwing out the code.

Thaine Robinson from the Planning and Zoning Commission recommended “tweaking” the code. He agreed with Johnny Watson and David Stein. He said industrial zones need to be addressed in the code. The gymnastics building was a good example of having the building look nicer where there is an office. He asked for a compromise with the community’s expectation and the code.

Mayor Larsen requested involvement of the interested parties including the planning group (CSRA), JRW and Associates, city staff, etc. Building Official Christensen said the oversight team asked for these document changes. He asked for City Council support when the changes proposed to be made in the code. The CSRA document will be reviewed by the City Council. The City Council is relying on the interested parties including CSRA to make changes to the code.

Council Member Stevens said many buildings do not fit the code requirements. The buildings are approved by Planning and Zoning on a case by case basis through a laborious process. Council Member Schwendiman asked to simplify the process in order to speed up the process of certain projects.

David Stein was not sure where the discussion was going - simple or very detailed. He said simplifying by making the code more generic allows things to become very subjective. Building Official Christensen explained the City Council wants the process to move forward. He gave the example that the way the code is currently written; every building would be plaid (checkered) buildings. There is no variety allowed, therefore, the building proposal is sent to a committee for a subjective review.

Mayor Larsen explained the goal is design standards that everyone can understand.

Council Member Schwendiman asked what would be done for those that have building plans and proposals now. He asked to move buildings forward on these buildings without waiting for the rewrite of the code. Planning and Zoning Administrator Leikness said the Planning Department will work with these requests as they come in.

D. Valleywide Business Park sidewalk discussion – Staff

Mayor Larsen explained the sidewalk problem at Valleywide Business Park. Some parts of the business park have sidewalks and some don't have sidewalks. Johnny Watson from JRW and Associates explained how the designs ended up with or without sidewalks. Some of the properties do not have room for a sidewalk because the lots are so narrow.

Council Member Stevens explained the sidewalk ordinance was in place when the projects were approved.

Johnny Watson said the sidewalk was not included because of the small lot sizes. Discussion: City Attorney Zollinger explained the existing buildings do have trees as a buffer on the south side. Mayor Larsen said a business association should maintain the trees on the south side of the plat.

Council Member Stevens moved to require sidewalk on the island lots 1-10 of block 3 of the Valleywide Subdivision only. Council Member Schwendiman seconded the motion. All voted aye, none opposed. **The motion carried.**

E. Adopt tentative 2009 city budget – Richard Horner

Finance Officer Horner reviewed the tentative 2009 city budget. He asked the City Council to set two public hearings. One for the fee increases for utilities and one to adopt the budget. He asked that both public hearings be set for August 6, 2008.

Finance Officer Horner explained there haven't been any changes to the budget since the last time the City Council reviewed the budget except he did add an additional \$2 million to the tentative budget for the wastewater treatment plant. This was due to a conversation with Public Works Director John Millar. Some additional upgrades to the treatment plant may be needed. Finance Officer Horner feels an additional \$2 million is more than enough. He handed out a copy of the proposed budget to the council and explained this is what will be published in the newspaper.

Council Member Stout asked about Riverside Park funds. He asked where this money will come from. Finance Officer Horner said this money will come from Congressional Appropriations as well as from grant money.

Council Member Schwendiman had some concerns about the contingency fund. Contingency monies held over for street repairs have disappeared. Council Member Stevens requested additional contingency reserves for increasing fuel costs. Finance Officer Horner said the 2009 budget includes a 25% increase in the fuel budget.

Council Member Schwendiman asked for a review of the State of Idaho sales tax revenue. He is not comfortable with the current budget given the current state of the economy. His concern was that Gas Tax and Sales Tax revenue may go down. Building Official Christensen reviewed the 2008 residential and commercial building permits. The residential value is lower this year with most homes under \$200,000.

The City Council discussed the pay down of the Police Impact Fee Fund. They feel this should not come out of the General Fund. The cost of living increase in the market place is 3.1%. City employees are getting a 4.3% increase. Council Member Stevens said he feels this needs to remain the same.

Council Member Stevens asked Finance Officer Horner if he was comfortable with the budget. Finance Officer Horner is comfortable with \$110,000 in contingency in the 2009 Budget. The reserve fund is being budgeted above the 25% minimum budget. Council Member Woodland was concerned with the decrease in contingency funds.

Mayor Larsen asked for a number the City Council is comfortable with in the 2009 contingency budget and how they would like to get the contingency budget to that number. Council Member Woodland asked to have more money budgeted in contingency due to the economy.

Finance Officer Horner recommended one change could be to defer some capital items for three months or until the first of January.

Council Member Mann agreed with Council Member Stevens to leave the cost of living for employees in the budget. He agreed to a good change would be to move the General Fund monies set aside to pay down the Police Impact Fund back into the contingency money. Council Member Mann asked for a new budget process so each council member can review the entire budget together

instead of only seeing bits and pieces of the budget before it gets to this point. Finance Officer Horner said he is willing to look at any changes to make the process more beneficial.

Council Member Stout asked about the Rexburg Arts Fund increase. It is a city wide fund raiser through donations. He asked about street repairs budgets. He would like to do more with street repairs.

The City Council continued to discuss the tentative 2009 city budget.

Council Member Stevens asked about cutting a person from the customer service department. City Clerk Kay explained the concerns about taking a full time person out of the department. There will not be sufficient coverage for busy times of the month or if a person needs a day of sick leave or vacation. Customer Service is the only department required to have someone available from 7:30 A.M. to 5:00 P.M. every day. City Clerk Kay asked for at least a regular part time to fill this full time position.

Mayor Larsen said they will figure out a way to make sure there is sufficient coverage to assist customers.

Council Member Stevens moved to set the public hearing for the tentative 2009 city budget for August 06, 2008. Council Member Mann seconded the motion.

Those voting aye

Council Member Schwendiman
Council Member Stevens
Council Member Mann
Council Member Stout

Those voting nay

Council Member Woodland

The motion carried.

Finance Officer Horner explained they are proposing Utility Rate Increases to begin October 01, 2008. Water would increase 8.3%, sewer would increase 5.1% and garbage would increase 6.2%. This is an average increase of 6.2%. The increased cost of living and inflation has driven these increases.

Council Member Schwendiman explained some fixed income residents have complained to him about these increases.

Council Member Mann said we have a vital investment in the wastewater treatment plant and our sanitation department. It is important to stay on top of these investments. He did not like to see utility increases; however, these are small increases that are necessary to stay ahead of the eight ball.

Council Member Mann moved to set a public hearing date for utility rate increases for August 6, 2008 at 8:15 P.M. Council Member Stevens seconded the motion.

Council Member Woodland said the city is behind the eight ball on the sewer plant. He said it smells horrible out there and has for the past two years. Nothing was done until it was too late. People gagged before it was taken care of.

Those voting aye

Council Member Schwendiman
Council Member Stevens
Council Member Mann

Those voting nay

Council Member Woodland
Council Member Stout

The motion carried.

F. Proposal for Impact Fee Study – BBC Research and Consulting – Richard Horner

Finance Officer Horner explained the proposal for impact fees. This was done for Police, Parks and Fire and impact fee rates are \$6,500 each. State law requires these rates be reviewed every five years.

The City Council discussed this impact fee study. The cost of building permits in Rexburg was compared to other areas costs of building permits.

Council Member Stevens asked why this review is done every two to four years.

City Attorney Zollinger and Finance Officer Horner will review the requirement under the Impact Fee Law.

Staff Reports:

A. Public Works: John Millar

1. Report on Project

Public Works Director Millar reviewed the street projects.

- The street crew has been working on 4th East. This project is going very well.
- Project on storm drain system on Steve Cook's old property is being worked on.
- They are working on the Hidden Valley Park.
- Triangle on Millhollow Road is scheduled to be completed.
- The detention area in the Oaktrail subdivision is progressing and scheduled to be completed this year.

B. Finance Department: Finance Officer Horner

1. Monthly Budget Summary Report

Calendared Bills and Tabled Items:

A. BILL Introductions: - NONE

B. First Reading: Those items which are being introduced for first reading.

1. **BILL 1010** for LID 39

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:

July 21: Leadership conference in Idaho Falls

July 22: Governor Otter's Idaho Transportation Conference at the Shilo Inn from 4-7P.M.

July 22: Temporary Sign Ordinance meeting

July 26-28: Dance Festival

July 31st - Aug. 2nd Mayor Larsen is hosting an NLC Small Cities Conference in Rexburg.

Aug. 5: Library Bond Election

Aug. 6: City Council 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.

Minutes:

A. July 02, 2008 meeting

B. Approve the City of Rexburg Bills

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

Adjournment

Shawn Larsen, Mayor

Attest:

Blair D. Kay, City Clerk