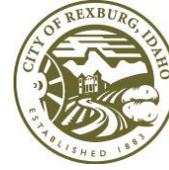


City Council Meeting

July 21, 2009



CITY OF
REXBURG
America's Family Community

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July 21, 2009

Mayor Shawn Larsen

Council Members:

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

City Staff:

Stephen Zollinger – City Attorney
Richard Horner – Finance Officer
Public Works Director Millar
Val Christensen – Building Official
Blair Kay – City Clerk

7:30 A.M. Madison County Courthouse – Commissioner's Room

Attending: Council Member Erickson; Council Member Schwendiman; Council Member Woodland; Mayor Larsen; Glen Pond; Marilyn Fife; Joseph West; Commissioner Kimber Ricks; Commissioner Bob Hansen; and Commissioner Jon Weber.

Keller and Associates review East Parkway Corridor Study:

Todd Tucket from Keller and Associates reviewed some of the history concerning the Madison County Transportation Plan completed five years ago. He indicated the plan was approved after numerous modelings. The plan contains a planned corridor from Hwy 20 to University Blvd around the east side of Rexburg to Sugar City. One of the benefits to the plan is to alleviate the congestion on 2nd East. The City of Rexburg has completed 7th South since the study. Mr. Tucket mentioned the property owners will need to be contacted as a part of the process. Keller and Associates were hired to do the transportation corridor plan for Madison County. Some of the question on the table concerning the new road is the style. Will the new road be a two lane road or will it have more lanes with an island in the middle of the road, etc.

Mr. Tucket asked for a contact person to work on the project from the county and the City's of Rexburg and Sugar City. Mayor Larsen appointed John Millar and Craig Rindlisbacher to be the Rexburg contacts. Keller and Associates plan to hold three separate public meetings to take public input for the development of the project at three different stages of planning. There will be an environmental scan of the project as part of the planning process.

Commissioner Ricks noted most of the new road will be within the city limits of Rexburg. Sugar City will have to provide input where the north end of the road will be entering into Sugar City. Mr. Tucket explained the contract is between Keller and Associates and Madison County; however, Rexburg and Sugar City will be involved. Mayor Larsen explained the funding for the project will come through LHTAC with a local match. They have gotten a late start; however, the plan is to complete the study in about one year. Bill Moss asked if the road could be moved to the east where it will cross the Teton River. Mr. Tucket explained the traffic modeling study shows a reduction in traffic flow by a factor of 5 times less if the road is moved one mile to the east. The goal of reducing traffic on 2nd East would not be accomplished with that scenario. If the road were to move 10,000 cars per day with the current model, moving the road to the east one mile would reduce the traffic flow to 2,000 cars per day; so, it has an effect on the plan to reduce traffic on 2nd East.

Commissioner Hansen said the required land acquisition would be done by LHTAC. Mr. Tucket said the project is in the beginning stages. The funding to build the road is unknown at this time. The funding could be a combination of local funds, grants, etc. Commissioner Hansen said the new county road at 5000 South went through the same process with land acquisition, funding, etc.

CO-OP Property at 1st East and Main Street:

Commissioner Hansen introduced the discussion on the CO-OP Property and he asked Commissioner Weber to review the proposal to build a building on the property. Commissioner Weber indicated a proposal to build a building for Community Care has been presented to the county. The proposal is to build a multi-use structure with commercial use (Community Care) and residential apartments upstairs. They want to set the building back forty feet from the front sidewalk to allow for some space in front of the building for a professional plaza with a clock tower. They would allow for nine parking stalls on the north side of the building with an additional nine parking stalls across the alley. The proposal would cost \$265,000 to purchase the property from the county. They are requesting Urban Renewal purchase the property from the county and they would purchase the property from Urban Renewal. The second option is an offer from the city to pay \$50,000 for first right of refusal to put in a pocket park. The \$50,000 came from revenue allocated to Urban Renewal from property taxes at the business park in error. The city would pay the \$50,000 back to the county with the understanding the county would earmark the funds back to Urban Renewal for the CO-OP Property pocket park project. The \$265,000 and \$50,000 would be \$315,000 for the county's contribution to the pocket park. The city and the county are in the process of applying for a Community Block Grant for \$500,000. Mayor Larsen, Jon Weber and Stephen Zollinger met with the Department of Commerce concerning the proposed pocket park project with parking lot. The Department of Commerce was favorable to the project.

Glen Pond from Rexburg Redevelopment indicated the applicant was only seeking Urban Renewal funds to help with the parking lot to the north of the building. There is no agreement between Rexburg Redevelopment and the county at this time for Urban Renewal funds due to the county's refusal of Rexburg Redevelopment's offer at this time.

Finance Officer Horner explained the city's legal counsel in Boise for Urban Renewal projects indicated the 30 day notice bidding process would be initiated to move this project forward. The county would have to sell the property by putting the property up for bid. Urban Renewal would have to do the same bidding process.

Mayor Larsen was surprised to hear about the proposal from the developer to build a \$3,000,000 building in the downtown. It would generate Urban Renewal revenue for 20 years thereafter county revenue. It would serve all our needs as we move forward. He remained favorable to the pocket park proposal.

Commissioner Hansen indicated the building would enhance the corner property including adding property tax to the community. It would require CDBG (block grant) funds and Urban Renewal funds.

Mayor Larsen said the developer could be involved in relocating a county building and paying for a portion of the parking lot to allow the expansion of the parking lot in the rear of the proposed building.

Commissioner Hansen said it would cost \$7,000 to move the building or wait for a block grant.

Mayor Larsen asked if Urban Renewal should make an offer.

Commissioner Weber felt it was in the best interest of the community to have a building built there and collect taxes off the property. A pocket park at this location would be great. "You can't be a fence setter"; he said his first option would be to have a pocket park. The other option for a building would add revenue to the downtown redevelopment area and future revenue to the county.

Commissioner Hansen said if a business does not locate at this location, there is still a need to have parking for the court system.

Joseph West preferred a pocket park; however, it is the Urban Renewal's purpose to develop the downtown Urban Renewal District.

Discussion on adding businesses to the downtown area. The developer has done due diligence to make their best proposal for this property.

Glen Pond indicated the Rexburg Redevelopment Agency's offer was no longer on the table unless the agency came back to the county with another contract proposal more acceptable to the county than the last contract offer. The agency will not purchase the property due to the underground contamination and the county's refusal of the purchase contract for Urban Renewal.

Commissioner Weber said a public bid for the property is an option.

Council Member Erickson said the city would not want to assume the liability of the gas plume; however, he would support a pocket park due to the underground contamination. He mentioned 65-70% of county residents live in the city. He said the county could even donate the property to the city and let the city develop it. The pocket park would be for all county residents living in the city or the county.

Commissioner Hansen indicated a plume of gas underground near the sidewalk is probably the reason the building would be located 40 feet back in the property.

Mayor Larsen mentioned the junior high property could be developed into a city park.

Glen Pond said there is some risk in owning the property noting the underground gas plume.

Discussion on the underground gas plume.

Commissioner Weber indicated the Commissioners would take the information presented today under advisement before making a final decision on the CO-OP Property.

Mayor Larsen indicated the Rexburg City Council would continue their meeting at 1:00 P.M. at city hall.

The joint meeting ended.

Executive Session 67-2345 (1-F) to consider and advise its legal representatives in pending litigation or where there is general public awareness of probable litigation.

1:00 P.M. City Hall at 35 North 1st East

Attending: Council Member Erickson, Council Member Schwendiman, Council Member Woodland, Council Member Stout, Council Member Mann, and Mayor Larsen.

Mayor Larsen asked for a motion to go into Executive Session for 67-2345 (1-F) to consider and advise its legal representatives in pending litigation or where there is general public awareness of probable litigation.

Council Member Erickson moved to go into Executive Session for 67-2345 (1-F) to consider and advise its legal representatives in pending litigation or where there is general public awareness of probable litigation. Council Member Stout seconded the motion; Mayor Larsen asked for a roll call vote:

Those voting aye

Christopher Mann
Rex Erickson
Randy Schwendiman
Adam Stout

Those voting nay

None

Absent: Council Member Stevens and Council Member Woodland.

The motion carried.

Executive Session.

Council Member Stevens and Council Member Woodland joined the meeting.

Executive Session ended.

The City Council spent some time reviewing the proposed budget for 2010. The budget process starts with the departments and the department's oversight team; then City Council review. Items discussed were the following:

1. General overheads.
2. Calculation of overheads (Total Administrative cost/Total Operating costs) = % overheads.
3. Increase in street budget overheads was \$25,400.
4. June water bills were higher for residents.
5. Track hoe lease.
6. Separate line item needed for certification raises.

7. Discussion on paying for educational expense to advance in the job and then paying for job advancement.
8. Performance pay and wage inflation compared to private industry.
(There was sentiment against raising wages without a process to encourage true job improvement.)
9. Industry wage standards.
10. Create a line item for raises.
11. Approve salary raises with the City Council.
12. Provide a plan to City Council outlining the policy to raise wages. (Check other cities process like Idaho Falls and Pocatello.)
13. Engineering interns funded by projects to help with projects.

Adjournment

Attest:

Shawn Larsen
Mayor

Blair D. Kay
City Clerk