

City Council Meeting

August 04, 2010



CITY OF
REXBURG
America's Family Community

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August 04, 2010

Mayor Richard Woodland

Council Members:

Christopher Mann – Council President
Rex Erickson Donna Benfield
Bruce Sutherland Brad Egbert
Adam Stout

City Staff:

Stephen Zollinger – City Attorney
Richard Horner – Finance Officer
John Millar – Public Works Director
Val Christensen – Community Development Director
Scott Johnson – Economic Development Director
Blair Kay – City Clerk

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

Prayer – Keith Davidson

Roll Call of Council Members:

Attending: Council Member Egbert, Council President Mann, Council Member Benfield, Council Member Stout and Mayor Woodland.

Excused: Council Member Sutherland and Council Member Erickson.

Mayor's Business:

Mayor Woodland asked for a report on the progress of the Riverside Aquatic Facility Project.

Report on Riverside Park – Johnny Watson from JRW & Associates indicated the aquatic facility preparation is moving forward with land fill and site preparation underway. There is a lot of dirt moving in and out of the project. The water and sewer systems are installed. The building site is up to grade and ready for concrete. The bidding process was reviewed. The pool site will be ready for concrete the beginning of September. The site will then be ready for the pool components in October. Pool installers have been pre-certified to bid on the project. Renderings of the aquatic facility were reviewed.

Council Member Benfield asked for the capacity of the park and how many lifeguards. Mr. Watson said the park would accommodate 800 to 1,000 people in the pool area at one time. The visibility of the pool will determine the number of lifeguards. It will take about a 100 lifeguards on staff to allow about 25 to be on site each day. They have to rotate and switch stations, etc.

Council Member Stout asked about the vending of concessions. They are planning on vending machines outside and inside the facility. Finance Officer Horner said the city usually shares profits on vending machines.

Council Member Mann reviewed the lockers for the facility. They will be fiberglass construction. Mayor Woodland reviewed the upcoming bid on concrete work.

Public Works Report: Engineer Keith Davidson reported on bids for Riverside Park Phase One (1). He passed out a spreadsheet showing the bids from six bidders. The city's estimate was \$343,385.00

1. Zollinger Construction	\$305,995.40
2. Hill & Son	\$320,064.96
3. HK Contractors	\$377,775.00
4. TMC Contractors	\$389,330.00
5. Jerome Bowen	\$393,870.73
6. 3H Construction	\$423,845.00

Mayor Woodland asked what the city is getting for this project. Engineer Davidson indicated site work, pathway, landscaping, fence, sidewalk, curb & gutter, and a sprinkler/pump system. Additionally, the green area between the new aquatic facility and 2nd North will be hydro seeded on the city's portion of the project.

**RIVERSIDE AQUATIC FACILITY
SCHEDULE AUGUST 4 THRU AUGUST 18, 2010**

August 2	Prequalification packets due for POOL INSTALLERS
August 4	Bid Opening for BUILDING CONCRETE at 3:00 PM Front Conference Room
August 5	Pre-Bid for MASONRY AND STRUCTURAL STEEL
August 9	Begin BUILDING CONCRETE package
August 10	Prequalification packets due for HVAC, PLUMBING & ELECTRICAL
August 11	Pre-Bid for qualified HVAC, PLUMBING & ELECTRICAL contractors
August 13	Bid Opening for MASONRY & STRUCTURAL STEEL Front Conference Room
August 16	Sealed bids for POOL MATERIALS & INSTALLATION due by 3:00 PM
August 18	Bid Opening for HVAC, PLUMBING & ELECTRICAL at 3:00 PM Front Conference Room

Council Member Egbert moved to accept the bid from Zollinger Construction for Phase One (1)site work, pathway, landscaping, fence, sidewalk, curb & gutter, and a sprinkler/pump system; Council Member Stout seconded the motion;

Those voting aye

Council Member Egbert
Council Member Mann
Council Member Benfield
Council Member Stout

Those voting nay

None

The motion carried.

12th West Street Reconstruction: Engineer Keith Davidson reported on the progress of the reconstruction.

The Senior Center project is requesting a waiver of building permit fees for a new roof and HVAC System: \$1,860 in fees.

Council President Mann asked if the city could wave fees. City Attorney Zollinger explained it is semantics. It is moving internal funds for a non-profit organization. It is a fee exemption for an enterprise which the city is participating. Finance Officer Horner said the fees do support the city's Construction Department. City Attorney Zollinger said it is a matter of moving money from the city's right pocket to the city's left pocket. Council Member Stout asked about grant requirements; Engineer Davidson said it is outside a grant process.

City Attorney Zollinger said the city helps fund the Senior Citizen's Facility. The city is maintaining a revolving loan on the building for \$300 per month. It is almost paid off. Council Member Benfield asked if the city does this type of cooperation with other non-profit

organizations. City Attorney Zollinger said the entity must be a non-profit serving a broad public purpose. The Chamber of Commerce is an example of a non-profit entity the City is in cooperation with, but which is not run by the city. The Senior Citizens Center is a program the city could fund internally; however, it is supported externally through this type of support. Finance Officer Horner said the city has to evaluate if they can afford the contribution. City Attorney Zollinger said the City Council approved the city contributing all of the engineering for the Senior Citizen building's parking lot last year. The real test is asking: Can we show that it is something the city could have supported internally, completely out of city funds? Providing services for the elderly is within the list of enumerated things the city can do.

Mayor Woodland called for a motion.

Council Member Stout moved to waive the Building Permit Fees for the Senior Citizens Center remodel project for a new roof and HVAC System; Council Member Egbert seconded the motion; Discussion: Finance Officer Horner asked where to charge the expense. City Attorney Zollinger explained it was not an expense to waive the fees except for lost revenue to the city's Building Department.

Those voting aye

Council Member Egbert
Council Member Mann
Council Member Benfield
Council Member Stout

Those voting nay

None

The motion carried.

Engineer Keith Davidson announced an upcoming bid opening this Friday for the work on LID-40. There is additional work starting to extend widening 2nd West 340 feet to the south beyond the new street light at 2nd East and 7th South. Chip sealing on city streets will start this week.

Discussion: City Attorney Zollinger explained the performance bond process. A payment performance bond guarantees a contractor's work for a year. Within 30 days of project completion, the contractors can be asked to fix areas where work was poor quality or the city can formally request a revoke of the contractor's bond. As long as contractors complete the project to specification payment cannot be withheld. Options are being discussed regarding the poor quality chip seal job on 7th South.

- A. Proclamation 2010 – 04** proclaiming July 31st, to August 7th, 2010 as
INTERNATIONAL DANCE & MUSIC FESTIVAL WEEK

Mayor Woodland reviewed the Proclamation 2010 – 04.

PROCLAMATION No. 2010 - 04

A Proclamation of the Mayor and approved by the City Council of Rexburg, Idaho, proclaiming July 31st, to August 7th, 2010 as INTERNATIONAL DANCE & MUSIC FESTIVAL WEEK for the City of Rexburg.

WHEREAS, the City of Rexburg has been given the privileged of hosting several performances of the International Dance & Music Festival; and

WHEREAS, it is a great honor to have the participants of this event share with us the talents and traditions of their communities and countries and show that our cultures are more similar than they are different; and

WHEREAS, this is also a wonderful opportunity to help promote the benefits of performing arts and to bring together citizens from all walks of life, to share in the enrichment of our growing multi-cultural communities, it's diversity, and to enjoy the universal language of music and dance; and

WHEREAS, the City of Rexburg extends a warm welcome to the dance teams and express our appreciation to those involved in planning and promoting this event. We wish you all the best of luck for a successful tour.

NOW THEREFORE, I, Richard Woodland, Mayor of the City of Rexburg, do hereby proclaim July 31st, to August 7th, 2010 to be

INTERNATIONAL DANCE & MUSIC FESTIVAL DAYS

in Rexburg and encourage all citizens to attend one of the performances and help welcome the festival participants to our great city.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of our City to be affixed this 21st day of July, in the year two thousand and ten.

APPROVED:

ATTEST:

Richard Woodland
MAYOR

Blair D. Kay
CITY CLERK

Council Member Benfield reviewed the schedule for the dance festival. Tickets sales are up huge from last year. They may sell out of tickets.

Council Member Mann moved to ratify the Proclamation 2010 - 04; Council Member Benfield seconded the motion;

<u>Those voting aye</u>	<u>Those voting nay</u>
Council Member Egbert	None
Council Member Mann	
Council Member Benfield	
Council Member Stout	

The motion carried.

SUV and Sedan for Police Department: Police Lieutenant Cory Foster said they have an opportunity to order a police car in July, 2010 for the 2011 Budget. The price is expected to rise 10% before February 2011. Council Member Benfield indicated the purchase is a wise decision to save \$2,000. The City Council agreed with the commitment to order the vehicle (white car) early before the price changes.

Council Member Benfield moved to approve ordering a car for the Police Department to be delivered after October 01, 2010 for the 2011 city budget to take advantage of the \$2,000 savings over future pricing; Council Member Stout seconded the motion;

<u>Those voting aye</u>	<u>Those voting nay</u>
Council Member Egbert	None
Council Member Mann	
Council Member Benfield	
Council Member Stout	

The motion carried.

Staff Reports:

- A. **Finance Department:** – Richard Horner
 - 1. Financial Report

Finance Officer Horner reported the state sales tax revenue has increase \$30,000 over budget. This shows a positive trend of increase, even though it is not a large amount of money. He will increase the city budget by \$30,000.

He reported on seeking LID Bond funds (Tax Free Municipal Warrants) for \$1.3 Million dollars for LID 40 on 6th South and 3rd West. A couple of individuals have shown interest and the Finance Department is looking for more bond purchasers.

Council Member Mann asked how often people are notified and if it is put in the newspaper. Finance Officer Horner said there is no requirement for notifying people. He will contact bond brokers for more applicants. He could also put an ad in the paper. Council Member Mann asked if there is a set rate. Finance Officer Horner said City Council will need to approve the rate when the time comes. The bond rate is expected to be about 4%. Rates are remaining stable at this time. The bond bidding may change the rate. It is a 10 year write-off.

City Council Member Stout asked if the rate could be offered with a 4% cap. Finance Officer Horner said there is one rate for the entire 10 year period. He is planning to offer \$130,000 principle payment each year with interest during the 10 year period. One option would be to split the \$130,000 in half to allow more bidders to apply. He anticipates multiple bidders to cover the \$1.3 million bond offering. Council Member Stout would like to advertise the bond offering to get more interest. He asked about offering it in a trade publication for bond brokers.

Legal protocol for bond bidding was reviewed. Discussion on bidders receiving a certificate of tax-free status.

City Attorney Zollinger clarified past legal issues. There is no legal issue in the city offering the bonds themselves or through brokers. Brokers are the ones who normally offer the bonds. He indicated Finance Officer Horner's proposal is allowing the process to be available to other bond brokers.

2. Set public hearing date to amend the 2010 Budget

Finance Officer Horner asked to amend the current year budget. He reviewed the list of amendments made up of mostly capital fund projects. LID40 at 1.4 million; Madison County Fire at 460,000 for Sugar City Fire Station; Riverside Park at 1.9 Million.

BUDGET AMENDMENT	FY			2010	
City of Rexburg					
FUND	ORIGINAL	AMENDMENT	FINAL	REVENUE	EXPENSE
AIRPORT OP. EXPENSE	18,400	332,000	350,400	Runway and master plan grants	Runway and master plan grants
BEAUTIFICATION EXPENSES	6,500	4,000	10,500	Fund Balance	New Christmas lights
ESD PIPES&DRUMS EXPENSES	10,000		10,000	Donations	New Fund
FIRE DEPARTMENT EXPENSES	1,820,900	23,000	1,843,900	3-Way contributions	Public Lands Grant & Generator
GENERAL FUND EXPENSES	6,763,300	156,000	6,919,300	Pre-paid rent	Transfer to New City Hall Construction Fund
LID 35 DEBT SERVICE EXPENSES	50,000	5,000	55,000	Fund Balance	Mis-budgeted
LID 36 DEBT SERVICE EXPENSES	60,000	10,000	70,000	Fund Balance	Double payment
LID 39 DEBT SERVICE EXPENSES	10,000		10,000	New LID	New LID
LID 40 CONST. EXPENSES	1,400,000		1,400,000	New LID	New LID
MADISON FIRE EXPENSES	606,500	460,000	1,066,500	Fund Balance & grant	Sugar City Fire Station
NEW CITY HALL EXPENSES	334,000		334,000	Several sources	Finish city hall
REVOLVING LOAN EXPENSES	97,000	283,000	380,000	Fund Balance	Transfer to finish City Hall
RIV.PARK CONST. EXPENSES	450,000	1,900,000	2,350,000	Urban Renewal Reimbursement	Aquatic Center pass-through
STREET OPERATIONS EXPENSES	2,326,500	400,000	2,726,500	Fund Balance	More transfers to projects
STREET REPAIR EXPENSES	224,600	520,000	744,600	Transfers from Street Operations	More projects
TABERNACLE FUND EXPENSES	75,700	80,000	155,700	Donations and grant	Windows project
NON-AMENDED FUNDS	34,102,900	-	34,102,900		
GRAND TOTAL EXPENSE:	46,602,300	5,927,000	52,529,300		

Council Member Mann asked why Riverside Park’s expenses are run through the city budget. Does the Urban Renewal Agency have its own budget? Finance Officer Horner explained if the city is involved in the process it must be shown in the budget.

Mayor Woodland reviewed the timing to approve the ordinance amendment for the 2010 Budget. Council Member Benfield and Council Member Mann asked to have three readings for the budget amendment ordinance. Finance Officer Horner indicated the first reading could be August 18th, second reading September 1st, and the third reading could be on September 15th.

Council Member Mann moved to first read the budget amendment ordinance on August 18th; Council Member Benfield seconded the motion;

<u>Those voting aye</u>	<u>Those voting nay</u>
Council Member Egbert	None
Council Member Mann	
Council Member Benfield	
Council Member Stout	

The motion carried.

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: July 21, 2010
- B. Approve the City of Rexburg Bills

Council Member Mann moved to approve the Consent Calendar, the minutes, and the city bills; Council Member Egbert seconded the motion;

<u>Those voting aye</u>	<u>Those voting nay</u>
Council Member Egbert	None
Council Member Mann	
Council Member Benfield	
Council Member Stout	

The motion carried.

Boy Scout Max Moore surveyed the public on the construction of the swimming pool. Forty people responded to the survey with 35 people requesting an indoor pool.

Adjournment

Attest:

Richard Woodland, Mayor

Blair D. Kay, City Clerk