

# Customer Support Services

## City Council Minutes

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CITY OF  
**REXBURG**  
America's Family Community

**February 21, 2007**

**Mayor Shawn Larsen**

**Council Members:**

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

**City Staff:**

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

**6:00 P.M. Work meeting with the School Board.**

**Mayor Larsen** welcomed the School Board to the meeting.

**Issues:**

**1. Joint Agreement**

The attorneys will work together on the **Joint Use Agreement** for the next work meeting with the School District on March 21, 2007 at 6:00 P.M.

**2. City needs property by the high school**

**Public Works Director John Millar** said the property on 4<sup>th</sup> North needed a bridge over the canal connecting to Barney Dairy Road. The School District has .8 acres of property in the area. The fair market value of the School District property is \$9,750.00. The sale of the property to the city will allow a realignment of Barney Dairy Road to attach to 4<sup>th</sup> North. 4<sup>th</sup> North will connect to 2<sup>nd</sup> East where a future traffic signal will be needed for better traffic management. David Ward said the School District wants to work with the city and trade value for value.

**Council Member Erickson** requested paying for each action on a “pay as you go” basis.

There is a parking lot planned for the tennis courts that will be shared with Rexburg Medical Center.

**3. Site plan for the new high school.**

**David Ward** indicated the architectural firm is gathering input from the high school staff. They would like to move the high school farther north on 12<sup>th</sup> West and have the private sector help with the up-grade of 12<sup>th</sup> West. The actual look of the building has not been decided.

**Mayor Larsen** asked for a time line for the building application and the site plan for review before Planning and Zoning. Brent, from JRW and Associates needs a foot print of the building before a site plan can be submitted. The building foot print is a little out on the time line.

**Council Member Stevens** said there were other land use changes going forth in the 12<sup>th</sup> West area. The City Council would like to know more about the high school location

for blending other land use decisions in the area. Mayor Larsen asked if they had trip generation numbers in the plans.

**David Ward** asked for information on other development plans in the area. Mayor Larsen explained the heavy use planned for 12<sup>th</sup> West would cause 12<sup>th</sup> West to become a major arterial. It is currently a country road.

**David Taylor** asked if the current zoning would be appropriate for a high school.

**Attorney Greg Moeller** asked about a conditional use permit for the high school.

**Mayor Larsen** explained the long term plan for University Blvd and 7<sup>th</sup> South. There are large subdivisions (up to 3,500 homes) planned on the hill that would access those streets to go to the new high school.

**David Taylor** said the application will be prepared for submittal to the city for a site plan review.

**Council Member Erickson** explained county residents will not be participating in the infrastructure improvements for the high school because the roads needed for the high school are located in the city.

**Council Member Stevens** asked if the commercial property could be co-developed to ease the burden on the school district. David Taylor said it would be turned over to a private developer. The School District has to comply with state statutes to dispose of property.

**Council Member Erickson** said there are plans for a large number of homes in the area, so maybe the SW corner of the property could be a future location for an additional elementary school.

**David Taylor** said with the proposed growth anticipated, it will require another high school in a few years. Mayor Larsen said a traffic study may indicate traffic signals are required. Who will pay for those additional facilities?

**David Ward** asked for substantive determinations for 12<sup>th</sup> West. Council Member Stevens said an estimate of 12<sup>th</sup> West construction would need to be available before a decision could be made between the city and the School District.

**David Taylor** said there may be state funds available for a left turn off Hwy 20. Public Works Director Millar said the School District will need to do a traffic study on 12<sup>th</sup> West and University Blvd. There are water studies in process to see what is needed to serve the new high school.

**Mayor Larsen** said the cities and county will be hiring a new planning company to do the comprehensive plan. He asked the School District to be involved in this process with a demographic study.

**Council Member Benfield** asked if there was any input from the lobbyist on requested funds for 12<sup>th</sup> West. Mayor Larsen said they are meeting with the lobbyist next week. Finance Officer Horner said there was only \$200,000 in the request for design work on 12<sup>th</sup> West.

**7:00 P.M. – Pledge to the Flag**

**Roll Call of Council Members:** All City Council Members were present except Council Member Schwendiman, who asked to be excused.

**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 February 07, 2007 meeting
- B. Approve the City of Rexburg Bills

**Council Member Benfield** had one correction on the consent calendar. Council Member Schwendiman had asked to be excused February 21, not March 21.

**Council Member Young** moved to approve the consent calendar; Council Member Benfield seconded the motion; all vote aye, none opposed. **The motion carried.**

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

**Lynn Archibald** reviewed the status of the Veterans Memorial in Smith Park. They researched those who died in the service of their country. There are 232 veterans from the upper Snake River Valley. He showed a tile that tells about the Veterans. A single star at the top of the memorial inscription shows the veteran died in service to his country. How, where, when he died and where he is buried. The cost is covered for the veterans who died in service to their country. Veterans can order an inscription tile. 471 tiles are available in three sizes, 8x8, 4x8, and 12 x 12. There is room for 3,000 tiles.

**Lynn Archibald** asked City Council to do the Memorial this year. They have raised \$75000 with \$19,000 being paid in bills. Flag poles are paid off. Three years ago the city committed to do site work and the county said they would do the gravel for the base of the memorial. It will cost about \$4,254 for site work. Money for Phase One has been raised.

**Tom Hanks** said in the film: Saving Private Ryan: "Dying doesn't really bother me, what does bother me is if no one remembers."

**Mayor Larsen** thanked Lynn for his work on this project. Lynn has met with the hospital to coordinate on the road. There is plenty of room north of the scrub tree for the memorial. They are prepared to start this spring on the memorial and they would like to have it done by this summer.

There will be six "9 foot tall towers" around the flag pole with a map of conflicts. This memorial is designed to begin dialogue within families about service to our country. It will be an educational display. Access to the memorial is from the walking path in Smith Park.

**Council Member Benfield** asked for the completion date to be before whoopee days so the memorial can be part of the celebration.

The City Council was supportive of the city helping with site work.

**Presentations:**

- A. **Proclamation 2007 – 02 (Entrepreneurship Week Rexburg)**

**Andrea Jaynes** President of Students in Free Enterprise explained that SIFE is on 1,800 campuses and in 50 countries. Regional and National competition in New York helps students apply what they have learned in the classroom and apply it in their daily lives.

**Katie McCabe** explained Entrepreneurship Week is sponsored by USA Today. It helps raise awareness of entrepreneurship in men, women and students with a dream and a passion to make money. BYU-Idaho will support Entrepreneurship week February 24 to March 3 with on-campus activities to raise awareness.

**Nathan Shepherd** explained that on March 2<sup>nd</sup> BYU-I will hold an activity called "Wise." On Saturday, February 24, they will hold an Elevator Pitch Competition where Business Plan ideas will be presented in less than 2 minutes to potential investors.

Mayor Larsen appreciates the Entrepreneurial spirit. He read Proclamation 2007-01.

**PROCLAMATION  
No. 2007- 02**

**Entrepreneurship Week Rexburg**

WHEREAS according to the Department of Labor, most of the new jobs created throughout the United States in the past decade have come from the creative efforts of entrepreneurs, which have been expanding and advancing technology and fueling the recent growth in the economy;

WHEREAS entrepreneurs have been the source of economic innovation throughout the history of the Nation, and the entire society has been improved because of the new ways of doing things that have been brought about by people who market their ideas;

WHEREAS entrepreneurs are engaged citizens who work to improve their local communities, providing better opportunities for businesses to operate and a better overall environment for the human resources they need to advance their innovative ideas;

WHEREAS more than 70 percent of young people envision starting a business or doing something entrepreneurial as adults, and entrepreneurial awareness will assist them in the future regardless of whether they run their own business or work in a business owned by others;

WHEREAS the high interest of young people in becoming entrepreneurs and the critical role entrepreneurs have played in advancing the national economy make it vital to encourage young people from all academic backgrounds and all walks of life to explore their entrepreneurial potential and see if they have it in them to ‘make a job’; and,

WHEREAS, through a national initiative to observe Entrepreneurship Week USA, the Ewing Marion Kauffman Foundation, New York Times, Inc. magazine and hundreds of partner organizations promote awareness of the contributions of entrepreneurs as innovators, positive forces in the economy, and important resources for improving communities as places to live and work; now therefore,

I, Mayor Larsen of Rexburg, Idaho do hereby proclaim the week of February 24 – March 3, 2007, as Entrepreneurship Week Rexburg, and do call upon all citizens, companies and organizations to join with me in celebrating our great entrepreneurial spirit by encouraging our youth to begin a journey to explore their big idea – and take it on!

**APPROVED AND ADOPTED By the Mayor and City Council of the City of Rexburg, Idaho, this 21<sup>st</sup> day of February, 2007.**

**APPROVED:**

\_\_\_\_\_  
**Shawn D. Larsen, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**Blair D. Kay, CITY CLERK**

Mayor Larsen asked for City Council approval:

**Council Member Mann** moved to approve Proclamation 2007-02; **Council Member Erickson** seconded the motion; all voted aye, none opposed. **The motion carried.**

If anyone is interested in learning more about entrepreneurship week, Ms. Jaynes recommended visiting: [www.entrepreneurshipweekusa.com](http://www.entrepreneurshipweekusa.com). “Entrepreneurship Week USA is a celebration and an acknowledgement of what has made America great from the start.”

## **B. MYAB report on National League of Cities conference**

**Mayor's Youth Council** reported on the National League of City Conference in Reno last December. They had a large group of speakers.

**Eljay Robertson** gave a report on one speaker who talked about building an inclusive community and the values that come from an inclusive community. It builds strong bonds in communities and brings communities closer together. Inclusive communities have less violence and more prosperity.

**Jordyn Bochenek** gave a report on downtown Reno, specifically the Montage Casino Hotel. Reno has a goal to make the downtown more family friendly. They had the opportunity to go to the ice rink, an underground magic show; they saw the White Water River Park, etc. They learned that downtown is the key to a City because it brings more people into the city and helps residence understand the importance of their community.

**Seb Schaat** reported on their visit to the Sparks Marina. There, they have a two mile jogging path, picnic shelters and a beach area. It's open from 7am to dark. There were a huge number of people taking advantage of the Marina even though it was December. In 1987 there was a pit and petroleum contamination that got into the ground water and they had to pump all of the water out of it. With this, they agreed to let the City have the gravel pit. When the Truckee River flooded, they diverted the water into this pit to save some of the residences. They pump out about 100,000 gallons per day to avoid flooding. They took a potentially bad thing and made turned it into a really great thing.

**Jordyn Bochenek** talked about their Habitat for Humanity activity where they had the opportunity to build houses for the needy. They were all involved together in an activity that was fun and helped others. They learned that a community can only prosper by helping each other.

**Braydn Larsen** explained that while in Reno, they got to meet a large group of youth delegates from all over the country. They participated in many social events including bowling and think tanks- where the youth brainstormed solutions to problems in their communities. They learned that youth are making a difference in communities around the country and so are they.

**Ryan Taylor** discussed crime in communities and how to help youth stay out of trouble. Some things they are trying to implement are: hang out places, crime prevention in schools and community activities. Some things we are currently doing in Rexburg are Concerts, Rexburg Pride Days service projects, which are beautification projects around the community, and Youth summits. They are planning a youth summit in April.

**Liz Newman** explained that Kevin Carrol who used to work for NIKE gave them all an infinity bracelet with the word Dream on them. This is an acronym for Dedication, Responsibility, Education, Attitude, and Motivation.

**Braydn Larsen** summarized by saying that they mainly learned that we live in a great community and they hope they can use the things they learned at this conference to make it even better.

### **Committee Liaison Assignments for 2006:**

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

**Council Member Mann** did not have a report.

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

**Council Member Benfield** reported on patrol ride with Officer Bovie last Friday night. It was a busy night. They went from one call to the next, and Officer Bovie did a great job. She recommended that all the city council members take an opportunity to go

out with him if they get a chance. The most activity is from 9:00 P.M. to 12:00 A.M. on Friday and Saturday nights.

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

**Council Member Erickson** reported on the airport putting a letter together to get approval to re-open a study they were doing. This was a request from the FAA to do update our current study of the airport.

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

**Council Member Schwendiman** did not attend the meeting.

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

**Council Member Young** did not have a report.

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

**Council Member Stevens** did not have a report.

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

**Mayor Larsen** reported on a business transaction for an airplane at the Legacy Flight Museum. They bought and then sold a plane and the museum made a \$30,000 profit. Council Member Erickson said the security fencing needs to be done by spring around the Legacy Flight Museum.

### **Public Hearings:**

**7:10 P.M. Resolution 2007 – 04 (Proposed fee increases for water & waste water “hookup/capacity” fees)**

**Finance Officer Richard Horner** explained the proposed increase on the overhead screen. It is a proposal to raise water and waste water hook-up fees. This resolution does not raise building permit fees.

**Water** production without lines: 11,000,000 gallon capacity per day with a Value of \$12,000,000 = \$1.06 per gallon per day. Average home runs 1,667 gallons per day which makes the proposed hook up fee for water equal to \$1,767.

**Waste Water** is figured the same way. Formula is Capacity = Average cost of gallons per day x gallons used per day. Homes run about 328 gallons of waste water per day making the proposed fee equal to \$1,266.

The waste water treatment fee is what we charge for other cities to buy capacity. This is based on the same type of formula.

**Council Member Benfield** asked when the last time these rates were raised. They were raised September, 2004. Finance Officer Horner explained that these rates are based on replacement rates from September, 2006. They are about five months behind the real value.

**Mayor Larsen** opened the public hearing.

**Those in favor of the proposal: - NONE**

**Those neutral to the proposal: - NONE**

**Mayor Larsen** asked the City Council to read over the letter from Winston Dyer asking for consideration to keep the increase at a minimum.

**Those opposed to the proposal:**

**Brandon Jenks** president of local building contractors association, asked for the best product for our citizens and for everyone to make a living at the same time. There are a

few concerns with this resolution. They compared all inclusive permit prices in Rexburg to other municipalities around Rexburg and found that we are already higher by anywhere from 20 to 35 percent based on his research. As we keep raising prices, we are going to keep pushing people out of Rexburg to other communities where it is more affordable. They have done research about the legality of the way things are being done. In talking with different contractors, they are not necessarily against anything being raised; they simply want to see justification as to why they are being raised. They would like to see this in some kind of documented form so they can understand the whole equation. They want information on how, why and when so they can be more educated through the process. This is why most builders have serious concerns about this resolution.

**Joe Allen** lives at 602 Cook Avenue. He is not opposed to planning ahead. He is opposed to raising fees without cause. It pushes good people out to other communities. It is not part of a building permit, but it is part of a house. He would rather see a basis for the need.

**Mayor Larsen** closed the public hearing.

**Council Member Stevens** was concerned with the impression of the fees being paid by the builder. The fees are being paid by all of us. He wanted to make sure the integrity of the building community can remain affordable. He wanted to make sure the accountability is there to substantiate additional fees.

**Mayor Larsen** appreciated the concerns. In 1962, waste water was pumped back into the river. The city has come a long way. The city has seen tremendous growth over the past years. He appreciated previous leaders' foresight to plan for growth. Last year the city did a million dollar upgrade to the waste water plant. This is a break even business for us. The city does not make money on waste water. The capacity line moves higher and higher with new growth. He recognized the concern over raising the fees.

**Council Member Benfield** agreed with everything that has been said. She agreed with Chairman Dyer's letter. She wanted to err on the conservative side and wait one year before the fees are raised. People will move to other communities if the fees are too high.

**Council Member Erickson** also agreed with all that had been said. He explained that good planning is to do it as we see the need. It is better to do it on small increments so it does not become a burden for those involved. The expenses will keep going up to do improvements. If the improvements are put off for four or five years it will be harder to do.

**Council Member Young** compared the fees with other cities and recommended a lower increase or a delayed increase. He feels we can still go on for a while without making this large of an increase.

**Council Member Mann** is concerned with affordable housing. If hook-up fees are being raised, it is because the costs are going up.

**Council Member Stevens** looked at the minutes for the last two increases without public input. No public input. This was healthy to have public input. He is concerned with having such a large increase and proposed raising it just \$100 each as opposed to a \$500 increase. This would be more affordable for the citizens and prevent an even larger increase down the road.

**Council Member Erickson** was concerned with having a large increase later. He did not think the costs would go down in the next two years. It is the lesser of two evils to have a smaller increase now and another smaller increase in a few years from now rather than a very large increase in two years.

**Finance Officer Horner** explained the funding is based on current costs. If rates fall, current customers will subsidize new buildings. Then borrowed money with interest will be needed. We don't want to be in the same position as Victor, Idaho who just put a moratorium on building permits because they ran out of waste water capacity.

**Mayor Larsen** asked how long this formula had been used. Finance Officer Horner said the formula has been in use for 10 to 15 years. Costs are rising because of increased construction costs and increase cost of land.

**Council Member Stevens** said the timing was rough because of impact fees recently enacted.

**Council Member Young** asked why it is costing us so much more to run our facilities compared to other localities around.

**Finance Officer Horner** explained that these costs have nothing to do with running our facilities; it has to do with our capacity. He also explained that Idaho Falls subsidizes their capacity with other utility funds. If we look at cities that are just starting up this type of a treatment plan provided by the EPA, costs are much higher than ours. Some are even double what ours are. He thinks what is scaring people away from town are the land prices.

**Council Member Young** said we are not scaring people away. We are increasing from 1,700 homes to now 3,500 homes in a planned development. Finance Officer Horner explained that if we triple the number of homes in the future, we will need to have \$5 million additional investment financed with bonding.

**Council Member Erickson** said if the fees are not maintained current residents will subsidize the future growth. We need to stay up with the growth.

**Council Member Young** said the current hook-up fee will be paid by new homes to build for the future.

**Mayor Larsen** said the request is based on a formula. Capacity will need to be added as the city grows. Do we want to have current residents subsidize new growth and raise the rates later?

**Council Member Erickson** said the negativity will be greater in three years than right now. Building costs are affecting it. We cannot isolate this as the reason people will not come to Rexburg.

**Council Member Mann** moved to pass resolution with proposed figures; Council Member Erickson seconded. Roll call vote:

**Those voting aye**

Rex Erickson  
Christopher Mann

**Those voting nay**

Farrell Young  
Donna Benfield  
Bart Stevens

**The motion failed.**

**Finance Officer Horner** asked to table the resolution until all 6 councilmen are here. Mayor Larsen said it can be brought up again.

**Brandon Jenks** these funds can only be used for maintenance and operations only per Idaho law. It cannot be used for capacity improvements. This is from lawyers and the Pocatello Builders Contract Association.

**City Attorney Stephen Zollinger** said equity buy in for existing facilities can be charged. What we own today is worth more than what it was worth a few years ago. The law says you cannot charge more to make improvements, but you can charge what it is currently worth. The value has gone up without improvement changes. Numbers need to be broken down so we can see what the current value is today. You have legal obligation to sell what we own at fair market value. We need to see proof that the numbers we are seeing is the true value of the plant today.

**Finance Officer Horner** explained that the value for the hook up fee for the water increase includes only wells and tanks. The increase for waste water includes only the treatment system. It does not include the lines. It is about a 25% increase.

**Council Member Erickson** we are selling for less than cost. If legally we are obligated to sell at fair market value according to what he understands, how can we turn down this increase?

**City Attorney Zollinger** explained that it is not against the law to sell below market value, but we are authorized to charge up to that amount. If we continue to sell at discounted rates, we are selling for less than the value of the plant today.

**Council Member Erickson** expressed his concern with current local citizens subsidizing the cost of these fees. However, if this is what the local people want, that is what we will do.

**Mayor Larsen** said that we have said in the past that we want new growth to pay for itself.

**7:15 P.M. Resolution 2007 – 03 (Proposed fee increases for a “select list” of city fees)**

**Mayor Larsen** explained that to increase fees, a public hearing has to take place. Instead of discussing fees one at a time throughout the year, it is proposed that any changes are discussed just once a year with a public hearing.

**Finance Officer Horner** said some fees are new. He explained new fees for interest and late fees. This is to keep accounts current. The interest would be 1.5 % per month, as this is what most businesses charge on late payments. The police (on 2<sup>nd</sup> page of fees list) would like to implement a fee for evidence and property storage. A fee is also requested for public gatherings where police support is requested. The waste water hookup fees need to be removed from this “All City Fees” list, since that motion was just voted down.

**Council Member Mann** asked about fee for fire and ambulance at \$150/hour. Is this a new charge? Does this include things like a high school football game? It was explained that this fee is for private organizations that have a gathering somewhere and request an ambulance be on site for this.

**Mayor Larsen** opened the public hearing.

**Those in favor of the motion: NONE**

**Those neutral to the motion: NONE**

**Those opposed to motion: NONE**

**Finance Officer Horner** explained that no in city or out of city hookup fees will increase since it was voted down.

**Mayor Larsen** closed the public hearing.

**Council Member Young** moved to approve 2007-03 minus the water and sewer hookup fees. Council Member Stevens seconded. All voted aye, none opposed. **The motion carried.**

**7:30 P.M. Rezone property near 261 North 3<sup>rd</sup> East from MDR2 to Professional Office (PO)**

**Planning and Zoning Administrator Gary Leikness** reviewed the proposal on the overhead screen. The intent is to have a medical office. The Comprehensive Plan calls for a commercial office zone. Neighboring property owners as well as the applicant and planning and zoning recommended it be a Professional Office Zone.

**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**

**Council Member Benfield** said Professional Office is an appropriate zone. There is already a dentist next to them. The land owner to the south is very happy with this proposal.

**Council Member Benfield** moved to re-zone the property near 261 North 3<sup>rd</sup> East from MDR2 to Professional Office Zone (PO); Council Member Erickson seconded the motion; Discussion: Council Member Mann asked if it is protected from going commercial. Planning and Zoning Administrator Gary Leikness said this is not a concern. Mayor Larsen called for a vote. All voted aye, none opposed.

**The motion carried.**

**Council Member Erickson** thanked the Planning and Zoning Commission for their good work.

**7:35 P.M. – LID36 (Reconstruction of 2<sup>nd</sup> West; Sunrise Drive & 6<sup>th</sup> South – new; and 4<sup>th</sup> North widening)**

**Engineer Keith Davidson** reported LID 36 consists of Reconstruction of 2<sup>nd</sup> West; Sunrise Drive & 6<sup>th</sup> South – new; and 4<sup>th</sup> North widening) Letters were sent out to home owners that will be affected by LID36. They have received some good feedback on how to improve the letter that was sent. In the future, they will explain in more detail how the estimated cost is calculated for these improvements. Home Owners want advertised low bid to be sent out to residents. In this estimated cost, a 10% administration and engineering fee is also figured into the process.

**Council Member Erickson** asked about engineering specifications for “do it yourself” projects. The city does not charge engineering fees for simple projects that are contracted out. Administration costs are charged on more complicated projects. Council Member Erickson is concerned because one individual brought him his estimate for this LID. There is sticker shock in some of these estimates by 1/3 higher per low estimate from a contractor. If he has the contractor that will charge him about 1/3 less than the city do the work for him, what can he do to make sure it is up to city specs? Do we step in and give him the specs that he needs? The specs needed for this project would be charged to the property owner. 85 feet for sidewalk, curb, gutter and street widening project is estimated at \$21,000. The contractor did not take the street widening into consideration for his estimate. Estimated costs include prices from projects done last year. State statute requires projects over \$100,000 must be advertised. The lowest responsible bidder is awarded the bid. Each individual project will be bid as a separate line item.

**Council Member Benfield** said the estimate is done higher; however, the real bid has been coming in 1/3 less. The city charges the homeowners what the vendor charges us. The city then adds 10% for engineering and general overheads costs.

**Public Works Directory Millar** explained Sunrise Drive would be widened for future expansion to 67 feet (top back of curb to top back of curb). It was brought up on the overhead screen. The transportation plan in 1979 called for an arterial road coming in from South Rexburg onto Sunrise Drive.

**Council Member Young** said the street needed to be designed for the development of property on the south side of Sunrise Drive.

**City Attorney Zollinger** said we may have to negotiate with the church for the road.

**Engineer Keith Davidson** explained that a decision needs to be made as soon as possible for this little piece because the developer on the south side of the street is doing the work for the south half. He needs to know where to put the sidewalk, etc. because he is building homes on the south side of Sunrise Drive.

**Mayor Larsen** indicated the cost for the road on University Blvd is estimated at \$5 million for phase one. They are hoping to eventually make the east belt loop a four lane road. The Long term transportation plan is called the east belt loop.

**Kyle Stucki** asked about stop signs and speeds for the road. Engineer Keith Davidson explained that usually a road like this will be about 35mph, but it will go on a case by case basis.

**Council Member Stevens** declared a conflict and asked to be excused from the discussion and the vote.

**Mayor Larsen** opened the public hearing.

### **2<sup>nd</sup> West properties**

**Nylin Nelson** at 1986 East 200 North, was interested in contracting the sidewalk on 2<sup>nd</sup> West and 3<sup>rd</sup> South. Engineer Keith Davidson said there will be a sidewalk done by property owners. Engineer Keith has specs.

**Mr. Nelson** said he paid for existing curbing, why does he need to pay for repairs? Mayor Larsen explained the need to fix problems on a street reconstruction. Long term integrity of street needs to be protected if curb and gutter are failing.

**Council Member Erickson** asked for the formula on the city's portion to replace a curb and gutter already in existence. The city pays \$5.00 a lineal foot on curb and gutter already in existence. If it is a new curb and gutter, the city does not participate in the cost. All of 2<sup>nd</sup> West has a curb and gutter. The city will pay 65 cents a square foot for sidewalk replacement.

**Regina Hill** at 248 South 2<sup>nd</sup> West, wanted to use the same contractor for curb and gutter because they can get a better rate. Engineer Keith Davidson explained the city wanted to do the entire curb and gutter at the same time. The sidewalk would not have to be done at the same time. They need to know by mid March to pull sidewalk from the contract so they can have the bid by this spring. Having home owners do their own curb and gutter would be detrimental to the process. Letters showing the costs should be out by mid April. The property owner can then choose if they want to pay up front or finance the cost over 10 years.

**Ed Sexton** at 945 Hillview Drive, is concerned about those who live on a fixed income with large street frontage. This could possibly put them in a position where they could lose their property because they cannot afford the upgrades required. He asked for consideration on the hardship this could cause; especially if they already have a sidewalk, curb and gutter in place.

**Finance Officer Horner** explained forced payment could be delayed as a lien until the property changes hands. Mayor Larsen said that on 2<sup>nd</sup> West, it is only a sidewalk that needs repaired or doesn't exist.

**Donna Sexton** at 945 Hillview Drive, said that this is very expensive and asked that the bid include maintenance on any curb or sidewalk. Could a citizen not do the improvement? Mayor Larsen said the ordinance requires sidewalks city wide. The reason we don't do everything all at once is because we have limited funds. If the property changes hands, it is required to pay for the sidewalk in your home loan. Council Member Mann said they had a discussion last year to do an improvement one block at a time. They decided against this, and that it would be better to the whole street at the same time.

### **4<sup>th</sup> North**

**Larry Fellows** from Cal Ranch stores received a \$46,000 assessment. Engineer Keith Davidson said there are two property owners listed for Cal Ranch; however, they found out that the same guy owns two properties leased by Cal Ranch. Larry said they are opposed to the LID because it won't benefit Cal Ranch.

**Engineer Keith Davidson** explained that a letter was sent to one property owner on the deed. It has never been an improved road. Mayor Larsen said the road will eventually tie into Barney Dairy Road. Developments to the east are required to have a sidewalk, curb and gutter.

### **Sunrise Drive**

**Bruce Cook** at 1020 Hillview Drive, said four families submitted a letter concerning their problems about LID36. He wanted to have council Member Stevens in the discussion because he felt that regardless of his personal feelings, he would be fair and honest in helping with this decision. Mr. Cook quoted the mayors plaque that "we serve the citizens by trying to understand their needs." The curb and gutter is the first

concern. They agree and accept responsibility for the side walk. This is in their covenants. He quoted covenants calling for a four foot sidewalk against the curb.

They believe the developer should have put in curb and gutter years ago so they could then meet their responsibility for the sidewalk. The city has not enforced this with the developer. He appreciated the input, however, he asked for more input on the sticker shock letter. Mr. Cook reviewed the footage on the plat. Their second concern was the estimated footage. It was less than the city's estimate. Only 132.4 feet estimated at 153 feet. All families received the same letter. The estimate was not correct. He did some homework and talked to DePatco who will charge \$15 per lineal foot for curb and gutter and \$3 square foot for a four foot wide sidewalk. He also spoke with Miller General Contracting for a 2<sup>nd</sup> bid of \$17.50 per lineal foot on curb and gutter, and \$1.5 per square foot for a four foot wide sidewalk. These estimates are significantly lower than the city's. DePatco would be \$3,600 and Miller General Contracting would be \$3,200. The estimate from the city was \$15,000 with the road and \$9,500 without the road. The city should not try to make a profit off the home owner.

The city should be lower than any contractor because they should not make a profit. Profit plus oversight fees seem like the city is profiteering and it is not fair. City employees are paid by tax money then adding 10% did not seem right. Their fourth concern is the width of Sunrise Drive. They want the City Council to know it goes through two established subdivisions. There are many small children that live in these subdivisions. They need to cross the road to go to church. Along with the safety issues, they are also concerned with home values living next to a major road. Their fifth concern is that years have passed with the same tax assessment for lots with road curb and gutter and drainage fees. They have paid higher fees to be in that area with the assumption developer would put in road curb and gutter then Cook's would put in sidewalk.

They have one request for an itemized detailed estimate of their estimated charges. They would like the 10% oversight fee waived. They would like to know who the business is going to go to, and would like the option to put in their own sidewalk from their own private contractor.

**Mr. Cook** continued to explain the preferable option (1) would for the developer to come back and put in the road, curb and gutter and the homeowners would take care of the sidewalk. The second option (2) the Cook's would accept is if the city would take care of the road and half the curb and gutter, and the homeowners would take care of the second half of the curb and gutter at market value and then they would put in the sidewalk.

**Kirsten Rector** at 1025 Hillview Drive, asked for two lanes for now until the lower portion of the east belt loop is planned.

**Tanner Webb** from Crestview Drive, spoke for children's safety.

**Jay Rush** at 980 Hillview Drive is interested to know if there will be a cost of paving the road. Mayor Larsen said the City Council agreed to pick up the cost of pavement on Sunrise Drive. Jay wants the kind of road considered for the safety of residents and children.

**Sarah Schmidt** at 1015 Hillview Drive, wanted to be sure we need another four lane road so close to 7<sup>th</sup> North. She wants to keep the integrity of their neighborhood and a safer place for children. She wants to make sure a two lane road wouldn't service the traffic and family needs.

**Ed Sexton** 942 Hillview Drive, believes that a four lane road would alter their neighborhood's quality of life. He asked that we start with a two lane road. It is safe right now. A four lane road could change this. This will help preserve what they have while still being good citizens.

**Mayor Larsen** closed the public hearing.

**Council Member Erickson** said development on the south side of Sunrise Drive caused the development of Sunrise Drive. To do the south side and not the north side would not be right. The road needs to be completed for use into the future. Just paving the south half would create another problem. He thought the city's paying for the road would be a pretty good deal. The road improvement would add to the property values. It is muddy now with storms. The developer stepped up to his half of the road and the city will do the other half of the road.

**Council Member Mann** said it would be short sided to do the project part way. We need to be wise with people's tax dollars. It would be unwise to wait on the four lane road.

**Council Member Young** said in effect, that the road will only be two lanes, so strip it for two lanes until a four lane road is constructed.

**Mayor Larsen** said the city contracts to have the streets paved. The city gets the lowest bid for street paving. Engineer Keith Davidson explained the 10% administration fee would be higher with an outside engineering firm. Mayor Larsen said impact fees were put in place about a year and a half ago. They help the city with new road construction, new parks and emergency services. The impact fees are collected from a developer on a new development. The city is going to require a bond for new developments to ensure that the roads are completed in the development. The city will pay for the street cost for Sunrise Drive.

**Council Member Erickson** said it would open Pandora's Box to pay for half of the curb and gutter on Sunrise Drive. He said Depatco's cost estimates as well as other estimates would save thirty to forty percent. He would like to see everyone do their own sidewalks if possible. It would save money to avoid the LID financing. The look and functionality of Sunrise Drive will be greatly improved after the street is completed. Council Member Erickson said the LID street improvements in his neighborhood last year was a great improvement for his neighborhood.

**John Rector** explained that he has been paying taxes for an improved street including curb and gutter. City Attorney Zollinger said taxes are calculated per square foot of land. The lot appraisal doesn't include curb, gutter, etc.

**Mayor Larsen** explained the city wastewater fees are calculated on water flow.

**Mr. Cook** asked about the interest payment penalty. Finance Officer Horner explained that state statute requires a bond to protect the bond holder. Mr. Cook reviewed the high costs for curb and gutter on the city estimate. He contacted Depatco and was quoted a less expensive rate. Council Member Benfield said her neighborhood had the same questions because the city estimate was higher. The city's estimate has more detail work included causing the estimate to be higher. She recommended Mr. Cook and Engineer Keith Davidson review the difference in the city's estimate.

**City Attorney Zollinger** explained that once we make a bid, we can only pull back 25%. If everyone decides they don't want the contractor to do a part of the work, the contractor then has the right to reject the whole contract and this will force them back into a re-bidding situation. A letter needs to be sent out explaining what the city's specifications are and when the city needs to know the homeowners election on whether the city should bid for their sidewalk job, or if the homeowners want to bid it privately. As long as you bid it according to the specifications sheet, you should be bidding apples to apples. They have a fairly good idea that they can get a bid for the sidewalk at \$3/square foot. It was estimated at \$7/square foot so if the value goes up, they are prepared for it.

There was discussion regarding the four foot sidewalks in the Cresthaven sub-division. Engineer Keith Davidson explained the ordinance calls for a five foot sidewalk.

**City Attorney Zollinger** said the ordinance was modified allowing the sidewalks to go as little as four feet if the existing street consisted of four foot sidewalks, but under no circumstance did we allow it to go below four feet. Suggested that in the letter that goes out, the ordinance needs to be addressed along with the specifications.

There are some trees on Sunrise Drive highly valued by a homeowner who was assured the trees would not be disturbed with a sidewalk. Even a five foot sidewalk should be okay with some trimming.

**Bruce Cook** wanted to know “if the five homeowners all agree that they didn’t want the city to finance the LID and they financed it themselves; is it then possible to have a private contractor come in and do the work if they follow the specifications”. City Attorney Zollinger explained that in the last four years of LID’s, no private contractor has had a lower bid than the city on curb and gutter projects. The city can get a lower bid because of the size of the project. Mr. Cook wanted to know if we could then pressure Depatco into giving us an even lower bid since it is such a big project. City Attorney Zollinger explained that governments cannot pressure anyone to give a lower bid. Whoever gets this bid will get the entire curb and gutter project.

**Blair Manwaring** at 920 Hillview Drive, was dismayed because he got curb, gutter and a street put in on Hillview Drive. He had five lots on this road. He was dismayed because the original developer did make way for Vista Avenue or Hillview Avenue, he did not put in the curb and gutter around the radiuses. These other lots don’t have these problems. Mayor Larsen said the city has improved its processes because a developer could not come in today and do the same thing.

**City Attorney Zollinger** explained that this is just the public hearing. The action we take now is either to create the LID or not.

**Council Member Erickson** move to create LID 36; Council Member Mann seconded the motion; all voted aye, none opposed. **The motion carried.**

**City Attorney Zollinger** asked to be corrected on LID36. He didn’t realize we were to the ordinance already, so tonight was just the first reading. Since they are still in the same meeting, they can decide to consider this “first read” and have it on the agenda again in two weeks or waive the rules and move forward with LID36 tonight.

**Council Member Erickson** made a motion to waive the rules and go forward with LID36. Council Member Mann seconded. Roll call vote.

**Those voting aye**

Farrell Young  
Donna Benfield  
Rex Erickson  
Christopher Mann

**Those voting nay**

None

**Council Member Stevens** was excused from the vote.

**The Motion carried.**

**New Business:**

**Report on Projects:** John Millar

1. LID’s are going out for bid.
2. New restroom at Smith Park. The old restroom has been demolished and hauled away. Construction is planned for a new restroom as soon as the weather allows.
3. Replacement of the sewer line in the alley between city hall and the court house is also out to bid. They will close bidding on this on the 9<sup>th</sup> of March. They are working with the landscape architect on the rest of the project in the alley. Public Works Director Millar and the Mayor Larsen met with the County

Commissioners to get some ground rules set on working arrangements for the alley project.

4. **Council Member Benfield** reported that they are starting to put a few cats and a few dogs in the new pound. It is fully operational.
5. The Animal Shelter Sign is 75% built for a total of seven signs for city parks. There is a sign planned for the Tabernacle. There has been a little delay on this because Bryce Bell, our welder, is in the hospital for surgery.
6. Millhollow Road is scheduled for the spring.

**Financial Officer Report:** Richard Horner

- A. Monthly Budget summaries

**Finance Officer Horner** passed out a budget review sheet showing the budget spent to date.

**Calendared Bills and Tabled Items:**

- A. **BILL Introductions:** - NONE
- B. **First Reading:** Those items which are being introduced for first reading.
  1. **BILL 980** – Intent to Create LID 36

**City Council** discussed passing BILL 980 after having the public hearing. City Attorney Zollinger explained the BILL could be passed tonight by suspending the rules and considering the BILL third read.

**Council Member Erickson** moved to suspend the rules for the reading of BILL 980 to create LID 36; Council Member Mann seconded the motion; Roll call vote:

<u>Those voting aye</u>	<u>Those voting nay</u>
Farrell Young	None
Donna Benfield	
Rex Erickson	
Christopher Mann	

**Council Member Stevens** was excused from the vote.

**The motion carried.**

**Council Member Erickson** moved to consider BILL 980 third read and approved to create LID 36; Council Member Mann seconded the motion. Roll call vote:

<u>Those voting aye</u>	<u>Those voting nay</u>
Farrell Young	None
Donna Benfield	
Rex Erickson	
Christopher Mann	

**Council Member Stevens** was excused from the vote.

**The motion carried.**

- 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:**

- A. On February 21, 2007 City Council approved Resolution 2007-02 initiating a public hearing for LID 37. LID 37 – set public hearing date for March 07, 2007.

**Engineer Keith Davidson** reviewed the properties in LID 37. The issue on 5<sup>th</sup> West was for the property owners who owned the right-of-way to allow the city to put in a sidewalk. Kevin Shiley at 511 Park Street is willing to allow the city to install a sidewalk on his property. Henderson's at 210 S. 5th W. and Tychsen's at 204 S. 5th W. were concerned about winter snow removal on the sidewalk against the curb. They are concerned because they are elderly and they won't be able to maintain the sidewalk in the winter. It was proposed by Public Works Director Millar that the city build their sidewalks as part of the city's commitment to them, including plowing snow on 5<sup>th</sup> West to the middle of the street so the snow would not bury the sidewalk. Children can walk on the sidewalk if it is maintained, instead of walking out in the street. This LID also includes 2<sup>nd</sup> South; Shoshone Avenue; Pioneer Road & Mariah Avenue.

**Council Member Erickson** moved to set public hearing date for LID 37 for March 07, 2007 at 8:00 P.M.; Council Member Benfield seconded the motion; all voted aye, none opposed. **The motion carried.**

**B. Proposal for an additional 9 holes at Teton Lakes Golf Course – Dan Kettle**

**Dan Kettle** explained numbers from financial statements. Advise to get additional 9 holes on city property. If they buy used sprinkler system, it will save about \$88,000. They are hoping to get this approved and ready for use by August, 2008. They have been very conservative with their numbers. Mayor Larsen asked if the numbers showing the growth of the Municipal is realistic. Mr. Kettle thinks it is realistic as the community and the college continues to grow. There has been about a 12% increase in the municipal annually over the past four years. These numbers show about a 6% increase.

**Mr. Kettle** also explained that the numbers showing "ending reserves" does not have the correct cash on hand. Corrections need to be made to this. They will bring the corrected numbers to city hall.

**Council Member Erickson** is concerned because \$90,000 of the \$112,000 they currently have available is being used to carry them through the winter. This leaves very little available to actually pay for the golf course. The city figures that we will have approximately \$20,000 extra in the golf course fund. This is not enough to retire a bond. **Mr. Kettle** explained this is the reason they are bringing this before the City Council. The land the golf course is on is completely paid. They could use the land as collateral. If they wait a few more years to expand the golf course it will cost a good deal more than if they were to expand now.

**Council Member Mann** explained that an expansion would bring in more revenue. Right now, the land planned for the expansion is not doing anything.

**Mayor Larsen** wanted to know what the City Council thought of the golf course finding a private investor and using the land as collateral. How would the City Council feel if the city and county agreed on some kind of reserve amount?

**Council Member Erickson** suggested if they decide as a City Council what they can come up with to subsidize the golf course if necessary; the county would have to agree to match what the city will give as a guarantee. They can then sell the guarantee to the investor.

**City Attorney Zollinger** said they legally can't use the land as collateral. They really only have two options. They can either finance the expansion internally, or they have to go to the voters.

**Council Member Erickson** would like to see the city do something to help with this expansion.

The City Council decided Teton Lakes needs to go present this to the county to see what they can do for the expansion. This will make it easier for the city to subsidize the expansion as well.

**Mayor's Report:**

**Mayor Larsen** submitted some names for the Teton Flood Museum Committee; the new members are from the Children's Museum: Rhonda Seamons, Michael Bone, Carrie Shiley and Konnie Young.

**Council Member Mann** moved to ratify Rhonda Seamons, Michael Bone, Carrie Shiley and Konnie Young to the Teton Flood Museum Committee; Council Member Young seconded the motion; All voted aye, none opposed. **The motion carried.**

**Council Member Erickson** moved to go into executive session due to property acquisition Pursuant to State Statute 67-2345; Council Member Stevens seconded the motion. Mayor Larsen called for a roll call vote:

**Those voting aye**

Farrell Young  
Donna Benfield  
Rex Erickson  
Bart Stevens  
Christopher Mann

**Those voting nay**

None

**The motion carried.**

Executive Session:  
Executive Session ended.

**Adjournment**

Attest:

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Mayor Shawn Larsen

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Blair D. Kay, City Clerk