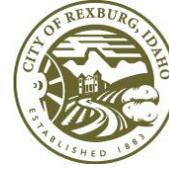


City Council Meeting

July 15, 2009



CITY OF
REXBURG
America's Family Community

12 North Center
Rexburg, ID 83440

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www.rexburg.org

Phone: 208.359.3020 x313
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July 15, 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

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

Mayor Larsen asked the boy scouts to introduce themselves.

Roll Call of Council Members:

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

Public Comment: on issues not scheduled on the agenda (limit 3 minutes) - NONE

Presentations:

A. Cost-benefit analysis for streetlight maintenance (Is it cost-effective to do the streetlight maintenance and is it beneficial to use LED bulbs in streetlights – Kevin Brady (BYU-I)

Presenters: Kevin Brady, Brad Westmoreland, Michael Epperson, Scott Sorenson, Ryan Bell, Dustin Harker, Hieu Nguyen and Lee Leifsen.

Benefits:

1. Reduced rate of paying to the Rocky Mountain Company.
2. Total money saved on electricity rates by switching to new rates: \$24,757.56.
3. Benefits and costs analysis show the net present value of the benefits is \$10,469.61.
4. Energy Savings
5. Decreased Maintenance Costs
6. Pollution
7. Traffic/light output
8. Payback Period will be 12 years
9. Assumptions:
 - a. An annual discount rate of 3%
 - b. Benefits realized over a period of 25 years
10. Total Net Benefits: \$131,634.85

High Pressure Sodium Vapor - Company Owned			
Watts	Functional Lighting	Lights in Rexburg	Total Yearly Cost
70	\$6.45	248	\$19,195.20
100	\$8.22	111	10,949.04
150	\$9.88	90	10,670.40

250	\$12.94	74	11,490.72
400	\$17.27	44	9,118.56
		Total	\$61,423.92

High Pressure Sodium Vapor-- Customer Owned (No Maintenance)			
Watts	Energy Only Service	Lights in Rexburg	Total Yearly Cost
70	\$2.79	248	\$8,303.04
100	\$3.91	111	5,208.12
150	\$5.81	90	6,274.80
250	\$9.93	74	8,817.84
400	\$15.27	44	8,062.56
		Total	\$36,666.36

Yearly Maintenance Costs:

Additional truck depreciation:	\$ 31.91
Time / materials to change bulbs:	4,947.05
Time / materials to change ballasts:	5,490.65
Total	\$ 10,469.61

Induction vs. Led

	LED	INDUCTION
ENERGY SAVINGS	50% - 70%	50% - 70%
LIFE RATING	50,000Hrs.	100,000Hrs.
PRICE	\$715 - \$1,000	\$295 - \$350
OPERATING TEMP.	-10°F to 77°F	-40°F to 120°F

Institutions using induction lights:

- United States Air Force
- Harley-Davidson®
- John Deere
- Yellowstone National Park
- UC Davis - University of California
- Maryland National Park
- Sacramento Housing & Redevelopment Agency



Before: 175W High Pressure Sodium



After: 85W Induction



Before: 250W High Pressure Sodium



After: 100W Induction

Costs of Induction Lights Retro-Fit							
Wattage	Number of Lights	Equivalent Wattage	Price	Cost of Lights	Installation	Shipping	Total
70	248	40	295.00	\$ 73,160.00			
100	111	70	305.29	33,887.19			
150	90	100	313.99	28,259.10			
250	74	150	330.00	24,420.00			
400	44	200	350.00	15,400.00			
	567			\$ 175,126.29	\$ 55,000.00	\$3,171.10	\$ 233,297.39
Yearly Cost For Five Year Installation				\$ 35,025.26	\$ 11,000.00	\$ 34.22	\$ 46,659.48

Kevin Brady provided an overhead presentation concerning a cost-benefit analysis for Rexburg streetlights. Members of his economics class explained the benefits of self maintenance on city streetlights. Rocky Mountain Power provides street light maintenance at this time. The main idea is to reduce maintenance costs by doing the maintenance of streetlights with city crews and lowering the energy consumption by using LED bulbs or induction lights in streetlights.

Council Member Stevens asked for an explanation of the maintenance savings the city could achieve on streetlight maintenance verses Rocky Mountain Power's Maintenance costs. Mr. Brady indicated the cost of bulbs, ballasts, mileage, etc. would be cheaper if the work and purchasing was done by the city. The manufacture's estimate of bulb life was used in the analysis. The savings annually is estimated to be \$14,288. The LED lighting may not be the best. Induction technology may be better technology for this application. The operating temperature in Rexburg is not conducive for LED lighting; therefore, they are focusing on induction lighting. They went from 175 Watts to 85 Watts in the analysis. The light output would be greater by 11% in their analysis.

Council Member Erickson asked if city labor would have to be increased. There would be some part time labor needed to switch to city maintenance. The implementation timeline would be five years. The monetary benefit comes in energy savings of \$15,000 and ballast savings of \$10,000, etc. The average maintenance savings is about \$3,600 per year. It would reduce CO2 emissions by 71 tons annually or \$46,386 over a 25 year period by reducing the KWH usage thus burning less coal. The total net benefit at 11cents per KWH over 25 years would be \$131,634.85. Benefits include reduced crime, increased traffic safety, etc.

Council Member Stout asked about the benefit calculations.

Mayor Larsen reviewed the proposal for switching to city maintenance and changing to induction lighting.

Council Member Schwendiman reviewed the annual maintenance costs verses the anticipated savings.

Council Member Stevens reviewed the information which is based on some assumptions. The explanation for the assumptions was done on bulb life, etc. The estimates do not include wiring harnesses. The estimate includes two people to change a 100 bulbs and 56 ballasts per year; approximately 24 hours per month. Induction lights would not require maintenance for 12 years.

Mayor Larsen thanked the BYU-I economics' class for the cost analysis presentation.

Committee Liaison Assignments for 2008:

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

Council Member Mann did not have a report because the committees have not met.

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

Council Member Erickson did not have a report.

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

Council Member Stevens reported on a meeting with the school and the principal and the whole committee. The principal promised to have a proposal to City Council for this meeting. The ball is in their court. They need to bring a proposal forward based on their programs, etc.

D. Council Member Randy Schwendiman *Parks & Recreation · Traffic & Safety Committee*
(Greg McInnes – discuss tree policy)

Council Member Schwendiman did not have a report.

Mayor Larsen reported Parks Director Greg McInnes and Max Egbert were recommended to go to a workshop to learn how to identify tree problems. They are working with the arborist Gary Bates in Idaho Falls to develop a tree management plan for the city. The City Council was given a report of a tree branch that came down in Porter Park which caused a medical claim at the hospital. The tree that broke is one of the healthier trees in the park. City Attorney Zollinger indicated the city is paying the medical claims at the hospital for those treated from the branch falling. Technically the city did not have any liability; however, the city erred on the side of caution by having their abrasions checked and paying the medical bills for those narrowly missed by the tree branch.

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

Council Member Woodland did not have a report.

Council Member Stout reported the Legacy Flight Museum Committee deferred their meeting to next month. The pilot (Gary Miller) of the blue plane in the air show passed away in a training exercise for another air show.

Public Hearings:

A. **7:30 P.M. Rezone property at 208 East 3rd South** from Low Density Residential Two (LDR2) to Medium Density Residential One (MDR1) – Staff

Mayor Larsen introduced the public hearing to rezone property at 208 East 3rd South. The procedure was explained. Ten minutes will be given to the applicant to present the proposal with a ten minute rebuttal period.

Mrs. JoAnn Nef at 208 East 3rd South presented the proposal. She asked the City Council to have an open mind acknowledging that it is a difficult situation for them to make decisions concerning the growth of the city due to the University's expansion. Mrs. Nef mentioned they have been told by a couple of people in opposition to the proposal that the opponents have visited with City Council members and there was enough verbal votes to deny the application. She said it was hard to know what to do with this information. They have put a lot of time and resources into the proposal and they have a lot of neighbors in support of the proposal. She asked the City Council again to have an open mind with the proposal and give them a fair shake as they hear the arguments for and against this application. She reviewed the past meeting where they were asked to come back for a public hearing. Six weeks ago she presented information to the City Council on the proposal; however, tonight Mrs. Nef wanted to summarize the key points involved in the proposal:

1. They are trying to make this property viable. The current LDR zoning allows a duplex with a Conditional Use Permit. That does not make the property viable. A duplex does not pencil out for a 4,800 square foot home to pay the mortgage and the property taxes. The Planning and Zoning Commissions motion's was made for a zone change with the condition that it would not be more than a three-plex. They are very agreeable to the motion. They are doing the best they can to make this work.

“In Planning and Zoning’s public hearing on May 21, 2009 Dan Hanna motioned to recommend the zone change for 208 East 3rd South from Low Density Residential Two (LDR2) to Medium Density Residential One MDR1, to City Council including the conditions that there be no change in the footprint of the present building, that there be no more than 3 dwelling units, and that the applicant submit an appropriate parking plan, site plan, and floor plan for City staff review, and that there be no more than 4 parking spaces in addition to the existing 2-car garage. Ted Hill seconded the motion. Dan Hanna amended his motion to include that if plans are not submitted to and approved by the City within 12 months, the property will revert back to the original zoning. Ted Hill seconded the amended motion.” “The motion did not carry.”

2. There is a three story apartment next door. BYU-I is across the street. Since Kensington Apartments went in next door the property had never been purchased for the purpose of a single family home. First it was intended to be the BYU-I alumni house which did not pan out; then it was purchased with the intention to be a bed and breakfast which did not pan out; then it remained empty for a few years before the Nef's purchased the property.
3. Rental properties are not foreign to this area. Mrs. Nef showed an overhead view of the property noting they are surrounded by rental properties.
4. Changing the zoning on this property does not open the flood gates for other changes in the neighborhood. This has been a major concern for neighbors living on the hill. The Nef's understand their concerns. They talked about that issue in the Comprehensive Plan change hearing. No one can use this property and this application as a precedent for more zone changes in the neighborhood. There is no other property in Rexburg with these same constraints. No other single family home is adjacent to a high density complex across the street from the University on an arterial roadway.
5. This zone change does not allow a high density four plex due to zoning. This has always been a concern of the neighbors. The zoning requested only allows for a four-plex. They are agreeable to be conditioned to a three plex in the requested zone.

In conclusion: The city passed the Comprehensive Plan change request for this property as requested by the Nef's. A three-plex is the least of the possibilities under the city's preferred land use plan. Mrs. Nef showed a picture of the property before they purchased it and a picture after they have been maintaining the property. She asked the City Council to approve the request for a long term solution to the use of the property.

Those in favor of the proposal:

Mr. Evan Nef said some neighbors close by on 2nd East and Harvard Avenue agreed with the proposed use.

Council Member Stout Council Member Stout asked for clarification on the allowed uses in LDR and MDR. Building Official Christensen explained LDR2 allows for a duplex in LDR2 with a Conditional Use Permit and MDR1 allows for dormitory housing and up to four housing units. Five and six dwellings per development are allowed in MDR1 with a Conditional Use Permit.

Council Member Stout asked in the zone change request could be approved with certain conditions allowed or does granting the zone change with conditions allow all of the permitted uses.

Mayor Larsen asked City Attorney Zollinger if the proposal could be conditioned. City Attorney Zollinger said generally the condition would be time specific for a specific action; if the project fails to follow through, it would revert back to the original zoning. Council Member Stout asked if the conditions could be the permitted uses which are being allowed with the zone change. City Attorney Zollinger explained it could be conditioned upon this project as presented. If the zone change is granted, the allow uses would apply. Planning and Zoning moved this application forward to the City Council as a specific proposal which can be conditioned as presented.

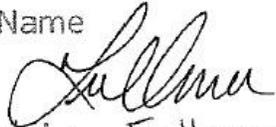
Those neutral (neither for nor against) the proposal:

Mr. Nef presented three letters to be included in the record: He read the Wilding letter which was written because Mrs. Wilding thought there was some deception going on. The third letter was written by Fullmer's agreeing with the proposal.

I agree with the proposed use at 208 East 3rd South – namely changing to a Medium Density Residential – so that there can be three units in the home. I do not think doing so will negatively affect the neighborhood or community.

Name	Address
Harmon Esplin <i>Harmon Esplin</i>	262 S. 2 nd E. Rexburg
Marie Esplin <i>Marie Esplin</i>	262 S. 2 nd E. Rexburg
Gary Thompson <i>Gary Thompson</i>	241 S. 2 nd E. Rexburg
Merlynn Thompson <i>Merlynn Thompson</i>	241 S. 2 nd E. Rexburg
KJ Johnson <i>Kent Johnson</i>	221 S. 2 nd E. Rexburg
Danyelle Johnson <i>Danyelle Johnson</i>	221 S. 2 nd E. Rexburg
Bonnie Lofthouse <i>Bonnie Lofthouse</i>	360 Harvard Ave. Rexburg
Jim Shirley <i>James F. Shirley</i>	325 Harvard Ave. Rexburg
Lex Shirley <i>Lex Shirley</i>	325 Harvard Ave. Rexburg
Doris Shirley - <i>Doris Shirley</i>	325 Harvard ave Rex

I am not opposed to the proposed use at 208 East 3rd South – namely changing to a Medium Density Residential – so that there can be three units in the home. I do not think doing so will negatively affect the neighborhood or community.

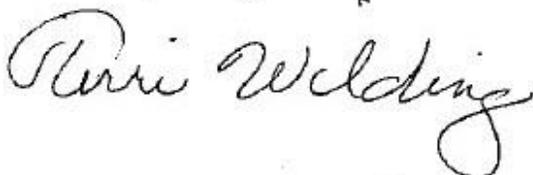
Name	Address
 Nyle Fullmer	236 S. 2nd E. Rexburg
 Sherri Fullmer	236 S. 2nd E. Rexburg

October 1, 2008

To Whom It May Concern:

In the month of August a woman came to my house and told me that an attorney was have them canvas the neighborhood to see if there would be enough people to sign a petition to change the City councils decision about the change to the comprehensive plan for Rexburg. She told me that the way it was now if a house on our block was sold they could turn it into single student apartments and we would lose our family neighborhood. She asked if I would be willing to sign a petition and I told her no. She would not identify the attorney she was talking about to me.

Terri Wilding



230 Harvard

Those opposed to the proposal:

David Peck at 323 South 3rd East representing (Vice President) the 3rd East Neighborhood Association explained the opposition from the 3rd East Neighborhood Association is not directed at the Nef's concept of using the property so much as it is directed at the issues of the property. The zoning addresses property. He showed how close the 3rd East Neighborhood (zoned LDR1) is to the property on the overhead screen. There was a 3rd East Neighborhood Association meeting prior to the Planning and Zoning Commission public hearing on this proposal with 27 homeowners voting unanimously in opposition to this proposal. He reviewed the 2002 rezoning effort of their neighborhood to up-zone from LDR2 to LDR1 which was completed in 2003. All CUP approved duplexes were grandfathered into the zone at that time. This effort was done to protect their neighborhood and preserve the existing character of the neighborhoods in order to prevent encroachment from home conversions to apartments. Two other neighborhoods in the area (to the north and northeast) were up-zoned to LDR1 soon after their effort. The pattern is to up-zone to preserve neighborhoods as stated in the Comprehensive Plan (to preserve the existing character of the neighborhoods.) That is exactly what this City Council has been doing by allowing the up-zoning and grandfathering in the existing duplexes with CUP's. That is where the opposition comes from; it is not in opposition to rentals or the Nef's. It is to keep the trend alive to preserve the up-zoning of their neighborhoods. The 3rd East Neighborhood Association is not opposed to LDR2 zoning for the property that fits current city standards. The likely hood is our neighborhood would support the request for a CUP in LDR2.

Mr. Peck referenced the rentals on 2nd East as single student rental. He reviewed the University's coming policy to restrict home conversions for student housing which would curtail the use of these rentals for single students in the future. If they continue to rent to students they will have to be married students. He questioned the reason to increase married student housing with the coming policy change at BYU-I which will naturally increase married housing due to the policy change; therefore they don't see any reason to do this request. Last of all he mentioned the parking lot changes on 2nd East to reduce congestion and provide for safety. There is no reason to have drivers turning to and fro out of driveways on 2nd East. There isn't enough room for people to turn and drive out; He mentioned the busy pedestrian intersection at this location and it is a four-way stop. There will not be any one to police how the drivers enter 2nd East. The issues include:

1. Safety.
2. Up-zoning neighborhood issues.
3. University's policy change in single student housing.

When all of these issues are put together as a package, there is no community reason why this property should change; it is a proposed property change for a single investor. There is nothing in our community plan that suggests this is a value for our community; to the contrary everything we have mentioned is in line with the values as stated in the Comprehensive Plan and in line with the direction our community is headed.

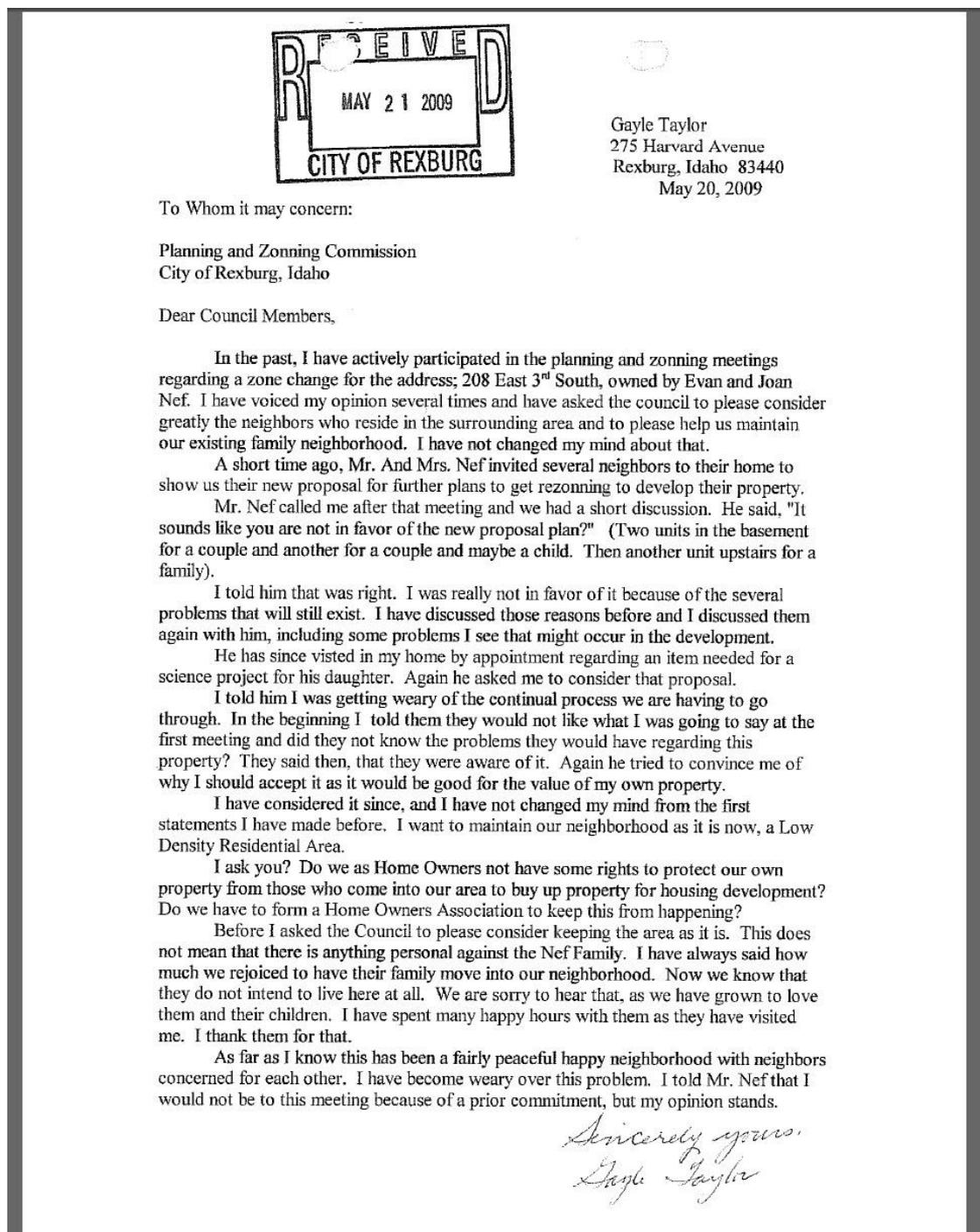
David Ward at 249 Harvard Avenue represented the Harvard Avenue Neighborhood Association. He expressed his respect for the Nef's and what they are trying to do with the property they own. He concurs that working with the Nef's has been nothing but cordial. He congratulated them on the way they have tried to present their proposal in such a way to have open communication. He appreciates their approach; however, when friends disagree, it is a delicate matter and all the more delicate when talking about the future of the community. He agreed with Mr. Peck; it is not about the Nef's being granted this proposal for developing their property as they see fit. It is not about the Nef's at all. He referred to a previous application for a bed and breakfast in this home and the City Council voted it down. Nothing has really changed since that time except for the rational why the Nef's would want to change this property. It is really about how changing the zoning will affect the surrounding neighborhoods. Their association believes changing the zoning over time will compromise the family values of their neighborhoods.

Mr. Ward referred to a city where the zoning has changed allowing property's to be rented without being owner occupied and the owner does not maintain the home as well as an owner occupied home with a CUP for an apartment. He referred the City Council to an aerial view of the property on the overhead screen. The existing duplexes were noted in the neighborhood; however, from a business perspective, Mr. Ward suggested changing the name "duplex" to some other name. The duplexes on the overhead screen are "owner occupied" and owner cared for homes. These owners want to contribute to functionality and beauty of Rexburg community. He understood these duplexes are

under conditions that the family owns it and cares for it. This dynamic ensures the quality of the neighborhood this City Council is working to preserve as mentioned by Mr. Peck which will insure the quality of the neighborhood. They believe a zone change will open up the possibility of comprising the neighborhood when the property is sold by allowing other types of development. The community is experiencing a lot of change; he appreciated the City Council acting to maintain family values. He encouraged the City Council to keep the zoning the way it is currently zoned so those family values can be lived in family residences and can accommodate that kind of lifestyle.

Scott Jimison at 255 Harvard Avenue expressed his personal opposition to the proposal. He pointed out the property is already viable for a rental in low density (LDR2). He did not support the proposed change.

Gail Taylor at 275 Harvard Avenue referred to a letter sent for last meeting in opposition to the proposal. It is human nature that the longer you work on a problem like this the more tired you get; that is how she feels. She felt dragging things out over time is intended to change people's minds. She loves the Nef's family and she has had them in her home. She wants them to know she appreciates them; however, it is in the best interest of the neighborhood to oppose this proposal.



Mrs. Carla Jimison at 255 Harvard Avenue indicated she lives in one of the owner occupied duplexes shown on the screen. All of those duplexes are owner occupied. Neighborhoods need to be protected. She was opposed to the proposal.

Mrs. Corinne Barker at 231 East 3rd South grew up on 231 1st South. She reviewed the church's history of Ricks College and the leaders of the church asked the residents to help house the students. Many of the residents in her neighborhood were teenagers when the church asked for help to house the students. It was done out of love for the church to try and support and keep Rick College here

in Rexburg. The city has progressed more and more. She said it is putting more and more pressure on people who are trying to maintain their beautiful cottages and raise children where they are safe. It is becoming more commercial which she opposes in her heart; however, she does not oppose the Nef's. They are a beautiful family with beautiful children which she has helped. In changing the property it would become busier with a lot more traffic. She was concerned the proposed changes would compromise their neighborhood.

Mrs. Rachel Peck at 322 South 3rd East spoke in opposition to the zone change. She understood the current zoning would allow a duplex situation without them living in the home. The Nef's have not made public their calculations on how much profit they are going to make with a tri-plex. At this point they can have two families living in the home, so she is opposed to a tri-plex to increase their profits.

Rebuttal:

Mr. Evan Nef at 208 East 3rd South reviewed the map showing the zoning and a house next door with 12 student's kitty corner to their property. Their property was previously University owned property allowing a commercial use. He explained the reasoning is to get more students closer to the University. They are able to have married students regardless of the University policy change for single student housing. He explained the Comprehensive Plan has commercial use on this arterial roadway. Their property meets the Comprehensive Plan. The University wants students closer to the college and their home is across the street from the University. Harvard Avenue is a family neighborhood; however, this property has not been in a family neighborhood since the Porter's owned the property. 2nd East is not a family neighborhood. He mentioned areas to the east of this property are in family neighborhoods. This property is not part of that addition.

Mrs. JoAnn Nef appreciated her neighbors concerns. These are lovely people. Other neighbors are supportive because they recognize things are changing and this property is in a conundrum:

1. The home has a three story apartment building next door.
2. It is not a viable family home and no one can argue that point.
3. She has a home in the 3rd East Neighborhood; however, she was not invited to the neighborhood association meeting.
4. There have been scare tactics used against their proposal proposing student infiltration into their neighborhood.
5. She appreciates the neighbors' concerns; however, she asked them to be logical.
6. The 2nd East properties need to have a solution.
7. Duplexes on 2nd East are not owner occupied; no one wants to live on 2nd East.
8. It is easy for people living up the street who do not live on 2nd East to say they don't want this development.
9. If you live on 2nd East, you recognize the problem.
10. They have tried very very hard to maintain this beautiful residential property.
11. It is not a business venture because a tri-plex only allows them to break even. There is no profit.
12. The numbers don't work for a duplex. They will sell and another investor will come in to try a different proposal.
13. If you can afford a 4,800 square foot home, you will not purchase it across the street from the University.
14. They purchased the property with the intention of turning it into a dormitory style home. The immediate neighbors were not opposed to their proposal before they purchased the property; otherwise, they would not have purchased the property.
15. Several years ago the city proposed to widen 2nd East with tons of opposition. It happened. Thank heaven it happened because City Council recognized the need.
16. They appreciate the time and their concerns. They have tried to alleviate them. She hoped the City Council would help solve the conundrum they are dealing with on 2nd East.

Mayor Larsen closed the public hearing.

Council Member Erickson asked David Peck about the duplexes to the east and northwest of 2nd East. Are they owner occupied? Mayor Larsen said the occupancy type is not relevant to the hearing. Mr. Peck said the number of owner occupied is unknown. The old a-frame Shirley home is not owner occupied. Dormitory housing is not allowed in the Shirley home.

Council Member Mann thanked the Nef's for the presentation; however, he did not think it was the right time for a zone change. There is a real need to preserve our neighborhoods. He has serious concerns about changing the zoning.

Council Member Erickson indicated the City Council can turn this proposal down or not after the Comprehensive Plan change. The Nef's have made a very good attempt to bring the proposal forward. There have been a lot worse applications. The property is next to a commercial building and dormitory housing to the west, a duplex with dormitory housing to the northeast. The Hess house to the north has renters. Three families are on the proposal verses dormitory housing around them. He personally does not see a problem. He has seen it in their neighborhood due to hospital growth and he is not opposed to progress or leave it as is for the last 40 years.

Council Member Stout said there has been a lot of discussion on the Comprehensive Plan. He sees both sides of the discussion. The proposal is about as good as the City Council will see. He did not think it would turn the neighborhood into a rental neighborhood.

Council Member Schwendiman was opposed to the change. It is not up to the City Council to make the property economically viable. He has brought properties and had to sell them due to economics.

Council Member Stevens appreciates the discussion and presentation. He reviewed the concern for increasing density he would be concerned too.

Council Member Stout agreed with Council Member Schwendiman that the City Council is not responsible for making a property economically viable. On the other hand, he was not as concerned with two verses three families because they would be small families. The upper level would have three bedrooms and the lower level would have a three bed room and a one bed room. He did not think it would harm the neighborhood in the long run.

Council Member Stout moved to approve the rezone of property at 208 East 3rd South from Low Density Residential Two (LDR2) to Medium Density Residential One (MDR1) with the condition the property would revert back to the original zone if project has not moved forward in 12 months; Council Member Erickson explained it was about the same motion as given in Planning and Zoning with a three to three tie. No second was given; therefore the motion died for the lack of second.

Council Member Mann moved to deny the rezone of property at 208 East 3rd South from Low Density Residential Two (LDR2) to Medium Density Residential One (MDR1); Council Member Schwendiman seconded the motion; Discussion: Mayor Larsen thanked everyone for their input and the way the information was presented. He appreciated the Nef's and the neighborhoods for their input.

Those voting aye

Christopher Mann
Rex Erickson
Randy Schwendiman
Bart Stevens
Richard Woodland

Those voting nay

Adam Stout

The motion carried.

8:00 P.M. Water and Waste Water Capacity Fees (formerly hookup fees) and Street, Parks, Police and Fire Impact Fees proposed increases – Staff

1. **Resolution 2009 – 09** adopting a new rate schedule Water and Wastewater capacity fees (formerly Hookup Fees) and Streets, Parks, Police and Fire Impact Fees

Mayor Larsen explained Johnny Watson, Council Member Stevens and Council Member Schwendiman were involved in the committee process to review capacity (hookup) fees and Impact Fees. He asked Mr. Watson to explain the recommendations of the fees committee to the City Council.

Johnny Watson from JRW & Associates explained the numbers where new growth applications should shoulder their own growth. The fees committee felt the proposed numbers will help with the upgrades to the sewer system. The residential fees are similar with minimal impact. The numbers are acceptable to the committee to be able to go to the neighbors and explain.

Council Member Stevens said the city is using Mr. Watson’s time and professional input to help with the development code and other community efforts. He appreciated Mr. Watson’s time and professional input towards the city.

CAPACITY FEES	Water In-City	Sewer In-City	Water Out-of-City	Sewer Out-of-City
Minimum and All Homes	\$1650	\$1700	\$2475	\$2550
Over 328 gal/day	n/a	\$5.18/gpd	n/a	\$7.77/gpd
Over 1667 gal/day	\$.99/gpd	n/a	\$1.49/gpd	n/a
Sugar and Teton Cities				\$6.04/gpd
				(gpd=gal. /day)
IMPACT FEES	Home	Family Apt	Singles Apt	Commercial
Parks	\$800.00	\$458.85	\$1117.21	none
Police	\$100.88	\$55.26	\$55.26	\$0.22771/sf
Fire	\$184.61	\$69.43	\$69.43	\$0.03574/sf
Streets	\$864.57	\$691.66	\$691.66	18.06/tpd
			sf=Square Feet	(tpd=Trips/day)

Council Member Stevens explained the committee has met for a few months to discuss this issue. Mr. Watson said the service was just part of living in our good community.

Mayor Larsen opened the public hearing concerning **Resolution 2009 – 09** adopting a new rate schedule Water and Wastewater capacity fees (formerly Hookup Fees) and Streets, Parks, Police and Fire Impact Fees.

Council Member Erickson reviewed prior discussions concerning the wastewater plant and raising the impact fees. It was presented in the prior meeting. Council Member Erickson was absent at that last meeting where capacity fees and Impact Fees were discussed.

Mr. Watson explained the two fees (capacity fees and Impact Fees) are tied together in the discussion.

Debra Smith at 216 Mohawk was concerned with the increase in fees affecting Skyline Trailer Court. She asked if the monthly usage fees were under consideration for an increase. Mayor Larsen said no, the fees under consideration are not the monthly usage fees.

Council Member Mann was concerned with the committee being opposed to impact fees being reviewed for an increase; however, the committee came up with the proposed fee schedule amendments. He thought the proposed fee schedule was very fair. He did not want the burden placed on the resident to upgrade the waste water treatment plant. He wanted new development to help with the expansion.

Council Member Schwendiman appreciated the committees work on the proposal; he supported the proposal in this economy.

Council Member Erickson was concerned with raising the fees across the board. Mayor Larsen said Impact Fees are for new development only. Council Member Stevens said the fees are applied when a building permit is taken out.

Council Member Stout asked about two areas;

1. Water: Does Impact Fees support maintaining the quality of water. Are we charging enough to maintain good water? Mr. Watson said the fees allow for future expansion of a new well; otherwise the water is in pretty good shape. He thought it was a proposal they could sell to their neighbors and maintain the current level of service in the water department.

2. Council Member Stout asked the same question about maintaining streets. Mr. Watson said the street increase proposal is the maximum allowed by law.

Council Member Stevens said the same proposal was approved three years ago based on a study. This proposal is based on historical numbers since the last hearing. It is frustrating because one of the fees jumped 70 percent. Mayor Larsen referred to Ammon’s situation needing funding to provide services. He explained new growth pays for expansion with Impact Fees instead of existing residents paying for

new growth. One of the questions the committee had answered and they resolved it very well was who should pay for new growth.

Council Member Stevens said we talk about affordable housing but the difficult thing is it can't be metered on value, etc. A new young couple home owner with a smaller home will pay a higher percentage compared to a more expensive home.

Council Member Erickson asked for comparables with other communities in the area. Council Member Stevens said other communities do not have impact fees which help pay for fire, parks and police. The improvement created by impact fees enhance the environment and encourage new development. It encourages people to come here to develop as long as you keep the fees under control. He said to put a small amount on the connection fees does have positive benefits to people who you would think would be opposed to it. He referred to Mr. Kartchner (Kartchner Homes) being favorable to impact fees to make our community better. Finance Officer Horner said eight or ten communities have impact fees in Idaho.

Mr. Watson referred to tourism in Southeastern Idaho and how Rexburg is being enhanced with the use of Impact Fees compared to other communities. His company does business in many Southeast Idaho communities and it is a nightmare to provide public services (fire flow, septic, culinary water) in those communities. Idaho Falls provides their own power, so it is hard to compare them with Rexburg where resources have been available to improve the community. The committee struggled with the perception of Rexburg being a difficult and expensive place to build given the level of services and the quality of life.

Council Member Woodland indicated the burden should not be placed on existing residents.

Council Member Woodland moved to approve Resolution 2009 – 09 adopting a new rate schedule Water and Wastewater capacity fees (formerly Hookup Fees) and Streets, Parks, Police and Fire Impact Fees; Council Member Erickson seconded the motion; all voted aye. **The motion carried.**

Council Member Erickson asked Debra Smith if her water rates have risen dramatically this year. Increasing the cost of water and sewer in the trailer park would inhibit students at BYU-I from being able to afford housing in her development. Mayor Larsen explained there will be a public hearing August 05, 2009 to increase wastewater fees.

Council Member Erickson asked Public Works Director Millar about the recent water billing. Do we read the water meters every month? The meters have been read two times this year. Council Member Erickson said his billing this year was up. Finance Officer Horner said the June billing was for the month of May. The rain came in June there could be a longer billing period or there could be a leak. Council Member Erickson asked for a new reading for his business. The readings will start tomorrow for the next billing. Council Member Erickson said other residents have complained of the same thing.

Items for Consideration:

- A. Madison Middle School** modular unit for two class rooms at 7th South and Yellowstone Hwy – Russ Wilson

City Attorney Zollinger explained the reason for the request. The School District was recently before the City Council to extend a permit for a temporary classroom structure in place for the last two years. There was a mis-communication and the two requests were not tied together. Now they want a second structure for classrooms on the other side of the building in a commercial zone which only requires a one year permit. Basically, this is asking for a new permanent building permit for temporary class rooms in the commercial zone. He requested the City Council attached the same conditions for this temporary structure in a commercial zone as was approved in the previous request to extend a permit for existing temporary classrooms. This code allows for a temporary building in a commercial zone for one year. The school district will accept the same conditions for this building as the extension on the existing building. This request is only for a temporary structure so the applicant was sent directly to City Council for approval; however, in the interest of efficiency the same conditions on this request would satisfy any Planning and Zoning concerns. Then the school district would not have to ask for an extension in a year.

Council Member Stevens moved to accept the request and attached the same conditions for this temporary structure in a commercial zone as was approved in the previous request to extend a permit

for existing temporary classrooms; Council Member Schwendiman seconded the motion; all voted aye. **The motion carried.**

B. Set Public Hearing Date for August 05th at 7:30 P.M. for University on-street parking passes, Campus vicinity residential parking passes, and Downtown Commercial Residential Parking Passes.

Mayor Larsen explained the need to have a public hearing to take public input on parking pass fees associated with Ordinance 1028 (CAMPUS VICINITY RESIDENTIAL PARKING).

Council Member Erickson moved to set a public hearing August 05 at 7:30 P.M. to take public input on University On-Street Parking; Campus Vicinity Residential Parking; and Downtown Commercial Residential Parking fees; Council Member Woodland seconded the motion; Discussion: Red Taylor sent an email with his concerns on parking permits. There are a lot of questions to address. All voted aye; **the motion carried.**

Council Member Stevens asked for University support on the parking fees. City Attorney Zollinger and Public Works Director Millar sit on a University committee which addresses this issue. The University is showing support for the program by launching a public relations awareness campaign in support of all those streets being converted over to permit parking. The University will be at the hearing to support the proposal August 5th at 7:30 P.M. The University is fully cooperating with the city to transition these streets into permit parking streets.

City Attorney Zollinger said he and a member of the Police Department are going to Logan, Salt Lake and Provo to see how to transition the streets to permit parking.

Staff Reports:

Public Works: – John Millar

1. **Wastewater Plant expansion discussion:**

Public Works Director Millar explained the FAA requested an upgrade to the Airport Master Plan. Requests for proposals were sent out to three firms. After interviews, the Airport Board unanimously recommended Kaufman Engineering with Kimberly Horn out of Boise for the master plan study. The funding for the study will be paid with 90% federal funds, 5% city funds and 5% county funds.

Council Member Stout moved to award the Airport Master Plan study contract Kaufman Engineering; Council Member Schwendiman seconded the motion; all voted aye. **The motion carried.**

2. **AT&T Cell Phone Tower** in the form of a 90 foot flag pole:

Public Works Director Millar indicated the proposed flag pole is 40 inches in diameter at the base narrowing to 36 inches in diameter at 30 feet continuing to the top of the flag pole. The flag would be 12 feet by 18 feet. They would maintain and landscape the facility. They are flexible on the location. They have 30 days to be out the University stadium lights location because they lost the contract at the University. They are proposing a temporary site to put in a portable tower until the flag pole can be erected.

Discussion on past cell tower approvals. The proposed revenue is \$18,000 plus per year.

Mayor Larsen asked the City Council if they wanted to pursue this proposal. Council Member Erickson asked to offer them a different location and price. T-Mobile offered a proposal for cell tower behind the police station. They have not followed through with the offer.

Mayor Larsen asked if the City Council wants the flag pole in Porter Park.

The City Council asked Public Works Director Millar to renegotiate the location and revenue.

3. **Public Works Director Millar** reviewed a trip yesterday to the Oakland area with Council Member Woodland to observe two waste water treatment plants that utilize the “green house” method for sludge drying.

Council Member Woodland said it was an amazing process. The facilities were reviewed in the Rio Vista, California delta area. It was a state of the art kind of plant that was not being used much. The first plant was an older facility planned for a massive subdivision that never came to fruition. The second plant used a little less water than Rexburg uses. It was operating at 1.8 million gallons per day with one green house compared to Rexburg's 2.8 million gallons per day. The contact person at the second plant was nervous about the process when the solar plant was being built. After three years of operation they are only using 1/2 of the plant's capacity. The waste for three years can be hauled away in a day. The output is class "A" bio-solids. Both facilities have belt presses. The one facility is probably a 20 million dollar investment with one belt press used sparingly about four hours per week and the other belt press is not used. Council Member Woodland highly recommended the Class A bio-solids drying process. The greenhouse design could be improved for a facility in Rexburg. Public Works Director Millar explained the waste was being dumped into piles 12 inches deep and left to dry in the greenhouse. There was an earthy smell inside the greenhouse. The Rexburg wastewater plant is ahead of their operations excluding the solar drying process.

Council Member Mann asked to keep the proposal at a Pontiac level verses a Cadillac level. Is there a less expensive way to take care of the problem? Public Works Director Millar explained they purchased the entire package with greenhouse, controls, etc. They have taken the design to an almost ridiculous point. There were about four processes to open the door to the greenhouse. The analogy is about a \$5,000 dollar mechanism verses a chain to limit access; however, their regulations are pretty strict.

Mayor Larsen said the next move is to authorize negotiations for a contract. Public Works Director Millar concurred and he said the next point would be to authorize negotiations of a contract with AQUA Engineering. He plans to have a proposal for a negotiated contract with AQUA Engineering before the City Council at the next meeting. This would allow the city to move forward with a design of the project. He also would like to explore the possibility of seeking judicial confirmation for bonding to raise funding for the wastewater treatment plant upgrade.

City Attorney Zollinger said the confirmation process could take five months. He referred to the Frasier case in Boise for a parking garage. Idaho Falls is involved in litigation at this time which may take four months. Public Works Director Millar explained the funding would not be necessary until the construction phase of the project after design and approval of DEQ which would probably be next spring. City Attorney Zollinger explained bidding could be done conditioned on judicial confirmation. The other option is a majority vote of the electors for bonding for 15 years at approximately 4%. Finance Officer Horner explained the payment would stay about the same as the current wastewater treatment plant bond payment of \$960,000 which would be paid off next year. About half of that payment \$500,000 goes towards the old problem and about \$400,000 goes towards capacity.

Council Member Woodland moved to authorize negotiations for a contract with AQUA Engineering; Council Member Erickson seconded the motion; all voted aye, **the motion carried.**

Finance Officer Horner explained a public hearing is the second issue to propose a wastewater usage rate increase effective October 1, 2009.

Council Member Erickson reviewed the sample billing for water as being \$18.10 for both the old and the proposed new rate.

Council Member Schwendiman indicated the City of Newdale is under review for levels of fluoride and arsenic in their water above the new allowed levels. They would have to install a one million dollar plant to meet the new EPA water standards.

Council Member Schwendiman moved to set a public hearing for Aug. 5, 2009 at 8:15 P.M. to take public input for consideration of proposed fee increases for water, wastewater, and garbage; Council Member Mann seconded the motion; all voted aye. **The motion carried.**

Other items:

4. University Blvd project was completed and the funding was to the good \$220,000 due to changes in the plans during construction. The money can be carried as a credit or get money back. LHTAC will make the decision.

Mayor Larsen would like the money added onto the 12th West improvement project.

5. Pioneer Road house is ready for demolition after asbestos cleanup and ITD approval. The Fire Department will burn the house next week.
6. Single stream recycling is out for “Request for Proposals” and closes next week.
7. Stripping contact is set up to start this week.
8. Re-seal coating 1st North before re-stripping.
9. Northbound crosswalk on 2nd East needs signage.
10. City Hall sidewalk, curb, gutter and other improvements on the east side will be finished. Replace asphalt on north side of the building with new 18 inch base with city crews. The asphalt was bid by HK for \$15,438 and Zollinger Construction for \$15,400.
11. 12th West project funded by a grant for \$458,000 will be a state project due to the volume of engineering paper work. The recommendation is to go with Forsgren Engineering because it is not feasible for city staff. The engineering could run up to 20% of the grant.
12. Water mitigation plan in three phases.
 - a. Recharge at sand dunes.
 - b. Clean wastewater for a credit.
 - c. Discharge canal shares into the city’s Nature Park for credit.
13. Signal on 7th South and 2nd East meeting planned.
14. 2nd East crossing Main Street will be restriped.
15. Sweep Pioneer Road.

Staff Report for the Finance Department: – Richard Horner

1. Monthly Budget Report
2. Adopt tentative 2010 city budget

Finance Officer Horner asked for a public hearing on August 5th to adopt the 2010 Budget; also approve the tentative budget today. The public hearing for the budget was scheduled with the county last April. Mayor Larsen called for a work meeting on the budget. Discussion on a luncheon meeting to review the proposed budget next Tuesday at 1:00 P.M. at City Hall.

Finance Officer Horner said the process will take three readings with the final reading at the first meeting in September, 2009.

Council Member Mann moved to set the public hearing for August 5th at 8:00 P.M. for the 2010 Budget; Council Member Woodland seconded the motion; all voted aye. **The motion carried.**

Calendared Bills and Tabled Items:

A. BILL Introductions:

1. **BILL 1030 Amend** Ordinance 523 (winter overnight parking restrictions) – Staff

Mayor Larsen asked the City Council to review the BILL for a first reading on August 5th. City Attorney Zollinger explained the upcoming parking passes will be ready for the Fall Term at BYU-I. The city will allow a one week grace period to acclimate the student body to the new parking rules.

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

1. **BILL 1027** – Amend Ordinance 908 Temporary Sign Sections – Staff (deferred)

C. Second Reading: Those items which have been first read. – NONE

D. Third Reading: Those items which have been second read.

1. **BILL 1024 Amending Ordinance 926** by modifying Architectural Design Standards in Industrial Zones; modifying Architectural Design Standards; and modifications to the Architectural Design standards review process – Staff (deferred)
2. **BILL 1026 Amending Ordinance 926** by increasing building height, remove Pro-Zone, reduce parking requirements for Medical Clinics, and other substantive and non substantive items – Staff (deferred)

Tabled Items: Those items which have been the subject of an affirmative vote to a motion to table:

Mayor's Report:

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. June 24, 2009 meeting
- B. July 01, 2009 meeting
- C. Approve the City of Rexburg Bills

Council Member Erickson moved to approve the Consent Calendar; Council Member Mann seconded the motion; all voted aye. **The motion carried.**

The New City Hall conference table billing was reviewed.

Council Member Stout reviewed the new street lighting fee and he suggested providing more information to the public.

Executive Session 67-2345 (B) to consider a personnel issue.

Mayor Larsen asked for a motion to go into Executive Session for a personnel issue.

Council Member Schwendiman moved to go into Executive Session per State Statute 67-2345(B) to consider a personnel issue; Council Member Stout seconded the motion; Mayor Larsen asked for a roll call vote:

Those voting aye

- Christopher Mann
- Rex Erickson
- Randy Schwendiman
- Bart Stevens
- Richard Woodland
- Adam Stout

Those voting nay

None

The motion carried.

Executive Session.

Executive Session ended.

Adjournment

Attest:

Shawn Larsen
Mayor

Blair D. Kay
City Clerk