

MINUTES OF REGULAR MEETING
SUGAR CITY COUNCIL
THURSDAY, MAY 28, 2009

Presiding: Mayor Glenn W. Dalling
Meeting Convened at 6:30 p.m.
Prayer: Brad Orme
Pledge of Allegiance

Present: Mayor Dalling; Sharon L. Bell, Clerk; Marcie A. Smith, Treasurer; Councilmembers Bruce King, Brad Orme and Lamont Merrill; Brian Hawkes and Jesse Brown, Planning & Zoning; Nate Sunderland, *Standard Journal*; Terry Mortensen; Saran Bronson; Clifton Nanney; Scott Hancock; and Kire Madsen. Councilmember Harold Harris was excused.

The Mayor asked if there were any corrections to the minutes of the regular meeting held on May 14, 2009. Each councilmember had a copy of said minutes prior to the meeting. It was moved by Councilmember Orme and seconded by Councilmember King to accept said minutes, with one minor correction; motion carried.

Marcie presented the April reconciliation reports for the Utility Fund. It was moved by Councilmember Merrill and seconded by Councilmember Orme to accept the April reconciliation reports for the Utility Fund; motion carried.

PLANNING & ZONING REPORT: P&Z Chairman Brian Hawkes addressed the council.

School Addition: Brian reported that Sugar-Salem School District #322 is interested in extending their maintenance building next to the junior high school to the north. They have filled out an application for a special use permit because the school is in an R-1 zone, and an application for variance for a setback reduced to 3 feet from the curb. They will be building on the city's easement, but utility lines at that location are in the street and will not be under the building. Sharon said the two applications would be on the P&Z agenda for June 4.

Rezoning: From input received at the last public meeting, P&Z has prepared a new plan, which they want to present at another public meeting scheduled for Thursday, June 18, at 7 p.m. to get more input from the public. After that, the P&Z will proceed with a public hearing held on rezoning the city.

Old Farm Estates: Brian reported there is an issue with Old Farm Estates because the city thought it was zoned R-1, with the exception of the northwest corner, which is R-2. After research, it was found that the entire parcel of property had been rezoned R-2. Sharon reported talking with Attorney Forsberg about the matter and will supply him with a paper trail on the annexation and zone change. Attorney Forsberg feels a mistake has been made, and Sharon will work with him on resolving it.

SHORTFALLS IN CITY FUNDING: Marcie gave a report on the budget cuts and the

recession and how that will affect our budget during this current fiscal year. County Sales Tax will be down about \$5000, Franchises about \$4000, Highway Users Revenue approximately \$1000, State Liquor Fund approximately \$6400, State Revenue Sharing approximately \$5100. Marcie also pointed out to the City Council the expected deficits in revenues due to the Toscano Development not progressing as fast as expected and the related expenses in the budget. Given these expected cuts, the city has been conservative on their spending thus far and is in good financial shape at this time.

DISCUSSION ON CABLE ONE FRANCHISE: The mayor reported that the Cable One franchise with the city is due to be renewed on or before November 12, 2009. The Cable Act requires that the public be given both notice of the proposed franchise renewal and an opportunity to participate in the franchise renewal process. It will be advertised in the August and September newsletters that a public information meeting will be held at the council's second regular meeting in September.

DEPARTMENT REPORTS:

COUNCILMEMBER HARRIS: In Harold's absence, the mayor presented a handout on how Harold is proposing to use the road and street budget for repairs and maintenance. This information was prepared by Harold.

COUNCILMEMBER ORME:

Trees growing out into city's right-of-way: Brad suggested that the city pick a few trees each year to trim or remove so it would not be hard on the budget and hire a tree company to do the work. It would be a start on what he feels is a legitimate problem. It would probably have to come out of the street budget. The mayor expressed concern about how many trees are planted in easements. Bruce says Kevin Virgin said Boy Scout troops will take them down for service. The mayor accepted the assignment to check it out and will report on what the city can legally do.

COUNCILMEMBER KING: Bruce said there was a suggestion at Planning and Zoning Commission meeting last week that the city could send out a survey to gather public input, if desired. The city could ask: "If you could change one thing in town, what would it be?" or "What maintenance would you like to see done?"

COUNCILMEMBER MERRILL:

Response to water letter to Old Farm Estates, Toscano, Calaway Ranch: Lamont reported he has received no response back from Old Farm Estates, Toscano or Calaway Ranch. Terry Mortensen said he has not received the letter, but will come and get a copy. He talked with Mr. Garlock (Calaway Ranch), who is out of town until next week. Lamont believes the letter is fair to the city and to the developers.

Report on cleaning of water tank: He said the cleaning company gave him an estimate of \$2,400 to clean the water tank and then charged an additional \$600 to \$800 when there was more sand in the tank.

Videoing sewer lines: Lamont said the city is looking at re-videoing sewer problem areas. The mayor said to remember the city didn't start videoing and cleaning to save money but to protect our system.

Water meeting in Idaho Falls: Lamont said there were a lot of things discussed at the meeting he attended. Nitrate levels are on the rise. Officials are concerned about pollution of our water systems, so any future hookups will need a backflow device. He also said water rights will be tougher to get from now on, and we should work together to obtain these water

rights. They talked about building permits. If anyone ever wanted a heat pump in their house, they would need a water right.

Diagrams of water system wells: Lamont received the engineer's drawings of the proposed connection lines so that the water from wells 2 and 4 can be pumped into the main storage tank at the site of well 1. Public Works Director Zane Baler estimated that this cost could be about \$6,000 and the Engineer Dyer estimated it at \$5,300 to \$5,400. Zane also said he believes that the cost could be in the neighborhood of \$10,000. The mayor assigned Lamont to seek bids. It is a safety factor and protection device for our water supply. The mayor requested that the matter of connecting wells 2 and 4 into the storage tank be put on the agenda in two weeks.

MAYOR'S BUSINESS:

Toscano Update: The mayor reported talking with Dwayne Seiter (Toscano) who still thinks everything is okay, but he can't shake the money loose.

Business Park/sales price for individual lots: The mayor had a meeting with Madison County and The Development Company about Business Park sales price for the individual lots. They talked about selling the lots at \$1.80 to \$2.10 per square foot. They are also considering making a special price to get a business with multiple jobs started in the park.

Darin Larson proposal: Nothing has come of this yet.

Bid on grain silo demolition: Three people have expressed interest in demolition of the grain silo, but no bids have been received.

Meeting adjourned at 8:00 p.m.

Signed: _____
Glenn W. Dalling, Mayor

Attested: _____
Sharon L. Bell, Clerk