

MINUTES OF REGULAR MEETING
SUGAR CITY COUNCIL
THURSDAY, JULY 14, 2005

Presiding: Glenn W. Dalling
Meeting Convened at 6:30 p.m.
Prayer: Tim Kershaw
Pledge of Allegiance

Present: Mayor Dalling; Sharon L. Bell, Clerk; Marcie A. Smith, Treasurer; Council members Tim Kershaw, Walter Deitz and Harold Harris; Scott Lee, City Attorney; Sharee Palmer, Planning & Zoning Commission; Dick Dyer, City Engineer; Troy Williams and Eric Verner, Idaho Transportation Department; Jan Gallup; Rayo Budge; Don Rydalch; Joe Cherrington; Kent Cherrington; David Smith; and Jill Moss. Council member Brent Barrus was excused for the first part of the meeting.

The Mayor asked if there were any corrections to the minutes of the regular meeting held June 9, 2005, the special meeting held June 14, 2005, and the special meeting held June 20, 2005. Each council member had a copy of said minutes prior to the meeting. A discussion was had on the June 9 minutes. Council member Kershaw, as a rebuttal to what Don Rydalch said under citizen input, said his comments about not wanting more multi-family housing in the Comprehensive Plan were not included. It was moved by Council member Harris and seconded by Council member Kershaw to accept the June 9th minutes as written, with two corrections -- that Tim's comments be entered as a rebuttal to concerns Mr. Rydalch made; and to enter that the comprehensive plan map was accepted only for presentation at the next public hearing; motion carried. It was moved by Council member Harris and seconded by Council member Deitz to accept said minutes of the special meeting held June 14, 2005; motion carried. It was moved by Council member Kershaw and seconded by Council member Harris to accept said minutes of the special meeting held June 20, 2005; motion carried.

Marcie presented the May reconciliation reports for the General Fund. It was moved by Council member Deitz and seconded by Council member Harris to accept the June reconciliation reports for the General fund; motion carried. Marcie presented the June reconciliation reports for the Utility Fund. It was moved by Council member Deitz and seconded by Council member Kershaw to accept the June reconciliation reports for the Utility fund; motion carried.

Marcie presented the current bills in the amount of \$23,541.24. It was moved by Council member Deitz and seconded by Council member Harris to pay the current bills, together with all regular July bills that have not yet been received, and also the Roto Rooter bill for cleaning and cameraing the south side of town and other problem areas in the amount of \$9,850; motion carried.

Marcie presented a breakdown of tracking employees' labor in hours for June, 2005.

CITIZEN INPUT: There were no comments from citizens.

IDAHO TRANSPORTATION DEPARTMENT, SUGAR CITY CENTER STREET

IMPROVEMENTS: Troy Williams and Eric Verner addressed the Council regarding improvements to Center Street. They are project managers with the ITD. They are here to find out what our needs are with the highway coming through town. The Mayor asked if they were going to help us whether or not that transfer of Highway 33 takes place from Horkley's corner in Rexburg to here. Mr. Williams said he talked about that with Tom Cole, who said as of right now it would be. He said the transportation board is thinking serious about running Highway 33 up to where the spur is now and miss Rexburg and Sugar City entirely. It will go up Highway 20 to the Highway 33 interchange and on to Driggs. He's not sure whether or not that will happen, but the board is talking about it. The Mayor said it would be a disaster to lose the state highway coming through town. ITD would like to continue the curb and gutter from where it ends on the east end of Center Street or at least put a center turn lane in and he wouldn't mind taking it clear up at least around the corner to 3rd North. A discussion was had about taking the curve out by the little park by the school. Mr. Williams said it depends on who owns the land and what they will do. The Mayor said we are in agreement on some things – if they come in and do the entire Center Street, they will do the curb and gutter and whatever they have to do with the crown. They said the ITD is in agreement to do the curb and gutter.

7:25 p.m. Council member Barrus arrived.

Mr. Williams presented a handout for the proposed roadway, a copy of which is attached hereto, marked "Attachment 1." Council member Deitz would like to be involved in checking out the curb and gutter. They will notify Council member Harris when they can do a walk through in the next couple of weeks. The Mayor thanked them for coming.

PLANNING & ZONING REPORT: Sharee Palmer addressed the Council.

Doug Purser – building permit in Ponderosa Estates: P&Z had an issue with a building permit in Ponderosa Estates. It was a corner lot that bordered 3rd South. Rogue Stierle approved the building permit, but was unaware of the problems with 3rd South. She and Sharon held up the building permit. A discussion was had on survey markers. Sharee told Mr. Purser to bring the building permit in for P&Z to look at and figure something out! In the meantime he decided to trade lots and go to an interior lot; he spent another \$1,500, which he wasn't happy about. That's why he came to P&Z to see if they could waive some of his building permit. P&Z decided that any lot that is on 3rd South should come in to P&Z to be checked before a building permit is approved.

Ponderosa Estates: P&Z has an issue with the ditch that Kirby Forbush enclosed. He put in too small of pipe (24") and it is leaking everywhere. Council member Harris said he met with Dick Dyer and Mr. Forbush. Harold said he required a written agreement with the water users if Kirby was intent on putting a 24" pipe in. If he wanted to go ahead and put a 30" pipe in, he didn't need to get permission from anyone. Sharee said she talked to Jeff Luthy who said 30" is what was agreed on. Council member Barrus said Stillman owns the water rights, so he would be the one to negotiate with.

Linda Hickman – property purchase in impact area: Sharee said Linda Hickman lives in a double-wide trailer in the impact area and her father, Willis Edwards, lives next door. They want to add some property to the area where the trailer is plus do a one-acre parcel for her

daughter to build a house. Sharee said you can divide it once; but if you divide it again, it falls under the subdivision rules. P&Z put them on hold to have a couple of weeks to research it, which they are in the process of doing. Sharee said we need to get clarification as to who has authority in our impact area, city or county.

David Smith – Sun River Lake Estates: Sharee said Mr. Smith is interested in Sun River Lake Estates. He would like to do a lot more commercial out there and get rid of the multi-family. Right now Mr. Smith is making contacts to see if he can get people who would be interested in coming in here. He said he wouldn't be back until he had some definite plans.

Impact Area Expansion: Sharee said P&Z would like to have a meeting for the P&Z Commission and the City Council before we have the joint meeting with Rexburg and the County to discuss the impact area. The Mayor said the joint meeting is scheduled for Wednesday, August 3rd, at 6 p.m., but we haven't received an official agenda or anything yet. She feels we need to meet together so when we have the joint meeting we will all be on the same page. The meeting with P&Z was scheduled for Thursday, July 21st, at 8:30 p.m. City Council will meet a half hour earlier, at 8 p.m.

JAN GALLUP – COMPREHENSIVE PLAN: Jan said she would like the City Council to approve the written part of the comprehensive plan as it was presented last night, not the land use map or the comprehensive plan map. Both of the maps are in the appendix. She would like to see us have the comprehensive plan approved before the Council meets with the county commissioners because, by law, it gives us more leverage. It states the direction that we want to take, and that is what the commissioners want to hear. Attorney Lee said he has no problem with Jan's request. **MOTION TO APPROVE WRITTEN PART OF THE COMPREHENSIVE PLAN:** It was moved by Council member Barrus and seconded by Council member Deitz to approve the written part of the comprehensive plan, but not the maps. The Mayor called for a roll call vote.

Those voting aye: Council members Kershaw, Barrus, Deitz and Harris

Those voting nay: None

Thereupon, the Mayor declared the motion passed.

Public Hearing: Jan said she felt it was a good meeting last night. She said it is going to be a challenge for the comprehensive plan committee to find a compromise, but we are getting closer. She knew the map would be the hardest.

Design Review: Jan asked the Council if they had any questions about design review. They were given a summary to let them know what has been started, the directions it is taking. It is a lot easier for the committees, and Scott suggested that they keep the Council informed month to month what is happening. It is easier for them if they know the Council's concerns up front. Jan said the committee is responsible to P&Z and she is the facilitator, which means that she helps them with the writing and meets with them to assist with the discussion. She said if an existing business wants to renovate, then they need to come in for design review so that it is following some guidelines. Jan said this is just a committee right now; it is not an official board. The official board would have to wait until everything is approved. When it comes down to who would serve on the board, it goes from design review to Planning & Zoning to City Council. She said if there are concerns, to please let her know. The Mayor expressed appreciation to Jan.

RAYO BUDGE – CITY BEAUTIFICATION COMMITTEE: Mr. Budge said he has two things to report: what they are doing and where they are going, plus a request. He discussed the Sugar Factory corner. Some homework needs to be done by the person assigned to it. He said

he has an excellent committee who are doing outstanding work and working very hard and he appreciates what they are doing. The Mayor said he covered Mr. Budge's meeting last week. Dirk Parkinson, the owner of the property, seems to be willing to help but wants us to spell out what he would be willing to do. He needs to let us know what he would be willing to do.

The committee worked on several other areas. One of the things is over by Sugar City Produce. The City owns some property south of their parking area. They suggested that the property east of the railroad track be planted with wild flowers.

The project they have going now is a Sugar City welcome sign for the corner where Highway 33 and Railroad Avenue meet, and the approximate cost is \$1,294.58. It will be stone with a reinforced cement foundation. The stone measures 27" thick, 6' long and 4' high, and lettering will be engraved on it. The Mayor felt we should look at the stone before we approve it.

Council member Deitz and Council member Barrus will go to Idaho Falls and look at it. The committee said when you enter Sugar City from the south all you see is the building and the big mound (water tank), which detracts from whatever beauty may be there. They came up with two ideas: they would like to plant a row of trees in front of the little road. They would also like to plant vines on the fence around the water tank. The Mayor asked the Council not to approve the expenditure tonight until they have looked at the stone and we do it all in one bundle. The Mayor expressed appreciation for Mr. Budge's work.

ENGINEER'S REPORT: Dick Dyer addressed the Council.

Sun River Lake Estates: Dick introduced David Smith from Pocatello, who met with P&Z last week, and he represents a group of investors that are looking at Sun River Lake Estates Subdivision. Mr. Smith was granted permission to address the Council. He said they are looking at the Sun River property and met with Planning & Zoning to get their input. They are looking at some more commercial retail in that area due to the prime location off the highway. They have several companies that have expressed interest in that location because of the amount of traffic that goes through there. He is planning on coming back to the P&Z meeting on August 4th and hopefully will have some letters of intent of certain businesses and people that are interested in that property so they can make a better plan of what exactly they are looking at doing on that subdivision. They understand that the property has been sitting there for some time and has been somewhat of a nuisance. They want to be very up front with the community. He understands the small-town, family-oriented lifestyle, but he also understands being a businessman that things grow. He left his cell phone number and his email address and said if any questions come up, feel free to contact him at any time. The Mayor thanked Mr. Smith for coming.

Consumer Confidence Report: Dick said the Consumer Confidence Report has been submitted and accepted by DEQ. We have a new format this year, and it is available at the front desk. Anyone who is concerned or interested about water quality, if you could do what you could to encourage them to come in and look at it. He did negotiate not having to publish it in the paper or mailing it out to everyone in town. We need to make it publicly available and post some notices – anything we can show DEQ as a good-faith effort to get people involved in that, they will appreciate. The water is good as usual, no problems. Everything that we tested for last year met the specifications.

Wastewater Collection System: Dick said he got today in the mail acceptance of our classification of our wastewater collection system in preparation for having certified operators, so DEQ has approved that application.

Bike Path Update: Dick said the final plans have been submitted to the State for review. The Mayor said he has a copy and it is available to the Council. The bike path itself is proposed

to be ten feet wide. The edge of the path will be about three feet off the proposed fence that separates that from the railroad. He discussed a rest station being erected in the area where the Salem Highway and the highway to Sugar City meet. There is quite a bit of room available there, so they plan to curve the pathway and put some landscaping and lighting there. Rexburg is working on paying for the cost of that. He said it looks like we will get the right-of-way from the railroad to go right down to the river to meet with Rexburg's pathway. A discussion was had about various aspects of the bike path. Dick said the project is funded -- \$450,000 of federal money is allocated to this. The transportation people really believe in this project and are anxious to see it go forward.

Negotiations with the Railroad: Dick said some of the pathway is on the edge of the highway right-of-way, but to keep it away from the road and improve safety, we will ask for a 15-foot strip down on the edge of the railroad right-of-way that is right next to the highway. They are willing to give that without lease or cost or purchase to the three governments on the premise that they get some benefits. First, they will be putting a 48-inch mesh fence between the bike path and the railroad. They want to know that the noxious weeds will be abated. The local governments will take responsibility for upkeep and maintenance of the bike path and the fence and its improvements within their area of jurisdiction. We need to give them indemnification and a release of liability just on the easement portion. That does not cover the rest of the railroad right-of-way or any of the railroad operations. ICRMP will give us a certificate to be put on the back of the agreement. The railroad was concerned about safety and wants some lighting on the pathway. We do have lighting at the major intersections for safety and visibility. They may want us to do more lighting in the future.

Closing of Railroad Crossings: Dick told the railroad there are two problems with that. One, we have some hesitation on the part of the local governments to change crossings and, also, that cost is an issue. We asked for time -- ten years or so to give this consideration. We have identified more crossings than they say that we need to do, but closing or improving crossings is certainly a good issue for any community and any railroad at any time anywhere. The ones that we have listed having to do with Sugar City are as follows: 3rd North is a possibility, but that couldn't be done until the field on the other side of the tracks is developed and then we would have to run a roadway. Railroad Avenue in Sugar City is already done. We have closed four crossings on Railroad Avenue -- the spur coming off by "B" Street, the crossing of Center Street, the crossing of "D" Street, and the other crossing on Railroad that went back out to the tracks. So we basically have credit for four that we have already closed, and they are willing to count that as two for their credit. We talked to them of how we have cleaned up the silo and bought the property and all the efforts that Sugar City had made that would facilitate closing down those crossings and we ought to get credit and goodwill for those things that were done.

Crossings by NorSun: Everyone is aware of the crossings at 3rd South and 7th West. What we have talked about in the past is an improvement for closing those two crossings and making one 90 degrees to the railroad with improvements to the roadway, finishing Railroad Avenue and getting a good signalized crossing there. He pointed out that there is a tremendous opportunity right now, if there is to be an expansion and increase in employment at NorSun. He said it would be possible to apply for economic development funds to build that little piece of Railroad Avenue and that railroad crossing and spur of roadway to get across that property if we can get our hands on that property. We could probably get the entire thing paid for by a grant at no cost to the City. That would have to be tied to a commitment by NorSun of creating "x" number of jobs in the neighborhood of maybe 30 or 40 jobs and perhaps they would be willing to work with the City on a good faith effort or some other incentives that you might want to look at

in terms of sewer, water or things like that. The Mayor said the Council suggested he go talk with them about closing those crossings, and they are adamantly opposed to it. He said they don't want all of the traffic coming down the center of that piece of property when they have two releases and they have 250 employees coming in there and going out. Many days there are 95 trucks in and out. Dick said 7th West has one of the highest accident rates in the State. He feels there may be some work to do in education to see what we can do.

The Mayor asked Dick how did we get an application in and get approved for a grant and not have an arrangement with the railroad prior to that. Dick said we had a verbal arrangement with the railroad on it, and the problem that we've run into is that the people that were behind that have all moved on. So it has been a difficult thing to resurrect. It was agreed that it should have been in writing.

Dick said the previous administration had agreed to pursue that project. The railroad was very excited about improving those crossings because they are not happy with the situation there either. The Idaho Transportation Department came and looked at it and they were thrilled with the idea for the improvements. We have them on the table for consideration and we are going to need to show so many. Rexburg is not going to want to do them all by themselves. The railroad wants five crossings closed, and we have credit for two. Rexburg is willing to close some others here. Dick feels it was discussed with the businesses by the previous administration. He said he wasn't personally involved in that. He said it was at the time we were improving Railroad Avenue and everyone was working together for the common good. He said they may have legitimate concerns and he personally feels if we sat down and tried to work with them and find out what their concerns are and looked at some ways to address that, maybe we could work something out.

Dick said the agreement is going to be coming out and we need to move on it quickly. The Mayor said, as he understands it, each entity has to make its own motion.

Rexburg Negotiations on Purchase of Capacity: Dick said Rexburg does want to meet with us on the purchase of capacity, and also our annual operation cost adjustment. The Mayor is gone for the next ten days. They were asking if there were anything that could be done to expedite that and get together and talk the numbers, they would appreciate it. It was decided that an invitation should be extended to the Council to attend any meetings on the negotiations.

Weeds on Sun River Lake Estates: The Mayor said the Sun River owners need to take care of the weeds. Dick said he would contact them. He will also contact Ponderosa Estates about their weeds.

DON RYDALCH – GRANT WRITING: Mr. Rydalch addressed the Council. In following up on Mr. Budge's comments, (1) we need to realize if we are going to apply for a grant on the rock sign, that deadline is about the middle of September. We would need official action in the August City Council meeting to approve it. We would need a schematic approved. The stone, the shrubbery, the landscaping, the sprinkler, anything like that that needs adjusted or fixed, and what few trees it appears would be there all ought to be part of the schematic that we apply for a grant. Mr. Rydalch said Garry Bates volunteered to come over and help us with the design. He said the grant would be approved within a 60-day period. (2) He referred to a different kind of grant. He has the application materials and is looking at an August 26th deadline. This is from the CHC Foundation in Idaho Falls. They gave out \$250,000 the first half to various communities and entities ranging from \$1,500 to \$30,000. He said we would be eligible. He suggested we apply for a grant to finish the fence at Heritage Park, negotiate on the property next to the overpass, or if we have any machinery needs. The Mayor said we would get it on an agenda.

DEPARTMENT REPORTS:

COUNCIL MEMBER DEITZ:

Sewer Cleaning: Walter discussed the areas that have been cleaned. He is pleased with what they are doing. They cleaned everything on the south side of town, and there were a number of manholes that were below the surface which need to be raised up. There are problems at Ponderosa and we will need to study the videos to see what can be done. He said we have pumped all of the lift stations out throughout the town and cleaned all the rocks and debris and built-up grease. Railroad Avenue - we dug up this spring and fixed that bad spot in the pipe. It was his intent to see what the grade was from that point through, but apparently we didn't do that and there is a full pipe of water just east from where we dug. It isn't causing us a problem at this point. That's something we will need to look at down the road. Otherwise, the town is in pretty good shape. Next year we'll look at a few other areas and camera a few things. We budgeted \$15,000 and spent just short of \$10,000, but we're going to use some of that money and lift up these manholes. Walter said there is a crack in the main line by Sweet Haven Apartments and a tremendous amount of water is coming in.

Teton's Sewer Line: Walter said we ought to find out and address who is responsible from where Teton comes in to where they hook into our line. He said we are going to take Teton's measurement at the pumping station now, we are going to put some equipment on our pumping station, and some on NorSun's pumping station, and then we are going to monitor and see how all three readings coincide. If there's a big difference, then we need to do some investigation to see if we have ground water coming in.

COUNCIL MEMBER BARRUS:

Community Breakfast: Kent Cherrington is doing the breakfast for his scout project. The food has been ordered, and Brent discussed the final plans for the breakfast. The Mayor said it would be good for the whole Council to be there visiting people and mingling with them. Brent suggested we invite the County Commissioners and the City of Rexburg Mayor and Council.

Letter to Mayor Larsen (Flood Run): Brent said he wrote a letter to Mayor Shawn Larsen regarding the flood run. He talked with Sharon Pirente who works on the health fair committee and she said they aren't sure they are going to do it with Rexburg next year. The Council was in agreement that the letter should be sent. Sharon will type it on the City's letterhead.

Trees at Church: The Church agreed to give us three Colorado blue spruce trees and three Austrian Pines. Walter said the City can have the trees but they need to put the dirt back in the holes and put grass back in. Brent said we want to include it as part of our Arbor Day celebration. The Mayor said we could get a design architect to tell us where to put the trees. Walter said we should wait until late fall or early spring to plant them. The Mayor said he would call a design architect.

COUNCIL MEMBER KERSHAW:

Tim's department report will be taken care of in executive session.

COUNCIL MEMBER HARRIS:

Report on knee: Harold said his knee is doing well.

Street Sweeper: Harold said we were supposed to have it last week, but they are putting a new blower on it. The Mayor said he and Marcie have worked out payment for it.

Roads: Harold said we have done about all we can do this year, other than we still have some seal coating on these patches. We are ahead of the mowing finally, and they really

appreciate the mower. He said the air conditioner is broken. Harold said he approached the County, and he can't get a decision from them, on seal coating that area we did for Sun-Glo last year. We need to get it done. If he can't get the County to do it, he needs to get somebody else.

Ground for Business Park: Harold said he would like us to get on top of a letter to Tom Cole about purchasing ground for a business Park. The Mayor said he would write the letter.

Qwest's Request to Dig into 3rd South and into Ponderosa Subdivision:

Harold said he cleared the way with them today for new phone lines in that area. He doesn't know why that wasn't done prior; but they said they needed to wait until curb and gutter goes in, then they knew where to position their line. They are not going to do any digging in roadways, but they will be in the right-of-way behind the curb and gutter. He approved their permit, but he asked Sharon to send them our excavation permit. He tentatively approved it so they can get their paperwork ready to go. The Qwest representative assured Harold there would be no digging in the street. He guaranteed that when he digs Harold gets to approve the depth of the trench, the backfilling, etc. Harold told him to go at least three feet deep on 3rd South because of the alignment. He said inside Ponderosa they would do it up 30 inches.

EXECUTIVE SESSION:

10:05 p.m. It was moved by Council member Deitz and seconded by Council member Harris to go into executive session to discuss personnel matters. The Mayor called for a roll call vote:

Those voting aye: Council members Kershaw, Barrus, Deitz and Harris

Those voting nay: None

Thereupon, the Mayor declared the motion passed.

10:35 p.m. The regular Council meeting reconvened.

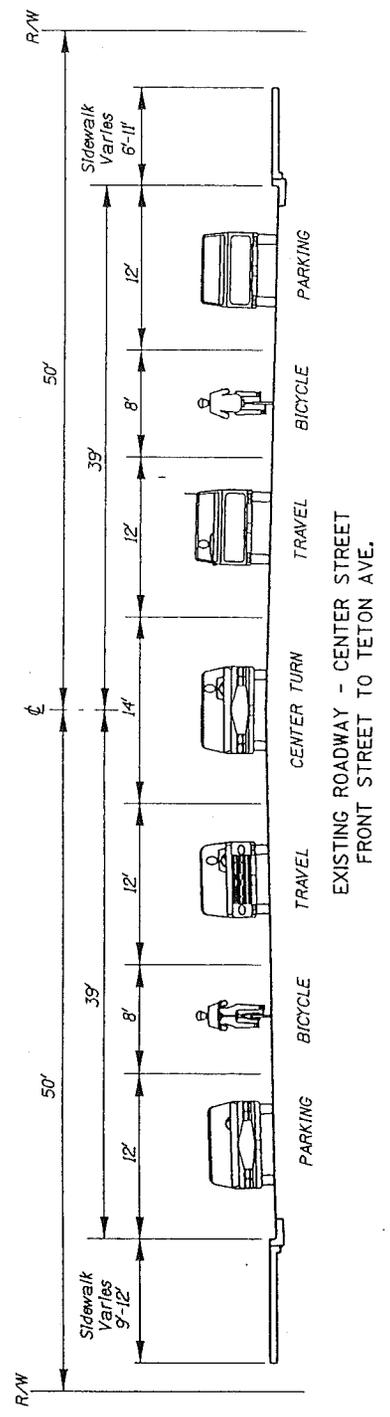
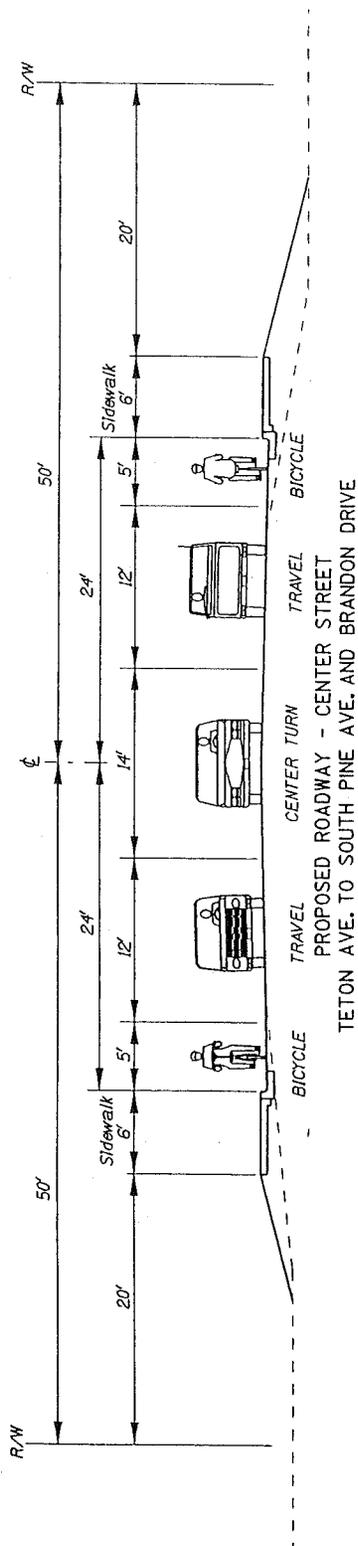
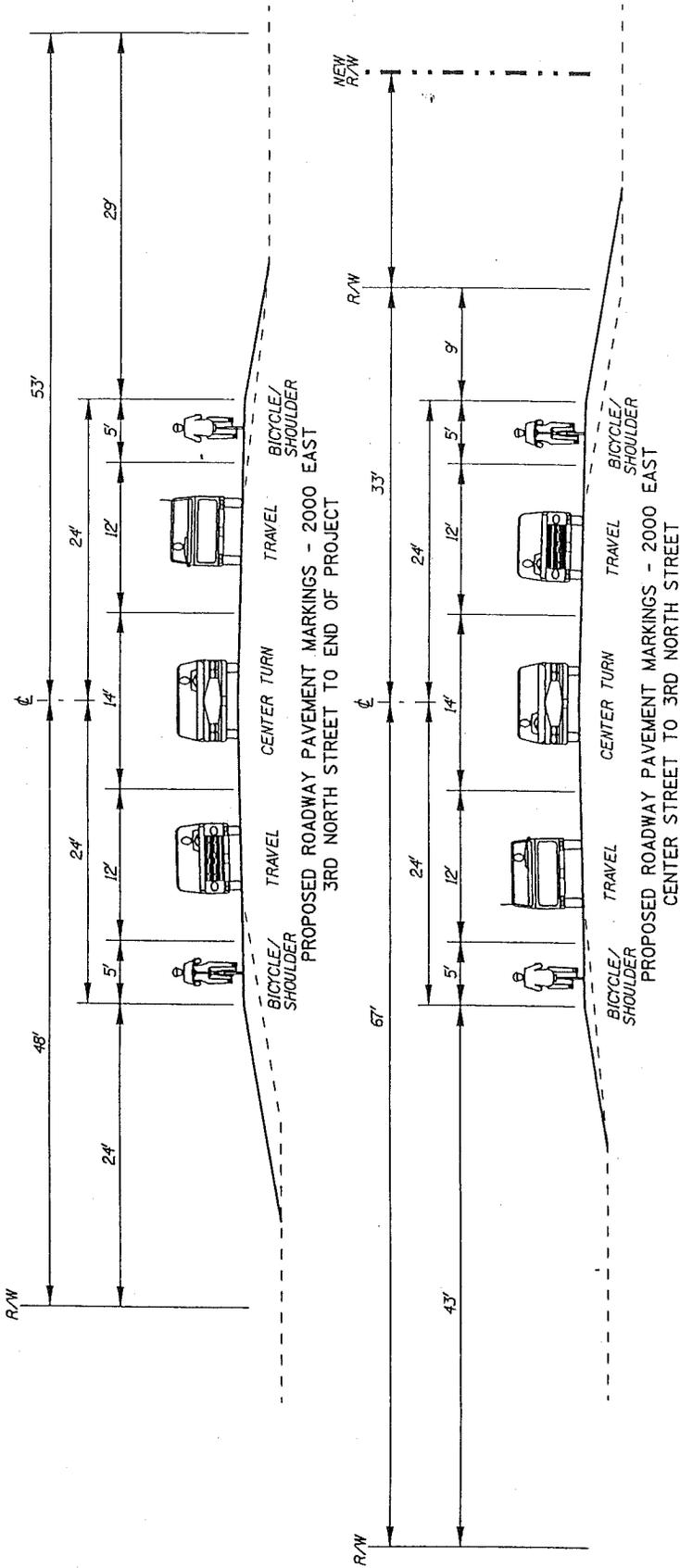
JAN GALLUP MEMO & OFFICIAL TITLE: The Council discussed the items on the memo to them from Jan Gallup dated July 11, 2005. An official title for her was also discussed.

MOTION: It was moved by Council member Harris and seconded by Council member Kershaw that we give the Mayor the leeway to negotiate with Jan based on \$500 a month and, knowing the suggestions we have given him as far as a title, allow him to reduce that to a title that would reflect her responsibilities and that she will be in agreement with. Council member Kershaw said whatever we do, we need to convey to her that we don't want her to decide what she is going to do. We want to have more input on what she does. The Mayor suggested City Project Consultant. When we give her something, she does it. We need to make sure she is appreciated. Motion carried.

Meeting adjourned at 11:10 p.m.

Signed: Glenn W. Dalling
Glenn W. Dalling, Mayor

Attested: Sharon L. Bell
Sharon L. Bell, Clerk



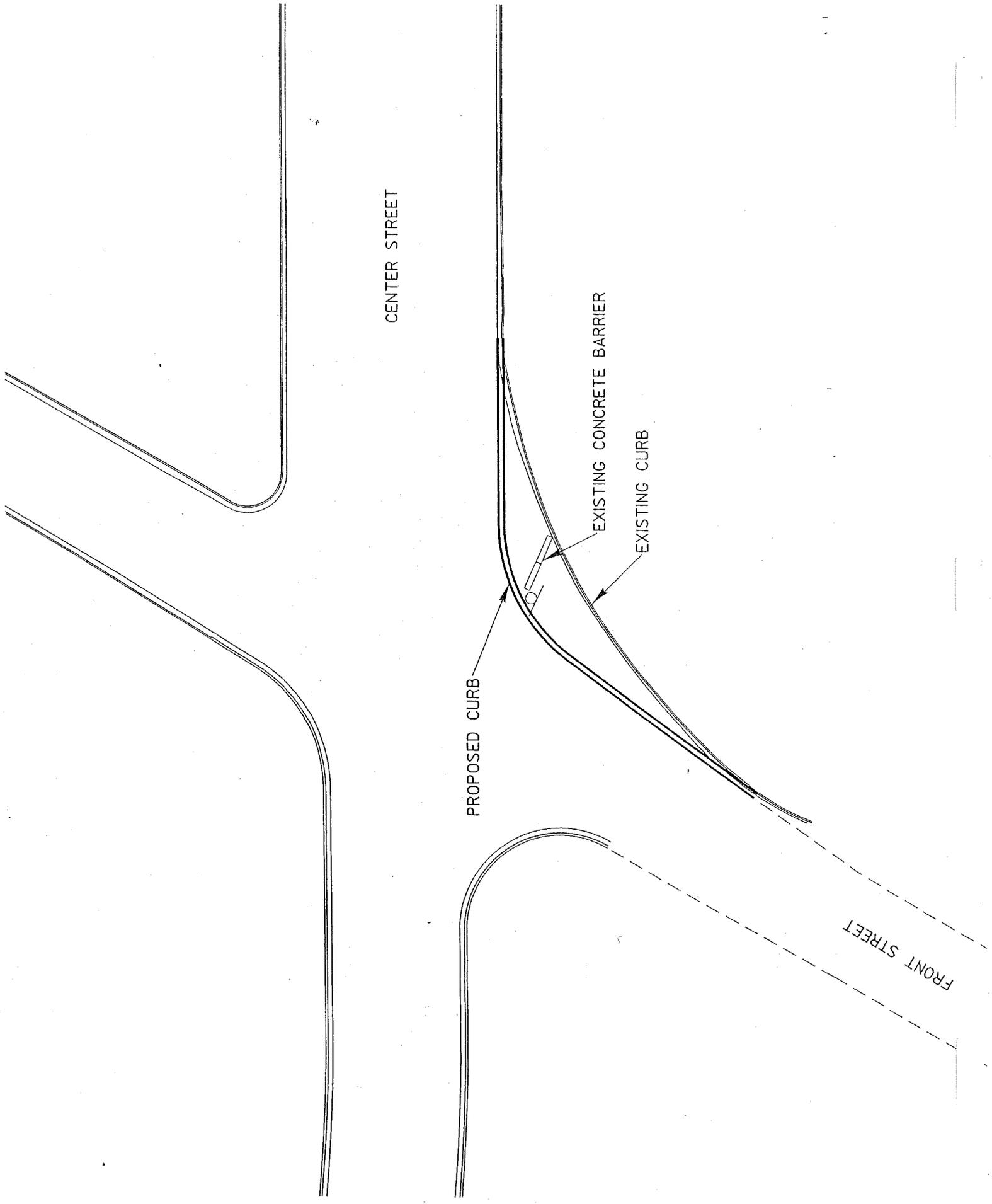
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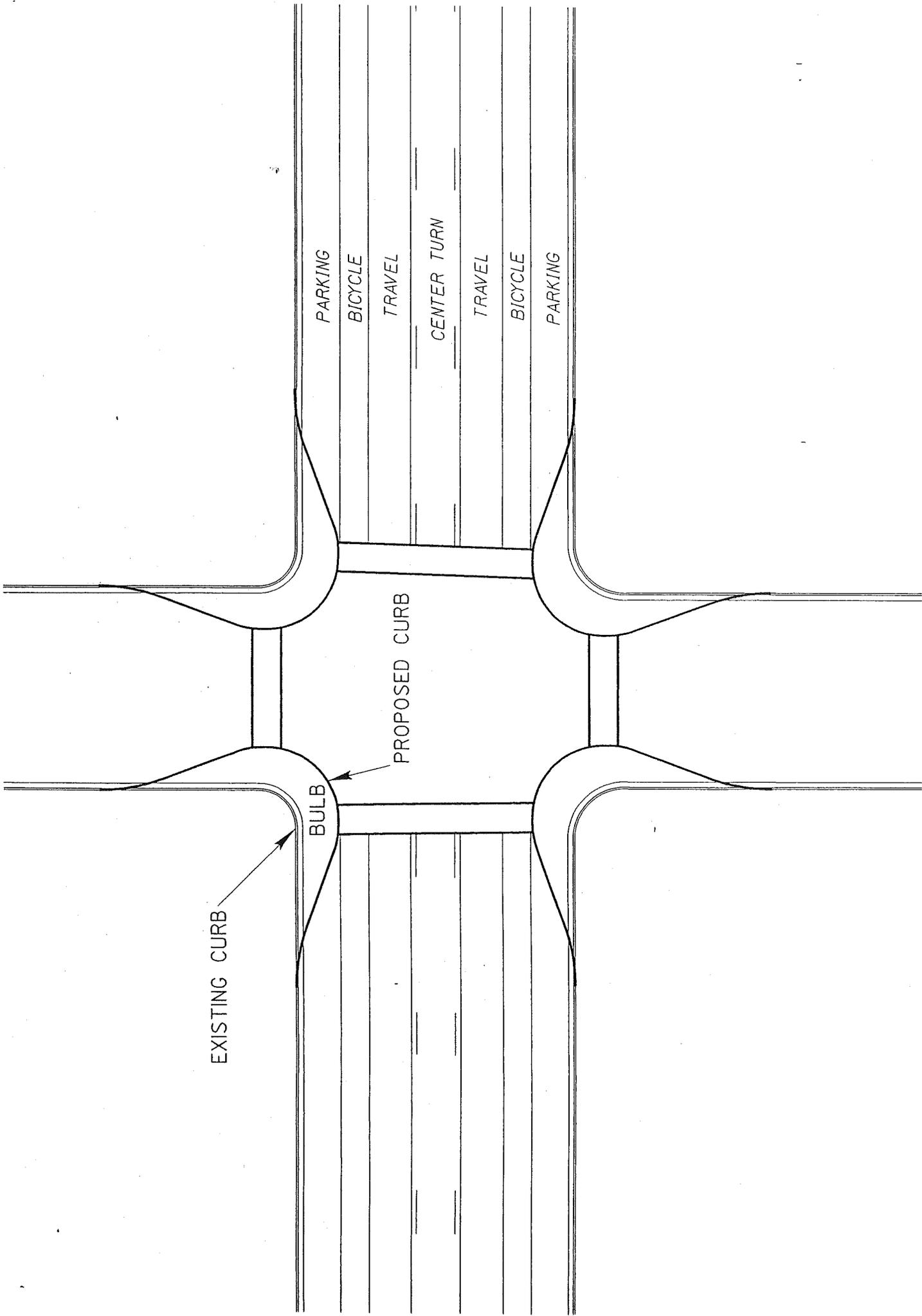
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EXISTING CONCRETE BARRIER

EXISTING CURB

FRONT STREET





PARKING

BICYCLE

TRAVEL

CENTER TURN

TRAVEL

BICYCLE

PARKING

PROPOSED CURB

BULB

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