

MINUTES OF REGULAR MEETING
SUGAR CITY COUNCIL
THURSDAY, AUGUST 13, 2015

Presiding: Mayor W. Lamont Merrill
Meeting Convened at 6:35 p.m.
Prayer: Bruce Bills
Pledge of Allegiance

Present: Mayor Lamont Merrill; Clerk-Treasurer Wendy McLaughlin; Councilmen Bruce King, Bruce Bills, Bruce Arnell, and Matt Garner; Chairman Dave Ogden of the Planning and Zoning Commission; Commissioners Bill Barnhill and Brent Barrus of the Planning and Zoning Commission; and Caleb Despain of the *Standard Journal*.

Mayor Merrill asked if there were any corrections to the minutes of the regular meeting held on July 23, 2015. Each councilman had a copy of the minutes prior to the meeting. It was moved by Councilman King and seconded by Councilman Bills to accept the minutes, provided that the “Planning and Zoning Commission” reference be changed to the “Tree & Beautification Committee,” which is the group represented by Grant and Linda Johnson; motion carried.

RECONCILIATION REPORTS: Wendy presented the July reconciliation reports for the General Fund. It was moved by Councilman Garner and seconded by Councilman Arnell to accept the July reconciliation reports for the General Fund; motion carried. Wendy presented the July reconciliation reports for the Utility Fund. It was moved by Councilman Arnell and seconded by Councilman Garner to accept the July reconciliation reports for the Utility Fund; motion carried.

Wendy presented the current bills in the amount of \$113,145.80. It was moved by Councilman King and seconded by Councilman Garner to pay the current bills, together with all regular August bills; motion carried.

PLANNING & ZONING COMMISSION REPORT: Chairman Dave Ogden reported there were several items discussed:

Randall Porter Sign Application: Randall Porter applied for a sign permit to be placed on his property on the corner of Moody Highway and Idaho Highway 33. The property lies within Sugar City’s impact area and requires that the Planning & Zoning Commission approve the sign specifications to meet the city’s code. The commission needed more information from Mr. Porter and asked that he come back to the next meeting for review.

Agri-Service Sign Application: Agri-Service just finished the new addition to their store and applied for a sign permit to complete the project. They are within the city limits. The commission reviewed the documents and signed the application. The new sign covers less than 20% of the building and will be illuminated by exterior lights.

Van Wagner Special Use Permit: Mike Van Wagner met with the commission to consider a special use permit in order to build an additional residential home for his daughter, which lies

within a mixed use zone. He also discussed the viability of changing the zone for possible additional family homes. He will get back to the commission on his decision.

Larsen/Pocock Proposed Fertilizer Plant: Kelton Larsen and John Pocock met with the commission to discuss their plans for a fertilizer plant on 10 acres just north of the business park. The proposed location lies within the city's impact area. The plant would produce a new dry, slow-release fertilizer popular for golf courses and hopefully potato farmers who grow potatoes in sandy soil. Peat moss is one of the main ingredients, which will be trucked to the plant from Canada. Some concerns the City Council discussed were:

- Truck routes
- City roads
- Safety
- Odor
- Governance

Joint Commission of City Impact: The Madison County Commission has called for a nine-person committee to discuss conflicting claims regarding impact area boundaries involving the Todd Harris property southwest of Sugar City. Rexburg claims all of the Harris property on grounds that Sugar City cannot provide infrastructure or resources for development. The committee consists of three representatives each from Madison County, Rexburg and Sugar City. Those representing Sugar City are Planning and Zoning Commission Chairman Dave Ogden and P&Z commissioners Brent Barrus and Bill Barnhill. The first meeting will be next week. Madison County passed Sugar City's Ordinance No. 307, which defines the city's area of impact and how it will be governed. The Madison County Ordinance is No. 398.

TENTATIVE BUDGET ADOPTION: The council adopted the 2016 tentative budget appropriation. A public hearing on it will be set for August 27, 2015.

MOTION: It was moved by Councilman Arnell and seconded by Councilman Garner to approve the tentative budget for fiscal year 2016; motion carried.

COUNCIL ELECTIONS: After a short discussion, Councilman Arnell nominated Councilman Garner as vice president of the council to fill the vacancy created by the resignation of Councilman Drake, who was the vice president.

MOTION: It was moved by Councilman Arnell and seconded by Councilman Bills to elect Councilman Garner as council vice president; motion carried.

ANIMAL ORDINANCE DISCUSSION: The discussion was postponed to focus on more pressing issues.

EXECUTIVE SESSION:

7:50 p.m. It was moved by Councilman Arnell and seconded by Councilman King, pursuant to Idaho Code 74-206 (f) to discuss legal ramifications of and legal options for potential litigation or controversies not yet being litigated but imminently likely to be litigated, to move into executive session. The mayor called for a roll call vote:

Those voting aye: Councilman King, Councilman Bills, Councilman Garner, and Councilman Arnell.

Those voting nay: None

Thereupon the mayor declared the motion passed.

8:50 p.m. The executive session ended and the regular council meeting reconvened. No decisions were made and there was no deliberation.

DEPARTMENT REPORTS:

COUNCILMAN KING:

Franchises: A franchise is a right granted by government, such as permission to install and operate a utility. When a city grants a franchise to a utility, it passes what is known as a utility franchise and easement ordinance, in a process specified in state code. Idaho law authorizes a city to charge a 3-percent fee on the utility's gross revenues. Sugar City sees the fee as compensation for using its right of way and as a means of spreading the burden of paying for city government to residents who do not pay property tax. The city applies proceeds to paying the premium on its property and casualty insurance policy through the Idaho Counties Risk Management Program (ICRMP). State statute requires the utility to assess the fee as a separate charge on each customer bill.

Utility Rates: Councilman King asked the council to come prepared to answer potential questions on utility rate increases at the budget hearing Aug. 27.

City Wells: Councilman King discussed the need to protect the city's wells and its water-delivery system. "What back-ups do we have in case of a power outage and how secure are our wells," he asked. "In my mind, one of the best things we can do for future generations is to ensure that our water supply is stable and secure, with back-up systems in place for emergencies."

COUNCILMAN BILLS:

Alleyways: Discussed the need to keep alleyways clear and that the alleyways seem to be shifting. A notice was sent in the August newsletter reminding residents that the alleyways should not be used as a storage place.

Grants: Councilman Bills is also looking into grants for safer school crossings. Local engineering firms can help with grant applications.

COUNCILMAN ARNELL:

Water Truck: Councilman Arnell reminded the council of the need for a separate city watering vehicle. The city could pick up a used truck from a state auction. The truck could be used for other jobs as well, which would be the least-expensive option.

Bicycle Path to Rexburg: The city should maintain the bicycle path to Rexburg at least to the Moody junction instead of just to the canal, since it belongs within Sugar City's impact area.

Boyle Fertilizer Plant: Mr. Arnell would like a report on what chemicals are being used and any safety issues. Is anyone monitoring the plant? The Madison County Fire Department will be contacted to see what their procedures are.

COUNCILMAN GARNER:

Pioneer Community Breakfast: Councilman Garner reported that the breakfast was a great success, with more people being fed than last year. There were a few grocery items left over, which were delivered to needy families in the community. The city ran out of eggs and syrup. The breakfast list will be updated for next year.

MAYOR'S BUSINESS:

Ordinance No. 307 (Area of Impact) Update: See previous report.

Ordinance No. 305 (Large Vehicle Parking): Bob Moon has pleaded not guilty and asked for a trial. He will go before a judge next week.

Kelton Larsen/John Pocock Update: See previous report.

Syringa Franchise Update: Syringa wants to sign a month-to-month agreement for \$800 per month. The attorney will check into getting the back rent difference between \$563.07 and \$800 from January to July.

AT&T Update: A cement pad has been poured. The expensive electronic equipment shipped in for installation will be housed in the city's garage until crews are ready to install it.

Sugar Factory Sign: The Tree & Beautification Committee is making plans to update the old sugar factory sign. Committee members figure it will cost the city at least \$650.

Old Farm Estates Update: Mayor Merrill met with Ryan Lerwill on the Old Farm Estates development. Recent developers backed away from plans to develop the subdivision, even after putting down \$50,000, because they objected to drilling a well. Other developers now are considering the property for possible development.

Chuckars Tickets: Six free tickets are available for the Tuesday, August 18, game through the Rexburg Area Chamber of Commerce. Free tickets further public relations.

Meeting adjourned at 9:30 p.m.

Signed: W. Lamont Merrill
W. Lamont Merrill, Mayor

Attested: Wendy McLaughlin
Wendy McLaughlin, Clerk-Treasurer