

MINUTES OF REGULAR MEETING  
SUGAR CITY COUNCIL  
THURSDAY, APRIL 23, 2015

Presiding: Mayor W. Lamont Merrill  
Meeting Convened at 6:30 p.m.  
Prayer: Matt Garner  
Pledge of Allegiance

Present: Mayor W. Lamont Merrill; Clerk-Treasurer Wendy McLaughlin; Councilmen Bruce King, Burch Drake, and Matt Garner; Vice Chair Christine Lines of the Planning and Zoning Commission; David Caleb Despain of the *Standard Journal*; Citizens Allan Briggs and Russell Blaser. Councilman Bruce Arnell was excused.

Mayor Merrill asked if there were any corrections to the minutes of the regular meeting held on April 9, 2015. Each councilman had a copy of the minutes prior to the meeting. It was moved by Councilman Drake and seconded by Councilman King to accept the minutes; motion carried.

**PLANNING & ZONING COMMISSION REPORT:** Christine Lines reported that the commission met on April 16 to discuss several items of business:

**Silver Leaf Lawns:** Kyle Kimball applied for a new home business license, which was granted by the commission. They were given the home business guidelines from the city and asked to follow them.

**AT&T Historic Water Tower Site Review:** AT&T is proposing to modify the existing Sugar City water tower, which may be considered a historical site. They have retained EarthTouch, Inc. to conduct the review for compliance under the National Historic Preservation Act. AT&T proposes to:

- Expand the existing pump house area on the south side, with an 8 ft by 16 ft equipment lease concrete pad area surrounded by a chain link fence
- Install a new 8 ft diameter microwave antenna
- Install a new 6 ft diameter microwave antenna and a 6 ft new General Dynamics antenna
- Move its existing 4 ft microwave antenna
- Paint all the antennas white to match the water tower

The commission reviewed the changes and felt there was no adverse impact to the historical preservation or value to the tower or pump house. The commission recommended that a maintenance fund be established from the lease revenues to paint and maintain the tower and building. The tower was painted about six years ago with 25-year warranty paint. The council recommended that the commission review Title 1, Chapter 12, of the Sugar City Code, "Historic Preservation." A historic preservation commission should be established. Harold Harris could be asked to sit on the commission.

**Comprehensive Plan Revisions:** The commission has been working on revisions to the city's comprehensive plan. The commission will hold a public hearing on the revisions before they make their recommendation to the City Council. Councilman King will send a copy of the suggested revisions to the council to review.

**REXBURG CITY P&Z PUBLIC HEARING:** - Councilman King attended Rexburg's P&Z Public Hearing held April 16, 2015 (see Attachment 1) and reported that the commission went ahead and recommended to the Rexburg City Council the proposed changes to Rexburg's impact area despite the fact that the map of the proposed new impact area includes property within Sugar City's impact area (see Ordinance #338). Rexburg City's Attorney Steve Zollinger

suggested to the P&Z commission that it move forward with its recommendation despite Councilman King's testimony that a parcel of land cannot be in two impact areas at the same time. Mayor Merrill met with Mayor Woodland after the hearing and reminded him of the existing agreements and that the map was in error. The council suggested that a letter be written by our attorney asking Rexburg to correct its map prior to the Rexburg City Council meeting on Wednesday, May 6. The letter would remind Rexburg of the agreements on the impact area and the boundaries set forth by Ordinance #338 (see Attachment 2).

**MADISON COUNTY P&Z PUBLIC HEARING:** Planning and Zoning Commissioner Brent Barrus is attending Madison County's P&Z public hearing on Ordinance #307 tonight. He will represent Sugar City's interests and report the outcome of the meeting. The map portion of the ordinance was accepted in the January 8 public hearing meeting.

**LARGE VEHICLE PARKING ORDINANCE RE-ADOPTION:** Attorney Bill Forsberg received a letter from Blaser, Oleson, & Lloyd of Blackfoot representing Bob Moon (see Attachment #3) stating that the procedure followed by Sugar City to pass Ordinance #305 was incorrect.

**MOTION:** It was moved by Councilman King and seconded by Councilman Garner to amend the agenda to add "discussion" after the word "re-adoption" in the subtitle so that the council could discuss rather than re-adopt the ordinance, which was the intent; motion carried.

**IDENTIFY & LOG WATER & POTENTIAL WATER RIGHTS:** Discussed Sugar City's wells and years the wells were drilled and then explored potential water rights for the city:

- Well #1 Sugar Factory Well – 1904 – 3.0 cfs = total of Wells #1, #3
- Well #3 – 1915? (no longer in use – 50 feet deep, sits under city hall) – rights transferred to Well #1
- Well #2 – 1939 – 1.35 cu foot water right. The city is using less than ½ cu foot of water
- Well #4 – not discussed, but has 1.4 cfs

It was discussed about the possibility of using existing surface and storage water rights to warrant approval of an application for new water rights/well permits.

**THIRD SOUTH PARKING SOLUTION:** The council will close off Third South to through traffic when the school has multi-regional games and tournaments. Liability to the city was also discussed if the "No Parking" signs were left up but not enforced or taken down. Additionally, a culvert could be installed in a ditch along the south side of Third South and be covered for parking.

**DEPARTMENT REPORTS:**

**COUNCILMAN KING:** No report.

**COUNCILMAN DRAKE:** No report.

**COUNCILMAN ARNELL:** Excused.

**COUNCILMAN GARNER:**

**Arbor Day Celebration:** The Arbor Day Celebration is scheduled for tomorrow Friday, April 24, at 11 a.m. in Heritage Park.

**Teton Dam Marathon:** Scheduled for Saturday, June 13. The marathon will have a rest station in Sugar City. There are 400 – 800 runners expected. Our goal is to have a very fun, unique rest station that the runners would enjoy and remember.

**MAYOR'S BUSINESS:**

**CHC Grant Application:** Mayor Merrill met with representatives from the CHC Grant Foundation. They came to see the walking path around the business park.

**Walmart Construction - Road Closed:** Traffic increased through Sugar City due to the road closure on 2<sup>nd</sup> East in Rexburg. Ole's restaurant reported increased business. The new Walmart Supercenter apparently is scheduled for completion as early as this fall. Reportedly, the contractors have been advised of a big bonus if the schedule is met.

**AIC District Spring Training Meeting:** Will be held Thursday, April 30. The council is invited to attend, especially the new council members. The city will pay for registration and mileage.

**Toscano Water Rights:** Sugar City is paying the delinquent water rights fee for Toscano to avoid the rights being sold off.

Meeting adjourned at 7:55 p.m.

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

Attested: Wendy McLaughlin  
Wendy McLaughlin, Clerk-Treasurer



THIS ORDINANCE IS BEING RE-RECORDED TO INCLUDE EXHIBITS A.

**ORDINANCE NO. 338**

**AN ORDINANCE AMENDING AND CHANGING ORDINANCES NOS. 164,165,166, 167, 168, AND 169 OF THE COUNTY OF MADISON, IDAHO, AND PROVIDING AND DEFINING GEOGRAPHICAL AREA OF CITY IMPACT FOR THE CITY OF SUGAR CITY, IDAHO WITH MADISON COUNTY, BY ADOPTING A MAP IDENTIFYING SAID AREA OF CITY IMPACT WITHIN THE UNINCORPORATED AREA OF MADISON COUNTY, IDAHO, AND BE CHANGED AS HEREINAFTER DESIGNATED, AND PROVIDING A DATE WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.**

**BE IT ORDAINED BY BOARD OF COUNTY COMMISSIONERS OF MADISON COUNTY, IDAHO, AS FOLLOWS:**

**WHEREAS**, Idaho Code, Section §67-6526 requires, among other things, that cities and counties negotiate and agree upon an area of city impact, and;

**WHEREAS**, The City Council of Sugar City and the Board of County Commissioners for the County of Madison, Idaho, have pursuant to the mandate of Idaho Code, Section §67-6526, entered into and have conducted extensive negotiations regarding the areas of impact, and;

**WHEREAS**, the aforementioned negotiations considered the following factors, among others: (1) Trade area; (2) Geographic factors; and (3) Areas that can reasonably be expected to be annexed into the City of Sugar City, Idaho, in the future and;

**WHEREAS**, the City Council for the City of Sugar City, Idaho, did submit to the City Planning and Zoning Commission in question of the area of impact, and;

**WHEREAS**, the city and county appointed a committee of residents living within the proposed area of impact to study the matter and make recommendations to the City of Sugar City and Madison County, and;

**WHEREAS**, the City Council for the City of Sugar City, Idaho and Madison County commissioners held public hearings regarding the proposed area City Impact on the February 14, 2008, and the June 9, 2008, and;

**WHEREAS**, the City of Sugar City has enacted Ordinances Nos. 164,165,166,167,168,169 establishing an area of City Impact and providing for the application of the City of Sugar City plan and Ordinance within the are of City Impact, and;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MADISON COUNTY, IDAHO:**

**SECTION 1. GEOGRAPHICAL AREA OF CITY IMPACT:**

There is hereby established and adopted a geographical area of City Impact as shown on the attached map (Exhibit A) entitled "Area of City Impact for Impact, Idaho," which map and legal description are attached hereto and incorporated herein as if the same were set out in full, and is hereby adopted as the official Area of Impact map.

**Instrument # 347302**  
 REXBURG, MADISON, IDAHO  
 7-14-2008 02:46:00 No. of Pages: 5  
 Recorded for: MADISON COUNTY  
 MARILYN R. RASMUSSEN Fee: 0.00  
 Ex-Officio Recorder Deputy

**Instrument # 348208**  
 REXBURG, MADISON, IDAHO  
 8-20-2008 11:30:00 No. of Pages: 7  
 Recorded for: MADISON COUNTY  
 MARILYN R. RASMUSSEN Fee: 0.00  
 Ex-Officio Recorder Deputy

Also included is the North Interchange Development Agreement (Exhibit B) between the Cities of Sugar City and Rexburg concerning the Harris Family Property dated November 29, 2007, instrument number 341858.

**SECTION 2. EFFECTIVE DATE**

This Ordinance shall become effective upon its passage, approval and publication. ADOPTED by the Board of County Commissioners of Madison County this 14<sup>th</sup> day of July, 2008.

PASSED THIS 14<sup>th</sup> DAY OF July, 2008.

BOARD OF COUNTY COMMISSIONERS  
MADISON COUNTY, IDAHO

Ralph Robison  
RALPH ROBISON, Chairman

Robert Hansen  
ROBERT HANSEN, Commissioner

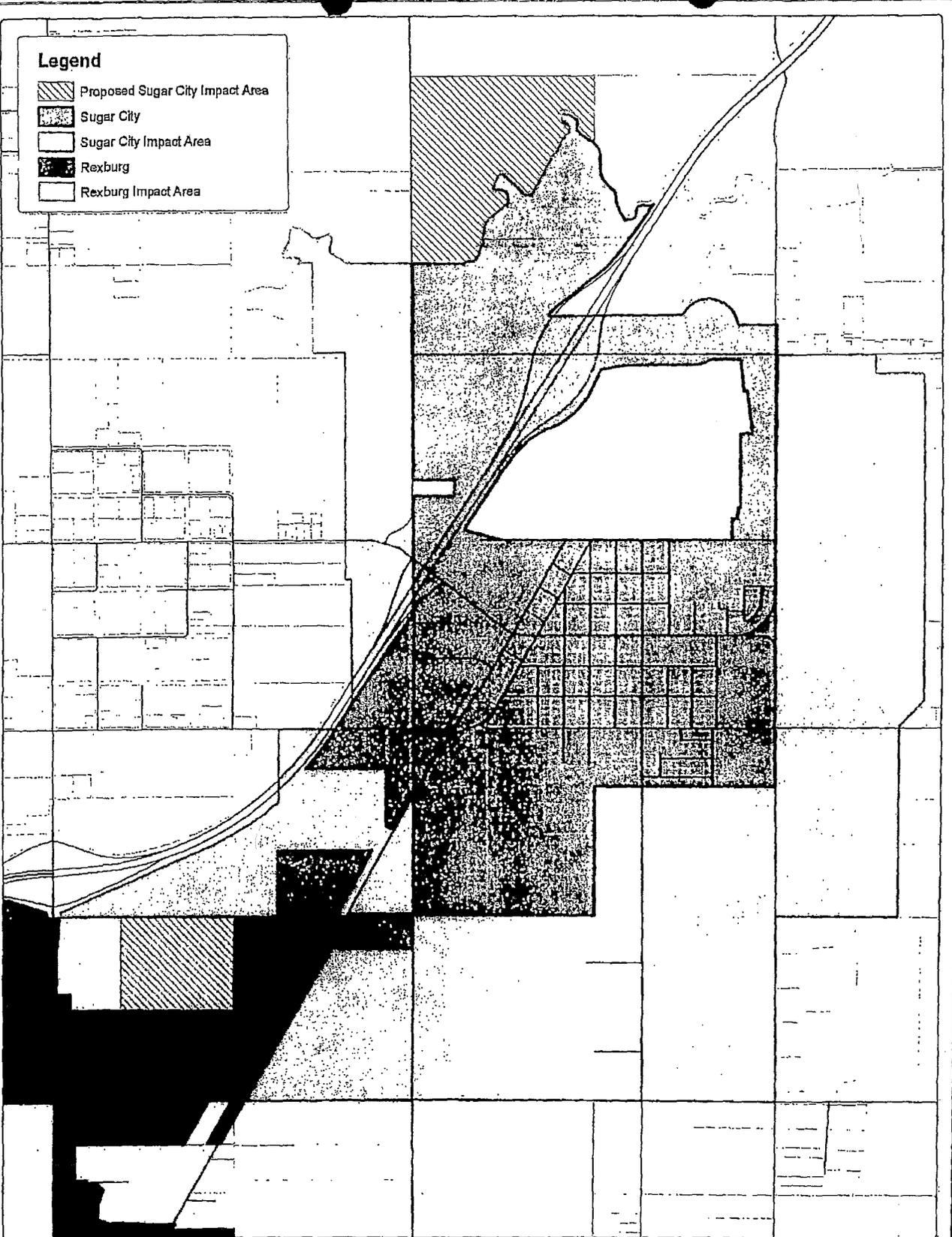
Kimber Ricks  
KIMBER RICKS, Commissioner

ATTEST:

Marilyn R. Sasmussen  
MARILYN R. SASMUSSEN, County Clerk

**Legend**

-  Proposed Sugar City Impact Area
-  Sugar City
-  Sugar City Impact Area
-  Rexburg
-  Rexburg Impact Area



**SUGAR CITY PROPOSED IMPACT AREA EXPANSION**



0 125 250 375 500

The information contained in this map is for reference purposes only. Mackay Group and the City of Mackay cannot be held responsible for errors or omissions of the data.

Updated 21 December 2007



*Exhibit A*

The following is the legal description for the Blair Calaway Property.

Township 7 North, Range 40 East, Boise Meridian, Madison County, Idaho.

Section 33, S1/2NW1/4, N1/2SW1/4; that portion described as follows:

Beginning at the Southwest Corner of the N1/2SW1/4; thence N.89°51'36"E. along the South Line of said aliquot part 823.35 feet to a monument set on the North Bank of the Teton River; thence N.53°37'E along said bank 66.2 feet; thence N.12°06'E. along said bank 501.5 feet; thence N.39°55'E. along said bank 204.0 feet; thence N.24°37'E. along said bank 184.5 feet; thence N.64°42'E. along said bank 139.4 feet; thence N.87°42'E. along said bank 276.8 feet; thence N.53°16'E. along said bank 173.3 feet; thence N.31°51'E. along said bank 636.9 feet; thence N.70°09'E. along said bank 115.0 feet; thence N.11°05'E. along said bank 163.0 feet; thence N.39°53'E. along said bank 98.5 feet; thence S.88°13'E. along said bank 94.4 feet; thence S.73°00'E. along said bank 272.3 feet to a monument set on the north bank of said river and East Line of the S1/2NW1/4; thence N.0°20'17"W. along said line 882.59 feet to the Northeast Corner of said part; thence S.89°45'57"W. along the North line of said part 2636.86 feet to the Northwest Corner of said part; thence S.0°22'54"E. along the West Line of said part 2635.06 feet to the Corner of Beginning.

**EXHIBIT A**

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Instrument # 341858  
REXBURG, MADISON, IDAHO  
2007-11-29 12:05:00 No. of Pages: 3  
Recorded for : CITY OF REXBURG  
MARILYN R. RASMUSSEN  
Ex-Officio Recorder Deputy Fee: 8.00

**NORTH INTERCHANGE DEVELOPMENT AGREEMENT**

This Agreement is made and entered into this <sup>29<sup>th</sup></sup> day of <sup>November</sup> September, 2007, between the City of Rexburg, a municipal corporation of the State of Idaho, and the City of Sugar City, a municipal corporation of the State of Idaho.

WHEREAS, the City of Rexburg ("Rexburg"), is a municipal corporation duly organized and existing as a city under the general laws of the State of Idaho; and

WHEREAS, the City of Sugar City ("Sugar City"), is a municipal corporation duly organized and existing as a city under the general laws of the State of Idaho; and

WHEREAS, both entities are within Madison County, Idaho, and are contiguous on Rexburg's North boundary and Sugar City's South boundary; and

WHEREAS, the parties hereto have determined it to be in their mutual best interest to cooperate in the development of properties located at the point where the two entities come together near the North Rexburg Interchange; and

WHEREAS, the parties hereto believe it is in the best interest of all parties involved to annex the property commonly referred to as the Harris Family Property;

NOW THEREFORE, IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

1. **HARRIS FAMILY PROPERTY ANNEXATIONS**

Rexburg agrees not to oppose Sugar City taking the appropriate steps to annex the approximate 50 acres on the Easterly most portion of the Harris Family Property, said acreage to include all portions of the Harris Family Property East of a line running north and south parallel with 2<sup>nd</sup> East/Salem Highway at a point that is One Thousand (1000) feet East of the Centerline of 2<sup>nd</sup> East/Salem Highway.

Sugar City agrees not to oppose Rexburg taking the appropriate steps to annex the approximate 30 acres on the Westerly most portion of the Harris Family Property, said acreage to include all portions of the Harris Family Property West of a line running north and south parallel with 2<sup>nd</sup> East/Salem Highway at a point that is One Thousand (1000) feet East of the Centerline of 2<sup>nd</sup> East/Salem Highway.

2. **ANCILLARY ANNEXATIONS**

The parties hereto agree that the property owners located to the East of the Harris Family Property and Westerly of Highway 33 will be allowed to elect as a group, which municipality they desire to be a part of, and both municipalities will honor the wishes of the property owners with respect to the aforementioned block of parcels, provided all parcels within the block can agree, with Rexburg allowing for ~~various~~ if necessary.

3. **WASTE WATER COLLECTION**

Rexburg will allow Sugar City to connect to the waste water collection system for the purpose of delivering waste water to the Rexburg Waste Water Treatment Facility by way of the line along 2<sup>nd</sup> East, with all applicable fees and costs as would be charged to any other developer within the City for such access. Metering and processing fees will be addressed at the time of connection in accordance with or consistent with standard agreements in place between Rexburg and Sugar City at the time of connection.

While all parties hereto recognize that the Rexburg Waste Water Treatment Facility is owned

Exhibit B

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and operated by the City of Rexburg, the parties hereto also recognize and acknowledge that the Facility is intended to serve the existing and future needs of Rexburg, Sugar City and surrounding areas. Expansion of and necessary improvement to the treatment facility shall be funded by all entities utilizing it based upon a formula, which reflects the amount of capacity utilized by each entity.

Sugar City will communicate future capacity needs to Rexburg in a timely manner and be prepared to commit the necessary funding prior to the development of expansion plans or construction of such expansion. The parties hereto will meet on a regular basis to review the anticipated growth of Sugar City, Rexburg and surrounding areas and determine the impact of such growth on the Facility and other infrastructure of the entities.

4. **TRAFFIC ACCESS**

All parties to this Agreement shall require that access from 2<sup>nd</sup> East, Moody Road, and Highway 33 will, as a condition of development, be required to provide through access to adjoining properties at a level capable of allowing for reasonable traffic demands. Costs of such traffic access will be allocated in accordance with standard procedures applicable within the respective jurisdictions of the entity within which the development occurs.

5. **FACILITY OWNERSHIP**

Nothing contained within this Agreement is intended to change the ownership of the Rexburg Waste Water Treatment Facility. Treatment and ownership continue to be regulated by the existing Waste Water Treatment Agreement between the parties hereto.

6. **FUTHER ACTS**

Each party to this Agreement agrees to execute and deliver all documents and instruments and to perform all further acts and to take any and all further steps that may be reasonably necessary to carry out the provisions of this Agreement and the transactions contemplated herein.

7. **SECTION HEADINGS**

The section headings in this Agreement are for convenience and reference only and shall in no way define, limit, extend or interpret the scope of this Agreement or of any particular section contained herein.

8. **INTERPRETATIONS**

Unless the context requires otherwise, words used in the singular number shall include the plural and vice-versa; words used in the masculine shall include the feminine and vice-versa.

9. **AMENDMENTS AND WAIVERS**

This Agreement shall be modified only by written instrument executed by the parties hereto. The failure of any party, in any one or more instances, to insist upon strict performance of any of the provisions of this Agreement or to exercise any rights herein conferred shall not be construed as a waiver or relinquishment to any extent of such party's right to assert or rely upon such terms or rights in any other instances. Any waiver of any provision of this Agreement shall be made only in writing executed by the party who could demand fulfillment of such waived provision.

10. **SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

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18. GOVERNING LAW

This Agreement shall be construed under and in accordance with the laws of the State of Idaho.

19. COUNTERPARTS

This Agreement and all amendments and supplements to it may be executed in counterparts and all such counterparts shall constitute one agreement binding on all of the parties.

20. SEVERABILITY

Should one or more of the provisions of this Agreement be determined to be illegal or unenforceable, the other provisions nonetheless shall remain in full force and effect. The illegal or unenforceable provision or provisions shall be deemed amended to conform to applicable laws so as to be valid and enforceable, if such an amendment would not materially alter the intention of the parties.

21. ENTIERE AGREEMENT

This Agreement (together with any attached Exhibits) constitutes the entire agreement between the parties concerning the subject matter of this Agreement, and supersedes all prior agreements, arrangements, understandings, restrictions, representations or warranties, whether oral or written, between the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

CITY OF REXBURG

By:

Shawn Larsen  
Shawn Larsen, Mayor

ATTEST:

Blair D. Kay  
Blair Kay, City Clerk



CITY OF SUGAR CITY

By:

Glenn W. Dalling  
Glenn Dalling, Mayor

ATTEST:

Sharon Z. Bell  
Sharon Bell, City Clerk

(SEAL)

NORTH INTERCHANGE  
DEVELOPMENT AGREEMENT