

**City of Rigby
City Council Meeting
August 17, 2010
7:00 p.m.**

Mayor Smith welcomed everyone to the meeting and invited everyone to join him in the pledge of allegiance. Mayor Smith then turned the time over to Councilwoman Hinckley who gave the prayer.

Dave Swager, City Clerk/Treasurer, performed roll call. Those present were: Mayor Smith, Councilman Day, Councilwoman Hinckley, Councilman Maloney, Councilman Simonson and Councilman Zimmermann. Those absent were: Councilman Blackburn.

Hearing 2010/2011 Budget-

Mayor Smith stated the next item on the agenda was a public hearing for the 2010/2011 budget.

Mayor Smith opened the public hearing at 7:03 p.m. Mayor Smith asked for testimony in favor of the budget. No testimony was given.

Mayor Smith asked for any testimony neutral to the budget. No testimony was given.

Mayor Smith asked for any testimony against the budget. No testimony was given.

Mayor Smith closed the public hearing at 7:04 p.m. and turned the time over to the council for deliberation. Mayor Smith stated that Mr. Swager has worked hard on this budget and reminded the council they have gone over this budget and asked if there were any questions or comments. Councilman Day stated that he wanted to express his appreciation to Mr. Swager for making sure there was some money available for the Comprehensive Plan. Councilman Day stated that he would like to express his appreciation to Mr. Swager for all the hard work that he has done in putting this budget together. Mayor Smith stated this was the fifth budget process he has been involved in and explained this was by far the easiest and most productive and expressed his appreciation to Mr. Swager. Councilman Day expressed his appreciation to the department heads for all their hard work as well. Councilman Zimmermann moved to approve the 2010/2011 Budget as advertized. Councilman Maloney seconded. On a roll call vote:

Councilman Day	--	aye
Councilwoman Hinckley	--	aye
Councilman Maloney	--	aye
Councilman Simonson	--	aye
Councilman Zimmermann	--	aye

Report on County/City Venture-GIS-

Mayor Smith stated the next item on the agenda was the report on the County/City venture for the GIS.

Mayor Smith explained that he and Mr. Swager had attended the County Commissioner Meeting just over a week ago. Mayor Smith stated they were anxious to hear from the City and accepted the proposal. Mayor Smith explained the County would like \$20,000 per year for the City to join and be a department for their existing GIS program. Mayor Smith referred to the presentation from Keller Associates, City Engineer, and reminded the council their proposal had included hardware, software and a myriad of other things and explained their price was significantly higher than this one from the County. Mayor Smith stated that a lot of the information has already been obtained for the city and explained city staff members have been using this system to obtain information that is open to the public. Mayor Smith stated the city is already using the system and explained that as a partner the city could start inputting their own data into the system as well. Mayor Smith stated that he would like to see Paula Sessions, Planning and Zoning Administrator, work closely with Sherri Lufkin and Eric Smith to get up to speed on training. Mayor Smith stated that if the council were to approve this then it would go into effect October 1st and explained he would sign the agreement with the County.

Councilman Maloney asked who would be the main link between the City and the County and Mayor Smith stated that it was his intent to have Mrs. Sessions be that person. Mayor Smith stated this was due to the fact that the majority of this information would have to do with the Planning and Zoning aspect and also because he felt she had the most free time. Mr. Swager stated he felt Mrs. Sessions was very knowledgeable on other programs and with help from Scott Barry, Water/Wastewater Operations Manager, and Rick Lamoreaux, Park/Street/Sanitation Supervisor, it would mostly be data entry. Mr. Swager stated that Mrs. Sessions would work on site with Eric Smith to receive training on the checks and balances. Mayor Smith stated the City would need to purchase a hand-held GPS and explained that Mr. Smith had a few ideas on those. Councilman Day stated that he had obtained some information on these as well that he would be willing to share. Councilman Zimmermann asked who all would have access to this system and Mayor Smith stated there were varying levels and explained there were some portions that were completely open to the public. Mayor Smith stated that once the city is partnered into the system there would be different levels of security for the different employees but explained he didn't think the council would be able to change anything. Robin Dunn, City Attorney, stated it was like Adobe where it could be reviewed but not modified. Councilman Zimmermann referred to the last meeting where this was discussed and stated that Councilman Day had problems with this system and asked if those had been addressed. Councilman Day stated that he had done some checking and asked questions and felt better about it now. Councilman Day stated that he would submit the information to Mayor Smith when the city gets ready to purchase a hand-held GPS.

Mayor Smith stated that he wanted to take a minute and acknowledge the scouts in the audience and asked if they were working on a merit badge. An unidentified gentleman stated they were working on Citizenship in the Community.

Councilman Simonson stated that he had read the information over several times but was curious if the \$20,000 was just so the City could use their system. Councilman Simonson asked if this amount also included the training and help the City would need. Mr. Dunn stated the system is pretty much completed and already contains quite a bit of the City information. Councilman Simonson stated that he understood that part. Mr. Dunn stated the City would be like another department within the County's system and explained that was how the cost estimate was figured. Mr. Dunn stated the City could load on whatever information they wanted once it passed the

approval process. Mr. Dunn stated there had been two choices with the first being the City being considered as a department and paying a set department fee or the City could be billed according to their percentage of usage of the entire system. Mayor Smith stated this amount was for one year and explained the contract could be reviewed at the end of the first year to make sure it was still equitable for both parties. Councilman Day moved to accept the agreement with the county regarding the GIS system. Councilman Simonson seconded. On a roll call vote:

Councilwoman Hinckley	--	aye
Councilman Maloney	--	aye
Councilman Simonson	--	aye
Councilman Zimmermann	--	aye
Councilman Day	--	aye

Transfer to Sewer Const Fund from Sewer Revenue-

Mayor Smith stated the next item on the agenda was regarding a transfer from the Sewer Const Fund to Sewer Revenue and turned the time over to Mr. Swager for his presentation.

Mr. Swager stated that he and Mayor Smith had met with Knife River regarding work they had completed on the Rigby Professional Plaza project. Mr. Swager stated that pending the completion of their work on this project the City owes them \$15,000 from last fall. Mr. Swager stated that he has printed a check for this amount but explained it was being held in his drawer until the work was completed. Mr. Swager stated that when that payment was approved the account would be short \$7,000 and stated that he would need the council to approve a transfer of \$7,162.64 from the Sewer Revenue account to the Sewer Construction account. Mr. Swager explained this expense comes from the Sewer Revenue account because it involves the cost of the sewer lift station on Call Road/400 North. Councilman Day asked if Knife River had met their obligations yet and Mayor Smith stated they had completed one side but needed to complete the lip in the other side. Mayor Smith stated that he would go out to the site tomorrow to make sure this work has been completed. Councilman Simonson moved to approve the transfer of the funds as explained. Councilman Zimmermann seconded. On a roll call vote:

Councilman Maloney	--	aye
Councilman Simonson	--	aye
Councilman Zimmermann	--	aye
Councilman Day	--	aye
Councilwoman Hinckley	--	aye

Other Council Business-

Mayor Smith stated the next item on the agenda was other council business and turned the time over to the council for anything they needed to discuss or disclose.

Councilwoman Hinckley stated that Councilman Blackburn was out of town but they had met prior to him leaving to work on the surplus auction. Councilwoman Hinckley stated the auction would be held on September 11, 2010. Councilwoman Hinckley stated they had prepared a public notice to be advertised in the paper on August 25, 2010 and again on September 1, 2010. Councilwoman Hinckley stated the auction would be held in the Rec Center building and explained that she was meeting with Carol Shackelford from the Police Department to add on their surplus items as well.

Councilwoman Hinckley stated that after that she would have a complete list of all items to the City Clerk. Councilwoman Hinckley stated she would like to have notices placed at City Hall, the Library, the Police Department, the Courthouse and the Community Center for a period of two weeks prior to the auction to inform the public. Councilwoman Hinckley explained the process they were looking at sealed bids as well as open bids. Councilman Day asked if the legal description had been changed on the real property to include the elevator and Councilwoman Hinckley stated that Mr. Swager indicated once an offer was made then that legal description could be worked out. Mr. Dunn stated there was no need in fixing the legal description if the building did not sell. Councilwoman Hinckley asked if Ririe School District had been contacted to come in and remove their mirrors and Mr. Swager stated he had called over and left a message for Mr. Summers but had not heard back. Mr. Swager stated that he would contact him again in the morning. Councilwoman Hinckley stated that she would like to have them removed by the end of August and then would like to utilize some of the client of Jana Barry, Juvenile Probation for Jefferson County, to come in and clean the building once again. Councilwoman Hinckley referred to the Urban Renewal Project and asked what the status of the sidewalk would be on the date of the auction and Mayor Smith stated the side the Rec Center was located on should be finished by then. Mayor Smith stated that several employees had approached him regarding bidding and asked if that was possible and Mr. Dunn stated it would be considered a conflict and asked they not do that. Councilwoman Hinckley stated that after the September 11th auction any remaining items would be available to city employees. There was a brief discussion regarding how extended the family portion of the exclusion would be for participating in this auction.

Mayor Smith turned the time over to Ted Hendricks from Rural Development.

Mr. Hendricks stated there were a couple things he needed to review with the city and distributed some documents to the council. Mr. Hendricks stated one of the things that have been discussed is the timing on this collection system project and explained that in order to meet a construction schedule of next year some things needed to take place. Mr. Hendricks stated a few of those would be engineering, video testing, and some preliminary design. Mr. Hendricks referred to the spreadsheet titled project tasks and services and explained these were scopes of work the engineer could do right now. Mr. Hendricks stated that if the engineers were doing this much work between now and the end of the year it would allow them to continue to design during the winter. Mr. Hendricks stated this would give the engineers the ability to have the project fully designed and ready for construction at the beginning of the construction season. Mr. Hendricks explained this would allow the city to begin construction in early April. Mr. Hendricks stated that if this window of opportunity was missed and they did not do some of these scopes of work then more than likely the city would have to wait and this could cause a loss in an entire construction season. Mr. Hendricks stated that he understood this would obligate the city to around \$80,000 in expenditures between now and the end of the year but explained this would give a big jump on timing. Mr. Hendricks stated that if the city's finances did not allow for this expenditure then there were some funding options available on an interim basis. Mr. Hendricks suggested the city give a notice to proceed to the consultants to do this work on the construction project. Mr. Hendricks explained that once the judicial review is completed and with this work already done then the city would be able to stay on task. Mr. Hendricks stated this timing would also line the city up with a Block Grant that his office would apply for on the city's behalf in November 2010. Mr. Hendricks explained the application goes in November and then the award notice is in March and the money will be dispersed in May. Mr. Hendricks explained how his office's money could be loaned to the city

under a low interest rate and how this benefits municipal companies to keep their projects moving forward. Councilman Day asked if the city could legally obligate money to this project before a judge makes a determination on the judicial review and Mr. Hendricks stated the city could. Mr. Hendricks stated the city would be at risk because they have a contract with the engineer but explained the city could expedite portions of that contract with a formal notice to proceed. Mr. Hendricks explained this did not obligate the entire contract amount but rather just the portion of the work being authorized to proceed. Councilman Maloney asked when the city could expect the judicial review to be completed and Mayor Smith stated that depends on who you ask. Councilwoman Hinckley asked what the good and bad part of the timeframe was and Mr. Dunn stated that he would prefer to not answer the question in open meeting as there are some legal issues involved that are better left for executive session.

Councilman Simonson referred to the offer to borrow money and asked if the city would have to re-open the budget to borrow money in order to spend the money. Mr. Swager stated that if the expenditures were in this fiscal year then the budget would need to be opened to allow the \$79,000 to be expended in 2010 but to be repaid with the grant reimbursement. Mr. Swager reminded the council that even if the judicial review failed the city would be receiving \$1.4 million from USDA which could be used to repay this. There was a brief discussion regarding the judicial review and the receipt of money from Rural Development. Mr. Dunn explained this helps the city with the judicial review due to obligation and gathered data. Mr. Hendricks stated that was correct. Councilman Simonson asked if it was the recommendation of the attorney to proceed with this and Mr. Dunn stated that it would definitely help. There was a brief discussion regarding the bond money, the interest rate and how this benefits the city with judicial review. Councilman Day stated that he agreed the engineering needed to be done now but asked if a Memorandum of Understanding (MOU) be written with Keller Associates indicating that no money will be paid until after October 1st. Mr. Hendricks stated that he didn't think there would be a problem with that except the majority of the expenses incurred this budget year would be outside their fees. There was a brief discussion regarding the possibility of getting this to work. Mr. Hendricks reminded the council the notice to proceed only covered a certain portion of the work and so the city would only be obligated to the amount associated with that scope and not the entire contract amount. Councilman Day stated that he felt it was a good idea to get moving with this as long as the city would not get into trouble with the judicial review. Councilman Day asked if there needed to be a motion and Mr. Dunn explained this was just informational as the approval has already been done. Mr. Hendricks stated the Mayor needed authorization to give this notice to proceed and Mr. Dunn stated that was approved as part of the contract. Mr. Hendricks talked about the bond and watching the interest rates and how they are watching this rate and are prepared to close the bond when it's the lowest. Mayor Smith stated that he would notify Keller Associates of the notice to proceed with this scope of work. Mr. Hendricks stated he would help with this next step if needed.

An unidentified male asked the council to please explain this project to the scouts so they could better understand what was being discussed. Mr. Dunn stated that in this City everything that is flushed down the toilet or washed down the drain requires piping to take it out to the treatment plant. Mr. Dunn stated that over the past thirty (30) years those have decayed severely. Mr. Dunn explained the process of the treatment plant, the Department of Environmental Quality (DEQ) requirements for the plant and how that affects the city. Mr. Dunn stated there were a lot of things required to run a city and explained there were electricity, underground water and sewage. Mr. Dunn explained that sometimes cities receive grants and sometimes they get loans from either the

state or federal government. Mr. Dunn stated they had probably heard from their parents that the economy is down low right now and so interest rates are really low and that is why the city wants to keep their bonds open because if the interest rates go up then the city will have to repay more money. Mr. Dunn explained the city officials were trying to do the best they could in order to spend less of the taxpayer's money. Mr. Dunn stated that during August and September the city experiences high subwater and explained the city did not want this water going to the treatment plant because it costs more money to run all the machinery which operates the system.

Mayor Smith expressed his appreciation to Mr. Hendricks for making the special trip this evening and thanked him for the informative presentation.

Mr. Dunn stated there had been eighteen (18) letters sent out to the property owners in Pioneer Park regarding the lighting problems in that subdivision. Mr. Dunn stated that he is being inundated with phone calls from the property owners wanting to know what they need to do. Mr. Dunn stated that he was unsure of the technical requirements for what they needed to do so he started forwarding those calls over to Rick Lamoreaux, Park/Street/Sanitation Supervisor. Mr. Dunn suggested having Mr. Lamoreaux address the council and explain what has been done and what needs to be done. Mr. Dunn explained there were some people that were trying to get this done while there were others that were dragging this out.

Mr. Lamoreaux stated that part of the agreement with the subdivision is the property owner would be responsible for the street lighting. Mr. Lamoreaux explained this amounted to a six foot (6') pole with a light on it. Mr. Lamoreaux explained that several of these did not have lights in them or were broken or damaged in some way and so letters were sent to those property owners asking them to please fix these lights. Mr. Lamoreaux stated that some people were calling and asking what they needed to do and explained that at least there was some response. Mr. Dunn interjected stating that some of the property owners were fighting this because they didn't want to or they felt the city should have to. There was a brief discussion regarding where the supplies could be purchased and what needed to be done to get them operational.

Approval of Minutes-

Mayor Smith stated the next item on the agenda was the approval of minutes and stated there were two of them and explained he would start with the July 27, 2010 minutes.

Mayor Smith explained this was the special meeting that was held to discuss the budget and asked if there were any additions or corrections. Councilman Day referred to page 3, second paragraph, fourth sentence where it talks about Councilwoman Hinckley's notes to remove the money for the Historical Museum and stated it should read that she suggested having this cut by \$500 not down to \$500. Councilman Day referred to page 4, last paragraph, bottom line and stated the word projected should be projecting. Councilman Maloney moved to approve the July 27, 2010 minutes as amended. Councilman Day seconded. Councilwoman Hinckley abstained. All others were in favor.

Mayor Smith stated they would now look at the August 3, 2010 minutes and asked if there were any additions or corrections. Councilman Day referred to page 3, last paragraph where it states Councilman Day referred to and asked that be checked. Councilman Day referred to page 4, first paragraph, five lines from the bottom where it talks about the Burgess Canal being one of the most

aggressive canals in the state and stated that needs to be progressive. Councilwoman Hinckley referred to that same paragraph and stated the wording on the last line should be obtaining an easement. Councilwoman Hinckley referred to page 2, 4 lines down where it states Mayor Smith stated through the assistance of a realtor and stated she believed it should say if they wanted. Councilman Simonson moved to approve the minutes as amended. Councilman Zimmermann seconded. All were in favor.

Review and Approval of Bills-

Mayor Smith stated the next item on the agenda was the approval of bills and asked if there were any questions or concerns.

Councilwoman Hinckley referred to page 8 where it shows the total library fund and asked where the listing of the library expenses were and explained she had not seen them. Mr. Swager stated that he would have to get back to her on that because he was unsure of the breakdown and why it didn't show. Councilman Day moved to approve payment of the bills. Councilwoman Hinckley seconded. All were in favor.

Public Comment-

Mayor Smith stated the next item on the agenda was public comment and turned the time over to the audience.

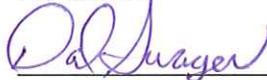
No public comment was given.

Councilman Simonson moved to adjourn the meeting. Councilman Zimmermann seconded. All were in favor. The meeting was adjourned at 8:10 p.m.



Keith Smith, Mayor

ATTEST:



David Swager, Clerk