

City of Rigby
October 4, 2011

Mayor Smith called the meeting to order and explained tonight meeting would consist of four public hearings followed by regular council business. During the public hearings the public is invited to offer their opinion on the topic either: for, neutral, or opposed. Sign- up sheets are at the entrance of the council chambers and anyone wishing to speak needs to sign the appropriate sheet. The Mayor then asked the city attorney to chair the public portion four hearings.

Public Hearing:

Attorney Dunn presides over the hearings. Attorney Dunn then explains the reason for the hearings, explaining that this is the time the council hears public comment prior to making a decision. The public is limited to 3 minute per speaker.

Loan Obligation for the upgrade of the city water distribution system:

Three items need to be placed on the record: need for the project; funding of the project; and repayment of the loan obligation. The chair then requested Mike Jaglowski from Keller Engineers to come forward and explain the need for the project.

Need for the Project:

Mike Jaglowski- Keller Engineering:

Jaglowski described the condition of the water system beginning in 2008 with a water study. The study consisted of studying water flow, water rights, water distribution, and fire flow conditions. The study showed four areas of concern:

- Supply insufficient/balance of water for demand plus additional supply for emergency needs.
The study showed supply will not equal demand under current conditions/use. With 2 to 4 year period of time there will be a short term deficient of water. The study showed a fixed supply of water with a projected increase in demand during peak period of use and increase population growth.
- Insufficient storage. Current the storage of water is restricted to a single storage tank.
- Keeping the pumping of water to equal insufficient storage in conjunction with an emergency demand call for water. Adding into the equation what DEQ requires if the city were to have an emergency water call during peak demand could the emergency call be met. It was determined it could not be met.
- Distribution of water. The overall distribution of water delivery is sufficient but for 9,000 lineal feet out of an overall system of 26 miles of water distribution. There are 3-4 areas with 2 inch and 4 inch lines which DEQ is insufficient to meet water needs. DEQ generally recommends/requires a minimum pipe size of 6 inch in which to meet fire control issues.

Councilman Blackburn – questioned Jaglowski on the 2 and 4 inch pipe how and when did those pipes get into the system and when did DEQ change the requirement.

Jagowski explained the 2 and 4 inch lines during fire control have insufficient flow based on hydraulics. The pull of the water will limit the amount of water that the pump would pump is restricted due to the pipe size. Overall the system is very well connected but for these limited areas.

Source of Funding of the Project:

Ted Hendricks: The Development Co.

Hendricks explained Idaho DEQ has funds available in which municipalities can draw from in which to upgrade inadequate systems. DEQ has approved Rigby up to \$6million in loan funds at 1.75% repaid over 20 years. The city can draw any amount on this commitment up to the \$6 million or as little as they need. There is an additional \$500,000 in community block funds which the city can apply for in addition to the DEQ loan funds. USDA-RD also has funds available they give a combination of loans and grants however; their loan/grants are not a favorable as is the DEQ loan program.

Repayment of loan obligation:

David Swager, City Clerk:

Came forward and explained a loan of \$4 million would require annual payment of \$238,765. This would translate to a per user monthly fee of \$12.00 per month. Plus \$1.23 per month reserve requirement and \$1.23 capital improvement. The clerk explained there is roughly \$175,000 remaining in the 1996 water bond fund which could be used to meet the reserve requirement without having to impose a monthly reserve fee.

Being no questions from the council the chair then began the public comment period indicating no one signed "for" or "neutral" to the project. Being no one from the audience wanted to speak then began the hearing for those "opposed" to the project. But first the chair read into the recorded an email received from:

Janet Wilson – 265 N 4th West – who is opposed to the project. (Copy attached to minutes.)

Judy Waters- 265 Dove Ave:

Commented the city has problems which have not been addressed in prior years. She expressed her concern in allowing subdivision and schools to be added on the system which is creating the problem. She wanted additional thought given prior to entering this project.

Deanna Dinsdale – 449 W 1st North:

Feels there was a lack of explanation of why meters are needed. If more water is needed why more wells can't be drilled. Also questioned the cost of obtaining a water meter reader and the cost associated with that.

Darwin Dinsdale – 449 W 1st North:

Questioned why the city needed to incur millions of dollars of debts. Questioned why developers aren't supplying the needed water and why certain developers are being exempt from being assessed.

Bob Breckenridge – 258 Dove Ave:

Since moving into Rigby in 2007 has seen their monthly utility bills increase 40%. He does not see how adding meters will increase water. Feels drilling another well is an alternative. Feels the school built on the east side of Rigby along with the new high school is causing the problem.

Chris Horkley – 159 W 1st North:

Feels the timing of this project is not timely due to the economic we're currently going through. Feels additional fees is taxing the public too much.

Brian Juenke – 325 North 3rd West:

Does not see a need for added fees. Based on a review of the information provided at the meeting the reduction in proposed rates does will not occur when homeowners water their lawns and gardens during the summer. Feels new subdivision and homes caused the problem. City has majority of residences on fixed income who cannot afford added fees. Feels adding storage and pumping over metering is better solution.

Angie Juenke – 302 West Main:

Stated when the city initiated water restrictions as being acceptable and as a result allowed part of her acreage to forgo watering. Feels new development should be metered but is opposed to pre existing homes being metered.

Hugh Anderson – 150 Ramona Ave:

Estimated rough calculations of water which he uses on his resident. Estimated total monthly usage would be around 14,400 gallons per month for his lawn usage plus household use. He recalculated his new billing would increase around \$24 per month over the current rate. He estimated his summer bill would be \$124 per month during the summer and \$110 during the winter months. Explained during the last seven years the billings increased from \$69 to \$98 per month.

The chair then asked if anyone in the audience who had not spoken and wishing to speak to raise their hands and they would be allowed to speak. Being none, the chair then closed the public comment period and turned the time over to the council for discussion.

Mayor Smith:

Mayor Smith reviewed the proposed changes that would be made from a fixed rates/usage to a metered rate. The Mayor explained that the city has looked at fixed and elderly patrons of the city. Commenting on Mr. Anderson's comments, he began his explanation of the worksheet. He stated using meters usage the sewer rates would be lowered as well as the water. The smaller homeowner would see a reduction from the fixed rate currently being used.

Due to being interrupted from members in the audience, the mayor ended his discussion.

Councilman Blackburn:

Regarding the subdivisions being annexed into the city, the city does annex those water rights. The city has been trying to catch up the system from years of neglect and/or attention to the

Infrastructure. In addition the state and federal standards over the last 50 years has increased the requirements cities need to meet. Adding wells will not decrease the overall demand for water.

Councilman Simonson:

Stated that prior councils had not upgraded the sewer system until it was forced on the city. Simonson reviewed information presented to council by Keller's that gave options for the city including added storage, wells, and metering.

Stated that adding more wells is not an option. He referred to a graph that was presented in Keller's water study which showed the annual consumption of water of various cities. Rigby's uses 1,500 gallons per person per day vs. Rexburg which uses 450 gallons per person per day. He felt metering was the best option vs. wells and storage which would not decrease demand. Of those cities shown in the graph, only Soda Springs uses more water per capita than Rigby, with Rexburg, Burley and Mountain Home all using less water per capita, and those cities use metered services.

Councilman Day requested that Mike Jaglowski address specific questions he had.

Councilman Day:

Councilman Day asked if the old water tower could be utilized for storage. Jaglowski responded no on the use of the old water tank being its height does not meet minimum pressure requirements according to DEQ.

Councilman Day stated his knowledge regarding water meters was that they would be radio read meter. Jaglowski confirmed this stating the antenna would be placed on the water tower wherein there would be a radio signal sent out and all the metered would be read from the software system that is in the proposed design of the system. Eliminating the need for a person to physically read all the meters in the city involves a couple of hours per month vs. manual reading up to 1 week per month.

Councilman Day made inquiry to Jaglowski as to the extent that the city has corrected and made repairs on the known water leaks in and around the city to what extent those leaks have decreased. Jaglowski commented to his knowledge those leaks being fixed reduced 350/400 gallons per minute of leaking.

Councilman Day wanted confirmation from Jaglowski if it was not correct that the subdivision east of the railroad tracks had not the developer installed and paid for the well. Jaglowski confirmed this stating that developer added the well and water system in that subdivision which is also tied into the overall city water system and is currently be used to draw water. In addition, the water rights on the subdivision were incorporated into the city water rights.

Councilman Day asked Jaglowski if adding a new well was possible at this time. Jaglowski indicated the city could not add a new well being that the city has and is using all of its "permitted water rights" currently allowed.

Councilman Day commented that the wastewater plant during the summer treats around 70 million per month vs. winter gallon of 7 million. The excess is putting more water through the system which in time will wear the system out over a faster period of time.

Councilman Maloney:

Commenting on the graph used by Simonson shows the usage for Rigby is three times higher than the other cities illustrated. Jaglowski stated the information is correct in that Keller's conducted all of the cities shown on the graph. He went on to say the difference between the high water usage (Soda Springs and Rigby) and the lower water user is meters. He stated meters do not produce water which is correct but meters do modify behavior which causes conservation at the household level. Councilman Maloney stated that it appears that Rigby uses more water than other areas. Jaglowski went on that water use when metered is a matter of choice. He acknowledge having higher water usage than other people being it's a matter of personal choice knowing the higher usage is costing him higher fees each month.

The chair closes the council discussion at 8:15pm and opened the floor to accept or not to accept an enabling ordinance in which to proceed or not to proceed.

Councilman Simonson asked that if the enabling ordinance the city can still elect to spend any level of funds up to what is allowed and if approved there is nothing that states the city had to install meters over storage or wells. Response from the chair confirmed the councilman statements.

Councilman Day has concern of the price of the project, does see the need but has concern over the cost of the project on the residents.

Councilman Blackburn made inquiry to Ted Hendricks as to what past interest rates on similar projects have been. Hendricks replied prior rates have been in the 3.25% to 3.50% range.

Mayor Smith again reviewed the worksheet illustrating what future rates would be against various usages as they apply to water and sewer both being metered vs. a fixed rate per month. He commented those residences with lower usage are going to have reduced user fees and higher water users will incur higher fee. He feels it is going back to use fee based – the more you use the more one will pay.

The Chair call for a motion:

Councilman Blackburn moves to publish the enabling ordinance, seconded by Councilman Maloney.

The Chair asked the clerk to call the roll:

Councilman Blackburn	Aye
Councilman Simonson	Aye
Councilman Maloney	Aye
Councilwoman Hinckley	Nay
Councilman Day	Aye
Councilman Zimmermann	Nay

Motion carries to publish ordinance: 4 in favor and 2 opposed. Hearing the results of the vote, the chair stated the enabling ordinance would be published as required by state statute.

Council Minutes – Oct 4, 2011

Public hearing for the water project enabling ordinance closed at 8:25pm.

Next order of business:

Adoption of the National Electrical Code:

The city clerk came forward and explained that when the city changed building inspectors, they wanted to conduct the electrical code being they have qualified staff and training in which to do so.

The chair indicated no one signed to speak either for, neutral or opposed asked if any in the audience wished to speak at this time. Being none, the chair turned the time over to council for discussion.

Being no discussion the chair called for a motion for the city to adopt the national electrical code. Councilman Zimmermann moved that the city adopt the national electrical code, seconded by Councilman Simonson.

The called for a voice roll – all in favor, with none opposed. Motion passed.

Next order of business:

Adoption of the Uniform Plumbing Code:

The city clerk came forward and explained that when the city changed building inspectors, they wanted to conduct the plumbing inspections being they have qualified staff and training in which to do so.

The chair indicated no one signed to speak either for, neutral or opposed asked if any in the audience wished to speak at this time.

Being none, the chair turned the time over to council for discussion.

Being no discussion the chair called for a motion for the city to adopt the uniform plumbing code. Councilman Simonson moved that the city adopt the uniform plumbing code, seconded by Councilman Zimmermann.

The Mayor called for a voice roll – all in favor, with none opposed. Motion passed.

Adoption of the Rates exceeding 105% of the current year rates.

The chair requested the clerk to explain the reason for the current ordinance regarding cities rates and fees.

The clerk explained the council need to approve all fees and rates that the city charges and in prior sessions this had not been done and the fees presented this evening were to memorialize those fees and also those rates currently being charged that exceed 105% of the current year's fees. The clerk reviewed the change in rates for water and sewer changing the sewer minimum gallons from 50,000 to 10,000 and changing water rates from a reduction of metered rates when in excess of 10,000 gallon is changed from 80 cent to \$1.84 per gallon.

Council Minutes – Oct 4, 2011

The clerk indicated the “excavation fee” is when cuts are made in the city streets and alleys. The amount shown on the fee schedule being \$1,000 upon review is too high and recommends changing it to a permit fee of \$50 with an accompanying refundable deposit of \$50 upon completion and acceptance of the repair by the street superintendent.

The chair indicated no person signed to speak in favor or neutral to the project but did have one person signed in opposition to the changes.

Speaking opposition of the fees structure:

Morgan Lake – 475 Annis Hwy.

Mr. Lake reviewed several the overall fees and stated the fees shown total an additional new fees total \$6,815 in new fees and hourly rates plus \$3,455 in increased existing fees. He reviewed specific fees and asked for an explanation: Change of occupancy – the clerk explained the change of occupancy fee would be changing from a business from a bakery to a beauty salon would be a change of occupancy. He went on that a change in homeownership would not be a change of occupancy. Plumbing Permit – Questioned the installation of a faucet vs. a fixture. The clerk explained a faucet is not a fixture a fixture is toilet, tub, and vanity.

Mr. Lake also stated that from his own experience on an existing rental unit the current utilities are too high wherein his rental on 2nd North, 6 inquires indicated the utilities were too high compared to other cities.

Tammy Rochette – 241 N State:

Expressed concern about the overall cost of city utilities. Cities utilities when compared to other cities are too high.

Being no other persons wishing to speak the chair closed the hearing at 8:44pm and turned the remaining time over to council for discussion.

Councilman Day:

Councilman Day questioned the clerk that if the building inspection along with the electrical and plumbing fees were they not the same as being charged by the state inspectors. The clerk indicated that is correct, that the fees charged for electrical and plumbing are the same charged by the state inspectors.

Councilman Zimmermann stated there should be a clarification of term logy and the wording needed to be rewritten to avoid confusion.

Councilman Blackburn felt clarification needed to be clearly defined to avoid confusion in future years.

Councilman Simonson indicated that regarding the specific inspector coming in and doing an inspection the fee charged would be based on his experience regardless of how the city define the scope of work.

Councilman Blackburn is sympathetic with what Mr. Lake commented on but Rigby is continually working on improving the city and the city need to continue to move forward.

Councilman Simonson reminded the council that a few years ago, a developer from Ammon had come in and complained about the proposed fee increases then being proposed. Now Ammon is facing the exact thing Rigby is facing this evening and have and are raising fees.

Councilman Day discussed various specific rates. After further discussion it was discussed about having comparable rates presented for the fees from comparable cities.

Councilman Simonson inquired if future councils could change specific fees. In response to the question the clerk indicated the council can reduce fees without publication and/or hearings by way of council resolution.

Moved by Councilman Simonson to accept the proposed fees schedule as present with the change in "excavation fee" as mentioned by the clerk be accepted, seconded by Councilwoman Hinckley.

After further discussion on the motion: Councilman Day amended to motion to allow for a 30 day period in which comparable fees could be provided. Moved by Councilman Simonson to accept the amendment to the motion, seconded by Councilwoman Hinckley.

The Chair asked the clerk to call the roll:

Councilman Blackburn	Aye
Councilman Simonson	Aye
Councilman Maloney	Aye
Councilwoman Hinckley	Aye
Councilman Day	Aye
Councilman Zimmermann	Aye

Public hearings closed at 8:50PM with council being in recess

Regular Council Business:

The Chair then called the regular council meeting into session and asked Councilman Maloney to conduct the pledge followed by the prayer offered by Attorney Dunn.

The Chair asked the clerk to call the roll:

Councilman Blackburn	Present
Councilman Simonson	Present
Councilman Maloney	Present
Councilwoman Hinckley	Present
Councilman Day	Present
Councilman Zimmermann	Present

Also present: Attorney Dunn and Police Chief Anderson.

Council Minutes – Oct 4, 2011

Life Safety Ordinance:

Mayor Smith discussed the proposed Life Safety Ordinance and indicated to the council the idea put forth would be to have 3 or 4 rental property owners sit down the city and review the ordinance. During a work meeting the rental property managers/owners could have input prior to the council accepting the ordinance. The mayor then asked for council members who would participate in such a meeting. Councilman Day and Simonson indicated they would assist in the work meetings.

Other Council Business:

Returning Soldiers: Mayor Smith informed the council there was going to be a celebration at Melaleuca Field the evening of October 18, 2011. The 18th is the same evening as the regular council meeting and wanted to know if other council members would be attending and if so should the regular meeting be canceled and held at a later date. Due to the Mayor's involvement and participation he was planning on attending. After council discussion, council decided to hold the 18th as scheduled with the exception of Councilman Day and Zimmermann who asked to be excused from the meeting of the 18th.

Review of Bills:

Councilman Zimmermann questioned Lott Const on 1st North – which was explained was work done inside the city right of way on the sewer line. Zimmermann also questioned the bill from Pro-Fence which was explained was a new backstop installed in the south park ball field.

Councilman Day questioned the engineering fees in the amount of \$ 87,343 and inquired what the fees were paying. The clerk informed the council the fees were for completion of the "agency submittal" phase of the sewer collection project. Those submittal fees and the preliminary design fees are 100% complete. Remaining fees for final design, bidding and negotiations, construction and post construction phases have yet to be billed.

Councilman Zimmermann inquired on the Rocky Mountain billing of \$8,000 under water. Council was informed the bill included the four pumps used in the city for water pumping.

Being no further questions the Mayor called for a motion to approve the bills: Councilman Zimmermann moved to approve payment of the bills seconded by Councilman Blackburn.

The Mayor asked the clerk to call the roll:

Councilman Simonson	Aye
Councilman Maloney	Aye
Councilwoman Hinckley	Aye
Councilman Day	Aye
Councilman Zimmermann	Aye
Councilman Blackburn	Aye

Council Minutes – Oct 4, 2011

Approval of Minutes:

Councilman Day questioned if he moved for the payment of quarterly transfers – clerk confirmed according to the notes he had moved.

Councilman Zimmermann questioned having the Mayor sign the minutes being he was not present at the Sept 20 meeting. Clerk explained the Mayor was signing the minutes as approved in this evening as having taken place and in his roll as Mayor. If he had not been present when the minutes were approved the council president would so sign as to the action taken being taken this evening.

Being no further discussion, Councilman Simonson moved to accept the minutes, seconded by Councilman Maloney.

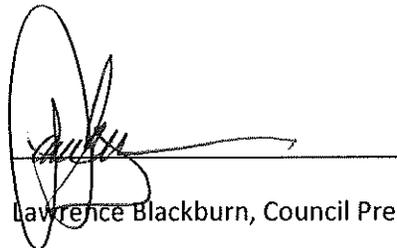
Mayor called for voice vote all in favor of accepting minutes – none opposed. Minutes accepted.

Motion to adjourn:

Being no further business, Councilman Simonson moved to adjourn at 9:25PM seconded by Councilman Zimmermann.

Mayor called for voice vote all in favor of adjournment, – none opposed.

CITY OF RIGBY



Lawrence Blackburn, Council President

ATTEST:



David Swager, Clerk