

City of Rigby
Council Meeting Minutes
March 6, 2012

Mayor Smith opened the meeting at 7:00PM Tuesday, March 6, 2012.

Mayor Smith asked Councilman Simonson to conduct the prayer and Clerk Dave Swager the pledge.

Mayor Smith asked the clerk to call the roll.

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

Also present: Chief Hammon, and Attorney Rob Dunn.

SCADA/Keller's Contract:

The Mayor informed the council that included in their packet was information regarding subcontractor clause that was included in Keller's original contract. The section of hiring subcontractor's is included on page 36 of their contract. The option of not including the SCADA system under the engineer contract would be to bid out the SCADA contract. Having no discussion, Councilman Maloney moves to approve the addition of the SCADA to the engineer contract and approved the contract to \$93,270, seconded by Councilman Zimmermann.

The Mayor asked the clerk to poll the council:

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|-----------------------|-----|
| Councilman Simonson | Yes |
| Councilman Maloney | Yes |
| Councilwoman Hinckley | Yes |
| Councilman Day | Yes |
| Councilman Blackburn | Yes |
| Councilman Zimmermann | Yes |

Decision on DEQ Water Loan Proposal:

The Mayor indicated that there had been a lot of prior discussion regarding the water project, but the decision before the council this evening was to accept the DEQ loan proposal or decline the proposal. Without discussion, Councilman Day moved to decline DEQ loan proposal, seconded by Councilwoman Hinckley.

The Mayor asked the clerk to poll the council:

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|-----------------------|-----|
| Councilman Day | Yes |
| Councilwoman Hinckley | Yes |
| Councilman Maloney | Yes |
| Councilman Simonson | Yes |
| Councilman Zimmermann | Yes |
| Councilman Blackburn | No |

Decision on Idaho Intergovernmental Insurance Authority:

The Mayor indicated that after a two hour telephone conference many of the concerns the city had with the IIIA had been addressed and answered. The Mayor went on that there is an inherent risk with self-insurance however over the long term self insurance is favorable. Attorney Dunn was asked by the Mayor to summarize the county's experience with self insurance.

Dunn explained that at first he was reluctant to participate in a self-insurance plan. However, with several years working with the county it has saved the county money in premiums versus fully funded insurance. He went on to say that he had not participated with the IIIA plan discussions and offered no opinion on it.

Councilman Blackburn expressed concern that the city could experience unforeseen claims beyond the city control.

The clerk explained the funding between when the stop loss began (Feb 1, 2012) and March 1, 2012 when cities could submit claims. In addition there would be a 60-90 day delay between when claims are incurred but not paid wherein the IIIA would build reserves. There is an individual stop loss when any one individual claims exceed \$125,000. If there were to be a large number of participates all having claims up to but not exceeding \$125,000 then the reserves would be diminished. If a relative small number have claims at or under \$125,000 the reserves would be sufficient. If any claim exceeded \$125,000 the stop loss insurance would kick in and pay those expenses exceeding \$125,000. The clerk felt the telephone discussion was very complete and answered most of his concerns. City of Chubbuck sent a letter to IIIA on Friday in which they will participate in the insurance plan.

The Mayor's expressed the concern Carlos had with the plan was the "apparent" under funding. However, the premium was a 200% of the aggregate where the normal premium would be only 100%. Even with a fully insured plan, with a very bad claim year, Carlos indicated our premiums could rise by 50%.

Discussion on the term which the city was obligated – three years after which we could withdraw without penalty. The contract the city signed in August obligates the city for three years of participation. Attorney Dunn also commented there is a state statue wherein a city cannot be obligated for more than one year.

Councilman Simonson moved to continue city's participation in the IIIA insurance pool, seconded by Councilman Maloney. Being no further discussion, the Mayor asked the clerk to poll the council:

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|-----------------------|-----|
| Councilwoman Hinckley | Yes |
| Councilman Maloney | Yes |
| Councilman Simonson | Yes |
| Councilman Zimmermann | No |
| Councilman Blackburn | Yes |
| Councilman Day | Yes |

LID proposals on 1st North and Annis Highway:

The Mayor indicated the sewer project had begun and streets on 1st North and Annis Highway would be impacted with the sewer collection project. Handed out before this evening meeting, the clerk has prepared regulations pertaining to the formation and implementation of LID districts. The Mayor indicated the legal requirements' concerning LID is very specific. And if the city wants to consider these

street improvements in conjunction with the sewer project the process must begin very quickly. Both 1st North and the Annis Highway roadway need to be improved and he supports the improvements. Also included in the handout is an engineer estimate for 1st North broken down into two sections: between 3rd West to 4th West and the second estimate from 4th West to 5th West. Also included is the cost estimate for the Annis Highway. Cost break down for each is as follows:

- 1st North – Between 3rd West and 4th West – 850 lineal feet \$315,279
- 1st North – Between 4th West and 5th West – 850 lineal feet \$364,173
- Annis Highway - 1,650 lineal feet \$1,120,232

Councilman Blackburn expressed concern over the width of right of ways generally 60 foot however; in discussion with Paul Hepworth a 40 foot width road from back of curb to back of curb was already planned. Blackburn felt prior councils have passed it off, passed it off and questioned how long this can be continued to be passed over.

The Mayor summarized an instant wherein a citizen living in the Hunter Creek subdivision was disgusted with owning a \$300,000 home and having to drive through a mud hole to get to his home (referring to 1st North).

Discussion on the relocation of utilities indicated that if the utilities are within the city right of way any moving would be the obligation of the utility company. With the exception if they have filed an easement, which was felt as being unlikely, the city would have to bear the cost. Further discussion on measuring between the existing telephones utility boxes would be outside the 40 foot width mentioned. Sidewalks and lighting setbacks also discussed.

The Mayor would like the council to consider the LID and be ready to make a decision at the next council meeting on to proceed or not to proceed with consideration of the LID projects.

Other Council Business:

Chamber of Commerce Banquet: Discussion on which of the council members would be attending the Chamber banquet on March 14, 2012: City to purchase tickets for council members attending, attorney, Dean Christiansen and Chief Hammon along with members of Urban Renewal Agency who will be presented an award at the banquet.

Eagle Scout Project: Councilwoman Hinckley commented there was a scout who wanted to construct dug outs at the south park ball field as part of his Eagle Scout project.

Museum: Councilman Maloney reminded the council the museum was holding an appraisal of antiques and other old and dated items Saturday March 17, from 10:00 to 2:00.

Approval of Bills:

Bill approval list was reviewed by the council. Councilwoman Hinckley questioned the Lawntech bill; the percentage of the Keller bill being paid. With no further questions, Councilman Zimmermann moved to pay the bills, seconded by Councilmen Blackburn and Simonson.

The Mayor asked the clerk to poll the council:

| | |
|-----------------------|-----|
| Councilwoman Hinckley | Yes |
| Councilman Maloney | Yes |
| Councilman Simonson | Yes |
| Councilman Zimmermann | Yes |

Councilman Blackburn Yes
Councilman Day Yes

Approval of Minutes:

- Minutes of work meeting January 31, 2012 – Councilman Maloney moved to approve as corrected, seconded Councilman Simonson. Voice poll – all in favor none opposed.
- Minutes of February 21, 2012 – Councilman Blackburn moved to approve as corrected, seconded by Councilwomen Hinckley. Voice poll – all in favor none opposed.

Councilwoman Hinckley referenced a statement in the audit report: The goal of the city was to have a six month reserve and that the city had a three month reserve. Clerk indicated that was his specific goal set for the general fund.

Councilwoman Hinckley questioned if the purchase orders protocol was being followed. The Mayor responded that yes as in the Lawntech bill he had signed and dated the purchase order prior to it being placed. He also wanted to qualify the auditor statement that during the department meetings items such of these have been brought up and discussed and are referenced in the dept meeting minutes.

Councilwoman Hinckley inquired if the park and rodeo association needed a follow up on their tax filings. Clerk indicated no, three members had attended a meeting regarding open meeting laws and the park/rodeo association would be getting together with Robin Dunn to review their association.

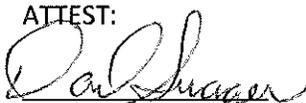
The Mayor also indicated that Jim McNeil from ICRMP walked the rodeo grounds and complimented the city on how up to date they were. They were one of the better kept rodeo grounds he has seen.

Being no further business - Councilman Simonson moved to adjourn, seconded by Councilman Zimmermann.

Meeting adjourned 8:10 PM.

City of Rigby


Keith Smith, Mayor

ATTEST:

David Swager, Clerk