

City of Rigby
Council Meeting Minutes
December 6, 2018

Mayor Richardson called the meeting to order at 7:00pm Thursday, December 6, 2018. The pledge of allegiance was given Adam Hall and the prayer given by Doug Burke.

The mayor asked the clerk to call the roll:

Councilman Burke	Present
Councilwoman Weight	Present
Councilman Taylor	Present
Councilman Hall	Present
Councilman Datwyler	Present
Councilman Olsen	Present

Also present: Chief Tower, Attorney Robin Dunn, and Public Works Director Mitch Bradley

Resolution #190-2018 – Setting Fees Septic Dump at Wastewater Treatment Plant:

Councilman Datwyler made motion that the resolution for the septic dump fees be read in summary. Seconded by Councilman Hall.

The mayor called for a voice poll: All in favor none opposed.

The attorney read the summary of resolution #190-2018. Council noted three errors that needed be corrected.

Councilman Taylor moved to approve resolution #190-2018, with corrections mentioned, seconded by Councilman Burke.

The mayor asked the clerk to poll the council:

Councilman Burke	Yes
Councilwoman Weight	Yes
Councilman Taylor	Yes
Councilman Hall	Yes
Councilman Datwyler	Yes
Councilman Olsen	Yes

Community Development Block Grant – Amend Budget for Water Tank:

Marvin Fielding from Keller’s Engineering came forward and explained to the council the current estimated cost of the 1.5 million gallon storage tank and booster pumps along with a new well and pump house is estimated to cost \$5,069,300. He noted that this is an increase over the block grant proposal of \$2 million due in part to the addition of a well (\$357,000) and well house (\$595,000) with the storage tank costs being estimated at \$2,901,000 and land acquisition, engineering, SCADA and

other administration costs totaling \$1,216,300. He added that the block grant application when it was submitted in 2016 used a 2011 price estimate for the storage tank and booster station with a steel tank. The estimate before the council is for a concrete tank at a higher cost of roughly \$300,000 over a steel tank.

The mayor asked Mr. Fielding where and how things fell apart. Mr. Fielding replied that when the grant was submitted they were being rushed and didn't look at the figures being used in the application other than the total based off the study done in 2011. He noted that the cost figures used in the application were used to support the application for the block grant. He had no other explanation or answers. He asked the council if they had made any decision off of the old numbers that would not have been made if the numbers had been updated. The city still has a deficiency of roughly 1 million gallon in storage which still exists as it was in 2016. He explained the need for the tank is still needed. Since 2016 there has been significant cost increases in construction costs. He feels confident of the estimates he's presented being they have two ongoing projects of similar size.

The mayor questioned the engineering costs of 15% and why have they increased roughly \$300,000 over the prior estimate. Has the percentage increased due to the scale of the project? Mr. Fielding feels the engineering fees are below what other engineers would charge and what the two ongoing projects are running. The fees set out are only budgeting and can be negotiated.

Councilman Burke asked why weren't the amounts that were submitted to the Dept. of Commerce in 2016 updated using 2016 cost estimates. The council was aware of the increase cost of \$1 million for the well and well house which was not known in 2016 but not for the \$2.5 million excess on the storage tank. He noted this was a \$2.5 million mistake. He felt the council should have been updated prior to this time. Who authorized a steel tank? Mr. Fielding couldn't answer the question since he wasn't employed with Keller's' in 2011.

Rick Miller was asked to come forward to explain options to funding.

Mr. Miller stated that from current experience, construction costs have increased over the recent period. Due to the increase costs he has been in discussion the Dept. of Commerce they may increase their funding 9% or \$36,000 with a letter from the city requesting additional assistance.

Mr. Miller has been in talks with DEQ and they do have funds available with the increase costs. Mr. Miller handed out financing estimate that the city could obtain from DEQ to finance the project. Using a loan amount of \$4.6 million over 20 years with 1,560 consumers the monthly increase in water rates would amount to \$17.88 per user per month.

Councilman Hall stated that funds can be obtained but questioned the cost. The mayor interjected that an option that may be available would be to just do the well and well house utilizing the block grant and do the storage tank later. Mr. Miller indicated that the city would need to request the change but he felt the Dept. of Commerce may be okay with the change since its still is a water project and with the increase costs being unaffordable to the city. If the change is approved a new environmental study would need to be done.

The mayor asked Mr. Bradley if he had any comment. Mr. Bradley said funding is available now but will it be in the future. He supports the location of the site. His main concern will be future funding for the tank.

Councilman Taylor asked if the well and well house is done now and at a later date the storage tank is installed can the configuration of the well and storage tank done? Both Mr. Fielding and Mr. Bradley indicated yes.

Councilman Taylor stated a revenue bond could still be sought to fund the tank. Mr. Miller indicated the revenue bond would need 51% approval. Concern among the council felt was expressed that would be a hard sell to get 51%.

Councilman Hall asked what the raise just done was for. The clerk indicated the \$2 raise was to cover current operating expense and the when the tank was completed the water fund would have increase in rates for the debt. Mr. Miller stated based on current figures the raise would be \$4 per million of debt.

The mayor stated the next step would be for Mr. Miller to contact Dept. of Commerce to see if the project could be switched from storage to a well, and given their response, the council could move forward either with the tank or well only. He is not comfortable with the \$5 million.

Concern was expressed what the impact of the sewer upgrade would be. Mr. Fielding had no knowledge pending the completion of the study.

USDA Loan – Grant Programs:

The mayor indicated this item will be tabled due to changes not applicable to the city.

Moratorium – Area of Impact:

Mitch Bradley came forward and explained the letter that spells out the area east of Rigby that the city/county is looking at for future development. The area has the potential of being annexed to the city for water and sewer services. As part of this goal, there needs to be a moratorium put on the area shown on the map that if they are developed needs to follow city guidelines for infrastructure. The moratorium as proposed only affects property not currently platted or developed. It was felt that if the land were to be annexed into the city, the cost to any subdivision would be greatly reduced by having the infrastructure in place prior to construction than after the fact. If the letter is approved by the council the next step would be to present the letter to the county commissioners and seek their support as the county will be enforcement the building code.

Councilman Olsen expressed concern with the county dictating to the city what to do. Councilman Olsen cited the example that occurred at last council where the county was saying one thing and the property owners another. The Mayor explained it was in the city's interest that we review the area being considered and that if development were to happen, be done in compliance as addressed by Mr. Bradley. The county will place the moratorium on the area and at the same time look at expanding the area of impact. Both the city and the county must be on the same page as only the county can enforce the city's building codes and specification for new subdivisions in the impact zone. The county wanted the city to come to the county with something as to what the city wanted and then they would review it and adopt if deemed necessary.

The attorney expressed concern with the letter in that it may be considered “regulatory taking of property” which could cause the city legal issues. The mayor said this would not be true because it’s not stopping construction only putting a short time hold on construction while the city/county is in the middle of the review. He also noted the city had placed a moratorium on Rigby Town Square years ago and the same argument could have been made then. The net effect is tripling the ability to build not reduce the number of buildings.

Councilman Hall moves to approve the letter supporting the moratorium seconded by Councilwoman Weight.

The mayor called for a voice poll: All in favor none opposed with Councilman Taylor abstaining due to lack of complete understanding of what was being asked.

Review computer/printer maintenance contract:

The mayor stated that this is a contract we review each year. The company, Complete Office Care, has for a number of years provided this service to the city. The current price, \$874, is somewhat higher than last year in that it will add in house backup services on a daily basis. We currently backup the Casselle program weekly, this will now be done daily.

Councilman Taylor moved to approve contract seconded by Councilman Hall.

The mayor asked the clerk to poll the council:

Councilman Burke	Yes
Councilwoman Weight	Yes
Councilman Taylor	Yes
Councilman Hall	Yes
Councilman Datwyler	Yes
Councilman Olsen	Yes

Employee’s Christmas Chamber Buck:

Councilman Taylor moved to approve the issuance of \$25 Chamber Bucks to all city employees and volunteers of city boards. Motion seconded Councilwoman Weight.

The mayor asked the clerk to poll the council:

Councilman Burke	Yes
Councilwoman Weight	Yes
Councilman Taylor	Yes
Councilman Hall	Yes
Councilman Datwyler	Yes
Councilman Olsen	Yes

Approval of Minutes:

Councilwoman Weight noted a spell error on the last page.

Councilman Hall moved to approve the minutes with the correction seconded by Councilman Burke.

The mayor called for a voice poll: All in favor none opposed.

Review and Approval of Bills:

Councilman Weight moved to approve the bills seconded by Councilman Burke.

The mayor asked the clerk to poll the council:

Councilman Burke	Yes
Councilwoman Weight	Yes
Councilman Taylor	Yes
Councilman Hall	Yes
Councilman Datwyler	Yes
Councilman Olsen	Yes

Other Council Business:

- Christmas Breakfast: The mayor thanked Councilman Taylor for putting together the Christmas Breakfast.
- Midnight Madness: The mayor reminded everyone of the Midnight Madness and light parade tomorrow evening with the parade starting at 6:30pm.
- URA Agency: Councilman Taylor inquired about replacing the council on the Urban Renewal Agency. The mayor said it needed to be done all at one time. He asked who would like to continue serving: Benson Taylor and Adam Hall indicated they would like to continue to serve. Jeff Glenn with the police department was also mentioned with his background in advanced computer science. To replace the council with a new board, the city will need to draft a new ordinance stating the number of members and effective date. The attorney will draft the ordinance. Councilman Taylor mentioned April, 2019 as the time limit.

Public Comment:

None


Adjournment:

Councilwoman Weight moved that the council adjourn seconded by Councilman Burke.

The mayor called for a voice poll: All in favor none opposed.

Meeting adjourned: 8:28pm

CITY OF RIGBY


Jason Richardson, Mayor

ATTEST:

A handwritten signature in cursive script that reads "David Swager". The signature is written in black ink and is positioned above the printed name.

David Swager, Clerk