

CITY OF SHELLETT  
COUNCIL MEETING  
MINUTES

JULY 14, 2009

PRESENT: Mayor Eric Christensen  
Council Members: Lorin Croft, Steve Cederberg, John Lent, Charlotte Fredrickson  
Police Chief: Alan Dial  
Public Wks Dir: Rick Anderson  
Recreation Dir.: Dawn Lloyd (absent)  
City Clerk: Sandy Gaydusek  
City Attorney: B.J. Driscoll

PLEDGE OF ALLEGIANCE: Alan Dial

PRAYER: Charlotte Fredrickson

Lorin moved, Steve seconded to approve the following consent agenda:

Minutes of June 23, 2009 Council Meeting  
June 2009 Expenditures  
June 2009 Overall Budget & Treasurer's Rpt.  
Building Permits:  
Heath Hone - basement  
Greg Richey - garage  
Richard Ottley - handicap ramp  
Alice Burch - fence  
Taylor Wilson - addition  
Library - sign  
Rhea Stephens - fence  
Shane Meyers - fence  
Jim Sorensen - re-roof  
Doris Sermon - re-roof  
Basic Amer. Foods - re-roof  
Alice Burch - handicap ramp

A roll call vote was called for: Steve – aye, Charlotte – aye, John – aye, Lorin - aye. Approved unanimously.

Will and Phyllis Lambeth appeared before the council for a review of the record for a variance application to have 8-inch eaves on the rear side of their manufactured home instead of the required 12-inch eaves. The Planning and Zoning Commission denied their application at the meeting held on June 17, 2009. The Lambeth's appealed this decision to the Mayor and Council. Sandy presented copies of the entire file for the Lambeth's variance request for the council to review. Mr. Lambeth said the manufactured home has been moved onto the lot, and if the variance is turned down they are prepared to extend the eaves 4 inches at a cost of \$1200 to \$1400. He said a 4 – 5 inch rain gutter will be placed on the home whether or not the eaves are extended. Jason Kotter, the home salesperson said the rain gutter proposed to be installed on the home measures 4 1/2 inches. Charlotte said the Brian Covert, a P&Z member stated that he felt the rain gutter is not considered part of the eaves. Lorin said he does not see a problem with granting the variance since the eave shortage is on the backside of the home, and the lot is being improved. He said the cost to extend the eaves is substantial. Steve said he did not see a problem with granting the variance either since the view of the eaves is limited. John said he didn't see a problem with granting the variance as long as rain gutter is installed that is at least 4

inches wide. Mr. Kotter said the Lambeth's purchased the home off of their lot, and did not want to have to tear into a perfectly good structure. Rick said he has seen the home since it has been placed on the lot, and you cannot see the back eaves from the front of the home. He said the Lambeth's are going out of their way to make the lot look nice with curbing, etc. Charlotte said the Planning and Zoning Board followed the city code. John agreed, and said however, there is an appeal process. BJ said typically a variance is granted based on some unique circumstance to the property. He said a variance has a high standard and is based on undo hardship. Steve moved, John seconded to approve a variance for Will and Phyllis Lambeth for 8 inch eaves on the back side of their manufactured home located at 323 S Park Avenue with the condition that a minimum of a 4 inch rain gutter will be installed, making the entire eave and gutter wide 12 inches. Approved unanimously.

Del Kohtz discussed the city's quest for water rights. He said he still has some water rights available for purchase if the city is interested. Lorin said the city still needs more water rights, but the down turn in the economy has slowed down the growth in the city. He said the funding for this type of purchase is not available. John said the city is hoping a developer will step in to help with some of this type of funding. Lorin felt once the city gets the wastewater treatment plant project completed, then the city should look at water upgrades and development. Mr. Kohtz said he would like to help the city when we are ready.

Olin Barkdull addressed the Council to present some ideas for employee medical insurance that could potentially save the city money. Mr. Barkdull presented documents with information about Assurant Health. He said this company is very strong financially. He said he has heard from other groups that Blue Cross has been having some problems issuing claims. Mr. Barkdull said Assurant has good service and is ready and willing to serve our group. He said most employees are experiencing 10% to 12% increases in premium each year. Mr. Barkdull said Assurant is working on a way to provide better services at lower premiums. He said Shelley has a 14% increase in premiums this year. Mr. Barkdull discussed different scenarios regarding medical visits and insurance coverage. He presented two plans; one did not include any doctor visit coverage or drug benefits, and the other did. Mr. Barkdull said the City of Soda Springs has signed up with the Assurant program this year. He said they saved \$60,000 annually by changing to Assurant and NexStep. Steve said there are several employees of the city including him that does not want to work with Olin. He said the city is fine with what we've got. Mr. Barkdull said that is fine, but let his agency provide the insurance to the city. Mayor Christensen introduced Ken Anderson, the city's appointed insurance agent and his son Ryan to explain the increase in premium the city is seeing with Blue Shield and to explain our options. Mr. Anderson said he had received a copy of the rate sheet that Mr. Barkdull had provided to Sandy and there were some inaccuracies regarding Blue Cross and Blue Shield. He discussed Assurant and NexStep and said he could get quotes if the city would like to compare their hard quotes with what the city currently has. He said the soft quotes being presented by Assurant are if all of the employees are in good health. Mr. Anderson said Blue Shield or Blue Cross provides 80% of medical insurance in the country. He said both are non-profit providers, and there is a reason they have this majority. John said he is worried about the network that Assurant may have. Mr.

Anderson said he is worried about the city having three different providers in three years. He said the city has had a buy down program over the past several years. Mr. Anderson said Sandy provided how much the city has spent in the buy down program for the past three years, and the city has been very successful with this program. He said the buy down program is potentially less than the NexStep premiums. The Mayor thanked the Andersons and Mr. Barkdull for their presentations.

Dave Noel, Forsgren presented pictures of the damage that was done over the weekend at the wastewater treatment facility. He said the strong winds blew the trusses down at the plant. Dave said a steel beam was also damaged that has to be ordered, and will delay the project for approximately 30 days.

Dave said the placement of the new lines from the wastewater treatment plant to Country Club Road has not gone out to bid yet. He said the Army Corp of Engineers reviewed the project and had ninety-six comments. Dave said those comments were addressed and re-submitted. He said DEQ has given approval on the project, but the Corp has had the project for review for about one month now.

Dave presented an amended scope of work for the water facility planning study. He said the amendment will include the design of the new well. Dave said our grant was for the original scope of work on the Study, however the actual agreement was not signed until May 12, 2008. When DEQ received the Study several weeks later, they denied the funds because we should not have worked on the Study until the agreement was signed. Dave said we had been led to believe we could proceed with the work while resolving some correspondence regarding the EID in the Study. Dave said DEQ has given permission to amend the scope of work for the Study to include the well design to be able to obtain the funds that were approved last year.

Charlotte moved, John seconded to ratify the approval of a fireworks permit for Kings for 2009. Approved three in favor, Steve opposed, motion carried.

The Mayor and Council discussed the agreement between the city and Rocky Mountain Power to provide electric service for the wastewater treatment plant. BJ said he has some concerns about some of the language in the agreement, but Rocky Mountain Power is unwilling to change the agreement. He said the agreement is very one sided for Rocky Mountain Power, however there are no other power companies available to provide power, and we have to have electricity to the treatment plant. BJ said the contract states that Rocky Mountain Power has very limited liability. He said the city is also waiving any right to a trial by jury, however there could be a trial by a Judge. BJ said it is a horrible contract and very one sided, but we have no other option. Lorin moved, John seconded to ratify the approval of the execution of the agreement with Rocky Mountain Power. Approved unanimously.

The Mayor and Council scheduled the Annual Employee Picnic for August 13, 2009, at 6:30 p.m. at Pillsbury Park. This year the city will serve hamburgers instead of steak to reduce the expense.

Sandy said the City of Ammon has begun using their bond funding to help fund the construction of the treatment plant. However, since the contract with RSCI is with the City of Shelley, Ammon feels more comfortable receiving the funds and sending the funds to Shelley who in turn will expend those funds to RSCI. Sandy said to do this, the budget will need to be opened to receive and expend the additional 8 million dollars that will be received. The Council gave permission to draw up the tentative budget for review and to set the hearing to amend the budget.

Sandy said she is beginning to put together the figures for this year's budget. She said most of the cities are freezing cost of living increases and merit increases, as well as capital expenditures. Sandy said she would recommend doing the same with the downturn in the economy. She said a lot of cities are trying to keep rates, property taxes and fees down. The Mayor and Council said we should take all of the precautions that we can with the budget.

Lorin moved, Steve seconded to approve the following business licenses for 2009:

Earthwise Curbside Recycling – 430 S. Byron

Tater Tots Daycare and Pre-school – 668 N. State

Approved unanimously.

BJ discussed the proposed dog ordinance amendment he presented for review. The Council gave their recommendations to BJ and he will redraft the ordinance to be reviewed at the next council meeting. This matter was tabled.

John departed the meeting at 10:10 p.m.

Sandy said at the last council meeting the council discussed the property that the city acquired from the county formerly owned by Vaughn Lefevre. She said it was not decided if the city would sell or keep the property. The Council determined if an interested party makes the city an offer, they will consider issuing a declaration of intent to sell the property.

BJ said the protestors of the city's water right application have filed an application to reconsider the decision that the hearing officer made in favor of the city's water rights and mitigation plan. He said we should have the decision of the hearing officer by July 21<sup>st</sup>. BJ said at that time the protestors will still have the right to appeal.

BJ said MSW Green contacted him with an Attorney General's opinion on contracting with the company with a twenty-five year agreement. MSW Green said the A.G.'s opinion stated a 25-year agreement is constitutional.

Charlotte said she attending the Liberty Walk event in Idaho Falls. She said there was a flag displayed for each Idaho serviceman that was lost. She said she appreciated the opportunity to attend this celebration.

Steve said there are some changes in the county regarding new businesses that may be coming into the area. He said Brandon Bird with Bingham County Economic Development is following up on this matter.

Steve said he will not be presenting the grant for a restroom facility at the City Park in Boise next week due to lack of funding.

Adjourned: 10:27 p.m.

ATTEST: Sandy Laydwick APPROVE: Eric R. Churston