

CITY OF KELLEY
COUNCIL MEETING
MINUTES

FEBRUARY 26, 2008

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
City Clerk: Sandy Gaydusek
City Attorney: B.J. Driscoll

PLEDGE OF ALLEGIANCE: Alan Dial

PRAYER: Lorin Croft

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

Minutes of February 12, 2008 Council Meeting
Building Permits
Dave Stewart - Apartments
Kris Carlisle - Warehouse
Lorin Croft - Sign

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

Approved three in favor, Lorin abstaining.

Mayor Christensen said when Kelley Acres was constructed, the developer was allowed to connect to the city water system as a good faith effort and as a good neighbor. He said water is a very valuable commodity. Mayor Christensen said the city is currently mitigating for water rights to drill a new well. He said there are other developers who have asked that their property be annexed so they may be part of the city and use city services, but they are being held up because the city does not have enough water rights to serve them. Mayor Christensen said he appreciates everyone in attendance from Kelley Acres coming to give comment on the issue of annexation. He called on Brian Anderson as the spokesman for the Kelley Acres.

Brian Anderson, 1226 N. 825 E. recited I.C. 50-222 regarding annexation. He said he feels the city is not offering any new services to Kelley Acres, and the property is already developed. Mr. Anderson said in regards to Idaho Code the city is not considering annexing for any of the reasons stated in the code. He said he felt Idaho Code 50-222 is not applicable in this case. Mr. Anderson also discussed the Impact Area that was negotiated in August of 2006. He said the Impact Area map does not show much anticipated growth to the south of the city limits. Mr. Anderson said he is concerned about the significant increase in property taxes for the residents of Kelley Acres, yet it will not generate a significant amount of revenue for the city. He said they currently have a good relationship with the city and would like to continue that relationship. Mr. Anderson read a petition letter of non-consent that his wife drafted. The property owners in Kelley Acres requesting that their property is not annexed unless written consent is given signed the petition. The petition was submitted to Sandy.

Elwood Christensen stated he is also opposed to annexation. He said it is no benefit to the property owners in Kelley Acres to be annexed. Mr. Christensen said he has a commercial business on his property, and there may be a chance that he could not continue to operate if he was in the city limits. He said there are people who have animals in the subdivision also, and there is concern that their right to have animals will be taken away. Brenda Price said she is also opposed to annexation. She said at the present they have a good response time from the Bingham County Sheriffs Department, and the snow is cleared by Bingham County in their subdivision sometimes at 5:00 a.m. Ms. Price said she works with an attorney and felt for \$5,000 they could get an injunction to stop the annexation. She said they live on one acre plus lots because they like a lot of room. Ms. Price said if Kelley Acres is annexed, the residents of Kelley Acres just might show up at the council meetings to argue just because there is nothing on television. She said if the city pursues annexation she feels an injunction will be filed. Ms. Price said the city needs to provide services to the subdivision if they are considering annexation. Roger Steele said the snow removal on the city streets has been really crappy and this is not something the city should be proud of. He said the residents in Kelley Acres have always paid the extra fees for recreation, swimming, etc. for not being in the city limits. Mrs. Hatton said she and her husband have worked very hard to make their lives better. She said they have never received any government assistance or handouts. Mrs. Hatton said they now own two homes in Kelley Acres. She said if her taxes go up, her rental home would be too expensive to rent out. Bruce Cook presented a letter from Linda Chapple opposing annexation, who could not be in attendance tonight. He asked each person representing a home to stand. Mr. Cook said every home has at least one person representing the property tonight. He said he is opposed to annexation and suggested that if they are annexed, the current Mayor and Council could be voted out of office. Marianne Dyet said the issue seems to be water, yet she has received city water for over thirty years. She said the residents in Kelley Acres pay for every drop of water they use since they are on meters. Ms. Dyet said a lot of the city residents just run water in the road and waste it. She said maybe the city should address that issue first before considering annexing properties on water meters.

Sandy discussed the document she presented stating what the city's levy rate currently is, and how homeowners would be affected. She said the current city levy rate is .0072553892. Sandy said due to the difference in county and city fire service levies it breaks down to city residents are levied at \$17.22 per thousand in net valuation and county residents are levied at \$10.48 per thousand in net valuation. This means a home valued at \$100,000 after the homeowners exemption in the city limits would be assessed \$1722 annually and in the county \$1049 annually, a difference of \$674. The document also stated what services and privileges would be available to newly annexed residents. (A copy of this document is attached)

BJ said the city government makes the determination regarding city policy. He said it is not a question of everyone paying their fair share. BJ said the issue is about cities growing or dying. He said there is a stream of people who want to be part of the city and cannot because of service issues. BJ said some connections would become available if the residents of Kelley Acres drilled

their own wells, however if they choose to be annexed they can help promote growth. He said the city council also has a responsibility to the city residents. BJ discussed the legislative intent of I.C. 50-222. He said he reviewed the code today, and cities do not have to provide additional benefits to the proposed property to be annexed. BJ said I.C. 50-222 is a directive to cities, and outlines duties to cities over all. He said as long as the residents of Kelley Acres are using city water it is implied consent to annex. BJ said the city does not have to provide any additional services. He discussed animal rights and the current grandfather clause ordinances. BJ said currently the right to have animals could be lost upon change of ownership, however the subdivision could be annexed in as a residential agricultural (RA) zone, which allows animals. David Barker said their land is land locked; they cannot subdivide. He said his property will be devalued if any animal rights are lost. One resident said her neighbors are concerned about not getting what other city residents have such as sewer. Sandy said sewer could be provided, however every citizen of the City of Shelley have paid for their own infrastructure. She said Kelley Acres could have sewer, which would need a lift station, but they must pay for the infrastructure themselves. Sandy said this is typically done as a Local Improvement District (LID). Lorin said Gene Kelley developed Kelley Acres and the reason city sewer was not accessed was due to the improper drainage without a lift station. He said that is why there is no sewer at this time in the subdivision. Lorin said many developers have come and asked for city water, and the city does not have any connections to give them. Lorin said the city has no control over what direction the city is going to grow. He said it depends on what landowners decide to develop their property. John said he has no interest in annexing these people at this time, Charlotte agreed. Council made no motion to proceed with a public hearing to consider annexation of Kelley Acres Subdivision.

Ted Hendricks, ECIPDA said the regional treatment plant construction is out to bid and the bids will be opened in about six weeks. He said two contractors have already called for bid specifications. Ted said DEQ lowered its interest rates on its loan to 2%, which will allow the city to incur more debt without increasing the user rates for an additional 2 million dollars. He said however, this means the city needs to go out for another bond election to increase the debt, or obtain judicial confirmation as an ordinary and necessary expense. Ted said judicial confirmation is fairly expensive to accomplish, however a bond election can be fairly complicated to explain to the residents why the bond needs to be increased when the construction hasn't even begun. Ted said the extra money is needed due to the increase in construction costs from 7 years ago when the project cost was estimated. He said it appears the project should also received an additional 2 to 3 million dollars this year from the Army Corp of Engineers, and hopefully more funds will be available from this source in the future. Ted said this project is the base project for the treatment plant but also allows for future growth to be added onto. He said he would recommend that the council proceed with judicial confirmation. He said one local attorney should be used and one bond attorney should be used. John moved, Lorin seconded to proceed with the judicial confirmation process to incur another 2 million dollars in debt for the wastewater treatment plant and secure a bond attorney. Approved unanimously.

Sandy said the P&Z Board held a public hearing to consider annexation and rezone of properties along the New Sweden Highway owned by Ball Development and Merlin Dial. She said the P&Z Board recommended approval of the annexation and rezone as long as the water service issue is resolved. Sandy said the earliest a public hearing could be scheduled is March 25, 2008, however she received a letter from Ball Development requesting the public hearing be delayed at least until April 8th or 22nd, 2008. Steve moved, Charlotte seconded to call for a hearing to consider annexation and rezone for property owned by Ball Development and Merlin Dial on April 22, 2008. Approved unanimously.

Kurt Coates complimented the new council table recently installed in the council room.

Brian Covert, a new member to the Planning and Zoning Commission was introduced to the Mayor and Council. The Mayor and Council expressed their appreciation to him for his willingness to serve the community.

Monte Fowler, L&M Auto Body addressed the council to discuss a letter he received from the city rescinding a previous letter allowing him to park vehicles on the public street for more than 48 hours. He apologized for the mess he has had in front of his business. Mr. Fowler said there are times that it takes longer than 48 hours to repair some of the vehicles. He said he has four vehicles in front of his shop right now. Mr. Fowler said he works with lower income individuals, and makes payment arrangements with them. He said he doesn't want a lot of vehicles in front of his property, but he needs more time to remove them from the street. Mr. Fowler said he will make sure that all of the vehicles on the street are currently registered. Lorin suggested that Mr. Fowler clean out his shop to make room for the vehicles. Mr. Fowler said he is in the process of cleaning it out, but it may take some time. He said he received a letter from the city through the mail with a statement written on the front of the envelope that offended him, and was a matter of character. He asked for a written apology. Lorin said the word "junkyard" was written on the envelope and it was a definition, which was a difference in opinion, however he apologized to Mr. Fowler. Mr. Fowler said the vehicles in front of his business are not junk. Lorin said again it is a difference in opinion. Lorin said the Urban Renewal Agency has helped businesses beautify their properties, and he has received complaints regarding the appearance of Mr. Fowler's property. Mr. Fowler said he painted the outside of his shop last year. He said he will continue to keep his property up, and the vehicles parked clear down the street will not happen anymore. Mr. Fowler asked for more time to become compliant with the city code. The Mayor and Council discussed this matter and determined Mr. Fowler will be granted a temporary ten-day limit to have vehicles parked on the public street between the L&M Body sign and the "No Parking from 8:00 p.m. until 6:00 a.m." signs in front of his business. The council asked Mr. Fowler to report back at the first council meeting in May on the closeness of his compliance with the 48-hour ordinance for parking. If any vehicles are parked pasts the "No Parking between 8:00 p.m. and 6:00 a.m. sign they will be towed after 8:00 p.m. Mr. Fowler was also asked not to park any vehicles on the sidewalk. Rick said he would like to clean the street in front of Mr. Fowler's business at least once a month. He will work out a schedule to do so with Mr. Fowler.

Sandy presented the entire list for the known properties in the city limits that have a non-conforming use. BJ said direction is needed for what the council would like to do on this matter. He said the language of the ordinance could be amended to allow each property owner to prove there would be undo hardship without the grandfather clause, or the property owner could be put on notice that their grandfather clause will be lost upon change of ownership. The council determined this matter would be tabled until the next council meeting.

Sandy presented a copy of the draft of the ordinance implementing citywide business licenses. She asked the Mayor, Council, and BJ to review this document, and she will place this matter on the next agenda.

Sandy said the provision requiring water meters to be installed in all new development has been added to the subdivision amendment draft, however if the council wants to require all new annexation to have and use meters, Title 8 will also have to be amended. The Mayor and Council felt all new development, annexation, and new individual building should be required to install and use metering. BJ and Sandy will work on the amendment to this ordinance.

BJ recommended that the language in city code regarding zoning amendments be changed. He said currently the code allows 15 days for the council to take action after the P&Z recommendation, however he felt code 10-18-7 should be amended to allow the city council to take action within fifteen days from the public hearings. The council instructed BJ to proceed with the ordinance amendment to city code 10-18-7.

BJ said he received the subdivision ordinance amendments from Sandy and has returned the documents with his comments to her. He said they will continue to work on this matter.

BJ discussed the water right at the sewer lagoon. He said he contacted IDWR and they indicated the city could drill a new well within limitations of domestic use or ask IDWR for another domestic use right for the same hole.

Sandy said she spoke with Kathleen Lewis regarding the Comprehensive Plan review and update. She said SICOG could help with this project and the cost is approximately \$5000. Sandy said they will not be able to provide any maps, so Forsgren would need to be utilized for that. She said Kathleen would like to meet with the council to discuss her contract and scope of work if they would like to proceed with this project. The council determined that the city should proceed with the update of the Comprehensive Plan. Sandy will make the arrangements with Kathleen.

Sandy said the AIC Conference will be held in Garden City from June 25th to June 27th this year. She asked who will be attending so arrangements can be made. The Mayor, Steve, Rick and Lorin will definitely be attending. John said he would not be able to attend this year, and Charlotte and Alan said they would have to check their schedules.

Rick said his crew is still working on the streets.

Alan said several police agencies came together for active shooter training at the Shelley High School. He said everyone did a fantastic job and the School District was very happy with the training.

Dawn said the Saturday Jazz program is finished for this year.

Dawn said the Youth Council due to dwindling attendance has pushed the "Dare to Dance" dance back on the committee. She said they are trying to re-group. Dawn said Jacob Bush has been selected to be on the National Youth Committee.

Charlotte said she attended the Kiwanis meeting today. She said the Shelley Wrestling team won 2nd place at State. Charlotte wished the Boys Basketball team good luck at their State tournament.

Charlotte said she appreciates the work that the city crew has done on our streets.

John said some of the residents on Holley Street are concerned about the wrecked cars being parked behind the former Miles Quick Lube Shop. He said Rich Eaton has purchased the building, and intends on opening it up as a mechanic and lube shop. John said the residents are concerned about the appearance of the property. He asked Alan to research this matter and find out Mr. Eaton's intentions.

John said he toured Bingham Memorial Hospital. He said the former Blackfoot Mayor Scott Reese is over Human Resources. John said this is a very nice facility, and they do more surgeries than EIRMC and Portneuf Hospitals. He said they have a very nice program and are bringing in doctors from other areas for their expertise. John said an extension of Bingham Memorial Hospital has been opened in the city and may possibly be expanded in the future.

John suggested that our subdivision ordinance be amended to recommend what type of trees should be planted in new development that will conserve water.

John said Diane Mickelson has been nominated as Idaho's Brightest Star this year. He said she spearheads a lot of activities in the city and helps bring the community together.

Steve said he attended a meeting with Bingham County Economic Development and they have requested that the city donate funding to their organization. Sandy said several years ago Bingham County requested \$4000 annually from the city for this program. The Council approved the request and it was budgeted, however the County never followed through, and no invoice was received. The Council determined to still contribute the budgeted amount of \$4000.

Lorin said Gordon Mitchell just passed away. He said Mr. Mitchell owns a rental home on State Street next to Mathews plumbing. Lorin said when this property changes ownership it will lose the grandfather clause as a Single Family Dwelling. Sandy was asked to notify Mr. Mitchell estate representatives that the property will not be able to be sold as a residential dwelling.

Lorin said that on February 25, 1988 the first council meeting was held in the new city building. He said this building was constructed twenty years ago.

Adjourned: 10:55 p.m.

ATTEST: Sandy Gajewski APPROVE: Eric R. Chilton

FEBRUARY CLAIMS

<u>DATE</u>		<u>AMOUNT</u>	<u>CHECK #</u>
7-Feb-08	Comdata	1,572.20	31558
15-Feb-08	A&B Transmission & Service CTR	496.78	31559
15-Feb-08	Advanced Industrial Supply	96.00	31560
15-Feb-08	Alltel	150.04	31561
15-Feb-08	American Linen	655.83	31562
15-Feb-08	Association of Idaho Cities	50.00	31563
15-Feb-08	BMC West	281.89	31564
15-Feb-08	Briscoe Builders LLC	27.78	31565
15-Feb-08	Broulim's	26.94	31566
15-Feb-08	CBS Collections Inc	28.50	31567
15-Feb-08	Certified Laboratories	575.75	31568
15-Feb-08	Columbia Paint co	144.75	31569
15-Feb-08	Custom Canvas	20.00	31570
15-Feb-08	DBS Inc	5,120.67	31571
15-Feb-08	Eagle Rock Sanitation	2,555.56	31572
15-Feb-08	Electrical Wholesale Supply Co Inc	11.14	31573
15-Feb-08	Fastenal	49.91	31574
15-Feb-08	Ferguson Enterprises Inc	323.44	31575
15-Feb-08	First Responders	879.50	31576
15-Feb-08	Forsgren Associates/P.A.	75.00	31577
15-Feb-08	Hammon Teton Delivery	45.00	31578
15-Feb-08	IAS-Envirochem	529.00	31579
15-Feb-08	IBM Corporation	791.91	31580
15-Feb-08	Idaho Buisness Systems	32.00	31581
15-Feb-08	Keller Repair	2,541.37	31582
15-Feb-08	Kings No. 21	24.30	31583
15-Feb-08	Maintenance Engineering	733.67	31584
15-Feb-08	McGrath Meacham and Smith PLLC	2,962.13	31585
15-Feb-08	Mountain States Cabinel & Millwork Inc	4,544.00	31586
15-Feb-08	Mountaintand Communications Inc	560.00	31587
15-Feb-08	Mr. Pizza	40.00	31588
15-Feb-08	Pacific Steel	106.37	31589
15-Feb-08	Stanley J Petersen	74.19	31590
15-Feb-08	Petty Cash	30.03	31591
15-Feb-08	Qwest	44.63	31592
15-Feb-08	R & S Distributing	175.16	31593
15-Feb-08	Rocky Mountain Power	6,200.86	31594
15-Feb-08	Sams Club	162.08	31595
15-Feb-08	Shelley Pioneer	187.83	31596
15-Feb-08	Shelley/Firth Rural Fire District	4,886.00	31597
15-Feb-08	Siems Enterprises	190.80	31598
15-Feb-08	Sportsmans Warehouse	469.99	31599
15-Feb-08	State Insurance Fund	2,830.00	31600
15-Feb-08	Steel Systems	831.04	31601
15-Feb-08	Stephenson Computer Consulting	535.00	31602
15-Feb-08	The Radar Shop	413.00	31603
15-Feb-08	United States Welding Inc	95.53	31604
15-Feb-08	Valley Wide Co-op	32.00	31605
29-Feb-08	Alltel	146.52	31606
29-Feb-08	Business Phone Specialists Inc	66.50	31607
29-Feb-08	Cable One	164.95	31608
29-Feb-08	Circular Butte Landfill	3,335.92	31609
29-Feb-08	DBS Inc	5,215.63	31610
29-Feb-08	Don Clark's Radio Elect. Inc	720.00	31611
29-Feb-08	Donald Waters	4.27	31612
29-Feb-08	Eagle Rock Hydraulic Service	953.70	31613
29-Feb-08	Electrical Wholesale Supply Co Inc	12.51	31614
29-Feb-08	Exxonmobil Fleet/GECC	292.98	31615
29-Feb-08	First Responders	216.97	31616
29-Feb-08	IAS-Envirochem	634.00	31617
29-Feb-08	Intermountain Gas Co	2,126.14	31618
29-Feb-08	IRPA	50.00	31619
29-Feb-08	John Mitchell	15.85	31620
29-Feb-08	Kirkham Auto Parts Service Co. #8	360.84	31621
29-Feb-08	L & S Metal Products LLC	24.50	31622
29-Feb-08	Lake City International	17.14	31623
29-Feb-08	LexisNexis Matthew Bender	67.27	31624

29-Feb-08	McGrath Meacham and Smith PLLC	3,500.00	31625
29-Feb-08	McLeodusa	530.18	31626
29-Feb-08	Michael Curnutt	230.01	31627
29-Feb-08	Miles Quick Lube	9.27	31628
29-Feb-08	Mountainland Communications Inc	150.00	31629
29-Feb-08	Mr. Pizza	40.00	31630
29-Feb-08	Musselman Equipment and Drive Line	65.69	31631
29-Feb-08	Phillips 66 Co.	1,479.36	31632
29-Feb-08	Post Register	132.00	31633
29-Feb-08	Qwest	86.62	31634
29-Feb-08	R&S Distributing	62.71	31635
29-Feb-08	Santa Cruz Gunlocks LLC	57.81	31636
29-Feb-08	Shelley Police Officers Association	225.00	31637
29-Feb-08	Cheryl Simmons	350.00	31638
29-Feb-08	Sportsmans Warehouse	19.99	31639
29-Feb-08	Standard Plumbing	8.30	31640
29-Feb-08	US Post Office	322.40	31641
29-Feb-08	Watson Roto Rooter/Thayne Watson	150.00	31642
8-Feb-08	City of Shelley Payroll	48,599.68	
22-Feb-08	City of Shelley Payroll	49,903.45	
	Total	163,557.73	