

**City Council Minutes
Regular Meeting
May 9, 2011**



Regular meeting opened at 7:22 p.m.

Pledge of Allegiance with roll call by City Clerk Lenz

Mayor: Rex Jardine; Council President: Matt Berry; Councilmember: Tom Abbott, Bucky Matkin; Bart Birch, City Attorney; Citizens: see sign-in

Mayor Jardine welcomed Tanner & Braiden Klingler who were attending as a component of receiving a Scout merit badge.

Consensus reached by Council to rearrange the order of the agenda to accommodate visitors.

New Business

- **Tetonia LDS Church: Parking & Street (Ron Berry/Brent Robson)**
 - Berry spoke of the Church's intention to create a parking lot on the land purchased across the street from the Church to the north. Plans also include paving the road between the new lot and the Church. Discussion has also been held to pave 5th Street between the Church and Tetonia Elementary School.
 - Robson confirmed that a verbal commitment has been received from the School District for "financial support" of the proposed 5th Street paving
 - The Church is seeking support from the City for the project as well. A letter of support would be appreciated outlining financial ("Not a lot") and/or in-kind
 - Mayor Jardine noted that "next year would be better for the City"; he explained that the City is having a transportation study done this fiscal year which will help the City be eligible to apply for transportation grant funds in future fiscal years.
 - Berry assured the Mayor & Council that the project would be built to City specifications. The Church's engineer would be required to contact the City allowing the City to submit questions/red flags to its engineer of choice for review
 - A letter of support from the City will be provided

- **FY 2010 Audit Presentation (Sheri Poulsen)**
 - Unqualified opinion
 - **Financial Highlights as of September 30, 2010**
 - Net assets increased approximately \$400,000 from sewer project
 - Cash balances as a whole decreased \$3,000. Cash balances for all funds totaled \$283,000
 - General Fund revenue increased \$13,000 over the previous year; \$8,500 derived from Centennial activities

- General Fund expenditures were \$62,000 of which approximately \$6,000 were from Centennial activities. Redistribution of Public Works salary increased expenditures by \$5,200; however, a decrease in Clerk salary offset this amount. Street expenditures were up \$6,500.
- Fund balance in the General Fund increased \$3,900 ending at \$102,000
- General Fund cash increased \$5,000 over last year
- The Water Fund reported a net income of \$5,000
- Water Fund cash increased \$14,000 from the prior year
- The Sewer Fund reported consumer revenues of \$89,000 and expenses, including interest, of \$106,000; resulting in a net loss of \$17,000
- The Sewer Fund cash position decreased nearly \$22,000, ending with a balance of \$83,000 as of September 30, 2010
- The current rate of \$60, which does not fund depreciation, does not allow the City to supplement its cash reserves. The only way to build cash reserves will be a reduction of O&M expenses. The City will have to closely monitor the sewer budgets to ensure preservation of cash balances
- The annual debt service payments for the Sewer Fund are \$62,364
- **Recommendations**
 - Designate a sewer reserve and transfer \$6,236 into the account until the balance equals one annual payment. This is stipulated in the bond covenants
 - Implement a written procurement policy
 - Consider consolidating the operating checking accounts into one account
- **Williams Engineering: Water Study (Gerald Williams/Ted Hendricks)**
 - Williams walked the Council through multiple handouts outlining options for upgrading the City's water system; total estimated cost for a complete system upgrade was \$1.663 million; the least expensive option to add a second well was estimated to cost \$250,000
 - Discussion focused on meters in place; current water line depths; lack of "as built" for most of the system
 - Discussion will continue with review of the final report once it is completed
 - Hendricks then addressed the Council about financing options; he recommended completing the entire project – "buying the Cadillac"
 - Hendricks went on to explain that funding agencies will support projects up to the capabilities of the City noting that agencies (and he) are not in favor of "downsizing a project"
 - Grant funding is harder to come by now; stimulus funding will not be available; Hendricks also stated that the City's current water charge was "too low" at \$25 per month especially when considering the 10,000 (20,000 winter) base given to each account every month, "it is not uncommon for each [water/sewer] to be at \$50 each month"

- Hendricks recommended that the City complete its water study with Williams and then conduct “informational” meetings for the public to “get the pulse of public opinion”
 - The City won’t be eligible for grant funding until the 2013 cycle but the city can “be as close to ready as can be. If something happens to the well, it can act quickly.”
 - Williams ended the presentation by requesting a public hearing be scheduled for June 13. He will finish the environmental component of the study after the public hearing’s 30-day comment period is over
- **Idaho Rural Water Association (IRWA): Groundwater Protection Grant (Melinda Harper)**
 - Harper introduced herself. She explained that the City of Driggs has submitted a Source Water Protection Grant application which may be expanded to include Victor and the Darby Canyon area. Friends of the Teton River may be involved too. She questioned whether Tetonia would be interested in something similar?
 - Congratulated Teton County for having such a high participation rate of large landowners in conservation efforts; concern is for smaller landowners which is less than 1%
 - Harper offered IRWA review of water system recommendations/plans once finalized
 - **City Council Open Seat** – no response. Will be brought back in June

Consent Agenda

- **Amend Agenda** according to IC 67-2343:
 - **No action.**
- **Minutes:**
 - April 11, 2011, Regular Meeting
 - **Matkin moved to accept the minutes as presented. Abbott seconded. Motion carried unanimously.**
- **April Claims and Revenue**
 - **Abbott moved to accept claims and revenue as presented. Berry seconded. Motion carried unanimously.**
 - Water/Sewer Delinquencies reviewed by account number only.
 - No action taken.

Berry moved for a recess. Abbott seconded. Motion carried.

The meeting was recessed at 9:10 p.m.
The meeting resumed at 9:20 p.m.

Old Business

- **City Hall Remodel Bid Opening**

- Councilman Matkin recused himself.
- Bids were unsealed by Mayor Jardine
 - (1) DR Concrete \$3,880.00 Not Qualified: Bid is for concrete only
 - (2) Walker Custom Cabinets \$59,753.36 Not Qualified: no bid bond or itemized listing of materials/components
- Consensus was reached to re-bid; Lenz will check on advertising prices with Teton Valley News, Valley Citizen, Jackson Daily, Standard Journal, & Post Register for display & legal ads
- Council acknowledged that short time frame may forfeit use of EECBG funds

- **Egbert Lawsuit**

- Two hearing dates are coming up: (1) May 20th is a hearing asking the judge to certify the denial of the original petitioners to intervene, certification would allow an appeal to the Supreme Court – at least a year process; and (2) June 3rd to consider the petition of the two landholders whose land would be “enclaved” by the annexation

- **Summer Event**

- No action taken. Will be brought back to Council in June

Departmental Reports

- **Planning & Zoning** (Emily Nichols, Chair) – No report

- **Jan Gallup**, Planning Consultant - No report

- **Public Works Department**

- **Well #1 Leak/Clay Valve**

- Lenz reported that the Driggs Public Works crew will be in Tetonia on May 12th to help with the leak on the east side of the well house. The only cost to the City will be lunch for the crew
- Clay valve repair brought back before Council. No action taken as the valve “appears to be working fine now”

- **Public Works Position**

- **Abbott moved to enter Executive Session per IC 67-2345(a) for consideration of possible hire. Berry seconded.** Councilman Matkin recused. Question called by roll: **Abbott – aye; Berry – aye; Motion carried unanimously.**

Executive session was entered at 10:00 p.m.

Executive session exited at 10:10 p.m.

- **Abbott moved to hire Mitch Smaellie as the City's Public Works Director, effective May 10th, 2011 under terms discussed. Berry seconded. Motion carried unanimously.**

- **City Clerk**
 - No report.

- **Adjourn Meeting**
 - **Abbott moved to adjourn. Matkin seconded. Motion carried unanimously.**

Meeting Adjourned at 10:20 p.m.

Rex Jardine, Mayor

Date

Carol Lenz, City Clerk/Treasurer

Date