

CITY OF SHELLEY
CITY COUNCIL
MINUTES

September 24, 2025

PRESENT: Mayor Stacy Pascoe

COUNCIL MEMBERS: Kim Westergard, Jeff Kelley, Don West, Sean Kress

Police Chief:	Chad Purser
Public Works Director:	Justin Johnson (absent)
City Building Insp/Planner:	Jordon Johnson
City Attorney:	BJ Driscoll
City Clerk/Treasurer:	Lisa Ybarra (absent)
Recreation Director:	Mikel Anderson
Deputy City Clerk:	Tori Pacheco

Absent: Council Member: Jeff Kelley

This meeting was opened at 7:35 p.m.

Pledge of Allegiance: Chad Purser

Invocation: Mayor Stacey Pascoe

Kim moved; Don seconded to approve the consent calendar:

- A. Approval of Minutes: September 10, 2025
- B. Approval of July Expenditures
- C. Approval of July Overall Budget & Treasurer's Report
- D. Approval of August Expenditures
- E. Approval of August Overall Budget & Treasurer's Report
- F. Approval of Building Permits:

340 Meadow Walk Dr – Single Family, 394 Wind River Cir – Single Family, 388 Wind River Cir – Single Family, 390 E Maple St – Reroof, 396 Wind River Cir – Single Family, 390 Wind River Cir – Single Family, 337 E Center St – Acc. Building, 360 Meadow Walk Dr – Single Family, 315 Meadow Walk Dr – Single Family, 540 Gail Lane – Single Family, 544 Gail Lane – Single Family, 539 Gail Lane – Single Family.

A roll call vote was taken: Sean – Aye, Don – Aye, Kim – Aye. Approved three in favor, one absent.

David Lazenby – Anthem Broadband – Update and answer questions about current construction during the project.

Mr. Lazenby said that Anthem Broadband is currently running a messenger line down the alley just West of the Parks Subdivision. In the Alley next to Auto Zone (meant O'Reilly), they are working on getting a pole application. Mr. Lazenby spoke with Justin, and he prefers that in that area, they run aerial lines. The mayor inquired if most of the lines would be aerial. Mr. Lazenby stated that they will only go into the ground if necessary. Down Baseline Road, Anthem Broadband will need to bore down the lines because the poles on that road are transport lines instead of distribution lines. Mr. Lazenby has been keeping in contact with the Public Works Director Justin Johnson. Anthem Broadband received complaints about workers blocking driveways. Mr. Lazenby reiterated that there should not be a scenario where workers are blocking driveways, and they had a meeting to correct this. The mayor commented that that is a small number of complaints. Kim suggested that this means that the company is doing their due diligence to ensure good communication. Mr. Lazenby let the council know that they did get behind on door hangers due to a miscommunication. Mr. Lazenby confirmed that they are back on track with door hangers, and the cameras for the tennis courts are in progress. Kim commented that the security cameras are necessary for vandalism and park security. Kim asked Jordon if there was anything else remaining on the tennis courts project. Jordon stated that the security cameras, parking lot repair, and some landscaping are the only remaining projects. The mayor confirmed that the parking lot is done, with some corrections necessary for the asphalt.

Dave Noel – Consider approval for the FDS engineering project contract.

Dave with Forsgren Engineering updated the council on the progress with the water project. The three main parts of the water project include:

1. Lead and Copper Service Lines
2. West Fir St Water and Road Project
3. Water Improvement Projects

Last week, the funding agencies updated to let them know that the loan that was offered for five million dollars would now be 100% loan forgiveness. There would also be an offer letter expected for the remaining funding for a total of approximately \$19,950. There was a work meeting with the public works department to prepare for the project moving forward. Dave reiterated that it is important to understand that the improvements to well #5 are just one of the facility planning studies. This was not originally determined to be a high priority in the water project. Within the last month or so, well #5 has been lost. This is resulting in a tax on the other wells. With this issue, well #5 has become a higher priority. With the higher priority of this issue, Public Works asked if Forsgren and Ted Hendrick could have their contracts ready to move this project along. There are seven projects in total, and Dave went over each one:

1. Well #5 – Increase the pumping capacity from 1,100 gallons a minute to 2,400 gallons a minute. 2,400 gallons is what is needed to meet the firm capacity. This is important because the City does not have any other water rights, and water rights are not needed for a backup. Firm capacity means that if one well is offline, the firm capacity can still be met. When this well was installed, a 2,400-gallon pump could not be installed because of the location and pipe size. This part of the project will also include adding a generator, which the City does not currently have.
2. Correct low-pressure issues within the system - install a booster pump for low pressure within the community. There was some discussion in the past of having developers build their own booster stations and then turn them over to the City once complete. At the time of this conversation, there was no funding to install booster stations. Now there is funding. With the funding, this allows the City to disperse the cost to the individual users rather than putting the cost on the developers upfront. Kim inquired if this would result in the current subdivisions in progress no longer requiring a booster station. Dave confirmed. Kim then asked if this saves the developers money. It was confirmed that the developers will still be helping to pay for the booster station. Dave mentioned that the council has not made a decision on how the booster station will be paid for. The discussions that have been happening with the public works department have determined that if a boundary is identified to determine who would be using the booster station, this will allow the City to contribute the cost of the booster station to those using it. Kim asked about the cost of the booster station. Dave replied that the booster station has been included in the project from the beginning. Kim asked Jordon if they were in favor of one large station or smaller ones per development. Jordon confirmed that they would rather have one larger station to maintain. The Mayor said it is possible to have this repayment over time, versus having the developers pay a couple of million up front. Dave reiterated that the decision has not been made; these are just possibilities.
3. Replace the two-inch and four-inch distribution lines that have lead joints and are made out of galvanized materials. This part of the project was originally going to be included in the LSLLR project.
4. Update the SKADA system
5. Replace isolation valves in tank #1. Tank one was supposed to come out of service when tank three was built, but it was discovered that all the isolation valves were frozen open. It is not possible to shut off. There is also a crack that runs all the way around the midspan of the tank and is leaking water. If tank one were to crack more severely, break, or spill all of the water in all of the tanks would be lost. This part of the project is to temporarily plug the lines with hot tap-type plugs, pull the valves out, and put new isolation valves in.
6. Rehabilitate tank #1
7. Install water meters into the approximately 400 units that do not fall under the lead and copper replacement.

These are the seven tasks identified to consume approximately nineteen million dollars. Don asked if this amount would be included in the nineteen million dollars. Dave confirmed that it is

included. Phases one and two will involve the well and booster station. These are believed to mainly fall within the five million dollars already granted as full loan forgiveness. The fourteen million dollars would be spent last to minimize interest accrual. If costs are below nineteen million, the Council will need to decide whether to stop or reevaluate the project needs. Dave then directed the Council to page six of the contract, which summarizes the costs. The \$2,027,000 includes engineering, covering design work, bidding, and support during construction. An estimated \$800,000 is budgeted for materials and labor, based on having a full-time employee on-site for three years to conduct construction inspections. Dave mentioned that they would like to start on well 5 as soon as the council approves the contract and aim to bid on this part of the project as early as summer. The Mayor asked if they would bid on the booster station sooner if a better price was available. Dave responded that it's difficult to say. The contract accounts for six different bid packages, excluding the smaller SKADA system bid. This will involve contacting potential bidders and coordinating schedules. Don asked if all projects were included in the contract, and Dave confirmed all seven are. Don requested an electronic version of the contract. Sean asked if BJ had reviewed the contract, and he confirmed that he had not. Dave noted that the contract form required is very cumbersome.

Ted Hendrix – Consider approval for the FDS administration project contract.

Ted Hendrix will review the finances. The city has received about \$49 million, including roughly \$26 million in loans. These loans are provided through Rural Development: approximately \$14,300,000 at 4.25% for 40 years, and around \$12,000,000 through DEQ at 1% for 30 years. An amendment has been made to the \$5,000,000 DEQ loan, now reflecting the full \$5,000,000 as 100% loan forgiveness or grant. All funding required to complete the Fir Street project is secured. Sean confirmed that the \$5 million also includes the \$770,000 originally offered as a grant through DEQ. Ted confirmed that the total offer is \$5,770,000, all in loan forgiveness. Ted submitted his contract to Tori earlier today. It's a lump-sum contract. The funding will cover the first two phases of the project, which are more urgent. The Mayor signed the amendment to the \$5,000,000, and it will be sent to Boise on September 25th. Ted's contract is for \$189,500, covering all work from the last few years and the next three years of construction, including the completion of the service line and FPS projects. Ted told the Council he has enjoyed working on these projects. Kim asked what happens if Ted cannot complete the work before the contract ends, given that it is for three years. Ted replied that his employees and wife are capable of completing it. Kim then asked what happens if the project takes longer than three years. Ted stated his contract expires in 2028 and hopes it won't take longer than three years. Dave added that Ted isn't requesting early payment; funds will only be released as needed. Ted explained that spending the DEQ money first will save interest costs. He also noted that increasing utility rates will help cover the loans. Ted asked if the Council had any questions about his contract. Sean said he doesn't see or foresee any issues and asked if Bj had reviewed it. Bj confirmed he hasn't, but mentioned the contract follows the same format as previous ones he has reviewed, incorporating his suggestions he made to Ted in past contracts. Each funding agency has specific requirements, which Ted has included. Bj recommended the Council do its due diligence and fully understand what it is approving. Sean suggested the City has an attorney for a reason and that Bj should review the contract. Bj agreed and suggested that maybe Ted and Dave could submit a summary of the contract. Ted mentioned his contract includes a one-page scope of work. The Mayor confirmed that there's no risk in delaying the review and voting until the next meeting. Bj added that the Council could schedule a special meeting within about 48 hours if needed. Kim asked if it's possible to wait until the next meeting. Ted confirmed it is. Kim thanked Ted for his work on these projects. The Mayor asked when the Council would like to discuss the contracts. The Council determined that the next Council meeting would be a good time.

Consider Planning and Zoning's recommendation to approve the change of verbiage in Title 10-2-7 definitions on mobile home and mobile home park.

Tori pointed the Council to the public hearing that was recommended by the planning and zoning committee. Currently, the definitions read as:

Mobile Home: A manufactured relocatable single-family dwelling unit made prior to June 15, 1976, which does not meet the Federal Man Construction and Safety Standards. See Manufactured Home.

Mobile Home Park: A parcel of ground retained under one ownership for the purpose of lease or rental of spaces for the placement of mobile homes or manufactured homes as defined in this Ordinance.

The recommended changes are:

Mobile Home: A manufactured relocatable single-family dwelling unit made prior to June 15, 1976, which does not meet the Federal Man Construction and Safety Standards. ~~See Manufactured Home.~~ Currently referred to as Manufactured Home per HUD standards.

Mobile Home Park: A parcel of ground retained under one ownership for the purpose of lease or rental of spaces for the placement of existing mobile homes or placement of manufactured homes as defined in this Ordinance.

Bj inquired if these are the only changes recommended. It was confirmed they are. Sean moved, and Don seconded to approve the recommended changes to Title 10-2-7 mobile home and mobile home park. Approved three in favor and one absent.

New Council Business:

A. Mobile Food Vendor: Bite Bliss

Sean moved, and Don seconded the approval of the mobile food vendor license for Bite Bliss. Approved three in favor, one absent.

Old Council Business

A. Adam French – Consider approval of installing lights on the nature path.

Sean moved and Kim seconded to table agenda item 9 A. to the next Council meeting. Approved three in favor and one absent.

Bj inquired about items 1, 2, and 4 on the agenda as they were not discussed or tabled. The Mayor said that items one and four were not ready, and the residents for item two asked to be removed from the agenda. Bj suggested moving to put items one and four on the agenda for the next meeting. Sean moved, and Kim seconded to table agenda items number one and four to the next Council meeting. Approved three in favor, one absent.

Department Head and Council Reports

BJ – At the last council meeting, there was a question about the impact area with the county. Bj spoke with Paul Rodgers and sent a summary to the Council. Paul is still gathering information. Either Justin or Jordon brought to the Council's attention at the last meeting about the language at the end of the statute that says if action is not taken by the end of 2025, the contract is void. Don asked Jordon to brief him on the contract. Jordon said that at the end of the statute, the area of impact agreement must be revised or come to an agreement by the end of the year, or it becomes void. The Mayor commented that the last area of impact agreement took about ten years to complete. Bj suggested that the Council needs feedback from the community, developers, and anyone else the Council wants to determine what should be included in the agreement. If the Council is comfortable with the current agreement, they can renew it to give more time to revise at a later date. Sean suggested that Jeff had an opinion on the agreement and would like his input. Bj replied that the new statutes have some stipulations on maximum expansion. The wish list may not meet the stipulations. Don asked for a copy of the current agreement. The concern is that the area of baseline is not within the City's area of impact. Jordon asked what the next step would be if the Council decided to renew the current area of impact contract. Bj responded that he would communicate that to the County informally. Jordon suggested that there are a handful of items that need to be looked into, but there may not be an adequate amount of time. Sean asked if it would be possible to request an approval or an extension until the end of 2026. Bj said that it can be revised at any time. Bj also mentioned that if the County and the City don't agree, there is a process. A committee is formed with a County rep and a City rep to come up with an agreement. Bj sent the Council a summary of the new statute. He will communicate with the County to keep the current agreement and discuss some concerns with the County. Bj will email any updates to the Council.

Tori – DMV has training in Pocatello and would like to request closure of that portion of the office on October 8th. Sean moved, and Don seconded to close Shelley DMV for training on October 8, 2025. Approved three in favor, one absent. Tori then informed the Council of a Public Hearing Notice from the County regarding a rezone for Rockwell Homes set for October 8th.

Mikel – Tree City has Arbor Day on Saturday, October 11th starting at 9 am. They will be planting some memorial trees on the nature path and new trees to replace dead ones out at Golden Valley Natural. Kim suggested reaching out to Tyson Green at the ICCU branch in Shelley. They

need service hours. Tree City has a scheduled meeting on October 6th at 7:00 p.m. to go over Arbor Day. Mayors Youth will also be volunteering at Arbor Day. The pool is still in the process of being winterized. Flag Football has ended, and Basketball signups have started.

Jordon – Nothing to report

Chief Purser – The police department is in the first stages of hiring a new Officer. The step grant was approved. In the past, they have received around \$70,000; with federal cutbacks, they received approximately \$36,000.

Sean – Spud Day is an awesome event that requires so much work to put together. He got great feedback from many people. He loves that, despite the growth of the City, the traditions that have been happening for many years still continue. Sean asked Jordon what the requirements are to enforce the excess weed growth on undeveloped lots. He is seeing lots of weeds taking over stop signs and making it difficult to see the road. Jordon said that Sandy is handling code enforcement, and she could send a letter out to the landowners to take care of the weeds.

Jordon has talked to the developers in the past.

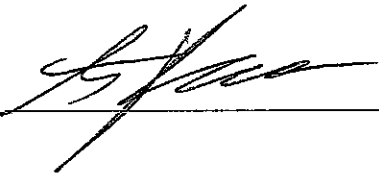
Don – Was unable to attend Spud Day as he had a funeral that day. He thanked the department heads for all their hard work. He also thanked Ted and Dave for all they do.

Kim – Spud Day was awesome. She loves getting involved in the community. The Kiwanis Club members commit countless hours to the work that goes into Spud Day. Kim had a funeral, and she is thankful for the City Family that she has.

Mayor – Appreciates the Police Department for helping to keep the kids back and safe during the parade. City park was full during Spud Day. Mikel took over the free potatoes. The mayor has handled the free potatoes since 2010 and has now passed the torch to Mikel. He enjoyed getting to walk around the City Park and see all the community that was there. The public works department and the Kiwanis Club put in a lot of work to put Spud Day together. The Mayor also thanked Dave and Ted for the work they have done on the water project.

Adjourned: 9:03 p.m.

APPROVE:



ATTEST:

