

CITY OF SHELLEY  
COUNCIL MEETING  
MINUTES

MARCH 14, 2022

PRESENT: Mayor Stacy Pascoe

Council Members: Jeff Kelley, Kim Westergard, Adam French, and Leif Watson

Police Chief:	Rod Mohler
Public Wks Dir.:	Justin Johnson
Recreation Dir.:	Mikel Anderson
City Clerk/Treasurer:	Sandy Gaydusek
City Attorney:	BJ Driscoll
Building Inspector:	Jordon Johnson

PLEDGE OF ALLEGIANCE: Sandy Gaydusek

PRAYER: BJ Driscoll

The meeting was opened at 7:32 p.m.

Jeff moved, Leif seconded to approve the following consent agenda:

Approval of the Minutes of Council Meeting on March 08, 2022

Approval of the Minutes of the Special Meeting on March 7, 2022

Building Permits:

none

A roll call vote was taken: Jeff – aye, Adam – aye, Kim – aye, and Leif – aye.

Approved unanimously.

A public hearing is scheduled to consider increasing the water connection fees, and the Resolution associated with the increase. Mayor Pascoe said the city hired our engineers to provide a study of what the connection fee should be based on the number of our connections, our current infrastructure, what it would cost to replace our infrastructure and the depreciation of our current infrastructure. The value of a water connection is \$9510.78; currently our connection fee is \$1300.00. Mayor Pascoe said the city is currently having problems being awarded grants because of our low rates and low connection fees, therefore needed improvements are not being done due to funding. He turned the time over to BJ to conduct the public hearing.

BJ discussed the procedures of the public hearing and opened it for comments in favor of the increase.

Heath Mitchell, 1161 N. 1000 E., Shelley, Idaho was sworn in. Mr. Mitchell said he has heard the data and understands that this fee has not been raised since 2005. He said as a member of the community, he feels the growth coming in should pay for the infrastructure improvements.

BJ asked for public testimony that are neutral in this matter.

Dave Noel, City Engineer, 1865 Ross Avenue, Ammon Idaho was sworn in. Dave said he would like to remind everyone why we are here. He said they providing a

facility planning study, and the portion with the rates was reviewed due to all of the development that is occurring. He said he has valued our current system at today's costs, however he had to look at the current value also since it is not a brand-new system. He said the assets have been depreciated based on their age. Dave said the replacement cost is approximately \$26,341,450 and the depreciated value is \$16,168,319 which is divided by the number of connections. This is how the \$9510.78 rate was figured. He said everyone that is currently connected has helped pay for the facility. They basically have invested that value.

Derek Dye, 274 Parkview Loop was sworn in. He said as part of the community we need to look at future costs and need to take care of the community. Mr. Dye said the city needs to really look at the bottom costs and when they will increase. He said also homes will bring in a larger tax base.

BJ closed the hearing for deliberations.

Mayor Pascoe said we are at the point that we need to upgrade the infrastructure, but feels the fees should not be over \$5000. Adam said he feels \$9500 is too much of a jump for Developers. He said he feels like \$5000 is enough of a jump currently. Kim said she looked at other city's connection fees and there are much lower fees than this. Dave said this study was done at today's costs. He said these types of projects have increased substantially. Also, some of the fees of other cities are a base fee and then are charged by the line length as well. Jeff discussed inflation that has occurred over the last three years. He said costs have about doubled. He said he believes we need to look at increasing this fee every few years and feels \$5000 should be a minimum. All of the Council agreed we need to look at this connection fee more often. Mayor Pascoe said he feels we need to increase the connection fee so the monthly rates do not need to be raised to pay for infrastructure improvements. Jeff said if growth continues, we need to keep pursuing this and tie the increase of fees to the engineers' study. Dave said the purpose of the connection fee is to reimburse the city for the value of the facility. He said this is not an impact fee. He said to be successful with grants the monthly fees need to be about one and a half percent of the median income which is \$70. He said when you get a loan everyone in the system has to repay it and not just the growth that is occurring. Dave discussed the infrastructure that needs to be improved; a booster pump, looping Fir Street line from Well four to Well five, increase the firm capacity and increase the size of our pumps. Jeff said we also need to pursue impact fees in addition to the connection fees. Leif said he feels \$5000 is too low and the water connection fee should be raised to \$6300 to \$6800. He said we have existing problems and need to pay for it. Adam moved, Kim seconded to increase the water connection fee to \$5000 effective March 15, 2022 and consider another increase in the next year and continue to review these fees on an annual basis. A roll call vote was taken: Kim – aye, Adam – aye, Leif – aye, and Jeff -aye. Approved unanimously.

Sandy discussed Resolution 22-03 regulating the fees for apartments, hotels, etc. Adam moved, Kim seconded to adopt Resolution 22-03 designating the connection fee will be \$5000 per living unit with the exception of a motel and then it will be \$5000 plus \$60 per unit. Apartments will now be counted as individual living units. Also, Section 2B will be stricken regarding an increase of size above one inch and charging more per quarter inch. Only one-inch lines will be allowed for residential units or the equivalent. Approved unanimously.

Jed Young would like to install septic systems to two proposed buildings on the south east side of 483 S. State Street. There is no existing city sewer in that area. Mayor Pascoe said he is concerned about having that many septic systems which may flow into the aquifer which is a direct line to Well 2. Leif said he spoke with Dave and they should be connected to the city sewer system since they are part of the city. Dave said the sewer line could come from Country Club or ran down Spud Alley. Another option would be to come across Highway 91 and run under the railroad. Dave suggested there is a stub that was ran from Highway 91 to the railroad several years ago. It is near Anderson Road. It does not go under the tracks but is across the highway. Dave discussed other option as well that might not be quite as much cost to bore with a smaller line and a pressurized lift station. Jed said he would be willing to put in a self-contained septic system that he would own and maintain it. The system would be in an enclosed vault with no drain field, etc. Leif moved, Kim seconded to allow Jed Young to install a privately owned self-contained sept system and issue a letter stating such. Approved unanimously.

Leif moved, Jeff seconded to approve a business license for Just Lashing Out at 175 W. Pine Street for 2022. Approved unanimously.

Justin said there will be a Motorcycle Awareness Event on May 7, 2022 at the City Park. He said this is a bike rally and may have a large crowd with bikes turn out. He said the purpose is to point out awareness of riders on motorcycles for safety.

The Mayor and Council discussed the policy regarding connection fees and monthly service fees. Currently monthly fees are not charged until the water is being used. However, there are problems with new homes accessing the city water and they have never had an account set up to charge monthly rates; sometimes the plumbers are turning on the water. Dave said once a connection fee is paid, the purchaser has basically invested into the municipal system; the city must maintain and have the water for them at that point. He said the purchaser should have to pay for the maintenance on that line as well. Jeff moved, Leif seconded to begin charging monthly water and sewer fees beginning the first of the next month after the connections are purchased for sewer, and water effective March 15, 2022. Approved unanimously.

The Mayor and Council discussed prepaid connection fees, and when the monthly charges should begin. They determined that the pre-paid connections that have already been purchased will not have to pay monthly fees however within the next two months they must provide the property description or address that they own that will be tied to the prepaid connection. If the purchaser cannot tie the connection to property they own they may have the option of selling it back to the city at the price that was originally paid. Also, the prepaid connections are non-transferable to another lot. There will be no sale of pre-paid connections as of this date going forward unless a building permit is pulled at the same time and monthly charges will begin the first of the next month following. Jeff moved, Leif seconded that any pre-paid connections as of today must be tied to the purchaser's property and is non-transferable to another piece of property; the purchaser may have the option of selling the connection back to the city at the price they paid for it and this must happen within two months from today. Approved three in favor, Kim abstained. Motion carried.

Jeff moved, Leif seconded that no pre-purchased water or sewer connections will be sold as of this date unless a building permit is pulled at the same time and monthly fees will begin at the first of the next following month. Approved unanimously.

Sandy said our ordinance states that if a residence is unoccupied that no monthly rates will be charged for water or sanitation. Adam moved, Leif seconded that Ordinance 8-4-31 will be amended by striking the sentence "but premises occupied less than one month shall be charged only for that occupied portion". Approved unanimously.

Leif moved, Kim seconded to remove the unoccupied rate from the sewer fee resolution. There will no longer be unoccupied rates, full rates will be charged whether occupied or not. Approved unanimously.

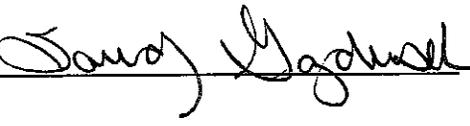
Jeff moved, Leif seconded to amend Ordinance 8-6-17 by striking the words occupied. Approved unanimously.

The Mayor and Council determined that whether or not a residence or home is occupied full monthly rates will be charged. This includes apartments, mobile homes, businesses, etc.

Jeff said the city needs to look at the definitions of Arterial and Collector Roads. He said Arterial should be eighty feet of asphalt but what should the ROW be. Arterial would be such as a five-lane road. He said we need to identify which roads in the city are collector and arterial. Dave said we don't have any specifications for arterial roads. He said East Center has a sixty-two-foot ROW and it was discussed that it would have two lanes with a turn lane. Jeff said we need to identify and require Developers to allow for additional ROW's. Justin and Dave were asked to determine what roads are collector and which are arterial.

Jeff discussed the submittal of development drawings for a subdivision. He said it is important to have the development drawings prior to moving forward with preliminary plats. He said there should be one point of contact and he felt it should be Jordon. Jeff said if the development drawings are not done and submitted for our engineer to review, no other partial plans will be reviewed until the developer has their engineer submit the full development drawings. Jeff said we should have Jordon get certified and be a part time city planner. Justin asked if an administrative decision is made by Jordon will the Mayor and Council support his decision rather than meeting with the developer one on one. The Mayor and Council assured Justin and Jordon that he will have the full backing of the Council. Leif moved, Kim seconded to table this matter until further discussion could be held regarding certification, wages, and procedures. Approved unanimously.

Adjourned: 10:53 p.m.

APPROVE:  ATTEST: 



DATE	February	AMOUNT	CHECK #
2/8/2022	Centurylink	\$ 241.78	548284
2/8/2022	Comdata	\$ 1,673.45	548285
2/8/2022	Dept. of Environmental Quality	\$ 243,675.00	548286
2/8/2022	Verizon	\$ 347.13	548287
2/8/2022	A & B transmission	\$ 412.32	548288
2/8/2022	AAA Giles	\$ 675.00	548289
2/8/2022	Airgas	\$ 1,080.00	548290
2/8/2022	American Linen	\$ 289.78	548291
2/8/2022	Angel Armor	\$ 1,258.00	548292
2/8/2022	Army Surplus	\$ 67.96	548293
2/8/2022	Bingham News Chronicle	\$ 135.94	548294
2/8/2022	Boot Barn	\$ 97.72	548295
2/8/2022	Broulim's	\$ 244.37	548296
2/8/2022	Cammans	\$ 350.00	548297
2/8/2022	Clean Cut Lawn Care	\$ 208.00	548298
2/8/2022	Commercial Tire	\$ 114.24	548299
2/8/2022	Digline Inc	\$ 182.00	548300
2/8/2022	Fire Services of Idaho	\$ 905.98	548301
2/8/2022	Freedom Mailing Services	\$ 621.27	548302
2/8/2022	Hard Times	\$ 4,807.29	548303
2/8/2022	IAS-Envirochem	\$ 150.00	548304
2/8/2022	Idaho Board of Water & Wastewater	\$ 200.00	548305
2/8/2022	Idaho Falls Peterbilt	\$ 5,244.24	548306
2/8/2022	Ideacom	\$ 189.54	548307
2/8/2022	Intermountain Gas	\$ 821.77	548308
2/8/2022	Mcguire Bearing Company	\$ 50.74	548309
2/8/2022	O'Reilly Auto	\$ 3,249.06	548310
2/8/2022	Post Register	\$ 61.15	548311
2/8/2022	PSI Environmental	\$ 15,926.41	548312
2/8/2022	R & S Distributing	\$ 260.02	548313
2/8/2022	Robert Hansen	\$ 250.00	548314
2/8/2022	Sams Club	\$ 207.64	548315
2/8/2022	Shelley Ace Hardware	\$ 573.90	548316
2/8/2022	Sherwin Williams	\$ 55.24	548317
2/8/2022	Smith Driscoll & Associates	\$ 3,047.00	548318
2/8/2022	Solid Waste Systems Equip	\$ 2,880.63	548319
2/8/2022	U & I Kiwanian	\$ 45.00	548320
2/8/2022	Uniforms 2 Gear	\$ 173.67	548321
2/8/2022	Utility Trailer Sales of Idaho Falls	\$ 349.94	548322
2/8/2022	Valley Office Systems	\$ 63.34	548323
2/8/2022	Domino's Pizza	\$ 122.75	548324
2/18/2022	Blue Cross of Idaho	\$ 1,187.84	548325
2/18/2022	Justin Johnson	\$ 246.97	548326
2/18/2022	Shelley School District	\$ 880.98	548327
2/18/2022	Unum Provident	\$ 8.17	548328
2/28/2022	A&B Trans	\$ 81.39	548329
2/28/2022	Airgas	\$ 858.41	548330
2/28/2022	Cate-Idaho Equipment	\$ 369.70	548331
2/28/2022	Centurylink	\$ 241.78	548332
2/28/2022	Chatterton Appraisals	\$ 400.00	548333
2/28/2022	Commercial Tire	\$ 1,186.79	548334
2/28/2022	Core & Main	\$ 178.92	548335
2/28/2022	D & S Electrical	\$ 36.46	548336
2/28/2022	Eastern Idaho Reg. Wastewater	\$ 32,881.60	548337
2/28/2022	Eriks North America	\$ 75.51	548338
2/28/2022	Fleetpride	\$ 22.90	548339
2/28/2022	Footwear Outfitters	\$ 149.99	548340
2/28/2022	Garrett H Sandow	\$ 1,650.00	548341
2/28/2022	Home Depot	\$ 2,063.59	548342
2/28/2022	IBM Corp.	\$ 578.08	548343
2/28/2022	Idaho Bureau of Occupational License	\$ 100.00	548344
2/28/2022	Idaho Falls Peterbilt	\$ 288.52	548345
2/28/2022	Idaho Water Eng.	\$ 3,220.00	548346
2/28/2022	Industrial Hose and Fittings	\$ 707.95	548347
2/28/2022	Jim's Trophy room	\$ 5.70	548348
2/28/2022	Johnstone Supply	\$ 29.12	548349
2/28/2022	Lawson Products	\$ 321.58	548350
2/28/2022	Lumen Century Link LD	\$ 2.58	548351
2/28/2022	Mid-American Res. Chem. Corp.	\$ 342.45	548352
2/28/2022	Mountainland Comm.	\$ 38.00	548353
2/28/2022	Neil Curtis	\$ 63.45	548354
2/28/2022	Purvis	\$ 178.92	548355
2/28/2022	R&S Distributing	\$ 21.54	548356
2/28/2022	Rehrig Pacific	\$ 31,100.00	548357
2/28/2022	Rocky Mountain Power	\$ 6,531.98	548358
2/28/2022	Shelley Auto Care	\$ 15.00	548359
2/28/2022	Siems Enterprises	\$ 31.95	548360
2/28/2022	Solid Waste Systems Equip	\$ 622.90	548361
2/28/2022	Sparklight	\$ 239.01	548362
2/28/2022	State Insurance fund	\$ 8,305.00	548363
2/28/2022	Steam Store Rocky Mt.	\$ 60.96	548364
2/28/2022	Stephenson Computer Cons.	\$ 1,138.90	548365
2/28/2022	Symmetry Garage doors	\$ 1,077.50	548366
2/28/2022	Uniforms 2 Gear	\$ 398.62	548367
2/28/2022	Valley Office Systems	\$ 77.80	548368
2/28/2022	Verizon Wireless	\$ 347.13	548369
2/5/2022	Payroll	\$ 66,846.89	
2/16/2022	Payroll	\$ 62,242.13	
	<b>Total</b>	<b>\$ 518,763.93</b>	