

CITY OF SHELLEY
COUNCIL MEETING
MINUTES

JULY 12, 2011

PRESENT: Mayor Eric Christensen
Council Members: John Lent, Charlotte Fredrickson, Earl Beattie, and Kurt Russell
Police Chief: Alan Dial
Public Wks Dir: Chuck Lloyd
Recreation Dir.: Dawn Lloyd
City Clerk: Sandy Gaydusek
City Attorney: B.J. Driscoll

PLEDGE OF ALLEGIANCE: Alan Dial
PRAYER: Kurt Russell

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

Minutes of June 28, 2011 Council Meeting
Building Permits:
Lynn Smith - Garage Addition
Alva Harris - Demolition Permit
Kelton Larsen - New Home
Lynn Longhurst - Re-roof
Gary Coleman - Addition
Barbara Clark - Deck

A roll call vote was called for: Earl – aye, Charlotte – aye, John – aye, and Kurt – aye.
Approved unanimously.

Dave Noel discussed the proposed lease agreement between the City and EIRWWA. He said there is an easement needed for the property where the road is located so the plant can remove its sludge. BJ said he had contacted Dave regarding the property description for the plant and some other issues were brought up. BJ said this lease agreement includes a fifty foot access easement along the southern border to the gated entry. Dave said the lease had been in the background for many years, however there were bigger issues that were being taken care of. He said one of the EIRWWA Board members felt the lease should have been taken care of before now and is anxious to get one drafted. Dave said that the lease has been drafted to be renewed on a yearly basis; he felt some of the Board members may have a problem with a short term lease. John said since this is fairly new to all of the entities, he felt a short term lease is what the city needs right now. Mayor Christensen said he is concerned about obligating a future council with a longer lease. BJ said that the statute regulating city obligations beyond one year only applies to a city expenditure, and not when receiving revenue. Dave suggested listing an option to trade the property for capacity in the line in the lease agreement. BJ suggested listing the number of connections that would be equal to the appropriate value for the property since the cost for the connections may go up in the future. Earl said this is still fairly new to him and he doesn't want any options listed, and he wants the lease to be reviewed on an annual basis. He said why the city would ever want the property back. Sandy said the city could not afford to run the plant on its own anyway. Dave said he could present this lease as the city engineer at the next EIRWWA Board meeting. Earl said he would like the Mayor to present this as a Board member. John

moved, Charlotte seconded to present this version of the lease agreement to the EIRWWA Board at their next regularly scheduled Board Meeting. Approved unanimously.

Don Wilde, Shelley School District was not present. Alan said at Sunrise Elementary, the school children are being dropped off on Birch Street to enter the rear of the school. He said there are some parents who want to watch their children get into the building safely which is causing some traffic issues. Charlotte asked if it wouldn't be safer to drop the children off in the front of the school. Alan said the Sunrise Administration would like the city to post "loading and unloading only" signs on Birch Street behind the school. Charlotte said there are times when the residents on Birch Street cannot get out of their driveways. Alan said it has been this way since Sunrise was built. He said the Principal of the school didn't want all the children walking through the front door past his office. Jacqueline Wittwer said it would be safer to have the children dropped off in the front of the building. She said her child has to walk around the building to get to the playground because there is too much traffic on Birch Street so she drives the child to the front of the building. Earl suggested a letter be sent to the school expressing concern over the safety issue, and suggesting the school use the front entrance as a drop off point as the city does not believe the unloading and loading signs will help this matter.

Caroline Young of the Gables was not present. Alan said the Gable residents like to use a golf cart to travel down the walking path. The path is posted as "No Motorized Vehicles". Alan suggested a permit be created to be considered for persons wishing to use the walking path in this manner. Dawn said she feels a golf cart is too big and would create a hazard on the path. Charlotte said she is concerned about the safety of the walkers that use the path. She did not feel the path is wide enough for both. John felt the elderly who are not mobile need to be able to get outdoors. BJ didn't feel the city would be liable if someone illegally operating a golf cart should injure someone on the path. Earl moved to table this matter until more information can be obtained. Kurt seconded, approved unanimously.

Jacqueline Wittwer thanked the council for the swimming passes this year. She said there has been a lot more participation in the reading program this year. Mrs. Wittwer said they have just finished a butterfly habitat at the North Shelley Bingham County Park. She said seventeen children from Shelley worked on the project. She invited the Mayor and Council to visit the exhibit.

Chuck said he has some property that he would recommend be declared as surplus property so it can be sold or disposed of. He said there is a light pole that was damaged by a vehicle, an aluminum boat used at the lagoon, and six aerators from the lagoon. John moved, Earl seconded to declare the aluminum boat, six aerators, and light pole as surplus property to be disposed of or sold at auction. Approved unanimously.

Sandy discussed the upcoming budget for fiscal year 2011-2012. She said she needed direction to proceed with the preparation of the budget in regards to property taxes, wages, and health insurance. She said by law the city can increase the property taxes by 3% without an election.

Sandy said this would generate approximately \$23,678 in additional property taxes monies. She said to a home owner whose property is valued at \$150,000 and uses the home owner's exemption, they would see an increase in their taxes of approximately \$14.06 yearly. Sandy said the city's valuation for 2010 was \$124,508,369. She said if the city valuation has increased from last year the levy rate could go down, however she will not have the valuation estimate until the first week in August. Sandy said if the city did not increase the property taxes, that amount goes into a foregone amount and can be taken during another year, however that makes that much more of an increase in that year to the property owner. She said the employee's health insurance through Regence Blue Shield has increased by 19.9 % this year. Approximately \$25,119 of that increase will come out of the General Fund. She said the city is able to opt out of maternity coverage which will save about \$10,000 annually, however they would have to self fund that coverage if anyone covered by the city's insurance became pregnant. Sandy said the females that are currently covered by the city's insurance are no longer of child bearing age. However, if an employee chooses to cover their spouse then there may be a chance that maternity coverage will be needed. Sandy said there are not many employees covering their dependants/spouses due to the high cost of the insurance. The Mayor and Council felt they didn't have much of a choice but to request a 3% tax increase and to change the health care coverage and opt out of maternity coverage at this time. Sandy said the past two years the city has frozen all employees' wages which includes cost of living and merit raises. She said last year the city purchased some capital outlay and determined that this year the employee's wages would be looked at during the budget process. She asked if the Mayor and Council would like her to figure the annual expense for a cost of living raise, merit raise, or both. She said the cost of living index according to the Department of Labor rose 3.6 % from May 2010 to May 2011. The Council directed her to calculate the wages with raise scenarios for both merit and cost of living. Sandy will bring the information back to the next council meeting.

BJ presented the amendment to the Skate Park ordinance regulating the use of non-motorized scooters and skate boards on the cement at the park. The council discussed the use of roller blades and roller skates on the cement also, and determined this should be added to the amendment. John moved, Charlotte seconded to suspend the reading of Ordinance #540 on three different days and read the title of Ordinance #540 once. Approved unanimously. Kurt read the Title of Ordinance #540 in full and moved to adopt Ordinance #540 with the addition of roller skates and roller blades being allowed on the cement at the Skate Park. Earl seconded, and this was approved unanimously.

Sandy asked the council if they had reviewed the III-A proposal for a city health care pool. She said she contacted a few members of the Montana plan called the MMIA health pool. Sandy said this pool will not reduce the premium the city is currently paying, but will have the leverage to negotiate for small increases in the future. She said the city would enter the pool at the same premium as they are paying the first of January with the same coverage. Sandy said she spoke with Ed Meece, the City Administrator of the City of Livingston had nothing but good to say about the plan. He said everyone in the pool seen a 10% increase this year, but since this started in 2005 they hadn't seen very high increases in their insurance rates. He said the biggest

negative impact an insurance pool has, is that it freezes out the local brokers. Mr. Meece said it did take some time to tweak the program and build up their reserves, but this year they had enough in reserves to buy the proposed 13.5 % increase down to 10%. Sandy said she had also talked to Chuck Stern, the City Administrator of Whitefish. He said the program was in place when he was employed. He indicated the employees seem happy with the program, and there were slight increases over the past with the exception of the 10% increase this year. Sandy said Ed Meece had also recommended she talk to the Mayor of Columbus. He said Columbus left the program and cannot rejoin for three years. Now they are regretting leaving the program. Sandy said she had been unable to contact the Mayor. Sandy said the city must decide whether or not to join the pool by August 3, 2011, or wait until after the first of January and then have to have the membership approved by the Board. The Council did not want to miss out on this opportunity to save cost of health care for the employees. Sandy asked that the Council allow Ken Anderson our current insurance agent to address them about health care coverage and what information he has about health insurance pools before they make a decision. The council agreed.

Dawn said she met with a tennis court vendor to discuss the repair of the tennis courts. She said the vendor stated the court needs to be totally redone at a cost of \$90,000. She said the city received a grant for the restroom at Brinkman Park with the condition that the tennis courts be refurbished. However, it would be cheaper to repay the \$13,000 grant than to replace the tennis court. Earl discussed the city's liability with the tennis court's current condition. BJ said under the general rule a property owner has the duty to protect invitees against any danger or to warn of the danger. He suggested that a sign be posted at the tennis court that states "Danger" "Uneven Court" "Use At Your Own Risk". Earl moved, Kurt seconded to past the premises as "Danger" "Uneven Court" "Use At Your Own Risk". Approved unanimously.

Sandy said the Alva Harris court case was heard by Judge Roos On July 6, 2011. Mr. Harris was cited twice for the appearance on his property at 196 N. Byron. Mr. Harris changed his plea to guilty to two counts on the first citation and the second citation was dismissed. The sentencing will be September 14, 2011. Mr. Harris said the property would be cleaned up by that date.

Adjourned: 9:37 p.m.

ATTEST: Sandy English APPROVE

Eric R. Colton

JUNE CLAIMS

<u>DATE</u>		<u>AMOUNT</u>	<u>CHECK #</u>
9-Jun-11	Comdata	980.92	34962
14-Jun-11	Searle Hart and Associates PLLC	12,500.00	34963
16-Jun-11	AAA Giles Cleaning and Restoration	675.00	34964
16-Jun-11	All American Sports	3.00	34965
16-Jun-11	American Digital	505.56	34966
16-Jun-11	American Linen	521.80	34967
16-Jun-11	Association of Idaho Cities	1,120.00	34968
16-Jun-11	Broulims	94.23	34969
16-Jun-11	Business Phone Specialists Inc	42.18	34970
16-Jun-11	Central Transfer Station	25.35	34971
16-Jun-11	Charlotte Fredrickson	292.30	34972
16-Jun-11	Circular Butte Landfill	7,992.52	34973
16-Jun-11	Crystal Dial	405.00	34974
16-Jun-11	Daniel Acevedo	1,650.00	34975
16-Jun-11	Davies Aqua Chem Supply Co	1,380.95	34976
16-Jun-11	DBS Inc	3,983.16	34977
16-Jun-11	Eagle Rock Sanitation	11,750.00	34978
16-Jun-11	Earl Beattie	292.30	34979
16-Jun-11	Eastern Idaho Regional Wastewater Auth	13,639.50	34980
16-Jun-11	Eric Christensen	37.50	34981
16-Jun-11	Ferguson Enterprises Inc	3,081.83	34982
16-Jun-11	First Responders	15.75	34983
16-Jun-11	H-K Contractors Inc	2,246.12	34984
16-Jun-11	Hammon Teton Delivery	28.00	34985
16-Jun-11	IAS - Envirochem	56.00	34986
16-Jun-11	Idaho Business Systems	64.65	34987
16-Jun-11	Les Schwab Tire Center	55.00	34988
16-Jun-11	Chuck Lloyd	37.50	34989
16-Jun-11	Dawn Lloyd	92.19	34990
16-Jun-19	Marylow Galvan	25.00	34991
16-Jun-11	Mathews Plumbing & Heating	2,390.00	34992
16-Jun-11	Matt Cook	50.69	34993
16-Jun-11	Neldon Gotch Greenhouse	57.00	34994
16-Jun-11	Pacific Steel	99.35	34995
16-Jun-11	Paramount Supply Co.	166.13	34996
16-Jun-11	Petty Cash	56.57	34997
16-Jun-11	Pro Power	76.36	34998
16-Jun-11	R&S Distributing	133.95	34999
16-Jun-11	Rocky Mountain Power	6,115.30	35000
16-Jun-11	Sams Club	561.13	35001
16-Jun-11	Shelley Pioneer	171.50	35002
16-Jun-11	Shelley Quick Lube	56.25	35003
16-Jun-11	Siems Enterprises	25.00	35004
16-Jun-11	Smith Driscoll & Associates PLLC	1,343.00	35005
16-Jun-11	State Insurance Fund	3,443.00	35006
16-Jun-11	Steel Systems	2,936.00	35007
16-Jun-11	Town And Country Gardens	179.96	35008
16-Jun-11	T1G	500.00	35009
16-Jun-11	United States Welding Inc	89.60	35010
16-Jun-11	Valley Agronomics LLC	145.00	35011
16-Jun-11	Valley Office System	411.94	35012
16-Jun-11	2M Company Inc	343.61	35013
24-Jun-11	Shaun Robinson	75.00	35014
24-Jun-11	A & B Transmission	338.05	35015
24-Jun-11	All Occasion Floral & Gift LLC	45.00	35016
24-Jun-11	American Red Cross	450.00	35017
24-Jun-11	Angie Daw	120.00	35018
24-Jun-11	Blackfoot Baseball Association	275.00	35019
24-Jun-11	Cable One	166.95	35020
24-Jun-11	Cal Ranch	133.81	35021
24-Jun-11	Carla Martin	33.14	35022
24-Jun-11	Circular Butte Landfill	6,525.43	35023
24-Jun-11	Columbia Paint Co	427.75	35024
24-Jun-11	Computer Warehouse	119.98	35025
24-Jun-11	Davies Aqua Chem Supply Co	268.75	35026
24-Jun-11	Diane Michelsen	410.00	35027

24-Jun-11	Dougs Sales	98.00	35028
24-Jun-11	Eastern Idaho Regional Wastewater Auth	13,639.50	35029
24-Jun-11	Electrical Wholesale Supply Co Inc	98.44	35030
24-Jun-11	First Responders	22.00	35031
24-Jun-11	HD Supply Waterworks LTD	613.08	35032
24-Jun-11	Home Depot	19.70	35033
24-Jun-11	Intermountain Gas Co	1,439.44	35034
24-Jun-11	Kings No. 21	42.29	35035
24-Jun-11	Kirkham Auto Parts Service Co #8	101.08	35036
24-Jun-11	Lexisnexis Matthew Bender	481.19	35037
24-Jun-11	Dawn Lloyd	45.00	35038
24-Jun-11	Melissa Pfannenstiel	28.41	35039
24-Jun-11	Mountainland Communications Inc	235.00	35040
24-Jun-11	Oneida Recreation	250.00	35041
24-Jun-11	Phillips 66 Co	1,734.47	35042
24-Jun-11	Pro Rentals and Sales Inc	277.21	35043
24-Jun-11	Qwest	403.56	35044
24-Jun-11	Shioloh Huntsman	74.85	35045
24-Jun-11	Stans Paint Clinic Inc	359.95	35046
24-Jun-11	State of Idaho Interagency Billing Input	90.00	35047
24-Jun-11	Stephenson Computer Consulting	37.50	35048
24-Jun-11	US Post Office	457.75	35049
24-Jun-11	Verizon Wireless	465.06	35050
24-Jun-11	Voight Davis Realtor	35.51	35051
24-Jun-11	Watson Roto Rooter/Thayne Watson	150.00	35052
10-Jun-11	City of Shelley Payroll	50,383.45	
24-Jun-11	City of Shelley Payroll	52,694.17	
	Total	216,610.12	