

May 23, 2019

The City Council of the City of Idaho Falls met in Regular Council Meeting, Thursday, May 23, 2019, in the Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 7:30 p.m.

**Call to Order:**

There were present:

Mayor Rebecca L. Noah Casper

Councilmember Jim Francis

Councilmember Jim Freeman

Councilmember Shelly Smede

Councilmember Thomas Hally (by telephone)

Councilmember John Radford (by telephone)

Councilmember Michelle Ziel-Dingman (by telephone)

*Note - due to cell phone reception Councilmember Dingman was available intermittently*

Also present:

All available Department Directors

Randy Fife, City Attorney

Kathy Hampton, City Clerk

**Pledge of Allegiance:**

Mayor Casper requested Julia Rice, a 1st grade student at Woodland Hills Elementary, to lead those present in the Pledge of Allegiance.

**Presentation – American Legion Auxiliary:**

Holly Rice, Poppy Chairman for the Idaho Falls Unit of the American Legion appeared. Ms. Rice stated Congress has designated the Friday before Memorial Day as national Poppy Day. The American Legion Auxiliary has been distributing poppies since 1924. The red poppy is a nationally-recognized symbol of sacrifice worn by Americans since WWI to honor those who served and died for our country in all of our wars. It's a reminder of the sacrifices made by our veterans by protecting our freedoms. After WWI the poppy flourished from the dirt and mud from the lime left by the war. The red poppy came to symbolize blood shed during battle. Ms. Rice read "In Flanders Fields", the war poem written during the First World War. Ms. Rice encouraged all community members and citizens to wear the red poppy in honor of the fallen. She stated the poppies being distributed are made by veterans. She also encouraged all individuals to remember the fallen and the sacrifices they gave to us so we can have our freedoms.

**Public Comment:**

Bob Hoff, appeared. Mr. Hoff stated he was mostly comfortable with the recent airport lease although he expressed concern with some changes to the draft template. He believes the term "not unreasonably withheld" be withheld from the lease. He also addressed bringing buildings to all State and City code for renewal. He indicated as buildings age they may not qualify for renewal. Mr. Hoff believes all buildings should be in good repair and not unsafe but to comply to all current codes at renewal time may be an unreasonable requirement. Most of the hangar buildings are pre-engineered buildings and were built to code at the time of construction however, codes can change. Mr. Hoff suggested that structures up for renewal meet the standards at the time when built or remodeled. He believes the language is important and can make a difference between a constructive agreement or an unworkable one.

Steve Henderson, appeared. Mr. Henderson stated he viewed the report from the May 15<sup>th</sup> lease agreement meeting and believes a person's perspective is everything. He noted he recently purchased a legacy hangar. Mr. Henderson stated there are three (3) statements he disagrees with regarding the meeting: First – the problems people had were due to rumors. Mr. Henderson noted no one has stated which rumors are false and which are true. He believes blaming the problems on rumors is not correct. The problems arise from the document language. Damages to hangar values

May 23, 2019

and sales that have fallen through are real and the losses are absorbed by hangar owners. The document contains contentious sections without any indication of changes. Second – the director dispelled rumors and solved the problems. Mr. Henderson stated this is barely true from the least contested issues and most problems remain. The director answered many questions with the response “everything is negotiable.” A document is needed that is fair from the beginning and can be depended on long term. Third – people praised the lease document. Mr. Henderson stated this is true but noted one person stood and stated it was 90% okay. The document was available to review for only a few minutes and there were significant changes that were not highlighted. In the previous meeting verbal sparring took place and turned the mood of the meeting to hostile. One positive comment made was an effort to de-escalate the situation. Mr. Henderson believes it is a stretch to say all parties were happy at the conclusion of the meeting. He requested the Council continue to listen as he believes hangar owners are beginning to have input. He stated the owners have been forced to think where they fit in the airport, what is needed and not needed, which has resulted in a sense of unity that did not exist before. Mr. Henderson suggested future meetings be captured on video.

Steve Christian, a resident of Idaho Falls and hanger owner of 11 years, appeared. Mr. Christian suggested forming a working committee to expedite resolving the current concerns. He discussed details of said committee. He also suggested an electronic version of the draft agreement be circulated ahead of meetings. He believes it is possible to find a resolution and that it’s not that far away.

**Consent Agenda:**

Idaho Falls Power requested approval of the Old Lower Plant Powerhouse Structural Analysis.

Public Works requested approval of Bid Award – Water Line Replacements - 2019; and, Bid Award – Street Overlays - 2019.

Municipal Services requested approval of Moss Adams, LLC Comprehensive Financial Audit Services for Fiscal Year Ending September 30, 2019; Purchase Meter Inventory for Idaho Falls Power; Quote 19-023, Purchase Aluminum Bleacher Parts for Parks and Recreation; Quote 19-024, Arena Lighting for Parks and Recreation; Bid IF-19-25, Purchase New 30-Yard Refuse Containers for Public Works; and, Donation of Community Park Playground Equipment.

The City Clerk requested approval of the Expenditure Summary for the month of April, 2019; minutes from the May 6, 2019 Council Work Session and Executive Session; and, May 9, 2019 Council Meeting; and, license applications, all carrying the required approvals.

It was moved by Councilmember Francis, seconded by Councilmember Smede, to accept the Consent Agenda. Roll call as follows: Aye – Councilmembers Smede, Francis, Freeman, Hally, Radford. Nay – none. Motion carried.

**Regular Agenda:**

**Public Works**

**Subject: Cooperative Agreement for Sewage Treatment with Golden Valley Natural, LLC**

For consideration is an agreement with Golden Valley Natural, LLC for the City to provide industrial sewage treatment for waste produced from their Shelley processing plant. Base rate monthly revenue was established at \$1,300 per month with charges based upon flow, biochemical oxygen demand, suspended solids, and other reasonable factors that affect the cost of providing treatment services.

Councilmember Freeman stated the Bingham County facility cannot handle the sewage. Public Works performed testing and analysis for several months. Councilmember Francis stated the City is very careful not to put the waste water system at risk. He stated there will be testing at the Shelley plant prior to this occurring. Councilmember

May 23, 2019

Freeman noted this testing will be monitored and a tank is being built that will allow the waste to slowly enter the system. Mayor Casper stated sufficient capacity is available.

It was moved by Councilmember Freeman, seconded by Councilmember Francis, to approve the Agreement with the Golden Valley Natural, LLC and give authorization for the Mayor and City Clerk to execute the necessary documents. Roll call as follows: Aye – Councilmembers Smede, Hally, Radford, Freeman, Francis. Nay – none. Motion carried.

**Subject: State/Local Construction Agreement with the Idaho Transportation Department for the replacement of the 12th Street Bridge over the Idaho Canal**

For consideration is a State/Local Construction Agreement with the Idaho Transportation Department and accompanying Resolution for the replacement of the 12th Street Bridge over the Idaho Canal. The total project cost is anticipated to be \$1,768,868.00. The City's match requirement for this project is \$65,204.00.

Councilmember Freeman stated this agreement is similar in nature to the previous bridge project. He stated the project will be completed by May of 2020. 12<sup>th</sup> Street will be closed during construction and a temporary pedestrian bridge will be put in place.

It was moved by Councilmember Freeman, seconded by Councilmember Francis, to approve the Construction Agreement and accompanying Resolution with the Idaho Transportation Department and give authorization for the Mayor and City Clerk to execute the necessary documents. Roll call as follows: Aye – Councilmembers Hally, Francis, Radford, Smede, Freeman. Nay – none. Motion carried.

RESOLUTION NO. 2019-09

WHEREAS, THE IDAHO TRANSPORTATION DEPARTMENT, HEREAFTER CALLED THE STATE, HAS SUBMITTED AN AGREEMENT OBLIGATIONS OF THE STATE AND THE CITY OF IDAHO FALLS, HEREAFTER CALLED THE CITY, FOR CONSTRUCTION OF 12<sup>TH</sup> STREET/IDAHO CANAL CULVERT.

**Airport**

**Subject: Approval of Work Order 19-02 with T-O Engineers for Design and Bidding Services**

It is the recommendation of the airport to approve the work order for design and bidding services to relocate the Runway 17 end and connecting taxiway and to construct taxiway from Taxiway A to Taxiway B. This contract is for a total not to exceed \$305,535.31.

Councilmember Francis stated this is a safety project identified in the previous year as a hot spot by the Federal Aviation Administration (FAA). This is the first phase prior to bids, construction will occur at a later time.

It was moved by Councilmember Francis, seconded by Councilmember Freeman, to approve the Work Order with T-O Engineers and give authorization for the Mayor and City Clerk to execute the necessary documents. Roll call as follows: Aye – Councilmembers Freeman, Radford, Smede, Francis, Hally. Nay – none. Motion carried.

**Legal**

**Public Hearing – Resolution to Adopt Fees**

For consideration is the public hearing to create and update certain fiber optic, sanitation, and wastewater fees. The proposed fees were advertised on 9 May, 2019, and on 16 May, 2019, as required by Idaho Code.

Mayor Casper stated fees are typically established annually.

May 23, 2019

Mayor Casper opened the public hearing. She requested any public comment. No one appeared. Mayor Casper closed the public hearing.

It was moved by Councilmember Freeman, seconded by Councilmember Smede, to approve the Resolution to add and update the noticed fees into the City's fee schedule, and give authorization for the Mayor and City Clerk to execute the necessary documents. Roll call as follows: Aye – Councilmembers Hally, Radford, Francis, Dingman, Smede, Freeman. Nay – none. Motion carried.

RESOLUTION NO. 2019-10

A RESOLUTION OF THE CITY OF IDAHO FALLS, IDAHO, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, ADOPTING A SCHEDULE OF REVISED FEES FOR SERVICES PROVIDED AND REGULARLY CHARGED AS SPECIFIED BY CITY CODE; AND PROVIDING THAT THIS RESOLUTION BE EFFECTIVE UPON ITS PASSAGE, APPROVAL, AND PUBLICATION ACCORDING TO LAW.

**Community Development Services**

**Subject: Final Plat and Reasoned Statement of Relevant Criteria and Standards, Hotel Tango Estates, Division No. 1**

For consideration is the application for Final Plat and Reasoned Statement of Relevant Criteria and Standards, for Hotel Tango Estates Division No. 1. The Planning and Zoning Commission considered this item at its January 8, 2019, meeting and recommended approval by unanimous vote.

Councilmember Smede stated the vacant land appears to have once been homestead for stock animals. It is one (1) single lot with the street frontage onto North Boulevard. The majority of the land is vacant with the exception of the Bonneville County Tech Center.

It was moved by Councilmember Smede, seconded by Councilmember Freeman, to accept the Final Plat for Hotel Tango Estates Division No. 1, and give authorization for the Mayor, City Engineer, and City Clerk to sign said Final Plat. Roll call as follows: Aye – Councilmembers Francis, Dingman, Freeman, Hally, Radford, Smede. Nay – none. Motion carried.

It was moved by Councilmember Smede, seconded by Councilmember Dingman, to approve the Reasoned Statement of Relevant Criteria and Standards for the Final Plat for Hotel Tango Estates Division No. 1, and give authorization for the Mayor to execute the necessary documents. Roll call as follows: Aye – Councilmembers Freeman, Francis, Hally, Radford, Smede, Dingman. Nay – none. Motion carried.

**Subject: Final Plat, Development Agreement and Reasoned Statement of Relevant Criteria and Standards, Sand Pointe Division No. 3**

For consideration is the application for Final Plat, Development Agreement, and Reasoned Statement of Relevant Criteria and Standards, for Sand Pointe Division No. 3. The Planning and Zoning Commission considered this item at its April 2, 2019, meeting and recommended approval by unanimous vote.

Councilmember Smede stated the proposed lots exceed the minimum requirements for residential park zone. The plat is consistent with the approved preliminary plat with one (1) minor lot line adjustment and removal of one (1) lot. She stated the plat contains 38 single-dwelling unit lots and one (1) common lot. The common lot will become a storm pond in the center of the development. Councilmember Francis expressed his appreciation for forward looking of the storm pond on the plat.

It was moved by Councilmember Smede, seconded by Councilmember Francis, to approve the Development Agreement for Sand Pointe Division No. 3, and give authorization for the Mayor and City Clerk to execute the

May 23, 2019

necessary documents. Roll call as follows: Aye – Councilmembers Dingman, Radford, Francis, Smede, Hally, Freeman. Nay – none. Motion carried.

It was moved by Councilmember Smede, seconded by Councilmember Francis, to accept the Final Plat for Sand Pointe Division No. 3, and give authorization for the Mayor, City Engineer, and City Clerk to sign said Final Plat. Roll call as follows: Aye – Councilmembers Radford, Freeman, Smede, Francis, Dingman, Hally. Nay – none. Motion carried.

It was moved by Councilmember Smede, seconded by Councilmember Francis, to approve the Reasoned Statement of Relevant Criteria and Standards for the Final Plat for Sand Pointe Division No. 3, and give authorization for the Mayor to execute the necessary documents. Roll call as follows: Aye – Councilmembers Hally, Smede, Dingman, Freeman, Francis, Radford. Nay – none. Motion carried.

**Subject: Resolution Approving the Community Development Block Grant (CDBG) Program Year (PY) 2018 Consolidated Annual Performance and Evaluation Report (CAPER)**

For consideration is the resolution adopting the CDBG Program Year (PY) 2018 Consolidated Annual Performance and Evaluation Report (CAPER). This report is required by the Department of Housing and Urban Development (HUD) as part of the CDBG program. Following the public hearing on the report, staff did not receive any public comment during the comment period.

Councilmember Smede stated the CDBG goals are to provide an attractive, lean, livable, and family-oriented community; promote economic growth and vibrancy; and, provide effective transportation and mobility options. She stated CDBG also wants to ensure accountability for monies. Councilmember Francis stated the report was presented on April 25 and the Council has been well informed.

It was moved by Councilmember Smede, seconded by Councilmember Francis, to approve the Resolution adopting the CDBG Program Year 2018 Consolidated Annual Performance and Evaluation Report and give authorization for the Mayor and City Clerk to execute the necessary documents. Roll call as follows: Aye – Councilmembers Smede, Hally, Radford, Dingman, Freeman, Francis. Nay – none. Motion carried.

RESOLUTION NO. 2019-11

RESOLUTION OF THE CITY OF IDAHO FALLS ADOPTING THE PROGRAM YEAR 2018 CDBG CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT.

**Subject: Resolution Approving the CDBG Program Year (PY) 2019 Annual Action Plan and Authorization to Reallocate \$35,000 of PY2018 Funds**

For consideration is a resolution adopting the CDBG PY 2019 Annual Action Plan. This plan determines how funding will be allocated and how the projects will meet the goals of the City’s CDBG Five Year Consolidated Plan. Following the public hearing on the report, staff did not receive any public comment during the comment period. Also for consideration is authorization for the Grant Administrator to reallocate \$35,000 from PY2018 funds. As discussed in the May 20 Work Session, this \$35,000 was initially awarded to TRPTA. As they are no longer able to use the funds for their intended purpose, the funds need to be reallocated to another PY2018 project. Staff recommends reallocating the full amount to Habitat for Humanity for construction of curb, gutter, and sidewalk adjacent to their two new homes being constructed on Elmore.

Councilmember Francis noted were 30,000 uses at the Senior Center in the previous year.

It was moved by Councilmember Smede, seconded by Councilmember Francis, to approve the Resolution adopting the Community Development block Grant 2019 Annual Action Plan and give authorization for the Mayor and City

May 23, 2019

Clerk to execute the necessary documents. Roll call as follows: Aye – Councilmembers Francis, Dingman, Freeman, Hally, Radford, Smede. Nay – none. Motion carried.

RESOLUTION NO. 2019-12

RESOLUTION OF THE CITY OF IDAHO FALLS, IDAHO, PROGRAM YEAR 2019 CDBG ANNUAL ACTION PLAN.

It was moved by Councilmember Smede, seconded by Councilmember Francis, to authorize the Grant Administrator to reallocate \$35,000 of PY2018 funds from TRPTA to Habitat for Humanity. Roll call as follows: Aye – Councilmembers Smede, Hally, Dingman, Radford, Freeman, Francis. Nay – none. Motion carried.

**Public Hearing – Annexation and Initial Zoning, Annexation and Zoning Ordinances, and Reasoned Statements of Relevant Criteria and Standards, Approximately 67.31 acres, West Side of Idaho Falls**

For consideration is the application for Annexation and Initial Zoning of RE, RP, R1, R3, R3A, LC, and HC, Annexation and Zoning Ordinances, and Reasoned Statements of Relevant Criteria and Standards for approximately 67.31 acres in Sections 23, 24, 26, and 27, Township 2 North, Range 37 East on the west side of Idaho Falls. The Planning and Zoning Commission considered this item at its December 4, 2018, meeting and recommended approval by a 4-3 vote. Since that time, three conditions have changed which affect the area. First, during the 2019 legislative session, the annexation law was amended to exclude land of "five acres or greater, actively devoted to agriculture as defined in Idaho Code, regardless of whether it is surrounded or bounded on all sides by lands within a city" from city-initiated annexations. Approximately 14 acres of land comprising various parcels fall under this regulation and have been dropped from the annexation proposal. Second, the City Council adopted a Statement of Annexation Principles. This document establishes general criteria by which it will consider lands to be included in annexations. Staff has reviewed the parcels in the annexation and recommends that one parcel be removed from the annexation request because it does not meet all of the criteria outlined in the Statement of Annexation Principles. Because the Planning and Zoning Commission recommended it be included and because there is no legal reason to remove it, it has been included on all maps and in versions of the ordinances as Exhibit H. However, because staff is recommending it be removed, ordinances and reasoned statements have also been included without Exhibit H. Finally, the City recently adopted an Airport Overlay Zone. Properties in this annexation are subject to the overlay under the Limited Development and Controlled Development zones. These have been included in the ordinance and exhibits.

Mayor Casper opened the public hearing and ordered all items presented be entered into the record.

Community Development Services Director Brad Cramer noted all slides being presented were previously emailed to the Councilmembers to allow participation by telephone. He stated due to the amended annexation law and the recent Council adoption of a Statement of Annexation Principles, staff is strongly recommending removal of three (3) parcels. He indicated these parcels are being shown in all slides due to P&Z recommendation. However, there are two (2) sets of proposed ordinances which includes and excludes these properties.

Slide 1 – Properties under consideration in zoning designations

Director Cramer stated these properties are primarily west of I-15 with a grouping east of I-15. There are a variety of zones, although they are predominantly R1 Zone.

Slide 2 – Aerial photo of properties under consideration

Slide 3 – Additional aerial photo of properties under consideration

Director Cramer stated portions of I-15 are included in the annexation to clean up the boundary of the City. He emphasized the Law states properties cannot be contiguous only by a right-of-way.

Slide 4 – Aerial photo of western edge of properties

Director Cramer stated these properties are predominantly residential uses.

Slide 5 – Future Land Use Map of the Comprehensive Plan

May 23, 2019

Director Cramer stated the Estate Zone recognizes County development which could be annexed in the future. This zone is designed to accommodate larger county parcels. He also recognized Low Density residential and Green Belt Mixed Use.

Slide 6 – Proposed zoning for various areas

Director Cramer briefly reviewed each proposed zone.

Slide 7 – Airport Overlay Zone

Director Cramer noted this zone has been adopted since the P&Z considered the annexation. He stated the controlled development portion of this zone would require FAA approval for any structure 200' in height. He believes this should not have any effect on residential properties. The subdivision plat would have a note filed regarding the close proximity to the airport. This allows a protection of height for airport operations in the area. Director Cramer confirmed, per Legal staff discussion, the addition of this zone is allowed due to it being more restrictive than advertised or recommended.

Slide 8 – Aerial photo of M&B: Approximately 80 Acres, Section 23, 24, 26 & 27 as related to the Statement of Annexation Principles, Category B Annexation

Director Cramer reiterated three (3) parcels were excluded due to these principles. He noted properties that have water connection, sewer and water connection, associated with a current annexed property, and/or, annexation agreement with the utility connection. Director Cramer stated the entire group was processed as Category B annexation to allow more process for public hearing and comment and provides more documentation from the City.

Slide 9 – Aerial photo of M&B: Approximately 80 Acres, Section 23, 24, 26 & 27

Director Cramer stated most of these properties do not have any utility connection but are completely surrounded by City boundary. One (1) property contains a sewer connection and annexation agreement.

Slide 10 – Aerial photo of M&B: Approximately 80 Acres, Section 23, 24, 26 & 27, New Sweden property

Director Cramer stated there is a sewer connection and annexation agreement for the northern end of the property. The property on Grizzly Avenue also fits within State statute.

Slide 11 – Aerial photo of M&B: Approximately 80 Acres, Section 23, 24, 26 & 27, residential properties

Director Cramer stated these properties have sewer, water, and, an annexation agreement. He also recognized two (2) of the properties that were removed from this proposed annexation.

Slide 12 – Aerial photo of M&B: Approximately 80 Acres, Section 23, 24, 26 & 27, properties that have water service and an annexation agreement and, are currently annexed

Director Cramer recognized two (2) properties that staff is recommending to be removed as the properties do not fit within the Statement of Annexation Principles. He noted there are no structures on this property.

Slide 13 – Aerial photo of M&B: Approximately 80 Acres, Section 23, 24, 26 & 27, residential properties on east side of I-15

Director Cramer stated all properties have a sewer connection, three (3) properties have an annexation agreement, and/or is contiguous.

Slide 14 – Aerial photo of M&B: Approximately 80 Acres, Section 23, 24, 26 & 27, two (2) properties

Director Cramer stated one (1) of the properties does not have immediate access to utility. Staff is recommending this property not be considered. The additional property receives City power, however this property is excluded due to new State statute.

Slide 15 – Photo looking east across Pioneer Way

Slide 16 – Photo looking west along Stosich Lane

Slide 17 – Photo looking at corner of Saddle Lane and Grizzly Avenue

Slide 18 – Photo looking at home on south side of Saddle Lane

Slide 19 – Photo looking southwest across Stoddard Lane

Slide 20 – Photo looking east down W. 17<sup>th</sup> S.

Slide 21 – Additional photo looking east down W. 17<sup>th</sup> S.

Slide 22 – Photo looking south down Bellin Road

Slide 23 – Aerial photo of overview of properties

To the response of Councilmember Smede, Director Cramer and Mayor Casper stated it was an administrative and staff decision to postpone the annexation. To the response of Mayor Casper, Director Cramer confirmed the State statute was effective immediately. Councilmember Francis questioned portions of Stosich Lane. Director Cramer confirmed Stosich Lane is not a platted right-of-way, the County provides maintenance.

May 23, 2019

Mayor Casper requested any public comment.

Allan Rogers, 1333 S. Bellin Road, appeared. Mr. Rogers stated his property does not have any services and requested that his property not be annexed. He indicated the property was developed in the County approximately 25 years ago and his family has resided at the property for approximately 12 years. There is a septic system and irrigation from the ditch with a personally-owned pipe and pump system. The property is on Rocky Mountain Power. Mr. Rogers stated he has not requested services from the City. If annexed, the property still would not receive City utility services. He believes the island of surrounding properties is benefitted of being in the City. Mr. Rogers stated he maintains the City road. He has not cost the City any money although he will be paying additional money. He believes it is unfair and unwise for cities to force annexed land. He considers this to be a forced annex of land. Mr. Rogers stated the City has grown around his property which has caused his property to become enclaved and, per State statute, is allowed to be annexed. The statute also states the intent is to be reasonably necessary and equitably allocate cost. Enclaved properties are not exempt from the legislative intent. Mr. Rogers understands the utilities are fee based although they are not completely paid for by the fees. He will be paying for services not rendered while continuing to pay for existing services. He believes the double fees do not meet the legislative intent. Mr. Rogers compared this annexation to the Spring Meadows edition. He once again requested his property not to be annexed.

Mariann Hilton, 1848 Stosich Lane, appeared. Ms. Hilton expressed her appreciation to the Council and examining the annexation policy as she believes this is a good first step in the right direction. Ms. Hilton stated she does have City water although she is not the original homeowner. She indicated the original homeowner did not sign the agreement due to not agreeing with terms set forth. Ms. Hilton stated she met with City officials prior to the purchase of the home as annexation was a concern. She was told the City did not annex properties, it was an owner-initiated process. At that time there was no mention of a water contract, she was unaware a water contract existed. Ms. Hilton believes it's unreasonable to be held for a contract that was not made or signed with her/them. She stated the road will remain a County dirt road and will not get paved. She also stated her City water rate is double, which she believes is fair. She noted any County resident will pay more to use City facilities. She also believes this is fair and has no complaints. She also contributes to the economic commerce in the City. Ms. Hilton stated just because one can do something doesn't mean they should do something. She believes it's unreasonable and disorderly to proceed with the annexation. She requested her property be excluded. She does not believe the proper information was given per the statute.

Scott Johnson, County resident, appeared. Mr. Johnson concurred with Mr. Rogers and Ms. Hilton. He stated he is not currently within the annexation although he appreciates the changes. He is hopeful the new procedure will be dispensed and he expressed his appreciation for the delay of the annexation. Mr. Johnson believes there may be contractual issues although the rural setting should be considered even if not important in the law.

John Hollist, 17th South, appeared. Mr. Hollist stated there was no indication of the annexation process due to having City water. He also stated he allowed the City to install power lines on his side of 17<sup>th</sup> South to share with Rocky Mountain Power. Money was offered for overhead although that property had been previously sold to the City. Mr. Hollist believes an agreement should be attached with sale of the home. He does not want to see his County property go away.

Diane Hollist, 17<sup>th</sup> South, appeared. Ms. Hollist stated their property is not enclaved. They have a septic system, they take care of the surrounding land, and they have raised horses on this property. Ms. Hollist stated the house, built in 1964, is for sale as they will not live in the City. A buyer was lost due to being City property and the unreasonable actions. Ms. Hollist stated they were not told of the signed agreement although they were told of water. She is unhappy they are forced to sell. She believes the whole City area should be included, this is unfair.

Colleen Hammon, 1315 S. Skyline Drive, appeared. Ms. Hammon expressed her appreciation to the Council for changing the annexation policy. Due to this policy they have been given peace in their life and can again enjoy their irreplaceable property. Ms. Hammon stated there are 141 County properties inside City limits that have not been annexed. She questioned why the City does not annex these properties. She is hopeful this will be addressed in future



May 23, 2019

meetings. Ms. Hammon agrees with those individuals who have requested exemption. Living in the City is different than living in the County.

Rhonda Hobbs, appeared. Ms. Hobbs addressed potential future annexations of the Estate Zone. She requested the reason for the annexation of County property.

Director Cramer reappeared. Councilmember Smede questioned residential estates and the freedom to raise animals. Director Cramer stated anything legally that is currently operating on a property can continue unless the use is abandoned. However, the City zone does allow a certain number of animals. Councilmember Smede questioned Ms. Hobbs' 'reason for annexation'. Director Cramer stated there are a variety of reasons for annexation, including utilities and an efficient provision of tax-supported and fee-supported services. City tax-supported and fee-supported services surround these areas. Having islands in the middle create inefficiency of services by the County. Councilmember Smede questioned the 141 County properties inside City limits. Director Cramer believes this number may be significantly low since this number changes on a monthly basis. He stated staff is currently working on all residential properties that have a City utility and then all non-residential properties that have a City utility followed by Council direction to proceed with annexation or not. The focus is not the geographical areas. He also clarified the Estate Zone could be annexed in the future per Idaho statute Comprehensive Plan Map requirements. The planning process and guiding principles need to be considered in the event of annexation. This does not mean this is a future annexation map. Councilmember Freeman questioned other potential enclaved areas. Director Cramer stated enclaves, as per State statute, specifies a residential enclave, not a residential land use. He is unaware of enclaves not being considered although they may not have happened at this point. Councilmember Freeman questioned water, sewer, and power supported by fee-based services not tax-based services. Director Cramer confirmed. Councilmember Freeman questioned current uses on properties. Director Cramer reiterated these uses will not change. Councilmember Smede questioned the higher water rates and City amenities. Director Cramer stated the water rates and City amenities would be reduced. He also stated there is no requirement to change the current utility provider although there could be potential exceptions such as a septic system failure. Councilmember Radford questioned the responsibility of an agreement when purchasing a property. Director Cramer believes agreements, City wide, were not recorded as documents in the closing process. The law now addresses this issue. Prior to 2008 is considered consent to annexation. After 2008 a recorded agreement is required to be valid. Councilmember Francis questioned the fire district fees. Director Cramer confirmed fire district fees would be reduced. Councilmember Smede also noted the library district fee would be reduced.

Mayor Casper requested any additional public comments.

Scott Johnson reappeared. Mr. Johnson believes there was misleading fee information that was not disclosed. He believes at some point these fees will happen and will be compulsory. The front foot fees will be expensive. Mr. Johnson does not believe the reduced district fees will make up for these fees. He believes this is significant.

Councilmember Smede questioned the immediate investment as described by Mr. Johnson. Director Cramer was not aware of any immediate expenses unless a septic system failed. The failure could also happen if not annexed. He also stated curb, gutter, sidewalk, and, streets are only triggered by development. The developer would pay the front foot fees. Director Cramer stated this has been carefully reviewed. Councilmember Francis questioned the increase of property tax. Director Cramer confirmed the City does not perform property value assessment although the levy could increase. Mayor Casper expressed her concern with the adequacy of information given to residents with a proposed annexation. Director Cramer stated the P&Z notification includes a map of properties being considered, notification of the hearing, and, the City annexation plan. The City notification process is repeated with the exception of the annexation plan. Levy rates, sewer rates, and water rates are discussed in the annexation plan with no specific examples. It is difficult to give examples for individual properties. A neighborhood meeting is then held. Director Cramer stated staff spends numerous hours answering questions via email and telephone. The statute was also reviewed with legal and staff is confident the statutory requirements have been met. It was noted the neighborhood meeting was very well attended.

Mayor Casper closed public hearing.

May 23, 2019

Councilmember Smede concurred with the individuals who indicated being a Councilmember is difficult as these issues are not thought of when running for an elected position. She also stated the Council wants to be fair, wants to follow the law, and, wants to be consistent. They also want to know things will be beneficial and important as the City develops. Councilmember Smede supports the removal of properties as described by Director Cramer. She stated the remaining properties do follow the law and were analyzed against the recently adopted annexation principles. She recognized the concerns expressed but she is confident the right thing is to develop orderly. More islands are challenging for public safety. Councilmember Smede stated she chose to live in Idaho Falls and believes there is huge value in being part of the City. She does not believe this should be put off for another Council. She is also reminded always to consider the citizens of Idaho Falls who are not present.

Councilmember Freeman stated by choosing to live close to the City they also choose to enjoy City amenities. By paying less than neighbors across the street is unequitable taxation. He stated this is not a land grab, he believes this is for the right reasons and in a thoughtful way.

Councilmember Francis believes all concerns have been addressed, including continued current usage. He also believes there is something special about living in the City.

Councilmember Radford appreciates the citizens' involvement and believes the City is gaining great citizens. He stated the Council has been working on annexations for three (3) years and is trying to be consistent, improving the process, and, being as transparent as possible. He also stated the City is not doing anyone favors with pockets in the middle of the City.

Councilmember Hally stated County residents have no guarantees they will not be part of the City as cities grow in the Area of Impact. Annexations occur to fill in blank areas that are surrounded by the City, therefore the annexation laws are in place, these are not forced annexation. He stated this process began some time ago. This is a significant change but it's important that the City not have open areas within the City as it encourages sprawl. Councilmember Hally expressed his appreciation to those who expressed concern. He believes valuation, growth, and, creation of jobs happen within the City.

It was moved by Councilmember Smede, seconded by Councilmember Freeman, to approve the Ordinance annexing M&B: Approximately 63.8 acres, Sections 23, 24, 26, and 27, Township 2 North, Range 37 East, with Exhibit D modified and Exhibit H excluded, under the suspension of the rules requiring three complete and separate readings and request that it be read by title and published by summary. Director Cramer clarified the removal of the properties. He stated the exhibits are broken into legal description. Modified Exhibit D and Exhibit H removes certain properties as discussed and recommended by staff. Roll call as follows: Aye – Councilmembers Hally, Francis, Radford, Smede, Freeman. Nay – none. Motion carried.

At the request of Mayor Casper, the City Clerk read the ordinance by title only:

ORDINANCE NO. 3250

AN ORDINANCE OF THE CITY OF IDAHO FALLS, IDAHO, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO; PROVIDING FOR THE ANNEXATION OF APPROXIMATELY 63.8 ACRES DESCRIBED IN SECTION 1 OF THIS ORDINANCE, AMENDING THE LEGAL DESCRIPTION OF THE CITY WITH THE APPROPRIATE COUNTY AND STATE AUTHORITIES; AND PROVIDING SEVERABILITY, PUBLICATION BY SUMMARY, AND ESTABLISHING EFFECTIVE DATE.

It was moved by Councilmember Smede, seconded by Councilmember Freeman, to approve the Reasoned Statement of Relevant Criteria and Standards for the annexation of M&B: Approximately 63.8 acres, Sections 23, 24, 26, and 27, Township 2 North, Range 37 East, with Exhibit D modified and Exhibit H excluded, and give authorization for the Mayor to execute the necessary documents. Roll call as follows: Aye – Councilmembers Freeman, Radford, Smede, Francis, Hally. Nay – none. Motion carried.

May 23, 2019

It was moved by Councilmember Smede, seconded by Councilmember Freeman, to assign a Comprehensive Plan Designation of Low Density Residential, Higher Density Residential, Estate, Commercial, and Greenbelt Mixed Use and to approve the ordinance establishing the initial zoning for M&B: Approximately 63.8 acres, Sections 23, 24, 26, and 27, Township 2 North, Range 37 East, with Exhibit D modified and Exhibit H excluded, under the suspension of the rules requiring three complete and separate readings and request that it be read by title and published by summary, that the City limits documents be amended to include the area annexed herewith, and that the City Planner be instructed to reflect said annexation, amendment to the Comprehensive Plan, and initial zoning on the Comprehensive Plan and Zoning Maps located in the Planning Office. Roll call as follows: Aye – Councilmembers Hally, Radford, Francis, Smede, Freeman. Nay – none. Motion carried.

At the request of Mayor Casper, the City Clerk read the ordinance by title only:

ORDINANCE NO. 3251

AN ORDINANCE OF THE CITY OF IDAHO FALLS, IDAHO, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO; PROVIDING FOR THE INITIAL ZONING OF APPROXIMATELY 63.8 ACRES DESCRIBED IN SECTION 1 AND EXHIBITS A-G OF THIS ORDINANCE AS RE, RP, R1, R3, R3A, LC AND HC ZONES WITH AN AIRPORT OVERLAY DESIGNATION; AND PROVIDING SEVERABILITY, PUBLICATION BY SUMMARY, AND ESTABLISHING EFFECTIVE DATE.

It was moved by Councilmember Smede, seconded by Councilmember Freeman, to approve the Reasoned Statement of Relevant Criteria and Standards for the Initial Zoning for M&B: Approximately 63.8 acres, Sections 23, 24, 26, and 27, Township 2 North, Range 37 East, with Exhibit D modified and Exhibit H excluded, and give authorization for the Mayor to execute the necessary documents. Roll call as follows: Aye – Councilmembers Francis, Freeman, Hally, Radford, Smede. Nay – none. Motion carried.

**Announcements:**

Councilmember Freeman stated a ribbon cutting for the new playground at Community Park will be held on May 24. Mayor Casper stated the Field of Honor will be occurring at Freeman Park May 25-27. She noted City offices will be closed on May 27 for Memorial Day.

There being no further business, the meeting adjourned at 9:44 p.m.

s/ Kathy Hampton  
CITY CLERK

s/ Rebecca L. Noah Casper  
MAYOR