

MINUTES OF REGULAR MEETING
SUGAR CITY COUNCIL
THURSDAY, DECEMBER 9, 2010

Presiding: Mayor Glenn W. Dalling
Meeting Convened at 6:30 p.m.
Prayer: Harold Harris
Pledge of Allegiance

Present: Mayor Dalling; Sharon L. Bell, Clerk; Marcie A. Smith, Treasurer; Councilmembers Harold Harris, Bruce King and Lamont Merrill; Steve Hawkes, Planning & Zoning Commission; Dana Izatt, Searle Hart & Associates PLLC; Bryan Harris; Blake Harris; Layne Harris; and Jeff Harris. Councilmember Waddell was excused; however, for a portion of the meeting he attended electronically by telephone.

The Mayor asked if there were any corrections to the minutes of the regular meeting held on November 11, 2010. Each councilmember had a copy of said minutes prior to the meeting. It was moved by Councilmember Merrill and seconded by Councilmember Harris to accept said minutes; motion carried.

Marcie presented the November reconciliation reports for the General Fund. It was moved by Councilmember King and seconded by Councilmember Merrill to accept the November reconciliation reports for the General fund; motion carried. Marcie presented the November reconciliation reports for the Utility Fund. It was moved by Councilmember Harris and seconded by Councilmember King to accept the November reconciliation reports for the Utility Fund; motion carried.

Marcie presented the current bills in the amount of \$76,345.20. It was moved by Councilmember King and seconded by Councilmember Merrill to pay the current bills, together with all regular December bills that have not yet been received; motion carried.

PLANNING & ZONING REPORT: In the absence of P&Z Chairman Brian Hawkes, Commissioner Steve Hawkes addressed the council.

Councilmember Harris disqualified himself, did not take part in the following discussion, and did not vote on the special use permit application. To meet quorum requirements, Councilmember Waddell attended this portion of the meeting electronically by telephone. He could hear and be heard by everyone at the meeting.

Recommendation on Harold L. Harris Construction Special Use Permit: Steve presented P&Z's written recommendation as follows: "On Thursday, December 9, 2010, a public hearing was held at the request of Harold L. Harris Construction Company to operate a restaurant in the Commercial Downtown zone in the city of Sugar City, Idaho. The land use schedule in title 9 specifies that a special use permit is required for a restaurant in the Commercial Downtown zone. The primary purpose of this requirement is to allow public input concerning the size of a restaurant in this zone. As a result of this public hearing, the Planning

and Zoning Commission has voted to recommend that the city council grant this special use permit to Harold L. Harris Construction Company to permit them to operate a restaurant in the Commercial Downtown zone in the city of Sugar City.”

Discussion of signs and lighting: P&Z is working on a sign and lighting ordinance. He said the sign ordinance was made in July of 2002 and needs to be updated.

Agri-Service Application for Special Use Permit: Steve said Agri-Service applied for a special use permit for a third sign. Two signs were previously approved. P&Z has scheduled a public hearing on January 6, 2011, at 7 p.m.

DISCUSSION/POSSIBLE DECISION ON P&Z RECOMMENDATION ON HAROLD L. HARRIS CONSTRUCTION SPECIAL USE PERMIT: Discussion was had that the reason a special use permit is required for a restaurant in the Downtown Commercial zone is that the city would have a say in the size and kind of restaurant. Bryan Harris explained that it will be a 50s style hamburger and shake restaurant with approximately 40 sit-down seats.

MOTION: It was moved by Councilmember King and seconded by Councilmember Merrill to approve the application for special use permit by the Harris family for development of a restaurant in Harold Harris’s existing building at 18 North Austin Avenue. The mayor called for a roll call vote:

Those voting aye: Councilmembers King, Merrill and Waddell

Those voting nay: None

Thereupon, the mayor declared the motion passed.

7:05 p.m. Councilmember Harris resumed his position at the council table.

DISCUSSION/POSSIBLE DECISION ON P&Z RECOMMENDATION ON TITLE 9 CHAPTER 10 HOME BUSINESS: On November 11, 2010, the P&Z Commission recommended the passage of the home business ordinance by the city council. A discussion was had.

MOTION: It was moved by Councilmember Harris and seconded by Councilmember King to accept title 9 chapter 10 home business as designed. The mayor called for a roll call vote:

Those voting aye: Councilmembers Harris, King, Merrill and Waddell

Those voting nay: None

Thereupon, the mayor declared the motion passed. It was the consensus of the council that the ordinance borders on being too restrictive; and if it appears too restrictive or unfair over time, it can be adjusted.

7:10 p.m. The electronic communication with Councilmember Waddell ended.

DISCUSSION OF ROBERT AND PANDRA OLIPHANT GIFT DEED: The piece of property designated was located on the south side of our enhancement project. Robert and Pandora Oliphant signed a gift deed to the City of Sugar City on November 17, 2010, and the value of the gift is \$31,399.20.

RESOLUTION NO. 2010-7 (accepting a gift of real property): Councilmember Merrill read Resolution No. 2010-7 to accept a gift deed of real property from Robert Oliphant and Pandora Oliphant. It was moved by Councilmember Harris and seconded by Councilmember Merrill to

approve Resolution No. 2010-7. Thereupon, the clerk called roll upon said motion.

Those voting aye: Councilmembers Harris, King and Merrill

Those voting nay: None

Thereupon, the mayor declared the motion passed. A copy of said resolution is attached hereto marked "Attachment 1."

AUDIT REPORT – DANA IZATT: Dana Izatt of Searle Hart & Associates PLLC addressed the council, explaining both the Independent Auditors' Report of his audit of Sugar City's financial records and its Management Report for the fiscal year ended September 30, 2010. Discussion was had. Mr. Izatt reported that the city is in good financial shape. He recommended raising the threshold amount for capitalizing assets.

MOTION: It was moved by Councilmember Harris and seconded by Councilmember King to accept said audit report as presented; motion carried.

CITY ALLEY EASEMENTS: Each property owner bordering a city alley owns 10 feet of the 20-foot alley and the city has a 20-foot easement.

Fire Station alley: The mayor reported that a problem has developed with the fire station. The three homes directly east of the fire station (Phil Johnson, Jeff Nelson, and Ron Fullmer) have encroached on the alley. The fire station calculated using part or all of the alley to access the fire station from the alley side of the building. Mr. Johnson has put his fence right on the line because his property line goes halfway into the alley, and he has planted trees on the fire station's half of the alley. The fence does not run the full length of his property, however the trees are planted the full length of his property. In order for the fire station to access their building on the alley side, they have requested that the south one-third of the trees be removed. The mayor and Harold met with the fire station people and architects today to discuss a solution to the problem. It was decided that the architect, J.R.W. & Associates, will draft a suggested solution. This solution will then be presented to the Johnsons and negotiated.

MEMORANDUM OF UNDERSTANDING WITH MADISON COUNTY, THE DEVELOPMENT COMPANY AND SUGAR CITY APPROVAL (BUSINESS PARK):

The mayor reported that we approved the Memorandum of Understanding once. In order to accommodate Madison County's request to build a sheriff's satellite office building in the business park, Ted Hendricks recommended adding three words to the Amendment to the Memorandum of Agreement on the bottom of page 4 as follows: "& community purposes." In behalf of the county commissioners, Robert Hanson has signed the document and they are waiting for Sugar City's approval. Bruce King suggested that on page one, Item I-1, and page two, Item III-1, "telephone and Internet" be added as part of the necessary infrastructure installed toward project costs. The mayor will see if he can get this correction approved.

MOTION: It was moved by Councilmember King and seconded by Councilmember Harris to approve the amended Memorandum of Agreement recommended by Madison County and The Development Company; motion carried.

DEPARTMENT REPORTS:

COUNCILMEMBER HARRIS:

Snow removal from ends of driveways: Harold questioned whether the city should be cleaning driveways after streets are plowed. It was the consensus of the council to hire someone on an hourly basis to plow the ends of driveways.

COUNCILMEMBER KING:

Protecting R-1 zone (202 West 3rd South): Bruce feels we need to take steps to better protect the city from zoning problems similar to what occurred at 202 West 3rd South. The mayor said the city attorney prepared and sent a letter to Don Rydalch yesterday. The mayor wrote a short letter to Mr. Rydalch from the city today and told him we would be careful in monitoring the situation in the future. It was suggested that the city consider having both a building permit and a zoning permit and that the city define the role of the building inspector.

MOTION: It was moved by Councilmember King and seconded by Councilmember Harris to ask Attorney Forsberg how the city can change its policy to better protect the R-1 zone; motion carried.

Street name signs: Bruce reported that the federal government requirement for communities around the country to change street name signs from all capital letters to a combination of capital and lowercase letters will probably be repealed. He feels that we don't need to worry about the matter.

COUNCILMEMBER MERRILL: No report.

MAYOR'S BUSINESS:

Discussion on new P&Z commissioners: The mayor reported that we need to appoint someone to fill the remaining year of Ray Barney's term, and we need to replace Brian Hawkes, as his term is ending this month. Both of them are in the impact area. Jesse Brown's term ends on December 31 and he may go on a mission, but he would like to stay on until he goes. The mayor asked the council for their suggestions for the two positions in the impact area.

Motion to cancel city council meeting on December 23: It was moved by Councilmember Merrill and seconded by Councilmember Harris to cancel the regularly scheduled city council meeting on December 23; motion carried.

Meeting adjourned at 9:15 p.m.

Signed: _____
Glenn W. Dalling, Mayor

Attested: _____
Sharon L. Bell, Clerk

RESOLUTION 2010-7

A RESOLUTION OF THE CITY OF SUGAR CITY, IDAHO,
A MUNICIPAL CORPORATION OF THE STATE OF IDAHO,
ACCEPTING A GIFT OF REAL PROPERTY

WHEREAS, Robert Oliphant and Pandra Oliphant, as trustees in trust of the Robert and Pandra Oliphant Family Trust, have delivered a Gift Deed gifting the following real property to the City of Sugar City:

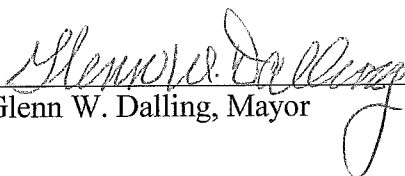
Commencing at a point 978.00 feet South and 451.50 feet East of the NW Corner of SW1/4 of Section 4, Township 6 North, Range 40 East, Boise Meridian, Madison County, Idaho, and running thence South 49 feet, thence East 356 feet, thence North 49 feet, thence West 356 feet to the point of beginning

AND

WHEREAS, the property will benefit the City of Sugar City and will not be a burden on the City,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Sugar City, Idaho, that the City of Sugar City hereby accepts the gift of the real property described above.

**UNANIMOUSLY APPROVED AND PASSED BY THE CITY COUNCIL
AND MAYOR THIS 9th DAY OF DECEMBER, 2010.**



Glenn W. Dalling, Mayor

ATTEST:



Sharon L. Bell, City Clerk

(SEAL)