

MINUTES OF REGULAR MEETING
SUGAR CITY COUNCIL
THURSDAY, JANUARY 8, 2026, 6:30 P.M.

Presiding: Mayor Steven Adams

Meeting Via Internet and at City Hall Convened at 6:30 p.m.

Prayer: Councilman Stanford

Pledge of Allegiance: Council President Nielsen

Present at City Hall and Online: Mayor Steven Adams; Councilors Joy Ball, Glenn Dayley, Catherine Nielsen, and Carter Stanford; Clerk-Treasurer Wendy McLaughlin; Public Works Director Arlynn Jacobson; Planning and Zoning Administrator Kurt Hibbert and Chairman Spencer Haacke; Citizens Mike Kirkland, Dawson Klingler, Robert, Astrid, and Anderson Nielsen, Kathy Rowley, Cameron Stanford and wife, John Walker; and others who may have joined electronically but not identified.

WELCOME: Mayor Adams conducted the meeting and welcomed everyone present. The meeting was held at City Hall and live over the internet and those who wished to be present were invited to attend.

PUBLIC HEARING (New Sewer Usage Rate Increase) A new sewer usage rate increase of 6% was proposed in conjunction with Rexburg's sewer rate increase. The increase is a result of a utility rate study. The study's purpose was to provide a rate forecast and financial plan. The base portion of the sewer rate will remain the same this year and will not follow the increase schedule below for the usage rate. The incremental increases will continue for the next five years as follows:

- 1st year – 8% (city raise was 6%, a 2.4% was done in October 2025)
- 2nd year – 8%
- 3rd year – 6.5%
- 4th year – 6%
- 5th year – 3%

Citizens for, against, or neutral were given the opportunity to submit written comments or testify at the hearing.

In Favor: None

Neutral: None

Against: None

Public hearing closed.

REGULAR COUNCIL MEETING CONVENED: 6:40 PM

CONSENT AGENDA:

MOTION: It was moved by Councilwoman Nielsen and seconded by Councilman Stanford to approve the Consent Agenda; motion carried.

OATH OF OFFICE: Mayor Adams swore in the incumbents, Catherine Nielsen and Carter Stanford, to a new term of 4 years. They each ran unopposed in the November elections.

ELECTION OF COUNCIL PRESIDENT & VICE PRESIDENT:

MOTION: It was moved by Councilwoman Ball and seconded by Councilman Dayley to elect Catherine Nielsen as Council President after Councilman Dayley rejected a nomination for Council President; motion carried.

MOTION: It was moved by Councilwoman Nielsen and seconded by Councilman Dayley to elect Councilwoman Ball as Council Vice President; motion carried.

SEWER RATE INCREASE: after a discussion on the pass along rate increase from the City of Rexburg, the mayor broke the tie to approve the 6% sewer usage rate increase. Points of discussion are summarized below:

- 31% increase over the next five years is high
- Sugar City is under contract with Rexburg
- Owning our own system, a viable option?
- Can City challenge rate increases?

Resolution No. 2026-1 – was read by title only.

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR CITY, IDAHO, TO APPROVE A 6% SEWER USAGE RATE INCREASE EFFECTIVE FEBRUARY 1, 2026 AND TO UPDATE THE CITY FEE SHCHEDULE AND CHARGES FOR ALL CITY DEPARTMENTS AND ESTABLISHING POLICIES FOR COLLECTING FEES.”

MOTION: It was moved by Councilman Dayley and seconded by Councilman Stanford with a friendly amendment to approve Resolution No 2026-1. Thereupon, the Clerk called roll upon the motion.

Those voting aye: Councilors Dayley and Stanford

Those voting nay: Councilors Ball and Nielsen

Mayor Adams broke the tie in favor of adopting the 6% rate increase.

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

PUBLIC COMMENT: No report

VIALYTICS PUBLIC WORKS SOFTWARE: Mike and Sam, representatives of Vialytics, did an online presentation to the council on how the software works. It uses a smart phone mounted to the vehicle and takes pictures every 10 feet then scores the roads at each intersection for problems. The data is analyzed by the computer from which several different reports can be generated. Mr. Jacobson feels this would help him maintain the roads and signs and lessen city liability. The Council asked that the cost of the software be worked out in the budget and a proposal brought to the council for consideration.

PUBLIC WORKS REPORT: Arlynn Jacobson reported on the following items:

HMH Grant Writing Contract: a grant writer contract was approved with HMH. They will assist the city in completing and submitting two grant applications for the LHSIP and TAP grants.

MOTION: It was moved by Councilman Dayley and seconded by Councilwoman Ball to approve the contract with the attorney's revisions. Thereupon, the Clerk called roll upon the motion.

Those voting aye: Councilors Ball, Dayley, Nielsen and Stanford

Those voting nay: None

Thereupon, the mayor declared the motion passed.

Peregrine & Old Farm Parks: Mr. Jacobson will schedule a meeting with Lerwill's and Monet to discuss the Peregrine Park and Old Farm Estates Park. Peregrine Park HOA President Mike Kirkland will be invited to the meeting.

Cody Cureton: Mr. Cureton gave his two weeks' notice to the city. He has been with the city for almost nine years. He will be greatly missed and hard to replace.

TETON ISLAND ESTATES ZONE CHANGE AND PRELIMINARY PLAT AMENDMENT:

Planning and Zoning Administrator Kurt Hibbert reviewed the Planning and Zoning Public Hearing Findings for the Teton Island Estates Zone Change and Plat Amendment. The applications would decrease the lots sizes in Phase 3 & 4 and increase the density from a R1 to R2 zone. The commission voted unanimously to recommend the applications for approval.

MOTION: It was moved by Councilman Dayley and seconded by Councilwoman Ball to approve the Planning and Zoning recommendations. Thereupon, the Clerk called roll upon the motion.

Those voting aye: Councilors Ball, Dayley, Nielsen and Stanford

Those voting nay: None

Thereupon, the mayor declared the motion passed. A copy of the Findings is attached hereto marked "Attachment 2".

PLANNING AND ZONING REPORT: Planning and Zoning Chairman Spencer Haacke reported on the following item:

Joint P&Z Work Meeting: Planning and Zoning will host the joint meeting with the Council on Thursday, January 15, 2026 at 7pm. The agenda discussion items will include:

- Downtown Blueprint
- Policy on branding and messaging
- County and Area of Impact Agreement
- Sub Committees
- City Name Change

GENERAL BUSINESS:

Peregrine Park: see above under Public Works Report.

Pro Peat Plant Emissions Update: Mayor Adams has been in contact with the Department of Environmental Quality about the emissions from the Pro Peat Plant. He is more concerned with the

toxicity of the smoke than the visual effects of a possible fire. There have been complaints of illness from those working in the area. The Sugar Salem Jr. High is also relatively close. The mayor expects the problem to be resolved and has noticed on going changes with the plant.

MAYOR AND COUNCIL REPORTS:

Joint P&Z Work Meeting: see above.

State of the City/County Breakfast: the City will purchase a table of 8. The Council and department heads will rsvp the City Clerk. The event is scheduled for Wednesday, January 21, 2026 in the Taylor building at 7:30 am.

County GIS: the city plans on paying our share of the County GIS portion when given the amount.

Liquor by the Drink License: the County is looking into the legality of Sugar City's Liquor by the Drink License. There have been two businesses that have applied.

Meeting adjourned at 8:30 p.m.

Signed: _____
Steven Adams, Mayor

Attested: _____
Wendy McLaughlin
Clerk-Treasurer

**THE CITY OF SUGAR CITY IDAHO
RESOLUTION NO. 2026-1**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR CITY, IDAHO,
TO APPROVE A 6% SEWER USAGE RATE INCREASE EFFECTIVE FEBRUARY 1,
2026 AND TO UPDATE THE CITY FEE SCHEDULE AND CHARGES FOR ALL CITY
DEPARTMENTS AND ESTABLISHING POLICIES FOR COLLECTING FEES.”**

WHEREAS, the City incurs administrative costs in processing applications, enforcing codes, administering regulations, maintaining facilities, monitoring project development, engaging the public, reviewing proposals, providing support, and conducting required inspections; and

WHEREAS the City Council has authority to adopt provisions to regulate the conduct of persons within the boundaries of Sugar City pursuant to Idaho law, including, but not limited to Idaho Code Section 50-301, 50-313, 50-314, 50-901, 50-901A, 50-902, 50-225, and Article 12, Section 2 of the Constitution of the State of Idaho, and Title 40, Chapter 1 of Idaho Code; and

WHEREAS the Sugar City Municipal Code authorizes the establishment and adoption of fees to cover the administrative costs of reviewing applications for any service provided by the City of Sugar City in Sugar City Ordinance 1-11-1; and

WHEREAS each department within the City of Sugar City organization has quantified the costs of processing and administering each application specific to that department; and

WHEREAS previously Resolution 2025-6 was adopted by City Council on 28 August, 2025 which replaced all previous fee resolutions; and

WHEREAS one City fee for Sewer usage rate for Sugar City residences and business is changing and will require the new change to be updated on the City's official Fee Schedule

**NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY
OF SUGAR CITY, IDAHO, THAT:**

Effective February 1, 2026, a 6 % rate increase for the sewer usage rate for Sugar City residences and businesses shall increase from \$4.22/1000 gallons sewer flow to \$4.47/1000 gallons sewer flow. As follows:

SEWER

1. Base Rate - \$26.40 – *will remain the same*
2. Usage Rate - \$4.22/1000 gallons sewer flow – will increase \$0.25. New sewer usage rate, \$4.47/1000 gallons sewer flow.

The new rate will be reflected in the 2025-2026 Sugar City Fee Schedule.

PASSED by the Council of the City of Sugar City on this 8th day of January, 2026.

APPROVED by the Mayor of the City of Sugar City on this 8th day of January, 2026.

(SEAL)

Steven Adams, Mayor

ATTEST:

Wendy McLaughlin,
City Clerk-Treasurer

Before the City of Sugar City Planning and Zoning Commission

Thursday, December 18, 2025 at 7:00 p.m.

On the Application for changes to the Preliminary Plat of TETON ISLAND ESTATES & A ZONE CHANGE FROM R-1 TO R-2 RESIDENTIAL DENSITY TO ALLOW A SMALLER AND MORE AFFORDABLE LOT SIZE IN PHASE 3 & 4 OF THEIR APPROVED PLAT.

Applicant: DAWSON KLINGLER

FINDINGS OF FACT

1. The Sugar City Planning and Zoning Commission, 10 E Center Street, City Hall, Sugar City, Idaho has received an application from Dawson Klingler requesting amendments to the preliminary plat and zoning in the Teton Island Subdivision
2. A public hearing on the application was held on **Thursday, December 18, 2025 at 7:00 p.m.** at Sugar City Hall, 10 E. Center Street, Sugar City, Idaho 83448.
3. All required notices regarding the hearing had been published, mailed and posted in a timely fashion as required by Sugar City Code and Idaho State law. The Affidavit of Publication and Affidavit of Mailing and Posting were entered into the record and are included with this recommendation. The Deputy Clerk for the City of Sugar City signed the affidavits of the above.
4. There were five (5) members of the public in attendance for the public hearing as well as the planning commission and city staff.
5. Planning and Zoning Administrator Kurt Hibbert introduced the proposed Plat Amendment and Zone Change application which consisted of the following: 1) Changing the R-1 zoning as indicated in phase 3 and 4 in the Teton Island Subdivision to R-2 zoning, and 2) amend the approved preliminary plat and associated development agreement to allow for the platting of open space previously designated along the canal bordering the easternmost property line, in exchange for public transportation improvement consisting of a connecting bridge on 5th South street over the canal and street connecting with 7th East Street.

Applicable Code: the City of Sugar City development code and zoning ordinances apply and govern all subdivision actions in the city.

Zoning Ordinance: Proposed changes to the Zoning Map are allowed and these requested changes are found to be consistent and not in conflict with the Sugar City subdivision ordinance, zoning ordinance, and preferred land use map.

Comprehensive Plan: The changes proposed are consistent with the comprehensive plan in that they provide appropriate placement of residential uses in zoning districts and land use areas planned for such use.

Public Infrastructure and Utilities: All public infrastructure, including but not limited to water, sewer, stormwater drainage, and roadways, shall be designed, installed, and maintained in strict compliance with the Sugar City Code. Developers shall ensure that all infrastructure improvements adhere to the engineering and construction standards set forth in the following provisions of the Sugar City Code:

- a. **Water System Requirements** – All water connections, supply lines, and distribution systems shall comply with SCC 7-1-3 regarding the extension of water mains and SCC 7-1-4 regarding water system connection fees. Water service lines must be installed in accordance with city specifications and inspected before use.
 - b. **Sewer and Wastewater Management** – The development shall adhere to SCC 12-5-1(C), which mandates that all sanitary sewage systems minimize or eliminate infiltration of flood waters into the system and prevent discharge into flood waters. All wastewater disposal shall meet the regulatory requirements of the city.
 - c. **Stormwater Drainage** – The site must comply with SCC 10-4-5(A)(2), which requires stormwater collection and disposal facilities for all curb and gutter areas, as well as SCC 10-4-6(I), which mandates the use of best management practices for stormwater disposal.
 - d. **Roads and Right-of-Way Improvements** – Any public or private roads, curbs, sidewalks, and access points shall be constructed to the standards established in SCC 10-4-5(A) and (B), which require the use of concrete curbs, gutters, and specified sidewalk widths depending on street classification. Additionally, all new streets must comply with SCC 10-4-7, which mandates proper open space and road alignment considerations.
 - e. **Inspection and Approval** – Prior to the issuance of final approvals or certificates of occupancy, all infrastructure improvements shall be inspected and certified as compliant with the Sugar City Code. Any deficiencies must be corrected at the developer's expense, as required by SCC 11-7-1(B), which governs the final approval and certification of public improvements.
6. Testimony against the application was limited to complaints about increased density and being opposed to the direction the city planners are directing the city. All testimony against the proposal was from non-city residents who owned a lot adjacent to the subdivision. Reasons for opposition were noted as perception that the use being proposed was in conflict with community values, diminished property values around or adjacent to the use and was an inappropriate density
 7. Deliberations by the Planning Commission indicated that the commission felt strongly about the addition of residential options in the community and that the first two phases have developed out very well in harmony with the adjacent neighborhoods and that the two proposed changes should be supported by the commission.

8. The commission voted unanimously to recommend the application to the City Council for approval.

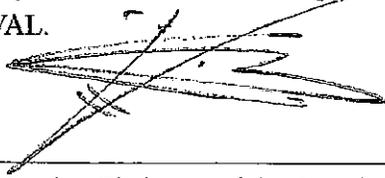
Conclusions of Law:

In accordance with Idaho State Code Title 67-6526, Sugar City has the authority to change its zoning ordinance and approve plat amendments to meet the changing needs of the city and property owners. These procedures were followed:

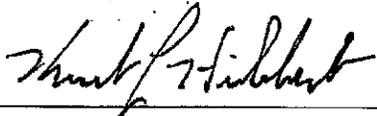
- 1) The Public Hearing was held in compliance with the requirements outlined in the Local Land Use Planning Act, Idaho Code 65-6509.
- 2) The required Public Hearing was held in accordance with State, County, and City Code and the Sugar City Planning and Zoning Commission reviewed the history and cumulative effects of the issuance of the requested Zoning and Subdivision changes.
- 3) Changing from R1 to R2 zoning allows the development to have a minimum frontage requirement of 80 feet and side setbacks of 5 feet. R-1 has a minimum frontage requirement of 100 feet and a side setback of 10 feet. R-2 density allows five (5) dwelling units per acre, whereas R-1 density allows four (4) dwelling units per acre. The difference in frontage, setbacks, and density from R1 to R2 zoning is minimal. Rezoning phase 3 & 4 and the replating of Phases 3 & 4 will not have a significant impact on neighboring neighborhoods and/or the Teton Island Estates' current residents.

We, the Sugar City Planning and Zoning Commission therefore,

Recommend approval of the proposed plat amendment in Phase 3 & 4 and the requested zone change from R-1 to R-2 zoning so named above to the City of Sugar City Council for APPROVAL.



Spencer Haacke, Chairman of the Planning and Zoning Commission.



Kurt L. Hibbert, MPA, Planning and Zoning Administrator

FOF CREATED: DECEMBER 30, 2025