

MINUTES OF REGULAR MEETING
SUGAR CITY COUNCIL
THURSDAY, MAY 28, 2026, 6:30 P.M.

Presiding: Council President Nielsen
Meeting Via Internet and at City Hall Convened at 6:30 p.m.
Prayer: Councilman Stanford
Pledge of Allegiance: Councilman Dayley

Present at City Hall and Online: Councilors Catherine Nielsen, Joy Ball, Glenn Dayley, and Carter Stanford; Clerk-Treasurer Wendy McLaughlin; Deputy Clerk Treasurer Vickie Robertson; Public Works Director Arlynn Jacobson; City Attorney Chase Hendricks; Planning and Zoning Administrator Kurt Hibbert. Mayor Steve Adams was excused.

CONSENT AGENDA:

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

AUDIT REPORT: City Auditor Chase Yearsley of WIPELI reported showing strong financial health in the General and Utility Funds. He didn't find any issues with internal controls and no issues with compliance, the City is following all laws and regulations. City Council must sign an audit representation letter acknowledging responsibility for financial statements.

MOTION: Was moved by Councilman Dayley to approve draft of Audit Report seconded by Councilwoman Ball; motion carried

PLANNING AND ZONING REPORT: Planning and Zoning Administrator Kurt Hibbert reported on the following items:

Land Use Table: Mr. Hibbert has looked hard at the Land Use Table and has prepared a Land Use Table amendment to convert Special Use Permits to Conditional Use Permits, providing more certainty for property owners while maintaining neighborhood standards.

Resolution 2026-3: Brought before council to consider supporting renaming of the Rexburg North interchange to "Teton River Interchange" and Highway 20/33 junction to "Fort Henry Junction" for submission to Idaho Transportation Board, Madison County, and City of Rexburg.

MOTION: Was moved by Councilwoman Ball to approve Resolution 2026-3 seconded by Councilman Dayley. Thereupon, the clerk called roll upon the motion.

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

Those voting nay: none

Thereupon, Council President Nielsen declared the motion passed.

PUBLIC COMMENT: No report.

Auxiliary Dwelling Unit- Council President Nielsen ask Planning and Zoning Administrator Kurt Hibbert for clarification on the controversy about utilizing the Accessory Dwelling Units (ADUs)

Code: Current Sugar City ADU code requires owner occupancy with deed restriction as condition of certificate of occupancy

State Legislation: Threshold raised from 5,000-10,000 population; Sugar City remains below threshold and exempt from new state requirements. The City of Sugar City will continue to go by the code.

Code Amendment: Developers may apply for code change. No code amendment application has been received; any proposed changes must go through Planning & Zoning public process before Council consideration.

PUBLIC WORKS REPORT & GENERAL BUSINESS: Arlynn Jacobson reported on the following items:

ITD Resolution 2026-4: The 2023 TAP Grant's final design is complete, submitted to ITD for approval; construction bid possible by August 2026 or spring of 2027 depending on approval timeline. Funding is there.

2024 Tap Grant: Fast-tracked for immediate design start (originally scheduled for next year); potential 2027 construction. Funding is available. ITD confirmed intent to maintain funding; will notify the city if federal cuts occur before design/construction phases.

MOTION: Was moved by Councilman Stanford and seconded by Councilwoman Ball to approve Resolution 2026-4 and fast-tracking the 2024 Tap Grant. Thereupon, the clerk called roll upon the motion.

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

Those voting nay: None

Thereupon, Council President Nielsen declared the motion passed

Brad's Exxon Fuel Agreement: Exxon Owner Brad Orme offered the city a \$0.20 discount off the pump price which is comparable to gas rates at other stations. Mr. Jacobson is still waiting on fuel supply agreement pricing structure from Brad's Exxon. Council expressed reservations about paying pump price versus bulk fuel cost savings. He will still buy fuel in bulk from other sources when the price is down and use Brad's to support local business and for convenience on a trial basis. The agreement does not include exclusivity.

SunPro: SunPro has the bridge in, sidewalks done, and roads are in up to the railroad tracks. They are still working on completion of the railroad crossing. There has been no response from the railroad company to be able to complete that task. The solar lights are also installed and maintenance on them will be minimal.

Teton Island Estates: just finished installing the last of the water lines, they will be tested next week. The sewer line testing has been done and it all passed.

Stillwater Development: they have put in the 1st part of the sewer lines. Will be installing water lines soon.

Peregrine Playground: the playground equipment has been ordered. Hopefully will arrive in the next few weeks.

American Flags on Center Street: Mr. Jacobson has raised a question regarding the city's practice of displaying American flags on Center Street for nine specific holidays. Currently, there are no community groups or families volunteered to manage this. For the past year, the task has been handled exclusively by the families of Arlynn Jacobson and Vickie Robertson.

Mr. Jacobson is seeking guidance on which holidays the Council would like to prioritize for flag displays, particularly when dates fall close together, such as Flag Day and Juneteenth. Additionally, the Council may wish to consider whether opening a formal sign-up for families to sponsor specific holidays would be an effective way to secure future volunteers.

Street Maintenance: Crack seal will be done on all the city streets. A slurry seal will be done from Sandy Loam Dr, onto N 7th W to W 9th N on up to the overpass. Also, from E 1st S to E 3rd W, E 3rd W to E 5th S and from W 3rd S to W 4th S. Chip sealing will be done on W 3rd N to N 7th E. The county will be doing the chip sealing for the City. Dura patching will be done around town over some of the patches and potholes.

Railroad Crossing: The City has been looking at some grants to help with the railroad crossing on E 3rd N.

Artificial Intelligence (AI) Roads: The new AI road condition system is working well for the city. Mr. Jacobson has invited the City Council to come see how it works.

Reschedule Meeting: Due to the AIC training conference, which the Mayor, City Council, and staff will be attending, the City Council meeting for Thursday, June 11, 2026 has been rescheduled for Tuesday, June 16, 2026 with a light agenda.

MAYOR AND COUNCIL REPORTS:

Council Invite: Jules Thompson has invited all the council to come attend the Celebration of Service Commemorative Program June 6 at 7:00 pm at the BYU Center.

Sugar City Historical Society will be doing a "Flood 50" education center June 5th and 6th at the Old Junior High building.

EXECUTIVE SESSION:

7:57 P.M. It was moved by Councilwoman Ball seconded by Councilman Stanford to move into executive session pursuant to 74-206(a) only as suggested by Council President Nielsen:

Idaho Code 74-206(a) Hiring a public officer, employee, staff member or individual agent, whose qualities are to be evaluated in order to fill a particular vacancy or need; not to fill a vacancy in an elective office or deliberate staffing needs in general.

Motion carried. Thereupon, the deputy clerk called roll upon the motion.

Those voting aye: Councilors Ball, Nielsen, and Stanford

Those voting nay: Councilor Dayley

Thereupon, Council President declared the motion passed.

8:20 P.M. Executive session ended.

PENDING GENERAL BUSINESS:

New Office Positions: No report.

Meeting adjourned.

Signed: _____
Catherine Nielsen,
Council President

Attested: _____
Vickie Robertson,
Deputy Clerk-Treasurer