MINUTES OF REGULAR MEETING
BUDGET WORKING LUNCHEON AND
SUGAR CITY COUNCIL
THURSDAY, JUNE 25, 2026, 5:30 P.M.

Presiding: Mayor Steven Adams
Meeting Via Internet and at City Hall Convened at 5:30 p.m.
Prayer: Council President Nielsen
Pledge of Allegiance: Councilwoman Ball

Present at City Hall and Online: Mayor Steven Adams; Councilors Catherine Nielsen, Joy Ball, Glenn Dayley, and Carter Stanford; Clerk Treasurer Wendy McLaughlin; City Attorney Chase Hendricks; Planning and Zoning Administrator Kurt Hibbert; Acton Academy Owner Brian Dold; and others who may have joined electronically or physically but not identified. Councilman Dayley was excused for the Budget Working Luncheon meeting but joined electronically for the regular Council meeting. Public Works Director Arlynn Jacobson was excused.

BUDGET WORK MEETING: 5:30 p.m.

The council reviewed the revenues and expenses of the proposed budget. Items discussed are summarized below:

- Estimated 2.8% Cost of Living Adjustment for 2026/27 pay increases. Employees could also receive merit and training-based pay increases each year. Step gradation pay increases for managers.
- Full-time Permit Technician/Code Enforcement – this position would work from the front office mainly as a technician and fill in for Code Enforcement and Office as needed.
- Possible three full-time office staff, no part time
- Wipfli has been the city's auditor for the past six years. The city is happy with their service but may look at bids for a new city auditor and compare prices.
- Public Works asked for a larger payroll budget for new hires. Instead of $10 beginning pay, beginning pay would be from $11 - $13.
- City's main events – reduced to $1,000 per event and encourage local business participation in donations and sponsorships
- Raise professional services for the city engineer, P&Z Administrator, and city engineer by the 2.8% Cost of Living increase.
- Use Park Capital Improvement Funds for an Amphitheatre instead of public restrooms.
- Any additional budget monies are needed for the street capital improvement fund.

REGULAR MEETING: 6:40 p.m.

CONSENT AGENDA:

MOTION: It was moved by Councilwoman Nielsen and seconded by Councilwoman Ball to approve the Consent Agenda; motion carried. The Council questioned the large purchase of $750 to Pens.com.

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

Public Hearings:

ADU Code Amendment Hearing: the commission tabled the discussion on the Accessory Dwelling Units (ADU) Code amendment to review earlier documents. There are several units that are non-compliant and the owners, developers, and realtors want to remove the owner occupancy requirement.

Active Academy School Special Use Permit Hearing: the commission recommended the Special Use Permit for the new school with conditions. See below.

North Toscano Property Development: the city has received plans for a new Maverik gas station, convenience store, truck stop, and RV dump located north of 9th North on the old Toscano property.

Signage:

Fort Henry Junction: the city may work with SunPro and Maverik for signs directing traffic to the Fort Henry Junction and name recognition.

New Maverik Sign: the proposed new Maverik wants a sign higher than the city code allows. A code amendment is being looked at.

Main Street Revitalization Report: downtown planning for angled parking on Center Street, zero lot lines to match downtown atmosphere for new construction, Sugar City name recognition – a central theme, and training on a "Go to" instead of a "Go through" atmosphere.

Urban Renewal Report: the district hasn't been meeting lately. The City Attorney indicates the city may need to hold an election in order to have an urban renewal district. Support from public entities like the sheriff's office, school district and fire district could help.

New City Zoning and Land Use Map: a new Zoning and Land Use map of over 23 minor and major changes has been proposed for council and staff review.

SPECIAL USE PERMIT FINDINGS:

MOTION: It was moved by Councilwoman Nielsen and seconded by Councilwoman Ball to approve the Special Use Permit based on the Planning and Zoning recommendations for the Acton Academy School; motion carried.

Owners Brian and Megan Dold are excited to have a bigger place with more room to grow since doubling their student body (4-14 years old) size every year since 2023. The school is located on 1223 S Railroad Avenue.

PUBLIC COMMENT: No report.

PUBLIC WORKS REPORT & GENERAL BUSINESS: Arlynn Jacobson reported on the following items through an email sent earlier to the council:

Peregrine Park: the playground equipment has been installed.

Development Update: Teton Island Estates has completed all water and sewer testing and is currently working on storm drain and road prep. Stillwater will complete installation of water and sewer lines this week and will be ready for testing thereafter.

Canal Path Easement Agreement: Old Farm Estates Phase 2 and 3 Agreement will allow a walking path to be installed on the canal's property easement.

MOTION: It was moved by Councilman Dayley and seconded by Councilman Stanford to approve the 28-foot easement agreement. Thereupon, the clerk called roll upon the motion.

Those voting aye: Councilors Ball, Dayley, Stanford, and Nielsen
Those voting nay: None
Thereupon, Mayor Adams declared the motion passed.

The city will only be responsible for the maintenance and not the construction of the path.

GENERAL BUSINESS:

Non-Compliant Accessory Dwelling Unit (ADU): City Attorney Chase Hendricks reported that currently the City Code requires owner occupancy. The state guarantees at least one ADU per residential lot in cities with populations over 10,000. Smaller cities can still set their own conditional use and setback rules.

New Planning and Zoning Commissioners:

MOTION: It was moved by Councilwoman Nielsen and seconded by Councilwoman Ball to approve the following to serve on the Planning and Zoning Commission:

- Connie Grassi
- Sam Johansen

and Design Review Board:

- Mike Mayanja

Each will serve a three-year term. Mr. Mayanja will serve on the Design Review Board until a code amendment to dissolve the board is approved.

MAYOR AND COUNCIL REPORTS:

Sugar Days/America 250: The City Council and staff served breakfast for the first time, a role previously held by Stone's Town and Country. Overall, the event went well; while attendance was slightly lower than last year, the numbers remained comparable to previous years. There are a few areas for improvement for next year's event. Moving forward, the City would like to invite at least one representative from Stone's Town and Country to attend and participate in the breakfast.

Flood 50: the Teton Dam Flood display for the 50^{th} anniversary of the flood was extended a few more days than anticipated to accommodate more patrons. The Historical Society would like to encourage younger volunteers to serve on the board. The tour donations were slow. The County was sent a new deed for the railroad property.

Teton Dam Memorial: a memorial monument to commemorate the Teton Dam Flood has been completed and is a very nice improvement to the area.

Tree and Beautification: June awards go to:

- Ronald and Linda Rhodes – 384 Palomino Drive, and
- Jeff and Michell Nelson – 25 N Front Street

Emergency Services: there is concern about fire danger this year since it was a light snow load over winter. The 4^{th} of July fireworks could be canceled.

Artificial Intelligence (AI): Boise has set aside $60,000 for AI software. Sugar City may consider buying a subscription to use in the office and the public works department.

EXECUTIVE SESSION:

7:53 P.M. It was moved by Councilwoman Nielsen seconded by Councilwoman Ball to move into executive session pursuant to 74-206(a):

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, Dayley, Nielsen, and Stanford
Those voting nay: None

Thereupon, Mayor Adams declared the motion passed.

8:10 P.M. Executive session ended.

PENDING GENERAL BUSINESS:

New Office Positions: the Code Enforcement position has been combined with the Permit Technician position as a full-time position making it necessary to release Kimber Jones as the part-time Code Enforcement officer.

MOTION: It was moved by Councilwoman Nielsen and seconded by Councilman Stanford to approve one month's severance pay up to $1,100 for Kimber Jones for diligent service rendered to the city; motion carried.

Meeting adjourned.

Signed: _________________________ Attested: _____________________________

Steven Adams, Mayor — Wendy McLaughlin, Clerk-Treasurer