

City of Rigby
Council Meeting Minutes
December 18, 2012

Mayor Smith called the meeting to order at 7:00PM Tuesday, December 18, 2012.

The Clerk Dave Swager led the pledge of allegiance and Attorney Dunn offered the prayer.

Mayor Smith asked the clerk to call the roll.

Councilwoman Hinckley	Present
Councilman Zimmermann	Present
Councilman Blackburn	Present
Councilman Day	Present
Councilman Maloney	Present
Councilman Simonson	Present

Also present: Attorney Rob Dunn & Chief Hammon.

Oaks Retirement Home

Jaramie Magera, representing the Oaks Development, came forward and presented additional information regarding the proposed Oaks Retirement Home. Magera recapped the proposed development that came out of the work meeting. The additional information is:

- Existing well – can be used for irrigation
- Water Rights – the development does not have water rights.
- Demand for fire flow – minimum fire flow is 1,500 gallons per minute per letter from Central Fire.

The proposed development is to construct a 15 bed facility and sale of one additional lot.

The attorney explained to the council there had been an email from Mike Jaglowski which indicated that if the development was to be approved there needed to be a development agreement issued between the developer and the city in conjunction with the county for the development of the project. The city's agreement would be an addendum to the county's agreement and would spell the rights and restrictions the city would allow for the development.

Councilman Blackburn inquired if the existing well could be used to mitigate water needs. Jeff Freiberg, Oaks Development engineer, responded the well could be used for irrigation but due to Dept. of Water restrictions/regulations it could not be tied into the city water supply. However, it could be used for irrigation which would mitigate the overall use in water consumption. If the well were to go dry, Freiberg stated the plan would be to extend the depth of the well. The water line going into the facility would be an eight inch water line with the capacity to supply the minimum fire flow requirement.

Councilman Day asked if future developments could be charged impact fees. The clerk responded the city has yet to enact an ordinance for impact fees. The county has impact fees but the city does not.

The Mayor stated while the development would use part of the existing water available to the city, growth shouldn't be stopped. The city will be developing a capital project plan which will begin setting targets and goals so when the time comes, projects such as a storage tank can be put into operation.

Councilman Blackburn moved to allow the Oaks Development to allow the development to connect onto the city's water and sewer services conditional upon the acceptance of a development agreement between the city and the developer, seconded by Councilman Zimmermann.

Having no further discussion, the Mayor asked the clerk to poll the council.

Councilwoman Hinckley	Yes
Councilman Zimmermann	Yes
Councilman Blackburn	Yes
Councilman Day	Yes
Councilman Maloney	Yes
Councilman Simonson	Yes

Sewer Collection Update –

Scratched from agenda – nothing new.

Sewer Lift Stations – Status -

Scratched from agenda – nothing new.

Employee Health Insurance – III-A and Blue Cross

The clerk presented the council with a worksheet showing the financial impact on continuing with the III-A insurance for the current year and for the succeeding three year period along with premiums for coverage for Blue Cross.

Beginning January 1, 2013 III-A premiums will increase 30.6% from the current monthly rate of \$10,656 to \$13,497 with an annual premium totaling \$161,959. To sign on with Blue Cross the premium would be \$9,875 per month or \$118,504 annually. If the III-A were to assess the city the penalty clause for early termination the penalty would be \$126,924. For 2013 the net additional cost to the city would be \$83,469. Over the 36 month period, assuming no increases in either III- A or Blue Cross the total payouts would be for III-A \$485,876 versus Blue Cross with penalty would total \$482,435 for a net difference of \$3,440.

The Mayor stated that with III-A and the uncertainty of its continued operation and the lack of certainty regarding future premium rates. His recommendation would be to terminate association with III-A. He felt given the risk and lack of certainty with III-A he did not want the employees to not have health insurance coverage for even one day. Blue Cross has been in existence for years and will continue to be in existence for the foreseeable future. Blue Cross offers the city better certainty and less risk (regarding premium) going forward. The III-A had the concept of providing health insurance at a level premium has not occurred as has been seen with a 55% rate increases in just nine months of existence. And, again the lack of even a twelve month fixed rate cannot be guaranteed by the III-A board. If the association incurs further claims in excess of the premiums being paid additional assessments will be levied.

Discussion by the council felt the 10 or 11 claims that were incurred by one city should have been either known or disclosed and felt these claims caused the association to fail. The likelihood of further assessments is more likely than not given the fragile finances of the III-A. It was commented both

insurances could see rate increases but the rate would go up proportionally with Blue Cross still being below III-A rates.

Motion by Councilman Simonson to withdraw and terminate the insurance with III-A and to obtain employee insurance coverage with Blue Cross beginning January 1, 2013, seconded by Councilwoman Hinckley.

Having no further discussion, the Mayor asked the clerk to poll the council.

Councilwoman Hinckley	Yes
Councilman Zimmermann	Yes
Councilman Blackburn	Yes
Councilman Day	Yes
Councilman Maloney	Yes
Councilman Simonson	Yes

Planning and Zoning Members:

The Mayor commented the planning and zoning needed two members and Councilman Blackburn has recommended Tony Carpenter as member and Councilman Zimmermann has recommended Joe Sites as a member.

Councilman Blackburn provided the council with the brief background for Mr. Carpenter. Councilman Blackburn and the Mayor have talked with Mr. Carpenter and he is aware of the duties the job requires.

Councilman Blackburn moved to place the name of Tony Carpenter in nomination for member of the planning and zoning commission seconded by Councilman Simonson.

The Mayor polled the council: All in favor, none opposed.
Mr. Tony Carpenter member of planning and zoning board.

Councilman Zimmermann provided the council with the background regarding Joe Sites. Mr. Sites owns and operates the violin shop here in town and lives along 1st North.

Councilman Zimmermann and the Mayor have talked with Mr. Sites and he is aware of the duties the job requires.

Councilman Zimmermann moved to place the name of Joe Sites for council consideration as planning and zoning board member seconded by Councilman Maloney.

The Mayor polled the council: All in favor, none opposed.
Mr. Joe Sites member of planning and zoning board.

Other Council Business:

- Christmas Eve Closure – Being Christmas Eve is Monday, the Mayor informed the council and the public that city hall would be closing at 2:00PM Monday December 24, 2012.
- Employee of the Year – The Mayor reminded the council and city employees that nominations for employee of the year are coming up and he would be taking nominations.

- Councilman Zimmermann commented on the employee luncheon held last week.
- Councilman Day inquired about the status of staking 1st North. The Mayor indicated the attorney was looking into obtaining a perspective right of way for two sections along 1st North.
- Letter to Chamber of Commerce. Thank you letter to Chamber for support on Christmas lights will be written by Councilwoman Hinckley.
- January council meeting moved from Tuesday January 1, to Wednesday January 2.

Approval of Bills:

Council reviewed the bills and asked questions pertaining to DePatco, library landfill fee, Keller billing on LID work, 1st American Title (title search on 1st North) and Hayes Lock and Key (rekey police building) repair on street light on 5th West(required new photo cell).

Councilman Maloney moved to pay the bills as provided by the clerk, seconded by Councilman Simonson.

Having no further discussion, the Mayor asked the clerk to poll the council.

Councilwoman Hinckley	Yes
Councilman Zimmermann	Yes
Councilman Blackburn	Yes
Councilman Day	Yes
Councilman Maloney	Yes
Councilman Simonson	Yes

Approval of Minutes:

- November 20, 2012. Council reviewed the minutes of Nov. 20, 2012. Councilwomen Hinckley moved to approve the minutes of November 20, 2012 seconded by Councilmen Zimmermann.

The Mayor polled the council: All in favor, none opposed with Councilman Day and Maloney abstaining.

- December 4, 2012. Councilman Day noted the motion on Resolution #164-2013 did not cite the person making the motion or person seconding the motion. Motion by Councilman Day to allow the clerk to review the minutes and include the omission and to accept the minutes with the addition of the omitted motion and second, seconded by Councilman Simonson.

The Mayor polled the council: All in favor, none opposed with Councilman Simonson abstaining.

Public Comment:

None

Executive Session:

Councilman Day moved the council enter into executive sessions according to Idaho Code #67-2345(b), seconded by Councilman Maloney.

The Mayor asked the clerk to poll the council.

Councilwoman Hinckley	Yes
Councilman Zimmermann	Yes
Councilman Blackburn	Yes
Councilman Day	Yes
Councilman Maloney	Yes
Councilman Simonson	Yes

Attorney Dunn, for the record, excused himself from the session.

Council enters executive session at 8:15PM.

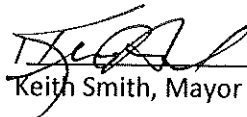
Council exits executive session at 9:25PM.

Adjournment:

Having no further business Councilman Simonson moved to adjourn, seconded by Councilman Zimmermann.

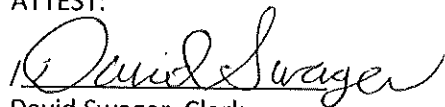
The Mayor polled the council: All in favor, none opposed, meeting adjourned 9:25PM.

CITY OF RIGBY



Keith Smith, Mayor

ATTEST:



David Swager, Clerk