

**MINUTES
BUHL CITY COUNCIL MEETING
BUHL SENIOR CENTER**

Tuesday, August 3rd, 2021.

6:30 p.m.

1. **CALL TO ORDER:** By Mayor Klarich at 6:30 P.M.

2. **ROLL CALL:** Councilors Lehman, Markas, and Mayor Klarich. Also, in attendance: Engineer Jamnick, Fire Chief McDowell, Assistant Chief Erickson, & Clerk Pervenanze.

3. **COUNCIL ADDITIONS TO AGENDA:** Motion by Markas to add resolution 21-44 and change order #4 to the agenda. Supported by Lehman. Motion carried unanimously.

4. **CITIZEN'S FORUM:** Laura Peterson, Shari Swanson, Ray Bagely, and Nate Nyguard addressed the Council regarding the park development. A petition was submitted to the Clerk's office for review.

5. **CONSENT AGENDA:**

A. Minutes:

- i. Regular Meeting July 13th, 2021.

B. Claims:

i. Payroll #15	\$ 14,736.85
ii. Payroll #16	\$ 15,654.72
iii. Payroll July	\$ 2,000.00
iv. A/P	\$ <u>111,629.58</u>
Total	\$ 111,021.15

Motion by Lehman to approve the above consent agenda. Supported by Markas. Motion carried unanimously.

6. **BUSINESS:**

- A. Resolution 21-44. Discussion. Approve/Reject. Clerk Pervenanze stated that this resolution authorizes the City to apply for and accept funds through the IRRR Development Grant Program. Motion by Lehman to approve resolution 21-44. Supported by Markas. Motion carried unanimously.
- B. CIP Update (Informational). Engineer Jamnick gave an update on the project. Culver, Jones, Mercer, and Mine Street were paved. Pennsylvania Ave is scheduled to receive its first layer in the coming days. The alleys south of Pennsylvania and Roberts Street/Memorial alleys are next on the schedule.
- C. Change Order #4. Discussion. Approve/Reject. Engineer Jamnick stated that an old steam vault was located in the alley behind Memorial Drive. Options include removing the vault or relocating water/sewer lines around the vault. Final numbers are not known at this time due to asbestos abatement. The most cost-effective option is believed to be removing the vault. Motion by Klarich to approve change order #4 pending the ok from the City Engineer and Administrator. Supported by Lehman. Motion carried unanimously.
- D. Fire Hall Additional Update (Informational). Chief McDowell, Assistant Chief Erickson, and Clerk Pervenanze have been meeting with Architectural Resources on the expansion. Design drawings should be completed within the next few weeks for review.
- E. Public Hearing Wellhead Protection. Discussion. Approve/Reject. Clerk Pervenanze stated that as part of the process of updating the City's Wellhead Protection Plan a public hearing must be scheduled. Motion by Lehman to schedule a public hearing on Tuesday's October 5th at 6:30 P.M. as part of the regularly scheduled Council meeting. Supported by Markas. Motion carried unanimously.
- F. Recreation Board Appointments. Discussion. Approve/Reject. Motion by Klarich to appoint Colleen Port, Randy Towner, and Tammy Halland Towner to the Recreation Board. Supported by Markas. Motion carried unanimously.
- G. Council Appointment. Discussion. Approve/Reject. Motion by Klarich to appoint Gene Matthew to the Council. Mayor Klarich cited Gene Matthew's previous 12 years of experience on the Council and involvement in BEDA and Long-Range

Planning and Zoning. Supported by Markas. Councilor Lehman stated that his preference would be one of the candidates. Motion carried. Lehman opposed.

Councilor's Comments

- Councilor Lehman stated that Ida Rukavina has started as the new Executive Director of RAMS. Councilor Lehman also outlined the following information that is specific to areas around town and how these investments relate to property taxes and overall cost to the City.

Stubler (12) Homes

\$368,806 Cost to City minus grants

\$26,400 Estimated Property Tax Revenue per year, based of \$200,000 EMV

13.96 Years to Break Even

Woodbridge/Whiteside (76) Homes

\$493,418 Cost to City minus grant & assessment

\$23,560 Property Tax Revenue per year (actual) 76 properties on Woodbridge/Whiteside

\$20.94 Years to Break Even

Park Development

Cost \$287,000

Grants secured \$150,000 County HRA + IRRR Combination of Add Alts and Housing Development \$250,000

Cost to taxpayers \$0/minimal

Estimated property tax impact based on \$200,000 EMV x 10 homes= \$17,200 direct to City per year.

0 years to break even.

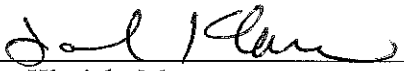
- Councilor Markas thanked all those who applied for the Council seat. All individuals have a variety of experience, but it came down to overall experience and qualifications for choosing Gene Matthews.

Mayor's Comments

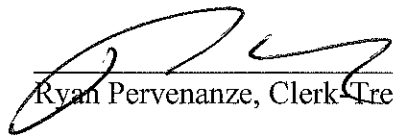
This week's Mayor's Comments are in direct response to Councilor Carter's Facebook question about why specific lots were never developed south of President Avenue. The answer to that question is quite simple. It was not cost-effective. A previous Council determined that only 4 of the 7 platted lots were buildable South of President Ave and the cost to develop those four lots has increased substantially since the engineer's \$160,000 estimate in 2006. Lots directly facing President Avenue were sold at \$5000 per lot. This included sewer, water, electrical and future curb, gutter, and asphalt. I bought a lot and constructed a home along with four other residents. I'd like to read an excerpt of the Sepcial Council Meeting minutes from June 18th of 2013 that addresses these lots directly. Motion by White that if these lots are put up for sale by the City Council, that the adjacent property owners will have the right of first refusal. Supported by Swanson. Motion carried unanimously.

That brings us back to Councilor Carter's question which created a firestorm on Facebook about how the mayor and a councilman obtained the lots behind them, namely lots 8 and 9 for \$100 per lot. First, the lots were not purchased by any members of the Council. Yes, they were purchased by family members who have a vested interest in the properties. The City is given statutory authority to acquire and/or sell real property without advertising or going out for public bid. For example, just last year incoming Councilor Carter purchased 40 acres of City land because the Council determined the land had no value for the City since it was outside of City limits. Previous and current Councils have also followed a process, formalized by resolution, to offer available land to the adjacent property owners if it is determined to benefit the City. In this case the City is benefiting from the property taxes being paid on those lots. The Council prior to selling these lots along with others in Damian addition to the adjacent landowners, determined the only benefit for the City would be additional revenue generated from property taxes. Previous members of the City Council have also had relatives purchase property from the City. Take for example 115-0040-00279, which is a 2-acre piece of property located near the water tower off County RD 125. Multiple parties were interested in this piece of property. After multiple Council discussions it was determined to list the 2-acre property as one lot rather than platting it out for multiple lots. The property was ultimately purchased by a relative of a sitting member of the Council. Unfortunately, the purchasers never fulfilled their obligation to build a single-family home or commercial business on that 2-acre property. I am not casting dispersion on any of the above people or City Official, but just rationalizing how the City has the right to sell its land with/without advertising and a public official's relatives have the right to purchase property and resell to their relatives including parents or siblings. This was the philosophy I followed on the purchase of the lot adjoining my property that my son purchased.

7. **ADJOURN:** Motion by Lehman to adjourn the meeting. Supported by Markas. Motion carried unanimously and the meeting was adjourned at 7:35 P.M.



John Klarich, Mayor



Ryan Pervenanze, Clerk-Treasurer