



**CITY OF BLACKFOOT
SPECIAL CITY COUNCIL MEETING
MINUTES FROM JUNE 9, 2021**

PLEDGE OF ALLEGIANCE

Mayor Carroll called the meeting to order at 4:00 PM and led the Pledge of Allegiance.

ROLL CALL

Roll call was taken and those in attendance were: Councilman Brown, Councilman Gardner, Councilman Jensen, and Councilwoman Simpson.

MAYOR MARC CARROLL

Fisher Street Project

Mayor Carroll turned the discussion over to Councilman Jensen. Councilman stated that he is a citizen that resides on Fisher Street and expressed concern of curb and gutter not matching the rest of Fisher Street. He illustrated on the white board as he explained the easement is in the wrong location. Councilman Jensen, stated at some point the easement was changed and was shifted to sit backside of the curb instead of backside of the sidewalk, which is a difference of about five feet. He stated this road is one of the busiest roads during the school year. Councilman Jensen met with Mayor Carroll, the engineers, The Idaho Transportation Department, the project manager, and the street department and presented the problem to them as well as a potential solution. The potential solution being the citizens that live on the 100 block and the 200 block of Fisher Street would give up five feet of their property to the city, allowing curb, gutter, and sidewalk to be moved back to what would now be the edge of the cities right of way. There are currently five homes in those two blocks. ITD mentioned if this is something that can be done, they will come up with the extra money to pave an extra five feet on those two blocks. Councilman Jensen said he has spoken to all the neighbors on those two blocks and they are all willing to donate that strip of land to the city. This means there would then be sidewalk, curb, and gutters from Alice Street to Walker Street, extending the sidewalks all the way down, making it a less hazardous road.

Councilman Brown motioned to support the possibility to fund the engineering fees required to amend the Fisher Street Project. Councilman Gardner seconded the motion; all were in favor, motion carried.

Discussion on the Purchase of the Nonpareil Administration Building

Mayor Carrol began the discussion with giving a brief history on how the idea of purchasing the Nonpareil administration building came about. A couple of years ago city staff was approached by the CFO of Nonpareil to let city officials know their building was available and asked if the city would be interested in purchasing. There has been an interest for a long time in co-locating City Hall and the Blackfoot Police Department. City officials went to look at the building, employees were excited about it, it appeared to be a good fit, however, there was no way that the city could afford it at that time. The price on it at that time was \$1.1 million. Roughly four months ago, an approach was made to one of the city council members asking once again if the city would be interested. The city was coming off a good budget year and it was known that there was CARES monies left over. An offer was made on the building and there were counter offers. Still looking at the possibility of co-locating City Hall and the Blackfoot Police department in the future, as well as looking at an expansion plan for the library, entirely turning



over the current City Hall facility to the library. We are at the end of the due diligence phase of the offer so the Council needs to make a determination on whether to go forward or not by Friday June 11th, 2021. City Treasurer Graham Anderson made a presentation to the Council to go over what the city has in revenues and what the cost of the building will be. The agreed upon purchase price of the building was \$975,000. In that agreement there were two options for the city to purchase the building, the first option would be to make a down payment and an additional \$450,000 at closing, after that, for the next two years there would be a payment of \$250,050. essentially being a lease option. The other option that was on the table was a total purchase price for the full amount of \$975,000 due at closing. \$50,000 was the earnest money that was put down, upon acceptance of the offer \$10,000 is nonrefundable. The closing would be on or before July 16th, 2021 and would be pending acceptance of offer upon City Council approval.

Mr. Anderson gave a recap on where the city ended the 2020 fiscal year. He shared that the city's auditor, Morgan Hatt had presented the good news that the city ended the year with \$1.2 million in carry forward. CARES money that was awarded to the city was spent and then reimbursed for the expenses that were related to the CARES funds. The amount that has been reimbursed is \$399,000. As of May 31st we are at 67% of the fiscal year. The general fund of revenue over expenditures is at \$445,000. Each department has held tight to their budget and stayed right in line with their departments budget. There could be some extra revenues that come in that are unexpected such as, building permits, property tax revenue, liquor apportionment, etc. that will help going into fiscal year 2022. SCBA's still need to be replaced. The Fire department has applied for a grant for those, however, are still waiting to see if the grant will be approved. The SCBA's are critical for the Fire Department to have and if the grant application is approved this year, the SCBA's will be purchased this fiscal year, if the grant application is denied, the SCBA's will be purchased with reserve funds in fiscal year 2022. The certifications on the current SCBA's have expired and some are not working at all. Expenses that we will be pulling from the carry over funds are; police wage increases, police car lease payments that will be coming up in fiscal year 2022, and the rate study that will also be coming up in fiscal year 2022, coming to a total of \$867,281. City Clerk Suzanne McNeel went over the approximate costs of what moving to the new building would be. There would be rewiring needed, new computer systems, phone upgrades, key fobs, cameras, and other new equipment that would be needed before moving. The total just for moving City Hall over to the other building would be about \$118,302.18. This would be for moving in administration only and we would be looking at approximately 1-3 years before moving in the Blackfoot Police Department. All the things that would be priority for the move would be at a cost of about \$171,200, and all the secondary priority would be a cost of about 115,000. Total renovations would mean a cost of about \$286,200. This does not include any roof repair costs. Councilman Gardner said he believes that is something that would fall on the seller to fix. Mayor Carroll went over the expenses that the city has committed to and that are critical, such as the SCBA's. Mayor Carroll stated he would probably allow Chief Gray to order the SCBA's in the next couple of weeks, and if the city goes through with the purchase deal, the city will be exhausting all the carry forward funds. Mayor Carroll mentioned that it has taken the city three years to get to where we are on reserves. His recommendation is for the Council to not go forward with the purchase deal on the building. He expressed that the timing just is not right. Another holdup is that the Council just recently approved a \$200,000 facility study for the Wastewater Treatment Plant that will lead into a \$25 million-dollar upgrade of capacity. There is a lot of development both inside and outside the city wanting to hook into the wastewater treatment plant. Councilwoman Simpson suggested trying to negotiate saying this is a good deal and the longer it gets



put off, the more it will cost. Councilman Jensen pointed out that there is not land like this one in the city. Councilman Brown expressed that he is an optimist for a potential deal in the future once the city is in a better cash position and to keep options open. Mayor Carroll explained the savings on the office and physical facility portion from moving the police administration to the new building would only be \$13,614. per year. Councilman Gardner asked if there is a possibility to go back and renegotiate and about the possibility of floating a loan to make it a purchase that way. Attorney Garrett Sandow explained that it would have to be a lease with option, because the city cannot incur a debt beyond one year of ability to pay. Councilman Jensen suggested some of the expenses the city currently plans on making could be put off for a year to make the purchase possible so that the building opportunity is not lost as the city is growing. Councilman Brown reminded the Council that we had unexpected expenses this year and there will possibly be unexpected expenses next year, and if the reserve gets taken down to a critical point again then it would mean having to start over again. Mayor Carroll mentioned that from what he has heard, there is a concern in the city about failing infrastructure, such as streets needing repairs, however, there is also a misunderstanding or lack of knowledge of the engineering standards required and how expensive it is to fix streets in the city.

Councilman Brown motioned to disapprove the purchase and sale agreement of the Nonpareil building for all the reasons discussed. Councilman Jensen seconded the motion; all were in favor, the motion carried.

CHANGE OF DATE FOR AUGUST COUNCIL MEETING

The August 3, 2021, City Council meeting is moved to August 9, 2021, at 7:00 PM

ADJOURNMENT

The City Council meeting was adjourned at 5:13 PM.

City of Blackfoot

Mayor Marc Carroll

Attest:

City Clerk Suzanne McNeel

Prepared by:

Patty Ojeda