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City Council Minutes – December 17, 2025

Mayor Jerry Merrill
Council Members:
Bryanna Johnson Eric Erickson
David Reeser Mikel Walker
Colin Erickson

City Staff:
Spencer Rammell – City Attorney
Matt Nielson – Finance Officer
Keith Davidson – Public Works Director
Alan Parkinson – Planning & Zoning Administrator
Scott Johnson – Economic Development Director
Deborah Lovejoy – City Clerk

6:30 P.M.
Council President Walker said the prayer.
Council Member Johnson led the pledge.

Roll Call of Council Members:
Attending: Council Member Johnson, Council Member C. Erickson, Council Member E. Erickson, Council Member Reeser, Council Member Riggins, Council President Walker and Mayor Merrill.

Mayor Merrill mentioned that tonight is Council President Walker's last meeting attending as a councilmember. He said he appreciates all that Council President Walker has done for the city through his service as a councilmember as well as his service in the Emergency Services Department. Council President Walker has spent many years working as a paramedic and taking care of people. For all those years of dedication, the city thanks him for his service.

Welcome New Employee: Anthony Magner – Golf Grounds Assistant Manager

Anthony Magner explained that he has worked for the golf course for the previous five years as a seasonal employee. He said that he originally moved to Rexburg to attend BYU-Idaho University and started working at the golf course shortly after moving to Rexburg. He said he gradually fell in love with the work at the golf course and as a result, he changed his degree, his career goals, and many of his plans. He shared that he is excited to continue improving the golf course to make it one of the best in the area.

Public Hearing 6:30 pm: Utility rate changes based on the Utility Rate Study by FCS, a member of the Bowman Group. Designated as **Resolution No 2025 – 13** if motion passes – Matt Nielson Action Item

Finance Officer Nielson explained that the city typically proposed rate changes in July of each year to become effective at the beginning of the fiscal year, which starts October 1. However, the previous year the city had not changed the water and sewer rates because they were anticipating the results of a study. That study was only about 50% complete, even though the study indicated that if the rates were not changed mid-year, they would need to be increased more significantly in the next fiscal year, beginning the following October. As a result, the recommendation was to change the water and sewer rates at that time.

Finance Officer Nielson noted that sanitation was not included in the changes. In October, sanitation rates increased, and the lighting fees were eliminated, which removed those charges from what users paid. Therefore, the proposed changes apply only to water and wastewater. The changes also affected the rates for Sugar City and the City of Teton because the city treats their wastewater.

Finance Officer Nielson said the proposed increase for water is about 8 percent, with an anticipated additional increase of at least 6 percent the following October. The 8 percent increase becomes effective January 1. The proposed sewer rate increase is also an 8 percent increase, with another anticipated 8 percent increase the following October.

Resolution to Adopt a New Utility Rate Schedule for Fiscal Year 2026, Beginning January 1, 2026

Resolution 2025-13

A resolution of the City of Rexburg, Idaho, adopting a new rate schedule for water, sewer, garbage, and safety lighting fees.

WHEREAS, the City Council desires to maintain the overall quality of life experienced by its constituents; and

WHEREAS, the City Council desires to collect from all water, sewer, and garbage users an equitable user fee that reflects their appropriate share of operating costs, depreciation and debt service;

NOW THEREFORE, be it resolved by the Mayor and the Council of the City of Rexburg, effective January 1, 2026, the water, sewer, and garbage fees to be charged shall be as follows:

New Monthly Cost:

Water	Base Fee for .75" Equivalent & SF 1" Meter	$24.07
	(Other Meters to increase proportionately based on factor rating)	
	Usage Fee per 1,000 Gallons over 6,000	$1.279
Wastewater	Base Fee for .75" Equivalent & SF 1" Meter	$19.83
	(Other Meters to increase proportionately based on factor rating)	
	Usage Fee per 1,000 Gallons	$5.53
	Other City Usage Fee per 1,000 Gallon	$3.39
Out of City Limits 30% Surcharge for Water or Sewer		update all fees 30%

Passed by the City Council and Approved by the Mayor this 17th day of December 2025.

_____
Jerry L. Merrill, Mayor

ATTEST:

_____
Deborah Lovejoy, City Clerk

Council Member E. Erickson asked for clarification regarding the water utility revenue requirement summary shown in the FCS Memorandum. He noted that the summary stated current revenue levels were sufficient to meet cash operating expenses and were keeping pace with annual cost increases, assuming a 2.15 percent annual growth rate. He questioned why, if revenues were projected to grow by approximately 2.5 percent, it was still necessary to increase rates by 8 percent.

Finance Officer Nielson responded that the figures referenced only operating expenses. He clarified that for sewer utilities, the city needs to consider capital expenses, such as depreciation for asset replacement, as well as debt obligations. He noted that the city paid off the sewer bond in August of the previous year, which removed that obligation. The forecast discussed is a five-year forecast that accounted for depreciation of assets and approximately $60 million in capital improvements planned during that period. The intent is to implement gradual rate increases over time rather than waiting until large capital projects are completed and then imposing a much larger rate increase all at once.

Council Member Riggins asked about a planned $33.7 million capital project and whether the proposed rate increases of 8 percent, followed by the proposed future increases, would be sufficient to cover those costs over the five-year period without requiring additional increases. He asked whether the city could rely on those projections without needing to return for further adjustments. Finance Officer Nielson explained that the projections were based on estimates, including inflation and wage growth, which could change from year to year. As a result, the financial model could be adjusted annually. It was also noted that when projects went out to bid, costs could be significantly higher than projected, and historically they were rarely lower. While changes were still possible, the city's goal has been to keep any future adjustments small and manageable.

Finance Officer Nielson further explained that the model assumed the city would take on additional debt during the five-year period to fund water and sewer improvements; however, on a positive note, some of the capital improvement projects could potentially be spread out over a longer timeframe, such as eight years instead of five, which could help reduce the rate of increases over time. He also mentioned that the city went through the rate-setting process every year, which allowed the financial model to be updated annually. If the projections turned out to be slightly off, adjustments could be made in either direction.

Council Member C. Erickson asked whether the proposed percentage replaced the previous increase or is it added on. Finance Officer Nielson explained that the increase is cumulative and added to the existing rate. This means that each year's increase is applied to the new adjusted rate. Council Member C. Erickson noted that this resulted in a significant overall increase over multiple years.

Finance Officer Nielson explained that it is important to help citizens understand if rates are not adjusted gradually; the city could end up needing to ask voters to approve a bond levy to fund a large sewer project, which was generally unpopular. He said the financial model anticipates this issue, but for water and wastewater, debt was handled through judicial confirmation rather than property taxes. A judge approved the borrowing as ordinary and necessary, and the costs were paid through utility charges instead of additional property taxes.

Council Member Johnson clarified that the estimates were partially based on population growth. If growth did not occur as anticipated, the projections could be adjusted. Finance Officer Nielson added that growth assumptions helped generate additional revenue, which could help reduce the size of future rate increases.

Council Member C. Erickson emphasized that the City Council's intent is to help citizens understand that the city is trying to plan, save money, and spread the costs over time rather than imposing large increases all at once.

Finance Officer Nielson further explained that water and sewer systems were especially challenging because expanding capacity is extremely expensive. Unlike sanitation services, which might only require adding a truck and driver, increasing sewer capacity typically requires multi-million-dollar investments. These costs tended to come in large increments rather than small, manageable amounts, which make long-term planning difficult, particularly for a growing city.

Finance Officer Nielson mentioned that the city used capacity fees for water and sewer which are different from impact fees. When new development connects to the system, the city assesses the value of the existing system and collects fees based on the capacity used. Those funds were placed into reserves for future reconstruction. However, because fees were collected based on the current value of the systems, inflation often meant that reconstruction costs were higher by the time projects were undertaken. This process keeps costs fair so that existing ratepayers are not responsible for both the system capacity expansion and ongoing maintenance.

Mayor Merrill opened the public hearing.

Public Testimony in favor of the proposal (5-minute limit): NONE
Public Testimony neutral to the proposal (5-minute limit):

Eric Erickson asked whether the rate increase applies only to the City of Rexburg and not the City of Sugar City and Teton. Finance Officer Nielson made the following key points regarding the increases to the City of Sugar City and Teton:

- The rate increase applies not only to Rexburg but also to Sugar City because Rexburg treats Sugar City's wastewater.
- Sugar City paid its proportionate share of all costs, calculated using an established formula.
- Sugar City is subject to the same 8 percent rate increase and future increases for wastewater treatment.
- Sugar City contributed to treatment costs, shared line and lift station expenses, and capital improvements, including a $9 million shared line reconstruction project.
- Costs for shared infrastructure were divided based on usage, and increased capacity costs were shared as the system expanded for growth.
- Sugar City currently has sufficient capacity, but when additional capacity is needed in the future, Sugar City would be required to pay 100 percent of that capacity increase.
- If approved, the rate increase would raise Sugar City's treatment costs, and Sugar City would determine how to manage its own internal sewer system expenses.
- Rexburg's responsibility is limited to the shared infrastructure up to Sugar City's boundary; infrastructure beyond that point was not Rexburg's responsibility.

Mayor Merrill acknowledged that discussions with Sugar City and the City of Teton are often challenging due to rate increases but emphasized that all parties pay their share of the costs to maintain the system.

Public Testimony opposed to the proposal (5-minute limit): NONE

Mayor Merrill closed the public hearing.

Council Member C. Erickson moved to approve **Resolution No 2025 – 13** Utility rate changes based on the Utility Rate Study by FCS, a member of the Bowman Group; Council President Walker seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

Public Comment: Items not on the agenda; limit 3 minutes; issues may be considered for discussion on a future agenda. Please keep comments on point and respectful.

Items from Council:

A. Committees: MEPI, Cultural Arts, Grants, School Board, MUSIC, MYAB, Emergency Services Board, Beautification, Trails/Parks & Recreation, Urban Renewal, Airport, Golf Board, ADA Oversight Board, Historical Preservation Committee, and Legacy Flight Museum

Council Member Riggins reported that the Urban Renewal Agency did not meet this month; however, they are scheduled to meet in January.

Council Member Reeser reported that the Legacy Flight Museum Committee did not meet.

Council Member E. Erickson reported that the new pickleball courts at Smith Park are actively being used before the snow begins to fall. The use of the courts indicates they are a positive addition to the park.

Council President Walker reported that the Mayor's Youth Advisory Board helped with the Shop with a Cop event on Saturday and that there had been about 20 kids in attendance. He said the event went well. He also noted that the board is scheduled to hold its Christmas party the following day and that they would not meet again until January.

Mayor Merrill noted that the Mayor's Youth Advisory Board had the largest turnout of board members they have ever had to help with the Shop with a Cop event, along with many other volunteers. He thanked those who were able to attend and help. He also acknowledged the many community volunteers who participate each year, helping wrap presents and assist with other activities, and stated that the event was successful.

Council Member Johnson reported a few updates related to trails. She said the committee met that week to discuss selecting the RFP for the design of a portion of the River Trail and the bridge, and that more information would be coming soon. She also stated that the committee met to discuss the survey that will be sent out regarding the new police station that the City Council discussed at the previous meeting. She said additional information on that topic is expected soon.

Council Member C. Erickson added comments about the Shop with a Cop event and thanked everyone who assisted at the event. He said the McDonald's crew appreciated the help they received serving breakfast. He added that cleanup had gone quickly and that it was always enjoyable to see the kids and officers shopping together. He then reported on school board activities, noting that there had been a lot happening in the schools. He encouraged citizens to check school calendars, as there had been many plays, sporting events, and other activities taking place, including basketball games, and suggested that people plan to attend these events. Regarding the Airport Board, he reported that they have not met and would meet again in January. He also provided an update from the Golf Board, explaining that after meeting with City Attorney Rammell and County Commissioner Brent Mendenhall he was informed that the Golf Board recommended not to proceed with the proposal to sell alcohol from a golf cart at the golf course.

Council President Walker added that the eighth-grade girls basketball team had won the district championship, marking the first time in 28 years that the girls had won the title. Council Member C. Erickson noted that Rex Fullmer had been the coach during the previous championship win.

Mayor Merrill added that he had recently attended his granddaughter's fifth-grade orchestra concert and enjoyed seeing the students perform. He remarked on how impressive the improvements were from one grade to the next and noted that the older students were especially impressive. He expressed appreciation for the school programs and the many opportunities they provided for students to be involved.

B. Other Reports: NONE

Staff Reports:

A. Finance: - Matt Nielson

1. Financial Reports

Finance Officer Nielson reviewed the Cash and Investment Balance Report. He noted that the balance would likely continue to decrease for another month because the city is approximately 99 percent finished with all the journal entries required to close out the fiscal year. He stated that the city would then need to complete a year-end process and liquidate approximately $2 million, which would be returned to the Fire District. He added that a couple of million dollars were sent to the Fire District during the summer to provide them with sufficient cash flow to begin operations at the start of the fiscal year. After completing the year-end process, he indicated that the cash balance would drop by a few more million dollars.

CITY OF REXBURG
FY 2026

CASH & INVESTMENT
BALANCE REPORT

CASH & INVESTMENTS	Rate/Yield	< 1 YEAR	1-2 Years	2-3 Years	3-4 Years	4-5 Years	> 5 YEARS	% of Total Portfolio	BALANCE AS OF 11/30/2025
Cash On Hand	NA	2,460						0.01%	2,460
Zions Bank General Checking	NA	2,709,276						5.77%	2,709,276
Zions Bank Payroll Checking	NA	20,000						0.04%	20,000
Zions Bank Collateralized Acct	0.20%	999,866						2.13%	999,866
Key Bank Checking (RLF)	0.01%	7,856						0.02%	7,856
Wells Fargo Drug Fund Checking	0.01%	13,134						0.03%	13,134
Wells Fargo Fire District Banking	0.03%	711,842						1.52%	711,842
Bank of Commerce Legacy FM	0.10%	153,351						0.33%	153,351
Total Cash Accounts		**4,617,786**						**9.84%**	**4,617,786**
Bank of Commerce Bank CD	4.21%	261,407						0.56%	261,407
Westmark CD	5.08%	282,188						0.60%	282,188
Beehive Credit Union CD	2.48%	250,153						0.53%	250,153
Frontier CU CD	4.73%	785,502						1.67%	785,502
Idaho Central Credit Union CD	4.09%	250,025						0.53%	250,025
Mountain America Credit Union	4.89%	242,832						0.52%	242,832
Citizens Community Bank	4.50%	259,658						0.55%	259,658
WaFd Bank	5.10%	260,874						0.56%	260,874
City Golf Cart CD - Internal	3.00%	-		88,118				0.19%	88,118
Total Certificate of Deposit Investments		**2,592,641**		**88,118**				**5.71%**	**2,680,759**
Moreton Asset Management	4.54%	7,248,525	4,179,101	2,353,623	1,369,982			32.28%	15,151,232
Zions Bank Capital Advisors	4.60%	2,621,070	1,861,693	855,455	525,876			12.49%	5,864,094
TVI - Bond Investment	3.64%	2,150,009	3,107,026	2,412,206	3,211,904	2,228,668		27.93%	13,109,813
TVI - Bond Investment - Fire District	4.80%	341,937	310,781					1.39%	652,719
State LGIP--City	4.11%	4,354,645	39,548					9.36%	4,394,193
State LGIP--Fire District	4.11%	15,617	142					0.03%	15,759
State LGIP--RLF	4.11%	453,099	4,115					0.97%	457,214
Total Managed Investments		**17,184,903**	**9,502,406**	**5,621,284**	**5,107,762**	**2,228,668**	**0**	**84.45%**	**39,645,023**
GRAND TOTAL		**24,395,330**	**9,502,406**	**5,709,402**	**5,107,762**	**2,228,668**	**0**	**100%**	**46,943,568**
% OF TOTAL PORTFOLIO		**52.0%**	**20.2%**	**12.2%**	**10.9%**	**4.7%**	**0.0%**	**100%**	

Finance Officer Nielson mentioned that in January the city would likely receive close to $3 million in property tax payments from the first round of collections, which would result in an increase in the cash balance. He explained that that pattern is consistent each year, as cash balances typically decline throughout the summer months, reaching their lowest point around January, then begin to increase again before declining once more as construction projects start.

Finance Officer Nielson reviewed the Treasurer's Expenditure Report:

- The budget should be approximately 16.7% at this point of the fiscal year.
- Certain funds were highlighted because they were being closed out and zeroed, requiring monthly adjustments due to reimbursements between the city and the fire district.
- Park construction showed a significant variance (877%) due to the pickleball courts project being carried over from the prior fiscal year.
- Approximately $265,000 was carried over to complete the pickleball courts, with a future budget adjustment planned.
- The only capital project moving forward was the completion of the pickleball courts at Smith Park.
- The courts are being heavily used, despite minor surface flaws.
- The contractor agreed to return in warmer weather to fix the issues and apply an additional coat of paint.
- The overall expenditure is at about 5.3% of the budget after the first two months.

CITY OF REXBURG
TREASURER'S EXPENDITURE REPORT BY FUND
FISCAL YEAR 2026 (OCT '25 - SEPT '26) YEAR-TO-DATE AS OF NOV 30 2025 - 16.7% OF THE YEAR

16.7%

#	FUND	PERSONNEL EXPENSE	OPERATIONS EXPENSE	OTHER EXPENSE	CAPITAL EXPENSE	TRANSFER EXPENSE	TOTAL EXPENSE	REVISED BUDGET	SPENT
01	GENERAL	852,720	976,710	0	32,428	0	1,861,858	19,298,700	9.6%
02	STREET OPERATIONS	98,960	40,484	0	0	0	139,444	5,355,500	2.6%
03	RECREATION PROGRAMS	2,420	16,475	0	0	0	18,895	306,300	6.2%
04	TABERNACLE OPERATIONS	4,697	7,775	0	5,055	0	17,527	1,182,200	1.5%
07	POLICE IMPACT FEE CAPITAL	0	0	0	0	0	0	383,300	0.0%
08	D.A.R.E. TRUST FUND	0	124	0	0	0	124	17,800	0.7%
09	DRUG INTERDICTION/EDUCATION	0	8,118	0	0	0	8,118	18,000	45.1%
13	POLICE SMALL GRANTS	2,691	443	0	0	0	3,134	51,000	6.1%
15	HIGH 5 GRANT	0	0	0	0	0	0	0	0.0%
16	FIRE STATION BLDG FUND	0	0	0	0	0	0	309,000	0.0%
17	EMERGENCY SERVICES	110,909	1,349	0	0	0	112,258	7,080,700	1.6%
18	JOINT FIRE EQUIPMENT	0	0	0	0	0	0	408,000	0.0%
19	MADISON COUNTY FIRE DISTRICT	0	0	0	0	0	0	1,565,500	0.0%

#	FUND	PERSONNEL EXPENSE	OPERATIONS EXPENSE	OTHER EXPENSE	CAPITAL EXPENSE	TRANSFER EXPENSE	TOTAL EXPENSE	REVISED BUDGET	SPENT
15	HIGH 5 GRANT	0	0	0	0	0	0	0	0.0%
16	FIRE STATION BLDG FUND	0	0	0	0	0	0	309,000	0.0%
17	EMERGENCY SERVICES	110,909	1,349	0	0	0	112,258	7,080,700	1.6%
18	JOINT FIRE EQUIPMENT	0	0	0	0	0	0	408,000	0.0%
19	MADISON COUNTY FIRE DISTRICT	0	0	0	0	0	0	1,565,500	0.0%
20	FIRE IMPACT FEE CAPITAL	0	0	0	10,000	0	10,000	42,000	23.8%
21	FIRE DEPARTMENT EMPLOYEE	0	0	0	0	0	0	3,000	0.0%
22	REVOLVING LOAN	0	2,232	0	0	0	2,232	83,500	2.7%
23	REXBURG RAPIDS OPERATIONS	7,119	14,473	0	0	0	21,593	622,600	3.5%
24	LEGACY FLIGHT MUSEUM	0	1,609	0	0	0	1,609	147,300	1.1%
25	SANITATION OPERATIONS	40,100	144,519	0	533	0	185,153	3,560,900	5.2%
26	WATER OPERATIONS	95,438	74,990	0	191,439	0	361,867	4,675,200	7.7%
27	WASTEWATER	109,599	130,784	0	929,026	0	1,169,409	12,804,700	9.1%
28	BUILDING SAFETY	60,236	36,036	0	0	0	96,272	1,541,100	6.2%
29	GEOGRAPHIC INFORMATION SYSTEM	31,709	18,645	0	0	0	50,353	601,300	8.4%
30	DOWNTOWN REVITALIZATION	0	0	0	0	0	0	0	0.0%
31	SHOP BUILDING	0	0	0	0	0	0	0	0.0%
32	NEW BLDG CITY HALL POL	0	0	0	50,000	0	50,000	1,581,200	3.2%
33	STREET IMPACT FEE CAPITAL	0	0	0	0	0	0	1,222,200	0.0%
34	WATER CAPITAL RESERVE	0	0	0	0	0	0	2,698,000	0.0%
35	SEWER CAPITAL RESERVE	0	0	0	0	0	0	5,890,200	0.0%
36	ARTS PROMULGATION	0	0	0	0	0	0	225,000	0.0%
37	PARAMEDIC CARE WILDLAND	175,788	0	0	0	0	175,788	1,501,700	11.7%
38	PARKS IMPACT FEE CAPITAL	0	0	0	200,000	0	200,000	2,511,700	8.0%
39	TRAILS OF MADISON COUNTY	0	0	0	0	0	0	1,066,000	0.0%
40	ROMANCE THEATER	4,256	5,426	0	0	0	9,682	186,300	5.2%
41	PARK CONSTRUCTION	0	0	0	43,895	0	43,895	5,000	877.9%
42	WATER CAPITAL CONSTRUCT	0	0	0	0	0	0	2,185,000	0.0%
43	STREET REPAIR/RECONSTRUCTION	0	0	0	0	0	0	3,765,000	0.0%
44	STREET NEW CONSTRUCTION	0	0	0	0	0	0	7,333,600	0.0%
47	AIRPORT OPERATIONS	1,642	395	0	0	0	2,037	61,100	3.3%
48	AIRPORT CONSTRUCTION	0	0	0	0	0	0	4,561,000	0.0%
49	AIRPORT RELOCATION RESERVE	0	0	0	0	0	0	28,500	0.0%
50	GOLF COURSE OPERATIONS	71,451	38,570	0	13,400	0	123,421	1,778,500	6.9%
51	GOLF COURSE DEBT SERVICE	0	0	0	0	0	0	210,800	0.0%
52	SEWER CAPITAL CONSTRUCTION	0	0	0	282,312	0	282,312	3,276,500	8.6%
53-58	LID CONSTRUCTION FUNDS	0	0	0	899,785	0	899,785	4,700,000	19.1%
59-79	LID DEBT SERVICE FUNDS	0	0	0	0	0	0	1,008,400	0.0%
81	REXBURG CULTURAL ARTS	6,377	7,410	0	0	0	13,786	306,600	4.5%
82	FIBER CONSTRUCTION	0	0	0	0	0	0	108,800	0.0%
83	ENTREPRENEURIAL PROGRAMS	0	4,840	0	0	0	4,840	23,900	20.3%
84	N INTERCHANGE CONSTRUCTION	0	0	0	0	0	0	4,830,000	0.0%
85	COMM. SAFETY LIGHTING	0	610	0	0	0	610	0	0.0%
86	FIBER OPERATING	0	8,224	0	0	0	8,224	135,800	0.0%
91	SHOP WITH A COP	0	0	0	0	0	0	18,000	0.0%
93	AMBULANCE CAPITAL REPLACEMENT	0	0	0	0	0	0	0	0.0%
94	REXBURG ARTS COUNCIL TRUST	0	0	0	0	0	0	0	0.0%
95	CITY 501c3 FOUNDATION	0	0	0	0	0	0	3,000	0.0%
	TOTAL	**$1,676,113**	**$1,540,240**	**$0**	**$2,657,873**	**$0**	**$5,874,226**	**$111,279,400**	**5.3%**

Citizens are invited to inspect the detailed supporting records of the above financial statement.
This report can be found on our website at www.rexburg.org/finance/page/financial-reports

Emergency Services are in the city budget for 2026, however they are now employed by the Fire District who will manage them. We will need to make a budget adjustment.

B. Public Works: - Keith Davison

1. Approval of bids and budget adjustment for Teton River Park Construction Action Item

Finance Officer Nielson explained that the Teton River Park South project had been included in the budget for several years. He reviewed the budget adjustment for that project and stated that the middle column of the report showed the proposed budget adjustment, while the far-right column reflected the total project budget. He noted that the city had anticipated paying for a portion of the project the previous summer, but that did not occur.

Dept: Parks Fiscal Year Affected: 2026

						Total Project Budget
Expense Accounts to Receive **Increased Budget:**						
Account:	38438-5703	Amount:	498,000		TETON RIVER PARK DEVELOPMENT-CONTRACTOR LOW BID	$2,088,000
Account:	38438-5703	Amount:	112,000		TETON RIVER PARK DEVELOPMENT-TREES	112,000
Account:		Amount:				
		TOTAL:	610,000			$2,200,000
Accounts Where Budget is **Coming From:**						
Account:	38438-3999	Amount:	254,000		FUND BALANCE CARRYOVER-FROM ADDITIONAL REVENUES RECEIVED IN FY 2025	$ 863,700
Account:	38438-3762	Amount:	100,000		URA CONTRIBUTIONS	$1,000,000
Account:	38438-3519	Amount:	144,000		IMPACT FEES-PARKS-ADDITIONAL FEES PROEJCTED IN FY 2026	$ 224,300
Account:	38438-3320	Amount:	112,000		FEDERAL GRANT-FOREST SERVICE TREES	$ 112,000
		TOTAL:	610,000			$2,200,000
		Net Expense less Revenue	-	(This must be zero)		$ -

Coming From:	Contingency:	-
	Other Expense:	
	New Revenue:	610,000
	TOTAL INCREASE	610,000

Reason for the Increase:

Original budget FY 2026 for Teton River Park Phase I was $1,590,000. The project was rebid for a second time with a reduced scope of work, including buying and installing trees to be purchased with a grant. The City received an additional $254,000 in carryover from Fiscal Year 2025 due mostly to increased revenues received over budget. The city is projecting increased revenues in FY 2026 over budget by $144,000. Urban Renewal has a budget of $900,000. Would ask URA for $100,000 more to make project happen. If the City does not bring in enough additional impact fees in FY 2026 they may have to carry a negative fund balance into FY 2027, but the project may not be completed until then anyways. A federal reinstated forestry grant is going to purchase and pay installation of all the trees in the park for $112,000.

Finance Officer Nielson stated that if the bid being presented is accepted, the project cost would be approximately $2.06 million. He proposed approving the budget adjustment which would increase the total project budget to $2.2 million. He explained that most of the additional funding would come from impact fees, noting that collections in the prior year exceeded forecasts and were carried forward. He also recommended increasing the urban renewal contribution by approximately $100,000, explaining that the project was originally estimated at about $1.6 million and that additional contributions are needed to complete the project.

Finance Officer Nielson expressed confidence that the proposed funding plan would support the total project cost and provide a buffer for potential change orders. He added that if urban renewal did not approve the additional funding, the city could temporarily carry a negative fund balance and cover the shortfall in fiscal year 2027. He also noted that a grant of approximately $112,000 would cover the cost of trees and related work, which had been removed from the project budget.

Council Member Johnson acknowledged that the project scope had been significantly reduced to control costs and that considerable time and effort has gone into redesigning the project and rebidding it. Mayor Merrill noted that the revised bid was approximately half of the original bid amount.

Council President Walker moved to approve the low bid of $2,065,040. from BFC Diversified LLC and the budget adjustment for the Teton River Park South Project; Council Member C. Erickson seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

2. Approval of Airport Consultant Contract Action Item

Public Works Director Davidson reviewed the Airport Consultant Contract and emphasized the following points regarding the contract:

- one-year, lump-sum contract to hire a consultant to assist with airport relocation, which would also require county commissioner approval.
- The consultant's role included securing land, coordinating with BLM, addressing grazing rights issues, identifying alternative sites, planning the transition to a new airport, and coordinating with current hangar owners.
- Project costs would be shared 50/50 between the City and Madison County, with no federal funding applied to this contract.
- Council Member C. Erickson emphasized the need for measurable progress and requested regular consultant progress reports every six to twelve months.
- Grazing rights presented challenges with some potential properties, prompting the need to explore alternative land options.
- The contract cost was fixed for the year but subject to annual review and approval.

Council Member E. Erickson moved to approve the Airport Consultant Contract; Council Member Reeser seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

Council President Walker asked whether the LID work has been fully completed. Public Works Director Davidson mentioned that all paving work has been completed and that crews are completing the finishing work on sidewalks and curbs. He explained that while most of the project is complete, there were still some remaining items, particularly related to landscaping. Some landscaping along First South had been torn up and was expected to remain in that condition due to upcoming development in the area, including new housing and apartment complexes. In other locations where landscaping had been disturbed, crews were expected to return to complete restoration work such as grass and other finishing details.

Mayor's Report/Business:

Mayor Merrill reported that the Christmas Tree Lighting event was held on December 1 and it was well attended. He said they had installed software which tracked attendance and movement, it estimated that approximately 4,000 people were present. He noted that he was surprised by the turnout and expressed appreciation for the strong community participation. Attendees enjoyed activities such as visiting Santa, skating at the ice rink, and spending time together as families.

Mayor Merrill also reported that he attended the Fire Department Christmas party, noting that it was always a positive event that highlighted the past year and helped build camaraderie and teamwork. He similarly commented on the City Hall Staff Christmas party, thanking those who attended and expressed his appreciation for the opportunity to gather with city employees. He concluded by noting that many activities were ongoing throughout the city and expressed pride in the community, emphasizing that many people were doing great work to support and strengthen the city.

Items for Consideration:

A. Review and approve updated Employee Policy Manual – Terri Hill Action Item

HR Director Hill provided an overview of the updated Employee Policy Manual beginning with section 304.4 CERTIFICATION RAISE POLICY. She explained that the update would allow police lieutenants to be reviewed annually rather than every two years. She stated that this change was requested by the Police Department and would help address situations where supervisors could otherwise earn less than employees they supervise. She also noted that the Golf Professional position had been added to the list of employees receiving annual reviews.

304.4 CERTIFICATION RAISE POLICY

Employees may be eligible for certification raises at the discretion of the Department Head ~~and the Mayor~~. Employees must receive approval from department heads prior to seeking certifications that will be paid for by the City or that will result in an increase in pay. ~~Certifications that employees are eligible for are specified for each department.~~ Certifications that are not on the approved list ~~below~~ may be eligible for raises, but only at the discretion and approval of the Department Head and the Mayor. With the approval of the Mayor, a Department Head may limit the number of certifications an employee may receive a raise for during their employment with the City. **Certifications that have been approved for each department and respective position are specified in Appendix E.**

Certification increases are 4% unless otherwise stated in Appendix E. Certifications that are not on the approved list may be eligible for raises, but only at the discretion and approval of the Department Head and the Mayor. With the approval of the Mayor, a Department Head may limit the number of certifications raises an employee may receive during their employment with the City.

Certification raises are given only once and not repeated every year. Any part of a certification raise that will move the base salary beyond step 41 in any pay range is to be awarded as a onetime lump sum. Lump sum's are calculated as one year's worth of increase in wage.

Further discussion focused on Section 1103.3 related to public information and communications. Council Member C. Erickson expressed concern about ensuring the Police Department would not be restricted from issuing timely public statements or updates. HR Director Hill invited legal counsel to provide clarification. City Attorney Rammell explained that adjustments have been made to preserve law enforcement discretion, particularly at critical incident scenes, and that certain language has been removed to avoid limiting police authority or compromising investigations.

Council Member C. Erickson sought reassurance that police communications practices, including regular public updates, would not violate the policy. City Attorney Rammell confirmed that current practices were appropriate and that coordination between legal counsel and police leadership was already occurring. City Attorney Rammell noted that if future issues arise, the policy could be revisited and clarified.

1103.4 CRITICAL INCIDENT SCENE CONSIDERATIONS

At the scene of a critical incident (e.g., natural disaster, infrastructure failure, transportation accident, public health emergency), the [PIO]:

(a) Should coordinate media activities and messaging with:

1. Elected officials, appointed positions (including the City Attorney and City Clerk) and relevant City staff such as law enforcement, department heads, and any other personnel appropriate to the circumstances of the incident. Coordination should ensure consistent, accurate, and unified communication during active incidents. ~~Elected officials or their designees to avoid conflicting statements during active incidents.~~
2. The Emergency Operations Center (EOC) (if activated).
3. Any City involved.

(b) May provide authorized media representatives with access to critical incident scenes when such access can be accomplished safely and when the has authorized such activities. Access by the media is subject to the following conditions:

1. Media representatives shall produce valid press credentials and prominently display them at all times while in areas otherwise closed to the public.
2. A reasonable effort should be made to provide a safe staging area for the media that is near the scene, when feasible.
3. Media representatives shall be prevented from interfering with emergency operations, investigations, and incident response activities.
4. Media personnel shall wear proper protective clothing as warranted.
5. Media representatives may be allowed to take photographs and video, provided they do not interfere with facility or incident operations or create a safety hazard.
6. Access may be denied or revoked at any time if safety, security, or operational integrity is compromised.

Mayor Merrill shared background information regarding the city's emergency preparedness efforts. He explained that he regularly participated in monthly emergency operations meetings with representatives from the Fire Department, BYU–Idaho, amateur radio operators, and community emergency specialists. He emphasized that the city has organized emergency plans in place, including communication systems and trained personnel prepared to respond to various emergencies.

HR Director Hill emphasized the importance of the City Council reviewing the city's mission statement included in the updated Employee Policy Manual to ensure they were comfortable with the direction set by the employee committee, as the mission statement defined the core purpose of the city. She noted that a positive addition to the mission statement referenced to "America's Family Community," which staff believed aligned well with the city's values.

The City of Rexburg aims to provide efficient and consistent levels of public services that contribute to advancing quality of life and strenghtening the image of Rexburg as "America's Family Community".

Employee Committee agreed on for the new Mission Statement on 8/6/25

Council Member Johnson asked about a change in Section 304.4, which stated that employees could be eligible for certification raises at the discretion of the department head, and noted that the mayor has been removed from that language. HR Director Hill explained that, in several sections of the policy, references to the mayor have been removed based on recommendations from legal counsel. This change was intended to protect the city and clarify roles by giving department heads greater discretion and operational autonomy. In some cases, the term "the City" was substituted to make the language more general.

HR Director Hill further clarified that although department heads were granted discretion to recommend certification raises, all pay changes still followed a formal approval process. Requests are entered electronically by the department head, reviewed by the Chief Finance Officer, then reviewed by the mayor, and finally processed by Human Resources before implementing. As a result, the mayor continued to review and approve all pay increases, including certification and merit raises.
An additional safeguard existed through Appendix E of the policy manual, which listed approved certifications. Any new certifications must be approved by the City Council before being added to the handbook. The city has expanded recognized certifications to include SHRM, a nationally recognized human resources certification, in addition to the previously used public-sector-specific PSHRA certification. Certifications for the payroll clerk position have also been added.

Council Member C. Erickson moved to approve the updated Employee Policy Manual; Council President Walker seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

B. Planning & Zoning Recommendation to approve a Comprehensive Plan Map change from Low Residential (LR) to Intermediate Residential (IR) at approximately 301 S 12th W (25-01288). Designated as **Resolution No 2025 – 14** if the motion passes – Alan Parkinson Action Item

P&Z Administrator Parkinson explained that the applicant approached the city to request a zone change; however, the zone being requested requires a change to the Comprehensive Plan to allow for the desired density.

P&Z Administrator Parkinson reviewed the subject parcel on the map below. The property was identified as the Birch property, where Gem Prep School is planning to locate. The request applied to approximately six and one-half acres of property, which is proposed to be changed from low residential to intermediate residential zoning. That request was forwarded by the Planning and Zoning Commission for consideration. He stated that the City Council Members likely reviewed the minutes from the Planning and Zoning meeting held the previous night. Many of the same issues were discussed before, as the property has come before the City Council multiple times. He clarified that this is the fourth time the property has been considered for a zone change.



Council Member Reeser questioned why the higher density zone designation appeared to stop at the subject property. He asked whether there had been any discussion during the Comprehensive Plan process about why the designation stopped at that location, especially since density appeared to continue south of the property.



P&Z Administrator Parkinson responded that, at one time, the intermediate residential designation had extended all the way to Widdison Subdivision. During the Comprehensive Plan meetings, however, discussions led to a different outcome, as many participants felt that the zone designation did not fit the area at that time. As a result, the boundary was pulled back. He explained that the area had previously been designated that way but had since been changed.

Council Member Reeser asked whether the concern had been that density should decrease closer to Main Street. P&Z Administrator Parkinson replied that the intent had been to protect the existing neighborhoods, noting that the Widdison Subdivision consisted primarily of one-acre lots and that nearby areas also included one-acre parcels. P&Z Administrator Parkinson said, when reviewing the map, the area now included a school, LDR-2 zoning behind it, and increasing densities overall. P&Z Administrator Parkinson also noted that Summerfield Subdivision, located across the road, already included LDR-3 and LDR-2 zoning and followed a similar development pattern. He explained that higher densities were typically placed adjacent to freeways to act as a buffer, because single-family

development near freeways was more difficult to market. He added that the Widdison Subdivision began development in the 1970s and existed before Highway 20 was constructed.

Council Member Johnson noted that the Comprehensive Plan had been updated only a few years earlier after extensive public input. She stated that residents had expressed a desire to keep that area low density and she feels uncomfortable changing the plan so soon after that effort. She added that the Comprehensive Plan defined intermediate residential areas as being close to services and expressed concern that the area lacked sidewalks, road shoulders, and safe pedestrian infrastructure, particularly for children. Based on those conditions, she believes that the intermediate residential designation did not fit the area.

City Attorney Rammell asked Council Member Johnson whether she is referring to public input related to the recent meeting or to the Comprehensive Plan process itself. Council Member Johnson clarified that she was referring to the Comprehensive Plan process and reiterated that intermediate residential zoning did not fit the location.

Council Member E. Erickson raised concerns about comparisons to Summerfield, noting that although parts of that area were zoned LDR-3, they did not appear to be built out at that density. P&Z Administrator Parkinson responded that Summerfield was a Planned Unit Development (PUD), which allowed flexibility in how density was distributed while maintaining overall density limits. P&Z Administrator Parkinson explained that townhomes had been placed in certain areas while single-family homes were located elsewhere, all within the allowable density.

Council Member E. Erickson continued to question whether a specific block of LDR-3 near Pioneer Road was developed at that density. P&Z Administrator Parkinson reiterated that the zoning and PUD had been approved together and allowed density to be shifted to accommodate open space and amenities, provided the overall density remained compliant. He stated that any future changes would require returning to the City Council for approval.

Council Member Johnson added that, based on her experience living in Summerfield, there were only two sections of townhomes and that the remainder of the development consisted of unattached housing. P&Z Administrator Parkinson clarified that the townhomes had been built and sold several years earlier and that current sales involved unattached homes. Council Member Johnson emphasized that point to ensure residents understood the type of housing being developed.

Council Member C. Erickson stated that the city had spent several years developing the Comprehensive Plan. He noted that comprehensive plans are difficult for cities to complete and emphasized that the plan is intended to guide future growth while preserving the community's character. He stated that the subject property had been considered multiple times and adjusted to LDR-2, which had been widely accepted. He expressed discomfort with changing the Comprehensive Plan again, especially after extensive public involvement, and stated that sufficient higher-density areas already existed within the city. He said that the Comprehensive Plan should remain unchanged unless new data or compelling information justified a revision.

Mayor Merrill clarified the amount of land designated as LDR-1 compared to LDR-3. The city has a large amount of LDR-1 and LDR-2 land within the city limits and the impact area. He recalled staff previously stating that there were thousands of acres designated at those lower densities. He acknowledged the significant effort that had gone into developing the Comprehensive Plan. However, the Comprehensive Plan is intended to be a living document and not something permanently fixed without reevaluation. He stated that the city needed to continually assess its housing needs. He referenced comments made by Mr. Newkirk and others regarding the need for more diverse housing options, including what is often referred to as the "missing middle." He said some Planning and Zoning Commissioners had shared experiences of their children being unable to live in the city due to a lack of affordable housing. He expressed agreement that while single-family homes were selling well, townhomes would likely sell just as well.

Mayor Merrill explained that many objections to higher-density housing seemed to focus on quality of life, particularly traffic. He argued that single-family housing typically generated more traffic than town homes or multi-family housing. He emphasized that single-family households often included multiple drivers, including teenagers, resulting in frequent daily trips. By contrast, townhomes were often occupied by older residents or smaller households with fewer vehicle trips.

Council Member Johnson responded by noting that these examples were anecdotal and emphasized the importance of relying on formal traffic studies rather than personal observations.

Council Member Johnson referenced a city-conducted traffic study related to the Gem Prep School, which indicated that some intersections would operate at level-of-service D or E without improvements. She stated that she has not heard what mitigation actions were planned as development increased. She shared personal experiences of traffic congestion after school dismissal and expressed concern that the area has limited access routes. She also noted that the city did not receive grant funding for the

proposed overpass study. The overpasses would have improved connectivity to the east side of the city. She emphasized the need for a timeline to address infrastructure issues before approving additional density.

Mayor Merrill explained that intersections typically needed to reach levels of service D, E, or even F before qualifying for certain state and federal transportation grants. He stated that while this is unfortunate, funding is limited and prioritized for areas demonstrating the greatest need. He suggested that staff provide an update on discussions with the Idaho Transportation Department regarding the key intersection. He acknowledged that overpasses would not be built in the near term but emphasized that they remained part of the city's long-term transportation plan.

Council Member C. Erickson said many of the topics discussed at the Planning and Zoning meeting, such as comparisons to other developments and family demographics, were not directly relevant. He emphasized that the decision before the City Council is whether the proposed change meets the Comprehensive Plan's criteria for increasing density to LDR-3. He stated that the area did not meet the plan's standards for walkability, safety, or multimodal transportation, particularly given its proximity to the freeway and lack of pedestrian infrastructure. He concluded that the proposal did not align with the future growth vision outlined in the Comprehensive Plan and stated that he did not support changing the plan at this time.

Mayor Merrill responded by questioning how infrastructure improvements could ever be achieved if developers willing to invest were consistently denied. He noted that the property has come forward multiple times for development using only single-family housing but that developers have been unable to make those projects financially viable due to the cost of infrastructure improvements. He added that this financial reality is one of the reasons the property continued to change hands and returned for reconsideration.

City Attorney Rammell said to clarify the record, he referenced a recent comment made by Council Member C. Erickson regarding remarks from the previous Planning and Zoning meeting that may have seemed irrelevant. He explained that discussions surrounding Comprehensive Plan amendments often required a broader scope than typical zone change discussions. He noted that the Comprehensive Plan is evaluated against a wide range of factors, including consistency with planned goals, objectives, and desired future conditions. He stated that the Comprehensive Plan process involved consideration of seventeen different factors and is intentionally broad in scope. For that reason, He explained that he generally allowed more flexibility in discussion during Comprehensive Plan reviews and did not believe the comments made at the prior meeting were irrelevant.

City Attorney Rammell asked a clarifying question regarding the reference to the time invested in developing the Comprehensive Plan. He asked whether this referred merely to the resources and effort expended, or to the actual goals, objectives, trends, and desired future conditions that resulted from the process. He emphasized the importance of clarifying this distinction for fairness to both the public and the applicant. Council Member C. Erickson responded that he is referring to the goals, trends, desired future conditions, and existing conditions identified throughout the entire city during the comprehensive planning process. Council Member C. Erickson stated that their concern was rooted in those outcomes rather than simply the amount of time or resources invested. City Attorney Rammell explained that he asked the question to ensure the position is not based solely on sunk costs or effort, but rather on the substance of the plan itself.

Council Member Riggins stated that he saw three major issues. First, he explained that after reviewing the minutes from the Planning and Zoning meeting, he observed that the Planning and Zoning Commissioners themselves raised numerous questions. He noted that the commissioners emphasized that changes to the Comprehensive Plan should meet a high standard and repeatedly discussed the need to balance maintaining the integrity of the Comprehensive Plan with addressing housing needs. He further noted that the commissioners emphasized that any zone changes would still require additional review and compliance with city standards.

Council Member Riggins said the second issue, which is based on his review; the proposal does not conform to the city's Comprehensive Plan. He noted that the current low residential designation provided for certain transitions and standards, and he concluded that the request did not meet the criteria for approval. He stated that the proposal also failed to meet city standards related to the capacity of existing public streets and other required considerations, indicating that the city's own approval standards were not being met.

Council Member Riggins said the third issue is he believes the City Council is not adequately listening to one another or to the residents who would be directly affected by the decision. He emphasized the importance of considering public input from those living in the area. He referenced an email sent to P&Z Administrator Parkinson, noting that the writer acknowledged it might be time to assess development options for agricultural fields on the east side of South 12th West Street. He stated that the email suggested a coordinated plan that respected the rural residential character of the

neighborhood while also improving traffic options. He referenced an email sent to P&Z Administrator Parkinson from Wanless Southwick.

Council Member Riggins expressed uncertainty about whether the P&Z Commissioners fully understood the proposal and stated that, from his perspective, if he lived in the area, he would want to see visual representations showing how the development and roadway improvements would function. He suggested that the parties work through the issues and develop a plan that addresses those concerns before returning to the City Council for consideration.

City Attorney Rammell clarified the record to ensure fairness to the applicant. He explained that, in land use cases involving Comprehensive Plan amendments or zone changes, applicants are specifically prohibited from providing detailed site plans or visual depictions. He stated that such designations attached to the land rather than the applicant, and that ownership could change after approval. For that reason, decisions could not be based on specific development concepts or illustrations. He emphasized that this process was not tied to a specific project design.

Council Member E. Erickson explained that additional Comprehensive Plan changes are likely to come before the City Council soon. He emphasized that the city needs to be able to amend the Comprehensive Plan when necessary to guide development in appropriate areas. He noted that the subject property is bordered by RR-2 zoning to the north and RR-2 zoning to the south. He stated that whatever decision is made for this parcel would influence how the surrounding properties will develop.

Council Member E. Erickson posed the question of whether the City Council wanted the entire area to develop into townhomes or into more detached, single-family dwellings. At the Planning and Zoning meeting an idea discussed briefly involved rezoning the entire property to LDR-2 instead of a combination of LDR-1 and LDR-3. He explained that this approach would allow for duplexes and twin homes while still being primarily composed of single-family dwellings on smaller lots. He expressed that this option felt more consistent with the surrounding area and raised concerns about extending townhome-style development along the entire corridor. He noted that higher-density development already existed on the opposite side of the freeway in the form of apartments.

Council Member E. Erickson explained that LDR-2 provided a more appropriate buffer and that moving from LDR-2 to LDR-3 represented a significant increase in density. He stated that density would increase from approximately 60–68 possible units to roughly 110 units, nearly doubling the density. He said the proposal affected approximately six and one-half acres but noted that changing the entire property to LDR-3 would increase the total unit count by roughly 40 units. He stated that this represented a substantial increase and expressed that he would feel comfortable with a zone change to LDR-2 for the entire property.

Council President Walker stated that he agreed with the position that LDR-3 is out of place at that location and felt that LDR-2 zoning would be more consistent with the area.

Council Member Reeser asked for clarification about the difference in unit counts between the proposed zone and an alternative that retained LDR-2. P&Z Administrator Parkinson explained that the proposed LDR-2 and LDR-3 combination would allow approximately 105 to 110 units, while rezoning the property entirely to LDR-2 would result in approximately 30 fewer units, or around 80 units total.

Council Member Johnson said the City Council is considering a Comprehensive Plan map change to intermediate residential. She explained that the intermediate residential designation included MR-1 and MR-2 zoning classifications. She emphasized that the City Council needs to evaluate the Comprehensive Plan amendment itself, not the subsequent zone change. She stated that the appropriate question is whether MR-1 and MR-2 fit within that area, noting that those zoning types could be applied if the Comprehensive Plan is amended. She expressed concern that the decision could not be based solely on the developer's stated intent to use LDR-3, because MR-1 and MR-2 would also be permitted under the proposed Comprehensive Plan change.

Council Member Johnson further stated that, based on her own research using available records and her personal experience living near townhomes, only about ten percent of the townhomes in her neighborhood were owner-occupied, with the remainder being rentals. She emphasized that townhomes were not always owner-occupied.

Mayor Merrill responded by acknowledging that townhomes are not always owner-occupied and agreed with that point. He then noted that, although the Comprehensive Plan change is being considered, any developer would still be required to come before the City Council for a zone change approval.

Council Member Johnson replied that while a zone change would still be required, changing the Comprehensive Plan made it more difficult for the City Council to deny future requests. She explained that future applicants could argue that their proposals are consistent with the Comprehensive Plan, making denial more challenging.

Mayor Merrill agreed that the City Council needs to be thoughtful about density decisions. He added that the City Council also needs to consider the overall mix of housing within the city. He stated that the city is experiencing an affordability challenge and noted that many young people could not afford to purchase single-family homes. He explained that townhomes and similar housing types could provide an entry point into homeownership.

Council Member C. Erickson moved to deny a Comprehensive Plan Map change from Low Residential (LR) to Intermediate Residential (IR) at approximately 301 S 12th W; Council Member Johnson seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

Mayor Merrill said the consideration for a Comprehensive Plan Map change from Low Residential (LR) to Intermediate Residential (IR) at approximately 301 S 12th W is denied and will go back to the Planning and Zoning Commission for a rehearing.

City Attorney Rammell referenced the city code and explained that it is consistent with his initial understanding. He explained that the issue involved notice and public hearing requirements under city code. He cited Rexburg City Code Section 1.03.100(B), which stated that if the City Council rejected a Comprehensive Plan or zone change recommendation that originated from a Planning and Zoning public hearing, another public hearing is required. He also referenced subsection (C), which allowed the Planning and Zoning Commission to request an additional City Council hearing when needed and provided discretion to hold such a hearing.

City Attorney Rammell explained that the city historically handled these situations either at the City Council level or by sending the matter back to the Planning and Zoning Commission, with the latter being the more typical practice. He said that returning the matter to Planning and Zoning functioned as the required public hearing and is his legal recommendation in this case. He explained that this approach is particularly appropriate because both the Comprehensive Plan amendment and the zone change are denied, which constituted a substantive deviation from the original recommendations. He emphasized that another public hearing is necessary to protect due process rights for both the applicant and members of the public. He added that it would be inappropriate to substantially alter the proposal without providing an opportunity for public input.

Council Member E. Erickson asked for clarification, specifically whether denial of the Comprehensive Plan change required another public hearing on the same proposal. City Attorney Rammell explained that once notice requirements are met, the applicant could revise the application and submit a modified proposal, including a potential step-down in density, which could then be considered through the public hearing process. He added that while the City Council has discretion to hold a hearing itself, the city's standard practice was to return the matter to the Planning and Zoning Commission.

C. Planning & Zoning recommendation to approve a zone change from Low Density Residential 1 (LDR1) and Low Density Residential 2 (LDR2) to Low Density Residential 2 (LDR2) and Low Density Residential 3 (LDR3) at approximately 301 S 12th W (25-01158). Designated as **Ordinance No 1341** if the motion passes and considered 1st read – Alan Parkinson Action Item

Council Member E. Erickson moved to deny the zone change from Low Density Residential 1 (LDR1) and Low Density Residential 2 (LDR2) to Low Density Residential 2 (LDR2) and Low Density Residential 3 (LDR3) at approximately 301 S 12th W; Council Member Reeser seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

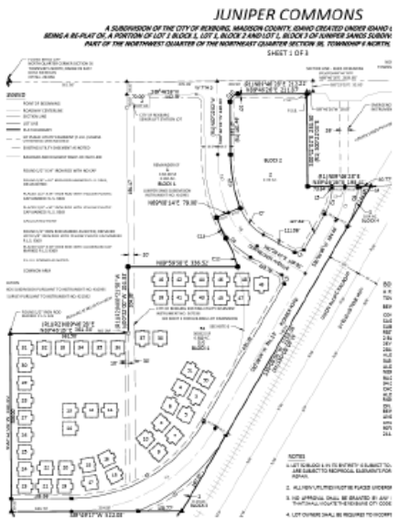
D. Planning & Zoning recommendation to approve the **Juniper Commons Plat** located at approximately 810 Pioneer Rd, to subdivide the property into 55 lots (25-00999) – Alan Parkinson Action Item

P&Z Administrator Parkinson explained that the property under discussion is located near the roundabout at 7th South and Yellowstone, close to Bodifi Gym. He stated that the plat being presented is a modification of a portion of an older plat that was previously known as Juniper Sands. He explained that part of the original plat remained built out, along with the parcel to the east of the road. He noted that the newly proposed lots shown on the plat would be developed as fourplexes. P&Z Administrator Parkinson said that the applicant provided all required information and that staff reviewed infrastructure, city code compliance, building plans, and the plat itself.

CASE NUMBER:	25-00999
CASE NAME:	Juniper Commons - Approx 810 Pioneer Rd - Plat
APPLICANT:	Caden Fuhriman with Eagle Rock Engineering
PROPERTY OWNER(S):	Juniper Sands Properties LLC and Headwaters CC
PURPOSE:	To subdivide the property
PROPERTY LOCATION:	Approx 810 Pioneer Rd
COMPREHENSIVE PLAN:	High Residential (HR)
CURRENT ZONING:	High Density Residential 2 (LDR2)
PARCEL SIZE:	Approx 14.646 acres
PROPOSED # OF LOTS:	55
AUTHORITY:	§1.03.010 (A) *"The Commission shall have the authority to consider and recommend to the Council ordinances, amendments thereto, and repeal of ordinances affecting zoning, planning, and building within the City of Rexburg"*

Summary of Information to consider with this request:

- The lots are currently being developed with four-plexes.
- The property is located south of Juniper Sands apartments, across the Yellowstone Highway from Taylor Chevrolet. The plat will consist of approximately 14.646 acres and contain a total of 55 lots.
- Pending public testimony, Staff asks that the Planning & Zoning Commission consider recommending that City Council approves the application.



Council Member E. Erickson asked whether sufficient parking is provided given the number of units proposed. P&Z Administrator Parkinson responded that each unit included two parking spaces.

Council Member Johnson moved to approve the Juniper Commons Plat located at approximately 810 Pioneer Rd, to subdivide the property into 55 lots; Council President Walker seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

Calendared Bills:
A. Second Reading: Those items which have been first read: NONE
B. Third Reading: Those items which have been second read: NONE

Consent Calendar: The consent calendar includes items which require formal City Council action, however, they are typically routine or not of great controversy. Individual Council members may ask that any specific item be removed from the consent calendar for discussion

in greater detail. Explanatory information is included in the City Council's agenda packet regarding these items.

A. Minutes from December 3, 2025, Meeting - Action Item
B. Approve Payment of the City of Rexburg Bills - Action Item

Council President Walker moved to approve the Consent Calendar containing the minutes and city bills; Council Member E. Erickson seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

Roll call vote to move into Executive Session as per Idaho State Statute §74-206(1)(f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated - Action Item

Council Member Riggins moved to enter into Executive Session as per Idaho State Statute §74-206(1)(f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated; Council Member C. Erickson seconded the motion; Mayor Merrill asked for a vote:

Those voting aye	**Those voting nay**
Council Member Johnson	none
Council Member C. Erickson	
Council Member E. Erickson	
Council Member Reeser	
Council Member Riggins	
Council President Walker	

The motion carried.

Executive Session Began 8:36 P.M.
Executive Session Ended 9:11 P.M.

Adjournment 9:12 P.M.

APPROVED:

_____
Jerry Merrill, Mayor

Attest:

_____
Marianna Gonzalez, City Deputy Clerk