MINUTES OF THE REGULAR MEETING OF THE COUNCIL OF THE CITY OF MOUNTAIN HOME, ELMORE COUNTY, IDAHO, HELD ON OCTOBER 14TH, 2025, AT 5:00 P.M. AT MOUNTAIN HOME CITY HALL CHAMBERS MOUNTAIN HOME, IDAHO

22466 CALL MEETING TO ORDER/ESTABLISH A QUORUM

22466 PUBLIC HEARING

1) Proposed exchange of City-owned real property that is described in this notice for real property currently owned by CC Idaho LLC, to be acquired by AgEquity Holdings LLC.

22466 RECOGNIZING PERSONS IN THE AUDIENCE

22466 CONFLICT OF INTEREST DECLARATION

Has any Council Member received information pertaining to, or otherwise had any contact with any person regarding any items on this City Council agenda? If so, please set forth the nature of the contact.

22466 CONSENT AGENDA – All matters listed within this Consent Agenda section require formal Council action, but are typically routine or not of great controversy and will be enacted by one motion. Questions for the purpose of clarification may be asked about a particular item before the motion is voted on. However, for lengthy discussion or separate motion a Council member or citizen may request an item be removed from the Consent Agenda section and placed on the Regular Agenda. ALL CONSENT AGENDA ITEMS LISTED BELOW ARE ACTION ITEMS.

1) Approval acceptance of minutes: Regular City Council– September 23, 2025.
2) Approve expenditures from 9/24/2025 to 10/14/2025 in the amount of $973,117.00
3) Approve payroll for the period of 08/22/2025 to 9/21/2025 in the amount of $815,142.50
4) Treasurer's Report for the period ending 9/30/2025
5) Approve the general maximum price for the Railroad Park project and authorize GUHO to proceed with the project.
(Pulled from Consent Agenda and move to New Business)
6) Approve the selected firm for the Railroad Extension/Relocation Project at Mountain Home Municipal Airport to Keller Associates and authorize the City staff to proceed with the project.
7) Award Bid to Bideganeta Construction, Inc. for the Irrigation Pump System and Wet Well at the Golf Course.
8) Authorize the Mayor to sign the construction documents for the Irrigation Pump Station and Wet Well.
9) Authorize the payment for the irrigation pump to begin manufacturing.
10) Approve the MOU with the Nampa Police Department for the Motorola InSight Server and authorize the Mayor to sign.
11) Approve Task Order 033 for Mechanical Wastewater Treatment Plant Phase 1 Concept and authorize the Mayor to sign.
(Pulled from Consent Agenda and move to New Business)

22467 OLD BUSINESS

1) Non-Action Item: Discussion on draft land lease agreement for Mellen Water District.

22467 NEW BUSINESS

1) Items removed from the Consent Agenda
2) Action Item: Deliberation/Decision on Planning and Zoning Commission recommendation and Finding of Facts for annexation with conditions.
3) Action Item: Deliberation/Decision on Planning and Zoning Commission recommendation and Finding of Facts to zone R-4 with PUD entitled "Blue Yonder West," with conditions.
4) Action Item: Deliberation/Decision on Planning and Zoning Commission recommendation and Finding of Facts preliminary plat "Blue Yonder West" with conditions.

22470 FINAL COMMENTS

22470 ADJOURN

MINUTES OF THE REGULAR MEETING OF THE COUNCIL OF THE CITY OF MOUNTAIN HOME, ELMORE COUNTY, IDAHO, HELD ON OCTOBER 14TH, 2025, AT 5:00 P.M.

The Council of the City of Mountain Home, Elmore County, Idaho, met at the Mountain Home City Hall Chambers, 160 South 3rd East, Mountain Home, Idaho on October 14th, 2025. A quorum was established with Councilwoman Garvey, Councilwoman Wirkkala, Councilman Harjo and Mayor Sykes being present. Councilman Brennan was present via phone.

PUBLIC HEARING

1) Proposed exchange of City-owned real property that is described in this notice for real property currently owned by CC Idaho LLC, to be acquired by AgEquity Holding LLC.

The public hearing opened at 5:03 P.M.

The public hearing closed at 5:03 P.M.

RECOGNIZING PERSONS IN THE AUDIENCE

Decker Sanders thanked Councilman Harjo and City Attorney Geoff Schroder for their work on a potential TNR solution for the City. He suggested creating a TVNR program as a City service contract, similar to other civic group agreements.

Katherine Dodge expressed concern that Lost Paws had been using an unlicensed person to perform spay and neuter surgeries on feral cats, which she confirmed with the Idaho Board of Veterinary Medicine. She urged the City and County to improve oversight, enforce regulations, and require TNR groups to coordinate with Animal Control to ensure lawful and safe practices.

Don Gust came forward to express his concerns on several projects listed on the agenda, including the wastewater treatment plant, the extension on the airport project, the railroad park project, and Blue Yonder subdivision.

Clete Warner said he has experienced ongoing issues for 10 years with a travel trailer park across his fence, including blocked driveways, street congestion, and safety concerns. He described conflicts with the Police Department, false accusations, and threats from residents, and requested that the city gate off access to his street so traffic is redirected to 18th Street instead of 19th Street.

CONFLICT OF INTEREST DECLARATION

Has any Council Member received information pertaining to, or otherwise had any contact with any person regarding any items on this City Council agenda? If so, please set forth the nature of the contact.

Councilwoman Wirkkala stated that she had received emails from Rod Dudley concerning New Business Items 2 and 3 and from Nicholas Gatejen regarding Consent Agenda Item 5, but noted there was no conflict of interest.

Councilman Brennan said that he received the same emails from Rod Dudley and Nicholas Gatejen, but no conflict.

Councilwoman Garvey said her as well and no conflict.

Councilman Harjo said he received the same emails as well and no conflict.

CONSENT AGENDA

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Councilwoman Wirkkala said that she would like to pull Item 5 and Item 11. She then asked for clarification on Item 3 and that she had sent an email over the weekend regarding the inquiry.

Tiffany Belt, City Clerk, said that her question was on Item 2, expenditures, not payroll.

Councilwoman Wirkkala and Tiffany Belt had a discussion regarding breakdown of charges made by a staff member.

Councilwoman Garvey joined the discussion by stating that $60 for a lunch seemed rather expensive.

Tiffany Belt explained that these transactions occurred at the end of the budget year, with departments finalizing September purchases, and staff was working to separate charges for the next budget. She asked the Council to bear with them during the spreadsheet adjustments.

Councilwoman Garvey said that she didn't think that in her four years there had been a duplicate entry, she asked what would take place to correct, where was the double check to catch these errors from happening.

Tiffany Belt said that while staff reviews the bills, it is also the Council's responsibility to verify them as a "triple check."

Mayor Sykes asked to amend the agenda to add Items removed from the agenda into New Business.

Harjo made a motion to add items removed from the agenda to new business. Councilwoman Garvey seconded the motion. The vote goes as follows: Councilwoman Garvey; aye, Councilwoman Wirkkala; aye, Councilman Harjo; aye, Councilman Brennan; aye. The motion passed by unanimous vote.

Councilman Brennan asked to clarify on Item 6, that the documentation referred only to resumes submitted and involved no current financial cost. He said a qualified team would assess the work, and any future financial impact would return to the Council for approval.

Councilwoman Garvey made a motion to approve the consent agenda, removing items 5 and 11 and adding them to new business, and pulling 01-416-5600, 25-434-5600, and 26-435-6500 out of meeting, schools, and dues for further clarification of payment. Councilwoman Wirkkala seconded the motion. The vote goes as follows: Councilman Harjo; aye, Councilman Brennan; aye, Councilwoman Wirkkala; aye, Councilwoman Garvey; aye. The motion passed by unanimous vote.

<u>OLD BUSINESS</u>

<u>1) Non-Action Item: Discussion on draft land lease agreement for Mellen Water District.</u>

Mayor Sykes asked Erika Pedroza with the Mellen Water District to come forward.

Tiffany Belt said that that this item was a non-action item and was mostly for the Council to discuss how to draft an agreement.

Mayor Sykes suspended Robert's Rules of Order in order for discussion to take place on this item only.

There was a discussion between the Council, Erika Pedroza, and City staff on length of time on land leases and rent amounts and price increases on rent and the agreement came out to a 30-year lease with a 5% annual increase on rent, the Mellen Water District paying for a water meter and the City would install the meter.

Mayor Sykes restored Robert's Rules of Order.

<u>NEW BUSINESS</u>

<u>1) Items removed from the Consent Agenda</u>

<u>5) Approve the general maximum price for the Railroad Park project and authorize GUHO to proceed with the project.</u>

Councilwoman Wirkkala said she reviewed the April 9, 2024 presentation and noted the URA received roughly $634,000 annually, mostly from Marathon Cheese, with $95,000 in administrative costs, leaving about $538,000 net per year. She added that without new projects, the URA could generate about $5.4 million by 2031 and requested clarification on City-funded costs that might be in-kind contributions.

Councilman Harjo said he attended a URA meeting where the project details were discussed, noting that both City staff and the URA agreed certain aspects, such as earthwork and underground utility work, could be completed by the City as in-kind contributions.

There was a discussion between Councilwoman Wirkkala and Councilman Harjo about the in-kind work and the use of City staff time.

Councilwoman Wirkkala said she could not vote without a URA representative present to verify the accuracy of the numbers, which were from a year and a half ago.

There was more discussion between Councilwoman Wirkkala and Councilman Harjo about the contract.

Councilwoman Wirkkala raised concerns about the operation and maintenance costs of $60,000–$70,000 per year, noting that this burden would fall on Mountain Home taxpayers. She questioned whether additional labor would be needed to oversee the project and emphasized that in-kind work using City personnel still represented a taxpayer cost, expressing concern over the numerous budget entries listing in-kind contributions.

Councilwoman Garvey expressed concern about the Railroad Park budget, citing numerous in-kind entries and unassigned costs for items like storm drains, sod, fences, and landscaping. She was frustrated that the Council had not been fully informed about a $2.8 million contribution from a major financial backer, yet was being asked to approve the full $5 million.

Tiffany Belt stated that Legal was currently drafting an agreement with the $2.8 million donor.

Councilwoman Garvey asked why there was a rush to approve the budget.

Tiffany Belt explained that GUHO hoped to be on-site by the 15th, so they were seeking approval to keep the project on schedule and complete it by Memorial Day 2026.

Councilwoman Garvey expressed frustration that neither the URA nor the City had full project funding, yet approval was requested. She emphasized the need to know what the cost of the City would be, if the major donor did not contribute, including for bark, rocks, and piping, and stated she could not approve the project without detailed numbers.

Councilwoman Garvey apologized if this delayed GUHO but requested the item be tabled until the donor's commitment is confirmed, as it would significantly affect the project's dynamics.

Tiffany Belt asked whether the item should be tabled just regarding the donor or also to determine the cost of rocks and bark.

Councilwoman Garvey made a motion to table this until a comprehensive plan was brought forward showing the cost of everything to include the donor agreement and what budget lines the City would be using. Councilwoman Wirkkala seconded the motion.

There was a discussion between Council about the documents and budget they had before them and how they were being interpreted.

Councilwoman Garvey agreed with approving the general maximum price but disagreed with authorizing GUHO to proceed, noting that once approved, the project could not be stopped.

Councilman Harjo said he largely agreed with Councilwoman Garvey, noting that the total "not to exceed" value allows for a phased approach if the donor does not contribute or if the URA needs to extend funding, and that the documents clearly accommodate this option.

Councilman Brennan said the in-kind work did not concern him, as it had worked well on past projects. He noted that department heads understand their budget responsibilities and said if a phased approach is possible, it should be discussed. He added that City staff indicated the goal is to complete the project by May 2026, raising the question of how the $5 million payment would be made by then.

Tiffany Belt explained that the first phase of the Railroad Park project cost $2.8 million, with the major donor about 98% likely to contribute. She noted that the draft agreement and final design were delayed due to scheduling conflicts. While the URA had enough funds for phase one, she and staff believed completing the full project by May 2026 was best for the community, as phasing would add roughly $500,000. She emphasized that combining URA funds with the donor's contribution should cover the full project.

Councilman Brennan summarized to ensure that he understood what Tiffany Belt had said. He continued to say that he would like this project to happen as it would bring value to the citizens, however he did agree that the two-week delay would be appropriate as they were waiting for more information.

Mayor Sykes reminded everyone that there was a motion and a second and called for the question. The vote goes as follows: Councilman Brennan; aye, Councilman Harjo; aye, Councilwoman Garvey; aye, Councilwoman Wirkkala; aye. The motion passed by unanimous vote.

<u>2) Items removed from the Consent Agenda</u>

<u>11) Approve Task Order 033 for Mechanical Wastewater Treatment Plant Phase 1 Concept and authorize the Mayor to sign.</u>

Councilwoman Wirkkala had James Bledsoe and Jordan Crane with Keller and Associates come forward to join the discussion.

Councilwoman Wirkkala and James Bledsoe discussed the City's wastewater projects. Councilwoman Wirkkala expressed concern about moving from the planned lagoon system to a mechanical plant study. James Bledsoe explained that the $48,000 study would provide detailed cost estimates, clarify contingencies, and help the Council decide whether to expand the lagoon system or transition to a mechanical plant, guiding future budgeting.

Jordan Crane added that the City was pursuing the lagoon and mechanical plant projects in parallel, providing flexibility to switch to a mechanical plant if an industry comes in or to continue with the lagoon system if a large grant is secured.

Councilman Harjo stated that in January, Keller and Associates had presented the declining balance tool and 20-year life cycle costs, showing the lagoons at a projected $80 million and a mechanical plant at $140–$155 million over 20 years. He emphasized that the current discussion was not a decision to choose either option but to provide detailed data to guide future decisions.

There was a discussion between Councilwoman Garvey and James Bledsoe about staying with the current lagoon system versus the mechanical plant.

Councilwoman Wirkkala said that maybe they could table this as she would like to talk with the Economic Developer to see if he's had any conversations with potential industry that would be interested in coming to town if we had a mechanical treatment plant.

Councilman Harjo thanked James Bledsoe and his team, noting that while other city projects offered useful references, Mountain Home's needs required a tailored approach. He said the task order would help define local factors and costs for treatment options and recalled that a mechanical plant had been discussed as early as 2015. He asked how many equivalent dwelling units (EDUs) a 1-million-gallon-per-day mechanical plant could support compared to the planned lagoon expansion.

James Bledsoe responded that, based on current flows of about 1.8 million gallons per day, a 1-million-gallon-per-day mechanical plant phase would serve roughly half the City of Mountain Home.

There was continued discussion regarding projects that other cities had pursued based on a meeting at the Association of Idaho Cities.

Councilman Brennan said that he won't be supporting the lagoon systems any further as he's been an advocate for the mechanical plant for a long time. He continued to say that if they went down that road any further, they would come to regret it.

Councilman Brennan made a motion to approve Task Order 033 for Mechanical Wastewater Treatment Plant Phase 1 Concept. Councilman Harjo seconded the motion. The vote goes as follows: Councilman Harjo; aye, Councilman Brennan; aye, Councilwoman Wirkkala; nay, Councilwoman Garvey; aye. The motion passed by majority vote.

There was a discussion between Mayor Sykes, James Bledsoe, Geoff Schroder about impact fees, mitigation fees, and connection fees.

<u>3) Action Item: Deliberation/Decision on Planning and Zoning Commission recommendation and Finding of Facts for annexation with conditions.</u>

Councilwoman Wirkkala said that a citizen had asked about the status of the Smith Road sewer line and who is responsible for paying for it, and she wanted that answered on the record.

Geoff Schroder said that it was on the developer.

Councilman Harjo made a motion to approve deliberation/decision on Planning and Zoning Commission recommendation and Finding of Facts for annexation with conditions. Councilwoman Garvey seconded the motion. The vote goes as follows: Councilman Brennan; aye, Councilwoman Garvey; aye, Councilwoman Wirkkala; aye, Councilman Harjo; aye. The motion passed by unanimous vote.

<u>4) Action Item: Deliberation/Decision on Planning and Zoning Commission recommendation and Finding of Facts to zone R-4 with PUD entitled "Blue Yonder West," with conditions.</u>

Councilman Brennan said this was the first time he had seen the City consult an engineering firm familiar with the water system to provide recommendations for development approval. He expressed excitement that those recommendations were included in the Findings of Fact and emphasized the importance of continuing to rely on professional insight for future approvals.

Councilman Harjo made a motion to approve Planning and Zoning Commission recommendation and Finding of Facts to zone R-4 with PUD entitled "Blue Yonder West," with conditions. Councilwoman Garvey seconded the motion. The vote goes as follows: Councilman Brennan; aye, Councilwoman Garvey; aye, Councilman Harjo; aye, Councilwoman Wirkkala; aye. The motion passed by unanimous vote.

<u>5) Action Item: Deliberation/Decision on Planning and Zoning Commission recommendation and Finding of Facts preliminary plat "Blue Yonder West" with conditions.</u>

Councilwoman Garvey made a motion to approve deliberation/decision on Planning and Zoning Commission recommendation and Finding of Facts preliminary plat "Blue Yonder West" with conditions with the addition of Keller and Associates report for the location of the manhole. Councilman Harjo seconded the motion.

Councilman Brennan asked if there was a representative for the development present as he had a question about the legal status of Autumn Road. He asked if the developer had attempted to get any legal status or access to that.

Geoff Schroeder, City Attorney, explained that the area in question is a private easement serving only the adjoining property owners west of Autumn Road. While it is not gated and can be driven on, it is not public or district property, and its use is limited to those property owners as specified in their deeds.

There was a discussion between Councilman Brennan and Geoff Schroder about the location of the road and the purpose of the road and its easement access.

Mayor Sykes reminded everyone that there was a motion and a second and called for the question. The vote goes as follows: Councilman Harjo; aye, Councilwoman Wirkkala; aye, Councilwoman Garvey; aye, Councilman Brennan; aye. The motion passed by unanimous vote.

<u>FINAL COMMENTS</u>

Councilman Harjo addressed a comment made in a public forum related to the upcoming election, that alleged that a current City Councilmember or their spouse was involved in communication of inappropriate nature. He said that he wanted it on the record that it was not himself or his spouse.

Councilwoman Wirkkala said that at their last meeting, the civic group service agreements were tabled and they did not make it onto this agenda.

Tiffany Belt said that the would come before the Council at the next meeting as there were some challenges.

Councilwoman Wirkkala asked if once Mr. Warner was contacted if the results of that could be emailed to the Council. She also clarified why she voted no on Number 11, she did not think that it was a bad idea, she just really wanted to get a perspective from the Economic Developer on what is deterring industry from coming to Mountain Home.

Mayor Sykes said that Homecoming was great and that the football team won! He also mentioned that Spooktacular is coming up on October 24th.

Councilman Harjo asked for a brief explanation for the Fire Department memo.

<u>ADJOURN</u>

There being no further business to come before the Council, the meeting was adjourned at 7:13 p.m. by orders from Mayor Sykes.

Rich Sykes, Mayor

ATTEST: ______________________
Tiffany Belt, City Clerk

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