



**Madison County
Commissioner Meeting Minutes
June 28, 2021**

Attendees:

Todd Smith, Commissioner (Chairman)
Brent Mendenhall, Commissioner
Douglas Smith, Commissioner
Troy Evans, Deputy Prosecuting Attorney
Kim Muir, County Clerk
Sue Bagley, Deputy Clerk

ACTION ITEMS

This meeting was streamed electronically to the public.

Calendar Items:

The next Commission meeting will be held Monday, July 12, 2021.

Discussion Items:

The Madison County rodeo over the weekend was a huge success. Many people attended and a few had to be turned away, because there just was not room. The Madison County Fair Board, employees and volunteers did a great job of planning and handling the crowd.

Goff Board Appointment.

After review and discussion, Commissioner Doug Smith made a motion to appoint Brian Parkinson to the Golf Board. Commissioner Mendenhall seconded and the voting was unanimous. The motion passed.

Contracts/Documents:

Department of Lands Support Letter.

After review and discussion, Commissioner Mendenhall made a motion to sign the letter of support for the land swap between the Idaho Department of Lands and Eastern Idaho Solid Waste District. Commissioner Doug Smith seconded and motion was unanimous. The motion passed.

Madison County's Interoperability Partner Agreement with Ada County.

Ada County is the owner of the state-wide Motorola phones that can be used all over the state. The radios are programed all the same throughout of the state. There is no cost for this connectivity for the county.

After review and discussion, Commissioner Mendenhall made a motion to sign and approve the Sheriff's Interoperability agreement with Ada County, Commissioner Doug Smith seconded and voting was unanimous. The motion passed.

Ballots for an appointment to the Eastern Idaho Public Health Board of Health.

After review and discussion, Commissioner Brent Mendenhall made a motion to sign and approve the ballot for the appointment of Leah Madsen to the Eastern Idaho Public Health District Board of Health Commissioner Doug Smith seconded and voting was unanimous. The motion passed.

Bid Award 11000 East—Landfill road paving.

Commissioners announced that Knife River Contractors were the successful bidder for this project. A contract will be sought and signed at an upcoming meeting.

Independent Contractor Agreement: Madison County Jail and Badger Medical P.A.

After review and discussion, Commissioner Mendenhall made a motion to approve the contract between Madison County Jail and Badger Medical P.A for medical care of inmates in the jail at \$180,000.00 per year. Commissioner Doug Smith seconded and the voting was unanimous. The motion passed.

Southwest Idaho Wireless Integrated Network Interoperability Partner Agreement: Madison County Sheriff's Office.

After review and discussion, Commissioner Doug Smith made a motion to sign and approve the Southwest Idaho Wireless Integrated Network Interoperability Partner Agreement with the Sheriff's Office. Commissioner Mendenhall seconded and voting was unanimous. The motion passed.

Routine Matters:

After review and discussion, Commissioner Mendenhall made a motion to approve the Commissioners meeting minutes of June 7, 2021. Commissioner Doug Smith seconded and voting was unanimous. The motion passed.

After review and discussion, Commissioner Doug Smith made a motion to approve the claims presented by the Clerk. The General Fund total claim amounts were \$322,850.85. The grand total of claims was \$994,908.93. Chairman Todd Smith seconded and voting was unanimous. The motion passed.

After review and discussion, Commissioner Doug Smith made a motion to sign and approve the Certificates of Residency for: Guadalupe Torres. Commissioner Mendenhall seconded and voting was unanimous. The motion passed.

Personnel Actions :

After review and discussion, Commissioner Doug Smith made a motion to approve the personnel actions. Commissioner Mendenhall seconded and voting was unanimous. The motion passed.

Pledge of Allegiance: given by all. The invocation was given by Brent Mendenhall.

Public Comment:

Sue Bagley commented on the great job the Fair Board did on the Whoopee Days Rodeo. There was great attendance. Sue thought the event was well organized.

Executive Session:

Chairman Todd Smith made a motion to go into Executive Session at 9:17 a.m. Idaho Code §74-206(1)(b) employee matters, and (d) exempt records, Ann Marie Sorensen, Indigent Clerk. Commissioner seconded the motion. A roll call vote was taken as follows: Commissioner Todd Smith – yes, Commissioner Mendenhall – yes, Commissioner Doug Smith – yes. The motion passed. Commissioner Todd Smith returned to open session at 10:24 a.m.

After review and discussion, Commissioner Mendenhall made a motion to sign and approve Indigent Case No. 2019016. Commissioner Doug Smith seconded and voting was unanimous. The motion passed.

Snowmobile Grooming District Bylaws discussion and decision:

The grooming board initiated bylaws and provided them to the Commissioners. Legal counsel and the Commissioners have reviewed and edited the bylaws. Copies were given to all present and are available at the clerk's office. The Commissioners will review the proposed bylaws further and request comments be made on them by the public prior to their adoption. They will also be sent to Teton and Jefferson County for their review and comment as they will need to approve them as well. A decision will be made at an upcoming Commissioner meeting.

Cody Thompson & Nate Thompson, owners: Connection Road/Bridge between River Rock and Mill Creek Subdivisions decision.

Bradley Petersen and Melissa Vanslochterern were present for the discussion. There was discussion regarding the connecting bridge requested over the canal and who would pay for the bridge. Madison County Ordinance states that an easement is dedicated for the road, but will be reviewed for clarity on road construction.

After review and discussion, Commissioner Mendenhall made a motion to meet with Road and Bridge, Planning and Zoning, and Mr. Thompson to determine what work will need to be done and who will pay for and do the work to provide connectivity between River Rock and the new development for public safety. Commissioner Doug Smith seconded and voting was unanimous. The motion passed.

Bradley Petersen, Planning and Zoning matters:

Open Meeting Discussion regarding Ordinance #431: The Commissioners received an allegation that the ordinance was changed after the ordinance was approved in open meeting by Kirsten Ruebush. She claims there was an open meeting violation. Planning & Zoning sent a rebuttal to the allegation. The Madison County Prosecutor's Office reviewed Kirsten's complaint and the processes around the ordinance, and found there were no open meeting violations. Melissa appeared before the Commissioners to detail her response on behalf of P&Z.

The original version of the ordinance was posted on the website prior to the hearing for public review. It was not removed after the ordinance was amended and approved by the Planning and Zoning Board then after the meeting. The changes were not posted to the website. The ordinance approved by the County Commissioners was the same document submitted from the

final vote of the Planning and Zoning Board. The only issue was the ordinance on the website was not updated, but P&Z and the Commissioners had the correct versions and there was no open meeting violation.

Kirsten Ruebush feels like the changes to wording should be given to the public for them to comment before approval.

May 26, 2021 Zone Change Hearing Finding of Fact: Property owned by Marjorie Price and Donald Erickson at 7869 S 400 W, Rexburg Idaho from Transitional Agriculture to Commercial.

A Public Hearing was held May 6, 2021, by Planning and Zoning. There was a group opposing the change. Chairman Todd Smith doesn't feel that more commercial property is needed in the Archer townsite, as it would add more to the septic systems and increase traffic flow on narrow county roads. This is part of the Townsite. Bradley commented the Comp Plan allows for commercial.

Commissioner Doug Smith reviewed the minutes from the Planning and Zoning Board meeting. The Board recommended the change, in a split vote, with Chairman Sharon Oakey casting the deciding vote to approve.

After review and discussion, Commissioner Doug Smith made a motion to approve and sign and the Findings of Fact on property owned by Marjorie Price and Donald Erickson at 7869 S 400 W. Commissioner Mendenhall seconded. Chairman Todd Smith opposed. The motion passed. The appeal process begins today for those who attended the meeting and wish to submit and appeal.

Ordinance #443, Zone Change Ordinance from Transitional Agriculture to Commercial on Property located at 7869 S 400 W, Rexburg, Idaho.

After review and discussion, Commissioner Mendenhall made a motion to sign and approve Resolution #443. Commissioner Doug Smith seconded and voting was unanimous. The motion passed.

Proposal for new/adjusted Planning & Zoning Fees: Change of fee schedule for Planning and Zoning was discussed. A public hearing will be required prior to adopting any fee changes. The Planning and Zoning Department was asked to submit a new proposed fee schedule for review by the County Commissioners and the public. Commissioners will review with the Planning and Zoning Department. This item will be added to a future agenda.

Ted Hendricks--Collaboration regarding the expansion of Teton River Business Development Center and support letter.

There was discussion regarding the education and training center expansion with the College of Eastern Idaho and City of Rexburg supporting. The College is doing well and would like to expand with a larger footprint in Rexburg. ECIPDA has purchased the adjacent lots and the one across the street for the expansion. It will be a \$4-6 million project. These will be separate buildings possibly with a walk way between. Ted submitted a letter from the City of Rexburg and College

of Eastern Idaho. They are asking the County to offer a letter of support to be submitted with the grants they will be applying for to build the building.

Ted explained that ECIPDA will be changing its name in the future to Altera.

After review and discussion Commissioner Mendenhall made a motion to offer a letter of support for collaboration. Commissioner Mendenhall seconded and the voting was unanimous. The motion passed.

Mr. Hendricks invited the Commissioners to attend a webinar on, Thursday, July 1, 2021, at 2 p.m. It is a State/Federal Economic webinar helping counties and cities explain what you can and cannot do with ARPA funds presented by the Treasury Department.

Keith Esplin, Gravel pit site for water recharge Eastern snake plain aquifer. Keith is working full time in Island Park on the Eastern Idaho aquifer recharge, working to capture water for use, as aquifer levels have declined significantly over the past few years. The State pit in Thornton was discussed as a possibility for recharge. Bradley will be checking to see if there are water rights associated with the county's gravel pit. The company Keith represents would pay for the cost of developing the site and no funds would be requested. Then the members get the recharge credit down water who are members. Once the cost for development is recouped and they will begin paying the county fees collected from members for recharge. Todd Smith would like to question Road and Bridge about their use of the gravel pit.

Bradley Petersen, update on FEMA meetings:

Bradley submitted what FEMA documents from the FEMA meetings held in Rexburg last week. FEMA is proposing to put off giving the working maps for the Teton River, but will combine with the Henry Fork, and the South Fork Snake River to release maps all at one time. Commissioner Mendenhall requested Bradley document every meeting and email to defend the County position. The County is looking at replacing the Moody Bridge to help make changes to the flood plain in that area.

Chairman Todd Smith recessed the meeting at 12:35 p.m. until 2:00 p.m.

Commissioner Doug Smith made a motion go in to Board of Equalization at 1:30 p.m. Commissioner Mendenhall seconded and the voting was unanimous. The motion passed.

BOARD OF EQUALIZATION MATTERS:

Aaron Lerwill and Shawn Boice were sworn in to present testimony.

Aaron Lerwill: Mr. Lerwill came before the Commissioners in the Spring asking for an Ag exemption of 5.09 acres, but was denied because his residence was included his home. He is now asking for an exemption on 3.009 acres. Aaron reports the property has 5 corral sections with two run alleys and an unloading/loading area. The previous owners have continued to use

the corrals to keep horses in and load and unload horses and bulls in the spring and fall. Aaron presented a map showing the portion he would like exempted. Those boarding horses use a separate road than his personal home. Horse trailers are also kept on the property. Students returning this fall will continue to board from him. The corrals and back field are rented for horses, Aaron states the 3.009 acres are being used strictly for Ag purposes.

After review and discussion, Commissioner Doug Smith made a motion to approve an Ag exemption of 3.009 acres to Aaron Lerwill. Commissioner Mendenhall seconded and the voting was unanimous. The motion passed. A letter will go to him regarding the decision.

Grand Peaks Medical:

Brand Hathaway and Lori Sessions with Grand Peaks and Luke Malek, legal counsel was present and were sworn in. Grand Peaks met with Commissioners at on April 5 ,2021, regarding this matter and action was taken to grant a 65% exemption, denying the request for full tax exemption.

Mr. Malek is asking for a full exemption under charitable status Idaho Code §63-602(C) and case law referred to in the letter (see attached). Luke states Grand Peaks is a 501(C)(3), which is exclusively a charitable organization.

Luke also made the following points:

- The mission of the organization is to provide quality healthcare to everyone in the community. It is a charity and has a broad reaching impact because of that. There is a broad public benefit in providing quality healthcare for the low-income public. The need exists and that is why the organization exists.
- Grand Peaks function is charitable. Some patients billing is discounted partially, some fully. It is supported by donations; however, it is a non-profit board and exemptions would be tax deductible.
- Some pay dependent on the needs of the individual. Their philosophy is folks should have a responsibility for their own healthcare. Their scale is based on income and patients are stakeholders in their own healthcare.
- The number of people they see grows monthly and they have a broad general public benefit with quality access to care in the Upper Valley.
- There is no profit. Any profit is invested directly back into the business. No assets would go back to any individual who works for it.
- This is a sophisticated organization filling a dire need and you will see compensation all over the maps. There is a personal limit that will be paid by a grant match. There are no bonuses in salary or increases in salary if they make more than projections.

Chairman Todd Smith appreciates the organization in our community. He asks if those that can afford to pay for their own health care should pay? He states Grand Peaks advertising is for all clients and is trying to bring in fully insured persons that could be going to another provider that

is not a supplemented facility, or operating without having to pay property taxes. The Commissioners previously offered a greatly reduced rate and feel that is fair.

Commissioner Mendenhall asked if any bonuses are given to Grand Peaks staff if the income is increased and if those who are insured are paying to help pay for those who can't pay?

Commissioner Doug Smith asked about after hours calls. Other dentists in town have been seeing Grand Peaks patients after hours because Grand Peaks does not provide services after hours. When you accept fully paying patients, but you don't see them after hours, he feels the center isn't charitable without after hours care. Commissioner Smith also stated that he has been around as a dentist in Rexburg for 50 years. Grand Peaks came in and offered more money than he could pay to 3 of his assistants. He paid to train them and he does pay property tax on his office. He does a lot of free dentistry for those who can't pay. He feels that Grand Peaks employees work in this community and pay their taxes and states that community operates fine without a Grand Peaks type facility. He asked who pays the property tax for that guy that goes in to take care of those that have emergencies and need after hour care of Grand Peaks' patients. Other dentists that pay property taxes on their offices take care of Grand Peaks' patients.

Lori Sessions stated patients have that choice to make. This model is approved by the Federal Government. You have a class of patients that work, but still can't afford life. They get discounted prices. Healthcare is expensive. There is a mixture of those that have full and some that have partial coverage.

Commissioner Mendenhall sees where they enjoy federal tax exemption and asks if Idaho taxes are also exempt by Grand Peaks?

Grand Peaks stated because Grand Peaks is a non-profit there is an exemption. Donations also qualify as tax exempt. The price breakdown applies to all services offered medical, dental, behavioral – all is charitable. Each have a different fee structure, but they all have a sliding fee based on income. Many patients are uninsured. They use a sliding scale as a guideline – if you are 200% above the poverty level you would pay in-full. They also offer a hardship gratis. Grand Peaks serve the under-insured also. They are looking to expand because they are not able to meet the demand for patients needing medical care. Patient must make over 200% of poverty level to not receive some sort of a discount.

Commissioners appreciate them coming in. A decision will be made and a letter sent by July 12, 2021. Grand Peaks is requesting 100% property tax exemption. The Commissioners have previously held they would grant a 65% exemption because that is the portion of their business that is charitable in some way. 35% is for profit and paid for by regular full-paying clients. If the Commissioners denied Grand Peaks' request, it would mean they stay at a 65% exemption.

County is asking 35% of the assessed value. Grand Peaks is asking for 100% exemption.

The Grand Peaks BOE was discussed. Commissioner Smith feels that we were generous in our first 65% exemption. We appreciate their service to the community, but they do make money from regular paying clients.

Commissioner Todd Smith made a motion to deny Grand Peaks request for 100% tax exemption. The Commissioners gave them a 65% exemption, based on numbers provided: 21% are uninsured. Out of 100 patients, 79% are insured in one way or another, and 27% of these are fully insured. The Commissioners believe that a 65% exemption on their property tax is fair. Commissioner Mendenhall seconded based upon the information received. The vote was unanimous and passed. A letter will go to Grand Peaks regarding their decision.

Ted Hendricks: East Central Idaho Planning & Development (ECIPDA)

ECIPDA purchased two bare lots in December and are requesting full exemption on the two lots. The value on each property is \$70,000. Lots were shown on the map and were discussed. One lot will be for an entrepreneurial center and the other will be to expand the College of Eastern Idaho and an additional lot for parking lot or for future use. Ted states there is lots happening in the community the technical building will provide a think tank opportunity in the Upper Valley. The land was purchased knowing there was no more adjacent land. The City of Rexburg has expressed interest in the current building for a future road and ECIPDA would need a new office building. The lot across the street is speculative. ECIPDA took proceeds from the sale of the day care and bought these two lots. Their office and the business development center are all that they currently own.

Commissioner Mendenhall asks with no activity on the lots, why should we give the tax exemption? What would the basis be? Teds response was ownership qualifies them. They are a 501(C)(4) and a breeder of entrepreneurs in the area. The timeline of moving small businesses out of the ECIPDA building and be a contributor to the tax rolls was discussed. Ted reports that only 2 businesses have been in the building more than 5 years. There is no strict policy to move them out, but they do raise the rent to higher than market as incentive to venture out. ECIPDA assists to push job creation and help them get to the point where they can leave.

Commissioner Smith asks what would happen to the college after 5 years. Ted's reply was they would like them to be an anchor in the building. They were subsidized a sizeable amount and only recently they have paid market value, but want to make sure they can generate revenue in the future before they put down more roots. There are currently discussions to move the technical campus to Rexburg. It would benefit the whole Upper Valley and their hope would be to move to a certified program. This would be totally tax exempt. They are a benevolent entity and we are the host county, which costs the community, but there is also a benefit. If they make extra money it goes into the business.

Ted feels there will be a lot of changes in the next few years. Idaho Falls is looking at a large facility for the INL, and he would like to bring some of it to Rexburg. If we don't have that environment, they will go somewhere else. ECIPDA has a plan in place and should be approved by the end of the year. ECIPDA has about 10 employees currently. They acquired \$4 million in

the last year and most of it is already loaned out. Ted believes the Upper Valley will become more of an economic anchor to Southeast Idaho than they have been. CEI should be expanded for students that don't meet the BYU-I mold. This takes a lot of time, money and effort.

Commissioner Doug Smith made a motion to exempt the two bare lots in Madison County for East Central Idaho Planning and Development and states it is jobs that make our economy strong. Commissioner Mendenhall seconded and voting was unanimous. The motion passed. A letter will go to him regarding the decision.

Planning and Zoning Planner position: Applications were received for the Planning and Zoning position and were reviewed and discussed.

There being no further business Commissioner Mendenhall made a motion to adjourn the meeting at 3:05 p.m. Commissioner Doug Smith seconded and voting was unanimous. The motion passed.

Approved:

Todd Smith, Commission Chairman
Brent Mendenhall, Commissioner
Douglas Smith, Commissioner

Attest:

Kim Muir, County Clerk