

MINUTES FOR JANUARY 21, 2026: REGULAR CITY COUNCIL MEETING

CALL TO ORDER: Mayor Jared Hillier called the Regular City Council Meeting to order at 6:01 PM.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Jared Hillier, Council President Nick Hainline, Council Member Bob Bonning, Council Member Erika Cornett, Council Member LuAnne Coates, and City Attorney Tim Stover with Shane Nope (via zoom) were present.

AGENDA AMENDMENTS: Nick Hainline made a motion to accept the amended agenda with the addition of item "D: Erwin Easement Agreement-Action Item:". The motion was seconded by Erika Cornett. A roll call vote was held. The Council votes are officially recorded as:

Nick Hainline: aye
Bob Bonning: aye
Erika Cornett: aye
LuAnne Coates: aye

CONSENT AGENDA: Nick Hainline made a motion to accept the consent agenda (Minutes for 1-7-2026 and Treasurer's Report) as written. The motion was seconded by Erika Cornett. A roll call vote was held. The Council votes are officially recorded as:

Nick Hainline: aye
Bob Bonning: aye
Erika Cornett: aye
LuAnne Coates: aye

Motion passed.

ANIMAL CONTROL/CODE OFFICER REPORT: Animal Control/Code Enforcement Officer Brenna McLean was present to give the report. The report is on file.

LIBRARY UPDATE REPORT: Library Director Geri Omohundro was present to give the report. The report is on file.

NEW BUSINESS:

- A. Kaelee Conner-290 South State Street Mini-Split Addition Request-Action Item: Action Item withdrawn at the request of Ms. Conner. There was no discussion or decision made.
- B. PSI Contract & Terms of Agreement-Action Item: Shane Nope with Stover Gadd & Associates (via zoom) addressed the Council and shared the following concerns regarding inconsistencies with the RFP and terms of agreement and PSI contract as written:
 - 1. Section 6: City itself receives benefits (portable dumpsters and portable bathrooms). The time requested are different which creates less flexibility for the City. The disposal fee is passed directly to the City. The City asked for an audit process for the waste hauled for accounting purposes, and there is no way to track that in the current contract.
 - 2. Section 6 Paragraph C: if the City does not utilize the aforementioned benefits in any calendar year, the City forfeits those benefits that next contract year.
 - 3. The rates and fees go to the users, ie the citizens of the city, so the particular tipping fee and disposal fee are baked into the contract itself on the per bin rate. The RFP wanted some level accountability and auditing to that for future negotiations so the City knew how much is actually being assigned to the City disposal fees. That is not seen as presented.

4. Section 9: Rate adjustments, the RFP has no escalation clause. The CPI for garbage and trash is being used and capped at 5% which was not contemplated in the RFP.
5. Section 11: in the original RFP, it was outlined that the City was to have the sole right to renew every three years, in the contract presented PSI retains the sole right to renew the contract so long as everything in the contract is being followed.
6. Section 13: The reimbursement part of the services under taxes, if the RFP had been followed there might be some level of tax benefits to the City, but any additional cost to the end user would be part of the cost that is charged to each individual user.

City Attorney Tim Stover would like to have a phone conversation to bring the contract into compliance with the RFP had requested. Jace Melugin with PSI addressed the Council. He stated that for residential services there are no disposal fees in Gooding County, and that it is built into taxes. The only disposal fee would be included in the roll off, which has been historically covered. He stated that PSI has no issue removing section C of the presented contract, and he is okay to continuing services if the City is okay with the rate increase as presented until a contract is agreed upon.

The contract ends on February 1, 2026, and after much discussion it was decided that Tim Stover will work through the red-lined items with PSI until it is brought into compliance with the RFP. Nick Hainline made a motion to accept PSI's contract in conjunction with the City Attorney bringing it into compliance with the RFP. The motion was seconded by Erika Cornett. A roll call vote was held.

Nick Hainline: aye
Bob Bonning: aye
Erika Cornett: aye
LuAnne Coates: aye

Motion passed.

- C. Herbert Property Easement and Waiver-Action Item: Mark Holtzen with JUB addressed the council and stated that the easement for Item C and Item D are the same going forward.
- D. Erwin Permanent Easement Agreement-Action Item:

Mr. Holtzen stated that the original intent of the 1.5 acres purchased was to use and take lines in the easement West to Highway 30. It was decided to bring the water/sewer lines straight South to save money. To do so, the project requires a 20-foot easement through property owned by Mr. Herbert, Mr. Erwin, and the Hagerman Cemetery. Mr. Herbert and Mr. Erwin have asked for compensation in the form of 20 free water and sewer hook-ups. The current cost of each water and sewer connection is valued at \$3,500 each, which amounts to \$140,000.00 per easement and totaling \$240,000.00 in value at the current connection rate. Mark Holtzen state that there is no standard for easements and they are hard to value. It was discussed that if those properties are developed, it will lead to revenue for the City in the form of utility bills and tax revenue. Bob Bonning asked if the easements can be granted for Mr. Erwin, as he is not in City limits. The answer for sewer is yes under City Code 8-2-6, which Mayor Hillier read into the record. It was discussed that there is no time limit written into the agreements for the 40 hook ups to be used, and concerns about the difference in costs 20 years down the road. Erika Cornett asked for City Administrator Justin Hulme's opinion on the water connections. Justin Hulme addressed the Council and stated that at the time of connection for water, if the Erwin property is not annexed into city limits a permit would have to be filed and it would have to go before Council and if it is

annexed, it could proceed under normal procedure. City Code states that to connect they must be annexed. Bob Bonning asked if the 40 connections are granted, could the City handle all the new connections if they moved forward next month without 'knocking the City out'. Justin Hulme responded that yes the sewer could, and the water system could in the winter but not in the summer, which is where the Water Project and secondary source come into play as the new source is where the new connections would receive water from, lightening the load on the current water source for the City. Mayor Hillier asked if hypothetically the connections are granted and a third developer started a 30-connection development across the highway if the new source could handle that as well. Justin Hulme responded that a study would have to be done at that point. Mark Holtzen referenced utilizing models to project can or can't be done, as there are multiple types of residences/buildings and scenarios for connections in the future. Mayor Hillier asked where the amount of 20 connections apiece came from and if it was negotiable and if there are values that could be referenced. Mr. Holtzen responded that it followed the previous granted to Mr. Herbert and easements can be valued at dollars per square foot, and all easements are valued vastly differently with no standard set. Mr. Holtzen stated that ultimately, the new route is cheaper for the City overall and lightens the costs on the Water Project, where funds are already tight. LuAnne Coates stated that essentially they need to decide how valuable this project is to the City of Hagerman, and Mr. Holtzen and Justin Hulme both stated that if the City of Hagerman wants to grow it is extremely valuable. Justin also referenced the importance of adding a second water source, because if the City had to use the back up for 2 months the power bills would bankrupt the water fund and budget. The second water source will also fix pressurization issues and fire flow concerns. The square footage of the easements are .1487 acres for Mr. Herbert and .1472 acres for Mr. Erwin. Mayor Hillier stated that he sees the value in the connections. LuAnne Coates asked how much the money is saving with the shorter route. Mayor Hillier and Mr. Holtzen stated it is in the range of \$200,000.00 to \$300,000.00. Bob Bonning stated that he feels that the numbers need to be negotiated and the first offer should not be taken. Timeline was discussed, and the ARPA funds need to be spent by December 2026. Distribution plans have been sent to DEQ and DEQ approval could be granted within the next week, at which point the project could go out to bid so there is a little bit of a time crunch. While it could wait until the next meeting, we are approaching the point that it needs to be finalized. Mayor Hillier stated the he would agree to counter, and LuAnne Coates asked Mr. Frank Erwin be brought into the conversation. Mr. Erwin was asked how he had arrived at 20 connections being fair compensation, and Mr. Erwin responded that it stemmed from the future development potential of the property. He stated that the council is overlooking that they are basing their connection fees on infrastructure already owned, when Mr. Herbert and himself are looking at future developments. At that point when the properties are annexed, the City will be receiving the infrastructure with roads and lines for free. Mayor Hillier stated that he would agree. LuAnne Coates stated that the money saved with the shorter route cannot be overlooked with funds being tight as is. Mr. Erwin stated that he intends to use his property as high density, and that while premature the likelihood is that the front half of his property would likely end up being zoned commercial which increases financial revenue for the city substantially.

At that time, a special meeting was scheduled for January 28, 2026 at 5:00 PM. The special meeting is open to the public and all are welcome.

- E. Schedule Spring Clean-Up Days-Action Item: Nick Hainline made a motion to schedule Spring Clean-Up Days for April 17-18, 2026. The motion was seconded by Erika Cornett. All in favor.

Motion passed.

- F. Appointment of New Library Board Members-Action Item: Library Director Geri Omohundro presented the names of Aysa Thaete and Lindsey Hensen to be appointed to the Library Board of Directors. Nick Hainline made a motion to appoint Aysa Thaete and Lindsey Hensen to the Library Board. The motion was seconded by Erika Cornett. A roll call vote was held.

Nick Hainline: aye
Bob Bonning: aye
Erika Cornett: aye
LuAnne Coates: aye

Motion passed.

OLD BUSINESS: None.

CITIZEN'S COMMENT: Resident Larry Geren asked the Council what the licensing requirements in town are for animals, livestock, or swine in City limits. Mayor Hillier answered that there are exceptions for 4-H animals, but he's only aware of a single grandfathered permit for heifers. Mr. Geren informed the council that there is a pig in town. Mayor Hillier directed him to file a complaint and it would be addressed. Bob Bonning stated there are two pigs in town that he knows of.

*Mr. Geren was given a complaint form immediately following the meeting and asked to return it to the clerk's office.

MAYOR'S COMMENT: None.

CLOSE: Nick Hainline made a motion to close the City Council Meeting for January 21, 2026.

ADJOURNED: 7:17 PM.

Jared Hillier, Mayor

Ashley Cook, City Clerk & Treasurer