



Twin Falls City Council Minutes

Wednesday, March 19, 2025, 9:00 AM

*** SPECIAL MEETING ***

Council Chambers
203 Main Avenue East, Twin Falls, Idaho

1) Call Meeting to Order/Confirmation of Quorum

Present: Ruth Pierce, Chris Reid, Craig Hawkins, Spencer Cutler, Cherie Vollmer, Grayson Stone, & Jason Brown (*via phone*).

Absent: None.

Staff Present: Shawn Barigar, URA Executive Director; Lorrie Bauer, Administrative Assistant; Parker Scherer, Assistant Finance Director; Travis Rothweiler, City Manager; Mitch Humble, Deputy City Manager; and Breanna Howard, Finance Director.

Mayor Pierce called the meeting to order at 9:00 AM. A quorum was present.

2) Pledge of Allegiance

Mayor Pierce invited all present to recite the Pledge of Allegiance.

3) Items of Consideration

- a) Consider a request to approve a development agreement for an industrial expansion. Executive Director, Shawn Barigar, shared the purpose of this report is to summarize and provide recommendations on the Expansion Project Development Agreement between the City of Twin Falls, the Urban Renewal Agency (URA), and Chobani, LLC. The agreement outlines responsibilities, financial commitments, and infrastructure improvements necessary to support Chobani's planned \$500 million expansion and creation of 150 new jobs at their Twin Falls facility. The proposed infrastructure improvements will support broad economic growth and job creation.

This expansion builds upon the Original 2011 Development Agreement, which established Revenue Allocation Area #4-3 to fund eligible components for Chobani's initial project as well as future expansion opportunities within the life of Area #4-3 through September 30, 2032.

The Urban Renewal Agency (URA) issued bonds to finance initial infrastructure improvements. Bond payments are made from revenue allocation revenues in RAA #4-3. Additional initial investments were made by the City of Twin Falls, Community Development Block Grants through the State of Idaho, community contributions, and Chobani.

Further expansions of Chobani's facilities and associated water and wastewater improvements were made through amended agreements in 2016 and 2019. These improvements were funded by Chobani and eligible for reimbursement from available revenue allocation revenues after meeting the bond obligations.

This expansion project requires additional upgrades to the city's water and wastewater systems to accommodate an additional 1 million gallons per day of potable water delivery and 1 million gallons per day of additional wastewater flow, as well as improvements to the electric power system. As a continuation of the previous commitments, these additional public improvements are eligible for funding from anticipated new Revenue Allocation based upon the increased assessed value of the facilities through the term of RAA #4-3.

City of Twin Falls Responsibilities

- **Water System Upgrades**
 - o Construct South Well #5 (to support additional potable water capacity) This is a project that has been previously anticipated by the City, though funding to complete it has been reallocated in recent budgets to more urgent projects.
 - o Estimated Cost: \$3.5 million (fully funded by the City).
- **Sewer System Upgrades**
 - o Install new wastewater gravity main (Pole Line Road segment).
 - o Estimated Cost: \$9 million (funded 50% by City, 50% by Chobani).
 - o City will cover up to \$1.5 million in cost overruns.

Chobani Responsibilities

- **Power System Upgrades**
 - o Install new transmission lines from Pillar Falls substation.
 - o Estimated Cost: \$3.5 million (fully funded by Chobani, eligible for reimbursement).
- **Sewer System Upgrades Contribution**
 - o Pay 50% of the new wastewater gravity main cost (up to \$4.5 million, eligible for reimbursement).
 - o Pay a \$3,746,900 industrial wastewater discharge fee for expanded Wastewater Treatment Plant capacity.
- **Pretreatment Facility (PTF) Upgrades**
 - o Expand wastewater treatment capacity.
 - o Estimated Cost: \$25 million (funded by Chobani, reimbursement optional).
- **Permit and Impact Fees**
 - o Pay all building permit fees.
 - o Advance fund Impact fees (eligible for reimbursement).

Urban Renewal Agency (URA) Responsibilities

The URA will reimburse Chobani from available additional Revenue Allocation Revenues, based upon the new value, for the following eligible improvements:

- **Sewer System Upgrades:** \$4,500,000.
- **Impact Fees:** \$701,943.
- **Power System Upgrades:** \$3,500,000.
- **Pretreatment Facility (PTF) Upgrades:** potentially \$25,000,000.

Financial Commitments & Funding Priorities

- **Total Estimated Cost:** \$45.75 million.
- **Funding Sources:**
 - o City: \$8 million.
 - o URA (Tax Increment Financing - TIF): Up to \$33.7 million.
 - o Chobani: Up to \$29 million (if no reimbursement for PTF upgrades).

Reimbursement from Revenue Allocation Revenues will be subject to the bond obligations, which take priority over all other reimbursements. The parties will work in good faith to explore additional sources and opportunities for funding the expansion improvements.

Next Steps:

1. Approval of the Development Agreement by the URA Board (which was completed prior to this meeting), the City Council, and then by Chobani.

2. Development of any amendments to construction and/or reimbursement agreements and utility service agreements.
3. Coordination of construction schedules between the City, Chobani, and utility providers.

Discussion ensued. Chobani's intent is to begin construction immediately with the anticipation of being operational by the end of the year or early 2026. The water and sewer improvements are planned to be completed within the next 24 months. The pretreatment facility improvements will advance with Chobani's construction. Idaho Power improvements will be done over the next 2-3 years.

The private investment by Chobani allows for improvements to be made to public systems that support the city. The city's use of funds along with revenue allocation which is available through the Urban Renewal Agency are invested in public systems that more broadly support the city as well as this project.

MOTION: Chris Reid moved to approve the expansion project development agreement among the Urban Renewal Agency, the City of Twin Falls, and Chobani as presented. Grayson Stone seconded the motion. Roll call vote showed all members present voted in favor of the motion. Approved 7 to 0.

4) Adjournment

The meeting adjourned at 9:14 AM.



Lorrie Bauer, Administrative Assistant