

AGENDA ITEM SUMMARY

DATE: 3/28/11 **DEPARTMENT:** Administrator **DEPT. HEAD SIGNATURE:** Heather Dawson

SUBJECT

Consideration of Clear Creek Disposal's request to increase rubbish hauling rates for residents and businesses of Hailey, based on an increase in Blaine County Landfill tipping fees established by Blaine County Resolution 2010-65, which will become effective April 1, 2011.

Consideration of City of Hailey Resolution 2011-09 adopting rate increase

AUTHORITY: ID Code IAR _____ City Ordinance No. 840

BACKGROUND:

Attached as background information for the City Council's consideration are the following documents:

1. Letter from Clear Creek Disposal's attorney, Evan Robertson, outlining need for rate increase.
 2. Clear Creek Disposal's schedule of proposed rate increase to Hailey residents and businesses and justification of amounts by historical hauling figures.
 3. City of Hailey Resolution 2003-04 and existing rate schedule since 2003, which was established "subject to and contingent upon current Ohio Gulch disposal charges".
 4. Blaine County Resolution 2010-65 establishing amended Ohio Gulch disposal charges. This resolution was subject to many public hearings and full newspaper coverage in the fall of 2010.
 5. Proposed City of Hailey Resolution 2011-09, adopting new rates as proposed with a new rate schedule as Exhibit A.
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FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

Budget Line Item # 100-00-34004 and 100-00-32237 Annual Line Item Amount \$72,000 in each

Hailey's franchise fee is intended to cover Hailey's costs in 1) street maintenance repairs and enforcement of exclusive franchise ordinance (6%), and 2) billing costs associated with Hailey's billing of rubbish customers with water and sewer bills (6%).

Hailey will incur additional billing costs for implementing this amendment, as well as additional customer service costs for notifying and informing customers of the rate change. Hailey will collect less than \$1000 from customers for these franchise fees in the last year of this franchise agreement (expires April 10, 2012) Clear Creek will collect an additional \$50,000 to \$60,000 from this proposed rate increase, for its tipping fees.

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS:

____ City Attorney ____ Clerk / Finance Director ____ Engineer ____ Mayor
____ P & Z Commission ____ Parks & Lands Board ____ Public Works ____ Other

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

We recommend that the city council discuss the rate increase with Clear Creek representatives, make a motion to either 1) adopt the Resolution and Exhibit A as proposed, 2) adopt the Resolution with revisions to the Resolution and/or Exhibit A based upon the discussion, or 3) deny the rate increase.

FOLLOW UP NOTES:

Robertson & Slette, p.l.l.c.

ATTORNEYS AT LAW



J. EVAN ROBERTSON
GARY D. SLETTE

Robin L. Moore, PLS - Paralegal

134 Third Avenue East
P.O. BOX 1906
TWIN FALLS, IDAHO 83303-1906
TELEPHONE (208) 933-0700
FAX (208) 933-0701

J. EVAN ROBERTSON

March 2, 2011

VIA EMAIL wlo@cox-internet.com

Ned Williamson
Hailey City Attorney
115 2nd Ave. S.
Hailey, ID 83333

RE: Hailey Solid Waste Franchise - Clear Creek Disposal

Dear Ned:

As you know, I represent Obras, LLC, d/b/a Clear Creek Disposal, who currently provides both residential and commercial solid waste collection and disposal services for the City of Hailey. The current prices charged by Clear Creek for those services was established by Hailey Resolution No. 2003-04 which clearly states that those rates " . . . are subject to and contingent upon current Ohio Gulch disposal charges." Unfortunately, as I mentioned to you several weeks ago, Blaine County, by its Resolution 2010-65 has, effective April 1, 2011, increased the Ohio Gulch disposal charges (or "tipping fees") at Ohio Gulch for municipal household waste to \$65 a ton from its current rate of \$55 per ton. Because of the action taken by the County, Clear Creek Disposal is requesting a corresponding increase to its Hailey rate structure, based on a pass-through of the increased tipping fees at Ohio Gulch and the corresponding increase in franchise fees which will be payable to the City. I have enclosed a new fee schedule we are requesting, which, as you can see, reflects a modest increase of \$0.35 a month for a 32-gallon residential cart, and \$1.03 increase for residential accounts utilizing a 95-gallon cart. The schedule also contains information on the methodology employed to arrive at the requested fee increases.

Since the Ohio Gulch increases imposed by the County become effective on April 1, we would like this matter considered by the City Council as expeditiously as possible. In anticipation of that meeting, we would be happy to meet with staff at any time to discuss the matter and explain further, if necessary, the methodology used to arrive at the proposed rate adjustments. Please let me know how you wish to proceed.

Sincerely,

J. EVAN ROBERTSON

JER:rlm

Encls.

cc: Clear Creek Disposal
rlm\jer\letter\Williamson_3

OBRAS dba Clear Creek Disposal
 Hailey City Council Rate Request
 Effective April 1, 2011

Residential Rate

Increases

Residential	Old Rate	County Incr.	12% City Fee	New Rate
95 gallon Cart	\$ 22.89	\$ 0.92	\$ 0.11	\$ 23.92
32 gallon Cart	11.45	0.31	0.04	11.80

Commercial Rates

Commercial Monthly	Old Rate	County Incr.	12% City Fee	New Rate
1.5 Yard Dumpster	\$ 54.72	\$ 3.96	\$0.48	\$ 59.16
3 Yard Dumpster	99.44	7.91	0.96	108.31
4 Yard Dumpster	129.25	10.55	1.27	141.07
6 Yard Dumpster	188.88	15.83	1.9	206.61
8 Yard Dumpster	248.5	21.11	2.54	272.15
10 Yard Dumpster	307.9	26.38	3.17	337.45
Business Carts	22.89	1.24	0.15	24.28

On call per Service

Commercial On Call	Old Rate	County Incr.	12% City Fee	New Rate
1.5 yard Dumpster	\$ 19.10	\$ 0.92	\$ 0.11	\$ 20.13
3 yard Dumpster	34.22	1.83	0.22	36.27
4 Yard Dumpster	48.21	2.44	0.29	50.94
6 Yard Dumpster	63.29	3.66	0.44	67.39
8 Yard Dumpster	83.52	4.87	0.59	88.98

Construction Rates

Construction:	Old Rate	County Incr.	12% City Fee	New Rate
3 yard Dumpster	\$ 48.00	\$ 3.94	\$ 0.48	\$ 52.42
4 Yard Dumpster	72.00	5.26	0.63	77.89
6 Yard Dumpster	96.50	7.88	0.95	105.33
8 Yard Dumpster	127.50	10.51	1.27	139.28
10 Yard Dumpster	140.00	13.14	1.58	154.72

The above column labeled "County Incr." is the rate increase needed for Residential, Commercial and Construction services to offset the county increase of \$10 per ton. The city increase is the amount required by the contracts of 12%.

OBRAS dba Clear Creek Disposal
 Support For Rate Increase
 Effective April, 1 2011

	Residential	Commercial	Construction	Total Tons
History of Tons Hauled				
For 2006	6,149	12,820	13,284	32,253
For 2007	6,283	12,847	12,321	31,451
For 2008	6,096	12,810	10,115	29,021
For 2009	6,094	11,980	4,364	22,438
For 2010	5,845	10,198	4,943	20,986
	<u>30,467</u>	<u>60,655</u>	<u>45,027</u>	<u>136,149</u>

	In Dollars			
History of Dollars Paid				
For 2006	\$ 338,195	\$ 705,100	\$ 730,620	\$ 1,773,915
For 2007	345,565	706,585	677,655	1,729,805
For 2008	335,280	704,550	556,325	1,596,155
For 2009	335,170	658,900	240,020	1,234,090
For 2010	321,475	560,890	271,865	1,154,230
	<u>1,675,685</u>	<u>3,336,025</u>	<u>2,476,485</u>	<u>7,488,195</u>

Pounds per Yard For 2010:				
Actual Tons for 2010	5,845	10,198	4,943	20,986
Actual yards for 2010	<u>129,621</u>	<u>167,503</u>	<u>37,640</u>	<u>334,764</u>

Pounds per yard for 2010:			
2010 Ton*2000/yards	90.19	121.76	262.65

County increase per LB.			
\$10/2000 lbs	\$ 0.0050	\$ 0.0050	\$ 0.0050

Cost increase per yd	<u>\$ 0.451</u>	<u>\$ 0.609</u>	<u>\$ 1.313</u>
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Actual County Billing	December 2010 Tons	County Current Rate	Paid to County	County \$ IO Incr.
Residential	532	\$ 55.00	\$ 29,260.00	\$ 5,320.00
Commercial	727	55.00	39,963.00	7,266
Construction	375	55.00	20,625.00	3,750
	<u>1,634</u>	<u>55.00</u>	<u>\$ 89,848.00</u>	<u>\$ 16,336.00</u>

The Company paid the County for the Month of December 2010 \$89,848, based on a price of \$55.00 per ton. The company would have paid to the County another \$16,336 at the new rate of \$65 per ton.

OBRAS dba Clear Creek Disposal
 Support For Rate Increase
 Effective April, 1 2011

Residential Re-Priced for December 2010

Month of December 2010	Rate Incr.	Actual Tons	County Incr.	Cost Incr.	Short
Hailey	\$ 1,768	187.60	\$ 10.00	\$ 1,876.00	\$ (108.00)

The column labeled "Rate Incr." is the additional amount that would have been billed to the residential customers for the month of December at the rate increase of 92 cents per month for a 95 gallon cart and 32 cents per month for a 32 gallon cart.

Commercial Re-Priced For December 2010

Month of December 2010	Rate Incr.	Actual Tons	County Incr.	Cost Incr.	(short)Long
Hailey	\$ 3,040.0	278.60	10	\$ 2,786	\$ 254

The column labeled "Rate Incr." is the additional amount that would have been billed to the commercial customers for the month of December for the montly service increases and on call services.

The construction is mostly done by the use of roll off containers. Each roll off is weighted separately and the customer is billed for the actual weight. Therefore we did not re-price for construction.

Construction:

The service fee for roll offs and compactors did not change.
 Each roll off or compactor is weighted at the county and is billed for the actual weight.
 In addition the user is billed for the city fee of 12% based on the weight.

Other charges as set forth in Blaine County Resolution 2010-65 not listed in the above fee schedule for residential, commercial and construction will be billed at the rate stated in the resolution plus the city fee of 12% and the current company service fee.

CITY OF HAILEY
RESOLUTION NO. 2003-04

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF HAILEY ADOPTING FEES FOR RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLING SERVICES.

WHEREAS, Wood River Rubbish, Inc. responded to the City of Hailey's Requests for Proposal to provide residential and commercial solid waste and recyclable material franchise services, and submitted fees schedules for such services.

WHEREAS, the Hailey City Council accepted the proposal by Wood River Rubbish, Inc. and has adopted Hailey Ordinance No. 840, a franchise ordinance granting Wood River Rubbish, Inc. a five year franchise with an additional two year renewal term.

WHEREAS, in accordance with Section 4(E) of the Ordinance No. 840, the City of Hailey is required to establish and charge all residential and commercial customers located within the City of Hailey standard weekly rates for collection and transportation of solid waste and recyclable materials and standard rates for extra pickups of solid waste and recyclable materials and other services.

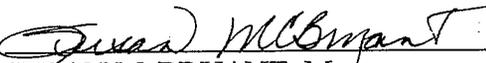
WHEREAS, the Hailey City Council finds that the fees described in attached Exhibits "A" and "B" were accepted by the City of Hailey when it granted Wood River Rubbish, Inc. its franchise for the City of Hailey.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HAILEY AS FOLLOWS:

Section 1: Adoption of Fees. The City Council of the City of Hailey hereby adopt fees for residential and commercial customers located within the City of Hailey for standard weekly rates for collection and transportation of solid waste and recyclable materials and for standard rates for extra pickups of solid waste and recyclable materials and other services.

Section 2: Effective Date. The fees adopted by this Resolution shall be effective beginning May 1, 2003. Unless otherwise amended by resolution, the fees adopted by this Resolution shall continue in full force and effect until the expiration or termination of the franchise granted to Wood River Rubbish, Inc. under Hailey Ordinance No. 840.

Passed this 31st day of March, 2003.



SUSAN McBRYANT, Mayor

ATTEST:



HEATHER DAWSON, City Clerk

Wood River Rubbish Pricing Matrix

Single family Residential Pickups Including Recycling (Weekly Collection)

\$22.89

95 Gallon cart
Including recycling, cart rental and taxes
Senior Rate: \$12.14

\$11.45

32 Gallon cart
Including recycling, cart rental and taxes
Senior Rate: \$6.21

\$4.75

Extra Pickup

\$15.50

Large item pickup

Commercial Pricing Matrix

Total Monthly Rate Matrix -- Includes Recycling

	1x/wk	2x/wk	3x/wk	4x/wk	5x/wk	6x/wk	7x/wk
1.5yd	\$ 54.72	\$ 99.44	\$144.16	\$188.88	\$ 233.60	\$ 278.32	\$ 323.04
3yd	\$ 99.44	\$188.88	\$278.32	\$367.76	\$ 457.20	\$ 546.64	\$ 636.08
4yd	\$129.25	\$248.50	\$367.76	\$487.01	\$ 606.26	\$ 725.51	\$ 844.77
5yd	\$159.07	\$308.13	\$457.20	\$606.26	\$ 755.32	\$ 904.39	\$1,053.46
6yd	\$188.88	\$367.76	\$546.64	\$725.51	\$ 904.39	\$1,083.27	\$1,262.15
8yd	\$248.50	\$487.01	\$725.51	\$964.02	\$1,202.52	\$1,441.03	\$1,679.53

All Rates are subject to and contingent upon current Ohio Gulch disposal charges

\$ 55.00 per ton:

Includes household trash, sheetrock, insulation, rottable or leachable materials, furniture and fabric materials (carpeting, drapes, etc..)

\$2.00 per yard:

Clean wood waste (grass, leaves, trees, and branches, etc...)

\$20.00 Per Ton:

Construction and demolition debris (Dirt, rock, trees, untreated wood, asphalt and concrete only)

EXHIBIT A

Commercial:

Delivery Fee -- \$25

On-Call Commercial Rates - Non Construction (Front or Rear Load)

	Service	Rent
1.5 Yd	\$ 16.10	\$ 3.00
3 Yd	\$ 30.22	\$ 4.00
4 Yd	\$ 41.21	\$ 7.00
6 Yd	\$ 53.29	\$ 10.00
8 Yd	\$ 71.53	\$ 12.00
10 Yd	\$ 83.67	\$ 15.00

Construction Rates (Rear Load)

	Same Day		Next Day	
	Service	Rent per Month	Service	Rent Per Day
3 Yd	\$ 44.00	\$ 4.12	\$ 41.00	\$ 0.14
4 Yd	\$ 65.00	\$ 7.21	\$ 60.25	\$ 0.24
6 Yd	\$ 86.50	\$ 10.30	\$ 80.50	\$ 0.34
8 Yd	\$ 115.50	\$ 12.36	\$ 107.50	\$ 0.41
10 Yd	\$ 125.00	\$ 15.45	\$ 125.00	\$ 0.51

Construction Rates (Front Load)

	Service	Rent
6 Yd	\$ 66.50	\$ 6.00

Rolloff Containers

30 Yd \$112 per pull plus disposal Rent is \$75/month

Compactors -- \$145 per pull plus disposal

Concrete is \$28.00 per yard

Ground pickups \$25 minimum charge or time plus yardage
(time is at \$124/ hour or \$2.06/ minute)

Overage on Containers: \$14.40 per yard construction
\$ 8.60 per yard for garbage
\$ 6.45 per yard for boxes only

Cleaning

1.5 Yd	\$ 35.00
3 Yd	\$ 40.00
4 Yd	\$ 45.00
6 Yd	\$ 60.00
8 Yd	\$ 70.00
Resi Carts	\$ 23.00

Fire Damage (includes new and final delivery)

1.5 Yd	\$ 141.00	10 Yd	\$ 198.00
3 Yd	\$ 152.50	32 Gal Resi	\$ 70.00
4 Yd	\$ 164.00	68 Gal Resi	\$ 80.00
6 Yd	\$ 175.00	95 Gal Resi	\$ 90.00
8 Yd	\$ 186.00		

EXHIBIT B

- **Price Proposal, Businesses & Apartments**

As specified in the RFP, the commercial service prices proposed by WRR represent the monthly rate options available within the City of Hailey. Prices for detachable container service are based on the volume of waste generated and frequency of collection per week. Commercial prices are comprised of all costs, including overhead, profit, taxes, and fees or surcharges imposed by federal, state, and local laws.

WRR's proposed commercial rates include weekly recycling collection for cardboard as well as the same commodities offered to the residential customers. The attached rate sheets include pricing for temporary detachable container service, extra or on-call commercial pickups, and container delivery and relocation.

BLAINE COUNTY RESOLUTION 2010-65

A RESOLUTION OF THE COUNTY OF BLAINE, STATE OF IDAHO, PROVIDING FOR A SHORT TITLE; PROVIDING FOR THE REPEAL OF BLAINE COUNTY RESOLUTION NO. 96-12; ESTABLISHING A FEE SCHEDULE FOR THE BLAINE COUNTY SOLID WASTE DISPOSAL SYSTEM; PROVIDING FOR PAYMENT; PROVIDING FOR COMPLIANCE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Idaho Code Section 63-1311A requires that notice and a hearing is required whenever a taxing district seeks to raise a fee by more than five percent; and

WHEREAS, the Board provided notice in accordance with Idaho Code Section 63-1311A and held one daytime and one evening public hearing on October 26, 2010, at which time public comment was received; and

WHEREAS, the Board has determined that it is necessary to increase the fee currently charged for the disposal of household and municipal waste at the Ohio Gulch and Carey transfer stations;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BLAINE COUNTY, IDAHO AS FOLLOWS:

Section 1: Short Title

This Resolution shall be known as the Solid Waste User Fee Resolution.

Section 2: Repealer

Blaine County Ordinances No. 77-15, 91-14, 92-9 and all ordinances or resolutions, including Resolutions 93-18, 95-30 and 96-12 or any parts thereof in conflict herewith are repealed.

Section 3: Fee Schedule Adopted

Pursuant to Blaine County Ordinance No. 91-11 as amended ("Solid Waste Management Ordinance"), the Board of County Commissioners ("Board") adopts this separate Resolution establishing a user fee schedule for the Blaine County Solid Waste Disposal System beginning on the effective date of this Resolution and continuing until modified or amended by resolution. The Board incorporates by reference the findings contained in the Solid Waste Management Ordinance.

Instrument # 582830

HALEY, BLAINE, IDAHO

12-1-2010 10:08:23 No. of Pages: 4

Recorded for: BLAINE COUNTY COMMISSIONERS

JOLYNN DRAGE

Fee: 0.00

Ex-Officio Recorder Deputy

Index to: RESOLUTIONS

The Board adopts the following fee schedule:

- | | | |
|-----|--|---|
| (a) | Untarped-unsecured loads: Untarped or otherwise unsecured loads of solid waste which might permit solid waste to drop or fall upon any public lands, rights-of-way of any kind or private lands are unlawful (Solid Waste Management Ordinance Section 12) and shall be fined. | \$10 / Offense
Plus tipping
fee |
| (b) | Municipal, Household Waste:
To Ohio Gulch and Carey Transfer Stations | \$65 / Ton |
| (c) | Uncompacted, Solid Waste:
30 gallon container or less | \$3 |
| (d) | Uncompacted, Solid Waste:
Over 30 gallon, Under one cubic yard | \$8 |
| (e) | Demolition Waste:
From Blaine County deposited
at gate site | \$7/Cubic Yard, or
\$20/ton if charged by weight
Minimum \$10 |
| (f) | Appliances: Washing machines,
dryers, stoves, refrigerators,
freezers, or other large,
household appliances | \$5 / Appliance |
| (g) | Sewage Sludge | Fee Set by Board |
| (h) | Tires:
Car and Pickup
Car and Pickup with Rim
Commercial Truck
No oversized tires accepted | \$1.25 / Each Tire
\$2.50 / Each Tire
\$5 / Each Tire |
| (i) | Chemical Containers:
Must be emptied, triple rinsed
and punctured | \$25 / Pickup |
| (j) | Compostable, Yard Waste:
Construction or demolition waste
such as cardboard and untreated
wood, trees, shrubs, limbs, leaves, | \$2/Cubic Yard, or
\$10/ton if charged by weight.
One pick-up truck load/week
accepted free of charge
for a household |

- (k) grass or similar material
Asbestos is not accepted
- (l) Three or more large animals
or equivalent Fee set by Director
based on burial cost
- (m) Other controlled disposals
or special burials Fee set by Director
based on burial cost
- (n) Recycled Materials No Charge
- (o) Special disposal needs will be addressed
by the Blaine County Commission and the
Director on a case by case basis.

Section 4: Payment

All user fees, as set forth herein, shall be paid at the solid waste disposal site or billed to the hauler in a manner approved by the Board. Any fee dispute at a site not having a scale shall be resolved by transporting the load to a site having a scale. This shall be done at the expense of the hauler.

Section 5: Controlled Disposals and Special Burials

Certain solid waste can only be deposited (controlled disposals) or buried (special burials) at designated locations at a solid waste disposal site according to Section 13 of the Solid Waste Management Ordinance. For this solid waste, a user fee will be charged before the solid waste is accepted.

Section 6: Compliance

Any user depositing inappropriate material in a recycle, compost or demolition area will be responsible for its removal.

Section 7: Severability

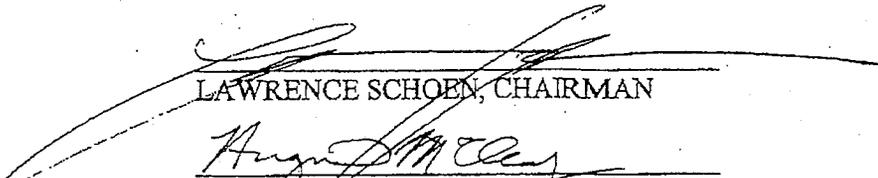
The provisions of this Resolution are severable and the invalidity of any part of this Resolution shall not affect the validity of the remainder of the Resolution.

Section 8: Effective Date

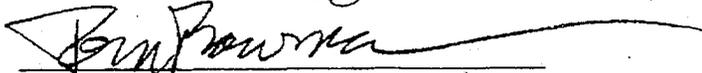
This Resolution shall be in full force and effect beginning on the 1st day of April, 2011.

PASSED, APPROVED, AND ADOPTED ON THIS 30th DAY OF November, 2010.

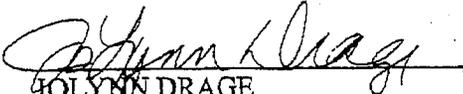
BLAINE COUNTY COMMISSIONERS


LAWRENCE SCHOEN, CHAIRMAN


ANGENIE MCCLEARY, COMMISSIONER


TOM BOWMAN, COMMISSIONER




JOLYNN DRAGE
BLAINE COUNTY CLERK

**CITY OF HAILEY
RESOLUTION 2011-09**

**A RESOLUTION OF THE HAILEY CITY COUNCIL ADOPTING FEES FOR
RESIDENTIAL AND COMMERCIAL SOLID WASTE AND RECYCLING SERVICES**

WHEREAS, the Hailey City Council finds that it is in the best interests of the citizens of Hailey to maintain a comprehensive solid waste and recycling program for both residential and commercial properties within the City of Hailey; and

WHEREAS, the Hailey City Council adopted Hailey Ordinance No. 840 that granted Wood River Rubbish, Inc. an exclusive franchise to provide solid waste and recycling services for both residential and commercial properties within the City of Hailey, subject to the residential and commercial franchise agreements dated April 11, 2003 ("Franchise Agreements");

WHEREAS, the Hailey City Council adopted Hailey Ordinance No. 866 that amended Ordinance No. 840 to show that Obras, L.L.C., d/b/a Clear Creek Disposal, Inc. was the franchisee;

WHEREAS, the Hailey City Council adopted Hailey Ordinance No. 1053 to extend the franchises established in Hailey Ordinance Nos. 840 and 866 to Obras, L.L.C., d/b/a Clear Creek Disposal, Inc. for an additional two (2) year period, from April 11, 2010 through April 11, 2012 subject to the terms and conditions set forth therein and subject to the terms and conditions of the Franchise Agreements;

WHEREAS, the Hailey City Council adopted Resolution 2003-04 in accordance with Section 4(E) of Ordinance No. 840, by which the City of Hailey is required to establish and charge all residential and commercial customers located within the City of Hailey standard weekly rates for collection and transportation of solid waste and recyclable materials and standard rates for extra pickups of solid waste and recyclable materials and other services;

WHEREAS, in order to recapture increased landfill tipping fees established by Blaine County Resolution 2010-65, which are effective on April 1, 2011, Obras, L.L.C., d/b/a Clear Creek Disposal, Inc. has requested a pass-through of those costs to Hailey residents and businesses through a rate increase;

WHEREAS, the Hailey City Council finds, after public hearing on the matter, that an 18% fee increase is too much to be born by a single business, and that disseminating the increased fees to residents and businesses of Hailey is appropriate through the proposed rate increase.

NOW, THEREFORE, BE IT RESOLVED BY THE HAILEY CITY COUNCIL:

Section 1: Repeal of Fees. The City Council of the City of Hailey hereby repeals the fee schedules adopted in Resolution 2003-04.

Section 2: Adoption of Fees. The City Council of the City of Hailey hereby adopts fees for residential and commercial customers located within the City of Hailey for standard weekly rates for collection and transportation of solid waste and recyclable materials and for standard rates for extra pickups of solid waste and recyclable materials and other services. These fees are described in the attached Exhibit A.

Section 3: Effective Date. The fees adopted by this Resolution shall be effective beginning April 1, 2011. Unless otherwise amended by resolution, the fees adopted by this Resolution shall continue in full force and effect until the expiration or termination of the franchise granted to Obras, L.L.C., d/b/a Clear Creek Disposal, Inc. under Hailey Ordinance No. 840, as amended by Hailey Ordinance Nos. 866 and 1053.

THIS RESOLUTION IS ADOPTED this 28th day of March, 2011.

Richard L. Davis, Mayor, City of Hailey

ATTEST:

Mary Cone, City Clerk

AGENDA ITEM SUMMARY

DATE: 03/28/2011 DEPARTMENT: Legal/Administrative DEPT. HEAD SIGNATURE: HD & Ned

SUBJECT: Adoption of Ordinance setting in place an Urban Renewal Agency and Board

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

On January 25, 2010, the Hailey City Council adopted a Resolution 2010-02 finding that the need exists in Hailey for an Urban Renewal Agency. The second step of the process toward implementing a URA is to appoint Commission Members, and adoption of an Ordinance establishing the Agency. There are two steps in this process, we are at the second:

1. Appoint 3-9 members of the community as the URA Board of Commissioners. The mayor puts together a list of nominees, and the council confirms the appointments. This was done with initial appointments of 3 board members in April, 2010, the identification thereafter that the board should ideally consist of 5 members, and a search for two more appointees which culminated in their appointments in the early fall of 2010. (50-2006 b(1) The mayor, by and with the advice and consent of the local governing body, shall appoint a board of commissioners of the urban renewal agency which shall consist of not less than three (3) commissioners nor more than nine (9) commissioners. In the order of appointment, the mayor shall designate the number of commissioners to be appointed, and the term of each, provided that the original term of office of no more than two (2) commissioners shall expire in the same year. The commissioners shall serve for terms not to exceed five (5) years, from the date of appointment, except that all vacancies shall be filled for the unexpired term. For inefficiency or neglect of duty or misconduct in office, a commissioner may be removed only after a hearing and after he shall have been given a copy of the charges at least ten (10) days prior to such hearings and have had an opportunity to be heard in person or by counsel)

2. Adopt a City Ordinance establishing the Urban Renewal Agency and its Board. This ordinance should call out that:

- the Agency is established under the authority of the City as named in Idaho Code (50-2006. Urban renewal agency. (a) There is hereby created in each municipality an independent public body corporate and politic to be known as the "urban renewal agency" for the municipality; provided, that such agency shall not transact any business or exercise its powers hereunder until or unless the local governing body has made the findings prescribed in section 50-2005, Idaho Code)
- call out the board chair (50-2006(c) The mayor may appoint a chairman, a cochairman, or a vice chairman for a term of office of one (1) year from among the commissioners, thereafter the commissioners shall elect the chairman, cochairman or vice chairman for a term of one (1) year from among their members),
- and identify the parameters, roles, responsibilities, purposes, and limits of the Agency. The by-laws of the Urban Renewal Agency Board are generally established by the Agency, rather than the City.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

IC 50-2006 c) A commissioner shall receive no compensation for his services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties.

Hailey staff, consisting of Administrator Heather Dawson, Community Development Director Beth Robrahn, and attorney Ned Williamson are willing to assist in the development of an urban renewal plan.

After the URA Plan is adopted and the tax incremental financing begins to develop its own revenue source, the URA would be able to fund or assist with funding of staff.

50-2006 (d) An urban renewal agency shall have the same fiscal year as a municipality and shall be subject to the same audit requirements as a municipality. An urban renewal agency shall be required to prepare and file with its local governing body an annual financial report and shall prepare, approve and adopt an annual

budget for filing with the local governing body, for informational purposes. A budget means an annual estimate of revenues and expenses for the following fiscal year of the agency.

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IF APPLICABLE)

The City Attorney has drafted an ordinance by which the city council can establish the Urban Renewal Agency and its Board of Commissioners.

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Administrator and Attorney recommend the adoption of this ordinance, and subsequent three readings. Under proposed amendments at the Idaho State Legislature, there is a future possibility that city's may not be allowed to establish such an ordinance without an election. Urban Renewal Agencies remain the strongest single tool available to cities for economic development. Economic Development has been called out by the Hailey City Council as an important goal in recent strategic planning sessions.

FOLLOW-UP REMARKS:

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HAILEY ORDINANCE NO. 1081

AN ORDINANCE OF THE CITY OF HAILEY, IDAHO, AMENDING HAILEY'S MUNICIPAL CODE TO ADD A NEW CHAPTER 2.40 ESTABLISHING A PURPOSE SECTION AND PROVISIONS FOR THE ESTABLISHMENT OF A BOARD OF COMMISSIONERS, THE APPOINTMENT, REMOVAL AND COMPENSATION OF THE BOARD OF COMMISSIONERS, QUORUM AND VOTING, EMPLOYMENT OF AGENTS, FINANCIAL REPORTING, AUDIT REQUIREMENTS, BUDGET AND FISCAL YEAR, COMPLIANCE WITH PUBLIC RECORDS, OPEN MEETING, ETHICS AND BIDDING LAWS, AND CONFLICT OF INTEREST; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A REPEALER CLAUSE; AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE UPON PASSAGE, APPROVAL AND PUBLICATION ACCORDING TO LAW.

WHEREAS, pursuant to Idaho Code § 50-2005, the Hailey City Council has adopted Hailey Resolution No. 2010-02 and has created the Hailey Urban Renewal Agency, thereby authorizing the Hailey Urban Renewal Agency to transact any business or exercise its powers under law;

WHEREAS, Idaho Code § 50-2006 authorizes the Hailey City Council to appoint a board of commissioners for the Hailey Urban Renewal Agency;

WHEREAS, Idaho Code §§ 50-2006 and 50-2017 establish certain guidelines and limitations on commissioners of any urban renewal agency; and

WHEREAS, the Hailey City Council wish to adopt procedures for the appointment and administration of the board of commissioners for the Hailey Urban Renewal Agency.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF HAILEY, IDAHO, AS FOLLOWS:

Section 1. The Hailey Municipal Code is hereby amended to add a new Chapter 2.40, as follows:

CHAPTER 2.40

HAILEY URBAN RENEWAL AGENCY

2.40.010 Purpose. The City of Hailey finds that the establishment of the Hailey Urban Renewal Agency furthers the purposes and goals found in the Idaho Urban Renewal Law of 1965 (Idaho Code §§ 50-2001 *et seq.*) and the Local Economic Development Act (Idaho Code §§ 50-2001 *et seq.*) and that the establishment of this chapter will further the administration of the Hailey Urban Renewal Agency and will assist in accomplishing the purposes and goals of the Idaho Urban Renewal Law of 1965 and the Local Economic Development Act.

2.40.020 Establishment. Pursuant to Hailey Resolution No. 2010-02 and the findings of the Hailey City Council as prescribed in Idaho Code § 50-2005, the Hailey City Council has created the Hailey Urban Renewal Agency. The Hailey Urban Renewal Agency shall consist of a board of commissioners consisting of not less than three (3), nor more than nine (9) commissioners.

2.40.030 Appointment, Removal and Compensation.

a) The mayor, by and with the advice and consent of the Hailey City Council, shall appoint a board of commissioners of the urban renewal agency. In the order of appointment, the mayor shall designate the number of commissioners to be appointed, and the term of each, provided that the original term of office of no more than two (2) commissioners shall expire in the same year. The commissioners shall serve for terms not to exceed five (5) years, from the date of appointment, except that all vacancies shall be filled for the unexpired term. The mayor of the City of Hailey may appoint a chairman, a cochairman, or a vice chairman for an initial term of office of one (1) year from among the commissioners. Thereafter, the commissioners shall elect the chairman, cochairman or vice chairman for a term of one (1) year from among their members. Each commissioner shall hold office until a successor has been appointed and has qualified. A certificate of the appointment or reappointment of any commissioner shall be filed with the Hailey City Clerk and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner.

b) By enactment of an ordinance, the Hailey City Council may terminate the appointed board of commissioners and thereby appoint and designate itself as the board of commissioners of the Hailey Urban Renewal Agency, in which case all the rights, powers, duties, privileges and immunities vested by Idaho Code §§ 50-2001 et seq., and as amended, in an appointed board of commissioners, shall be vested in the Hailey City Council, who shall, in all respects when acting as the Hailey Urban Renewal Agency, be acting as an arm of state government, entirely separate and distinct from the City of Hailey, to achieve, perform and accomplish the public purposes prescribed and provided by Idaho Code §§ 50-2001 et seq., and as amended.

c) For inefficiency or neglect of duty or misconduct in office, a commissioner may be removed only after a hearing and after the commissioner shall have been given a copy of the charges at least ten (10) days prior to such hearings and have had an opportunity to be heard in person or by counsel.

d) A commissioner shall receive no compensation for commissioner's services but shall be entitled to the necessary expenses, including travel expenses, incurred in the discharge of the commissioner's duties.

2.40.040 Quorum and Voting. The powers of the Hailey Urban Renewal Agency shall be exercised by the commissioners thereof. A majority of the commissioners shall constitute a quorum for the purpose of conducting business and exercising the powers of the agency and for all other purposes. Action may be taken by the agency upon a vote of a majority of the commissioners present, unless in any case the bylaws shall require a larger number.

2.40.050 Employment of Agents. The Hailey Urban Renewal Agency may employ an executive director, technical experts and such other agents and employees, permanent and temporary, as it may require, and determine their qualifications, duties and compensation. For such legal service as it may require, the Hailey Urban Renewal Agency may employ or retain its own counsel and legal staff.

2.40.060 Financial Reporting, Audit Requirements, Budget and Fiscal Year.

a) The Hailey Urban Renewal Agency shall file, with the City of Hailey, on or before March 31 of each year a report of its activities for the preceding calendar year, which report shall include a complete financial statement setting forth its assets, liabilities, income and operating expense as of the end of such calendar year. At the time of filing the report, the Hailey Urban Renewal Agency shall

publish in a newspaper of general circulation in the City of Hailey a notice to the effect that such report has been filed with the City of Hailey and that the report is available for inspection during business hours in the office of the Hailey City Clerk and in the office of the Hailey Urban Renewal Agency.

b) The Hailey Urban Renewal Agency shall have the same fiscal year as the City of Hailey and shall be subject to the same audit requirements as the City of Hailey. The Hailey Urban Renewal Agency shall be required to prepare and file with the City of Hailey an annual financial report and shall prepare, approve and adopt an annual budget for filing with the City of Hailey, for informational purposes. A budget means an annual estimate of revenues and expenses for the following fiscal year of the Hailey Urban Renewal Agency.

2.40.070 Compliance with Public Records, Open Meeting, Ethics and Bidding Laws. The Hailey Urban Renewal Agency shall comply with the public records law pursuant to chapter 3, title 9, Idaho Code, open meetings law pursuant to chapter 23, title 67, Idaho Code, the ethics in government law pursuant to chapter 7, title 59, Idaho Code, and the competitive bidding provisions of chapter 28, title 67, Idaho Code.

2.40.080 Conflict of Interest. No public official or employee of the City of Hailey (or board or commission thereof), and no commissioner or employee of the Hailey Urban Renewal Agency shall voluntarily acquire any personal interest, direct or indirect, in any urban renewal project, or in any property included or planned to be included in any urban renewal project in the City of Hailey or in any contract or proposed contract in connection with such urban renewal project. Where such acquisition is not voluntary, the interest acquired shall be immediately disclosed in writing to the Hailey Urban Renewal Agency and such disclosure shall be entered upon its minutes. If any such official, commissioner or employee presently owns or controls, or owned or controlled within the preceding two (2) years, any interest, direct or indirect, in any property which he or she knows is included or planned to be included in an urban renewal project, the official, commissioner or employee shall immediately disclose this fact in writing to the Hailey Urban Renewal Agency, and such disclosure shall be entered upon its minutes, and any such official, commissioner or employee shall not participate in any action by the City of Hailey (or board or commission thereof), or the Hailey Urban Renewal Agency affecting such property. Any violation of the provisions of this section shall constitute misconduct in office.

Section 2. Should any section or provision of this Ordinance be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of the Ordinance as a whole or any part thereof other than the part so declared to be unconstitutional or invalid.

Section 3. All City of Hailey ordinances or resolutions or parts thereof, which are in conflict herewith, are hereby repealed.

Section 4. This ordinance shall be in full force and effect from and after the required three (3) readings, approval, and publication according to law.

PASSED AND ADOPTED BY THE HAILEY CITY COUNCIL AND APPROVED BY THE MAYOR THIS ____ DAY OF APRIL, 2011.

Richard L. Davis, Mayor, City of Hailey

Attest:

Mary Cone, City Clerk

Publish: Idaho Mountain Express _____, 2011

