

11/18/13

AGENDA ITEM SUMMARY

DATE: ~~11/04/2013~~ DEPARTMENT: PW - Water DEPT. HEAD SIGNATURE: 

SUBJECT: Public Hearing and timeline on proposed Cross Connection Ordinance (Continued from 8/26/13 meeting)

AUTHORITY:  ID Code \_\_\_\_\_  IAR \_\_\_\_\_  City Ordinance/Code \_\_\_\_\_  
(IF APPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

This Ordinance was first considered on June 17, 2013 and a first reading conducted. On July 1, 2013 the ordinance was brought back for further public hearing and tabled to allow staff time for further research. This Ordinance was considered again on August 26, 2013 and was continued to the second meeting in October. It was further continued to the first meeting in November.

The Ordinance included is from the July 1 meeting. Should City Council wish to place the responsibility of an annual inspection on the property owners this ordinance would be ready for adoption. However, if the choice is to either have city employees conduct the tests or to contract this service out on a city-wide basis then the ordinance will need some further revision and a method of setting up fees would need to be developed.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

Budget Line Item # \_\_\_\_\_ YTD Line Item Balance \$ \_\_\_\_\_  
Estimated Hours Spent to Date: \_\_\_\_\_ Estimated Completion Date: \_\_\_\_\_  
Staff Contact: \_\_\_\_\_ Phone # \_\_\_\_\_  
Comments: \_\_\_\_\_

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IF APPLICABLE)

<input type="checkbox"/> City Attorney	<input type="checkbox"/> Clerk / Finance Director	<input type="checkbox"/> Engineer	<input type="checkbox"/> Building
<input type="checkbox"/> Library	<input type="checkbox"/> Planning	<input type="checkbox"/> Fire Dept.	_____
<input type="checkbox"/> Safety Committee	<input type="checkbox"/> P & Z Commission	<input type="checkbox"/> Police	_____
<input type="checkbox"/> Streets	<input type="checkbox"/> Public Works, Parks	<input type="checkbox"/> Mayor	_____

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

11/13 Motion to approve Ordinance 1140, conduct the first reading by title only.

11/18/13 - 2<sup>nd</sup> Reading

12/2 - 3<sup>rd</sup> Reading & Summary

FOLLOW-UP REMARKS:

\*

HAILEY ORDINANCE NO. 1140

AN ORDINANCE OF THE CITY OF HAILEY AMENDING, SECTION 13.04.060 OF THE HAILEY MUNICIPAL CODE, TO PROVIDE FOR THE INSTALLATION AND MAINTENANCE OF BACKFLOW PREVENTION DEVICES AND FOR INSPECTION; BY PROVIDING FOR A REPEALER CLAUSE; BY PROVIDING FOR A SEVERABILITY CLAUSE AND BY PROVIDING AN EFFECTIVE DATE AFTER JANUARY 1, 2014.

WHEREAS, the Mayor and the City Council of the City of Hailey wish to amend the Hailey Municipal Code to ensure the safety of the City of Hailey water supply, to comply with state mandated water regulations, and to allow residents adequate time to comply with state mandated regulations; and

WHEREAS, the Mayor and City Council find that the amendments to the Chapter will further the public health, safety and general welfare.

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

**Section 1.** Section 13.04.060 of the Hailey Municipal Code is hereby amended by the addition of the underlined language and by the deletion of the stricken language, as follows:

13.04.060 Cross connections. By adopting this Section, the City hereby establishes and will implement a Cross Connection program to prevent the entrance to the Municipal Water System of materials known to be toxic or hazardous in accordance with the standards for Cross Connections set forth in the shall adhere to Idaho Administrative Code, IDAPA 58.01.08 – Idaho Rules for Public Drinking Water Systems, as amended (“Cross Connection Standards”).

- A. Cross Connections Prohibited. The installation or maintenance of a Cross Connection is hereby prohibited. Any such Cross Connection now existing is declared a nuisance and shall be removed or abated upon order of the City. Failure to remove a Cross Connection or install an approved Backflow Prevention Device as ordered within ten (10) days of the order shall result in discontinuance of municipal water service until compliance is made.
- B. Backflow Prevention Devices. Any facility requiring a Backflow Prevention Device shall follow the requirements of the Cross Connection Standards Idaho Administrative Code, IDAPA 58.01.08, Subsection 900.02 (Table 2), as amended. The minimum required Backflow Prevention Device shall be require a testable double check valve.
- C. Inspections of Existing Buildings, Structures or Improvements. Inspections by the City or its authorized agent, bearing proper credentials and identification, may be made of any existing building, structures or improvements of any nature receiving water from the mMunicipal wWater Systems supply. The City Water Division Manager Superintendent or his authorized agent shall make an inspection of any property, building, improvement or structure of any nature receiving water from the mMunicipal wWater System supply if there appears probable cause to believe that a Cross Connection exists or that a Backflow Prevention Device should be installed.

D. Required Installations. Backflow Prevention Devices shall be installed at the Owner's expense at the ties on the premises or within any premises where, in the judgment of the City, the nature and extent of activities or the materials stored on the premises would present an immediate and dangerous hazard to health and/or be deleterious to the quality of the water should a Cross Connection occur, even though such Cross Connection does not exist at the time. In such circumstances, Backflow Prevention Devices may be required in the following premises:

1. Premises having an auxiliary water supply, unless the quality of the auxiliary supply is in compliance with the Cross Connection Standards and are acceptable to the City.
2. Premises having internal Cross Connections that are not correctable, or intricate plumbing arrangements which make it impracticable to ascertain whether Cross Connections exist.
3. Premises having a repeated history of Cross Connections.
4. Premises on which any substance is handled under pressure so as to permit entry into the Municipal Water System or where a Cross Connection could reasonably be expected to occur, including the handling of process waters and cooling waters.
5. Premises where materials of a toxic or hazardous nature are handled in such a way that if back siphonage should occur, a health hazard might result.
6. The following premise, unless the City and/or a health officer determine that no hazard exists:
  - a. Hospitals, mortuaries, clinics.
  - b. Laboratories.
  - c. Metal plating industries.
  - d. Sewage treatment plants.
  - e. Food or beverage processing plants.
  - f. Chemical plants using a water process.
  - g. Petroleum processing or storage plants.
  - h. Radioactive material processing plants or nuclear reactors.
  - i. Dry Cleaners
  - j. Others as specified by the health officer.
7. Other premises where Backflow Prevention Devices are reasonably required to protect the Municipal Water System.
8. Under circumstances set forth in this subsection, the City shall have the right to require a reduced pressure principle Backflow Prevention Device or a proper air gap separation to be installed at the property line.

E. Minimum Backflow Prevention Device. The type of Backflow Prevention Device required to be installed conform with the requirements of the Cross Connection Standards and shall depend on the degree of hazard which exists.

1. An air gap separation and/or a reduced pressure principle Backflow Prevention Device shall be installed where the Municipal Water System may be contaminated with sewage, industrial waste of a toxic nature, or other contaminant which could cause a health or system hazard.
2. In the case of a substance which may be objectionable but not hazardous to health, a double check valve assembly, air gap separation, or a reduced pressure principle Backflow Prevention Device shall be installed.
3. Where lawn sprinkling systems using the Municipal Water System are installed, double check valve assembly, reduced pressure principle Backflow Prevention Device, or an air gap separation shall be installed.

F. Installation. Backflow Prevention Devices required by this section (with the exception of fire sprinkler or standpipe systems) shall be installed at the Water Meter no closer than five feet (5') from the property line of the premises, or at a location approved by the City. The device shall be located so as to be readily accessible for maintenance, inspection and testing, and where no part of the device shall be submerged.

G. Annual Testing Required. Backflow Prevention Devices required by this chapter shall be installed under a permit issued by the City, and shall not be used until the same is tested by the installer and reported to the City, and inspected and approved by qualified City personnel. There shall be no charge for the permit and inspection by the City prior to approval of the installation. Thereafter, the Owner shall have such Backflow Prevention Device tested by a certified backflow prevention tester annually. Such testing, together with all maintenance and repair of such device, shall be at the Owner's expense and shall be completed by no later than August 1 of each year. All Backflow Prevention Devices shall be tested by a certified backflow prevention device tester at the Owner's expense. Whenever a device does not pass an annual test or is found to be defective, the devices shall, at the Owner's expense, be repaired, replaced, or isolated within ten (10) business days. Failure of the Owner to comply with the rules for installation, maintenance, repair, replacement, isolation, testing or inspection of Backflow Prevention Devices required by this Section shall be grounds for the termination of water service to the premises.

H. Approved Backflow Preventive Devices. Any Backflow Preventive Device required by this Section shall conform with the requirements of the Cross Connection Standards. These devices shall be furnished and installed by and at the expense of the Owner.

I. Irrigation Systems. No irrigation system shall be installed without adequate Backflow Prevention Devices at the point from which the water for irrigation is taken from the Municipal Water System, or at a location approved by the City.

J. Fire Sprinkler Protection Systems and Fire Hydrants. All existing fire sprinkler or standpipe protection systems shall have an approved Backflow Prevention Device installed and tested

by a licensed fire sprinkler installer. Failure to properly install or maintain the device may result in daily fines as provided for by the International Fire Code and the Hailey Municipal Code. Any termination of water supply to a required fire sprinkler or standpipe system will prevent the continued occupancy or use of the building until the water supply is re-established. Fire sprinkler and standpipe systems shall typically be installed on a separate water supply line prior to any Water Meter. No connection will be made to any Fire Hydrant by any person without having first received the permission of the City, except for firefighting purposes.

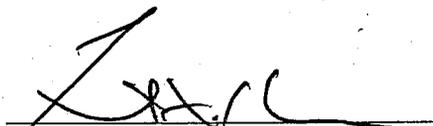
K. Private Water System. No person shall make or permit the Cross Connection of any Private Water System to a water line that is served by the Municipal Water System except as provided in this chapter. Whenever an Owner connects to the Municipal Water System, the Owner at Owner's expense shall physically disconnect any Private Water System from the Municipal Water System in such a manner that water from a Private Water System will never pass through the same pipes that carry water from the Municipal Water System, except as may be approved by the City and health officer.

**Section 2.** All Ordinances or Resolutions or parts thereof in conflict herewith are hereby repealed and rescinded.

**Section 3.** If any section, paragraph, sentence or provision hereof or the application thereof to any particular circumstances shall ever be held invalid or unenforceable, such holding shall not affect the remainder hereof, which shall continue in full force and effect and applicable to all circumstances to which it may validly apply.

**Section 4.** This Ordinance shall be in full force and effect on January 1, 2014 and after its passage, approval and publication according to law.

**PASSED AND ADOPTED BY THE HAILEY CITY COUNCIL** and approved by the Mayor this \_\_\_ day of December, 2013.

  
Fritz X. Haemmerle, Mayor  
City of Hailey

ATTEST:

\_\_\_\_\_  
Mary Cone, City Clerk

AGENDA ITEM SUMMARY

DATE: 12/2/2013

DEPARTMENT: Legal

DEPT. HEAD SIGNATURE: \_\_\_\_\_

SUBJECT:

Summary of Hailey Ordinance No. 1140 (Cross Connection Ordinance amendment)

AUTHORITY:  ID Code \_\_\_\_\_  IAR \_\_\_\_\_  City Ordinance/Code \_\_\_\_\_  
(IF APPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

I am enclosing a summary of Hailey Ordinance No. 1140 which amended the cross connection ordinance in Section 13.04.060 of the Hailey Municipal Code.

Ned

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS: Caselle # \_\_\_\_\_  
Budget Line Item # \_\_\_\_\_ YTD Line Item Balance \$ \_\_\_\_\_  
Estimated Hours Spent to Date: \_\_\_\_\_ Estimated Completion Date: \_\_\_\_\_  
Staff Contact: \_\_\_\_\_ Phone # \_\_\_\_\_  
Comments:

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IF APPLICABLE)  
\_\_\_\_ City Attorney      \_\_\_\_ Clerk / Finance Director      \_\_\_\_ Engineer      \_\_\_\_ Building  
\_\_\_\_ Library      \_\_\_\_ Planning      \_\_\_\_ Fire Dept.      \_\_\_\_  
\_\_\_\_ Safety Committee      \_\_\_\_ P & Z Commission      \_\_\_\_ Police      \_\_\_\_  
\_\_\_\_ Streets      \_\_\_\_ Public Works, Parks      \_\_\_\_ Mayor      \_\_\_\_

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Make a motion to approve the summary of Hailey Ordinance No. 1140.

FOLLOW-UP REMARKS:

## SUMMARY OF HAILEY ORDINANCE NO. 1140

The following is a summary of the principal provisions of Ordinance No. 1140 of the City of Hailey, Idaho, duly passed and adopted December 2, 2013, by the City Council and Mayor of the City of Hailey:

AN ORDINANCE OF THE CITY OF HAILEY AMENDING, SECTION 13.04.060 OF THE HAILEY MUNICIPAL CODE, TO PROVIDE FOR THE INSTALLATION AND MAINTENANCE OF BACKFLOW PREVENTION DEVICES AND FOR INSPECTION; BY PROVIDING FOR A REPEALER CLAUSE; BY PROVIDING FOR A SEVERABILITY CLAUSE AND BY PROVIDING AN EFFECTIVE DATE AFTER JANUARY 1, 2014.

Hailey Ordinance No. 1140 amends Section 13.04.060 of the Hailey Municipal Code, as follows:

**Section 1** amends Section 13.04.060 of the Hailey Municipal Code to a) establish and implement a cross connection program designed to prevent the entrance of toxic or hazardous materials into the Municipal Water System, b) require the installation of backflow prevention devices, at the owner's expense, on premises where the nature and extent of activities or materials stored on the premises would present an immediate and dangerous hazard to health and/or be deleterious to the quality of the water should a Cross Connection occur, even though such Cross Connection does not exist at the time, c) establish minimum standards for backflow prevention devices meeting cross connection standards established by the State of Idaho, d) require the location for the installation of approved backflow prevention devices, e) require the installation of backflow prevention devices pursuant to a permit issued by the City of Hailey, f) require an annual inspection test of the backflow prevention device conducted by a certified backflow prevention device tester, g) require the installation of an approved backflow prevention device for an irrigation system, h) require the installation of an approved backflow prevention device for existing fire sprinkler or standpipe protection systems by a licensed fire sprinkler installer, and i) prohibit a cross connection of any Private Water System with a water line served by the Municipal Water System except as approved by the City of Hailey and a health officer.

**Section 2** provides for a repealer clause.

**Section 3** provides for a severability clause.

**Section 4** provides for an effective date of the ordinance of January 1, 2014.

The full text of Ordinance No. 1140 is available at Hailey City Hall at 115 South Main Street, Suite H, Hailey, Idaho 83333 and will be provided to any citizen upon request during regular business hours.

## CERTIFICATION OF CITY ATTORNEY

I, the undersigned Attorney at Law, as attorney for the City of Hailey, Idaho, hereby certify that I have read the foregoing summary of Ordinance No. 1140 of the City of Hailey, that I have compared it to the full text of Ordinance No. 1140, and that in my opinion, the above summary is true and complete and provides adequate notice to the public of the contents of said Ordinance.

Dated this 2<sup>nd</sup> day of December, 2013.

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Ned Williamson, Hailey City Attorney

Publish: Idaho Mountain Express, December \_\_, 2013

AGENDA ITEM SUMMARY

DATE: 11/18/2013 DEPARTMENT: DEPT. HEAD SIGNATURE: NW and HD and MC

SUBJECT:

1% Air LOT Implementation

AUTHORITY:  ID Code \_\_\_\_\_  IAR \_\_\_\_\_  City Ordinance NO.1133  
(IF APPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

Hailey and other cities adopted a Joint Powers Agreement prior to approving the 1% LOT ballot. Implementation of the LOT, the JPA, and the Air Services Board will occur over the next two months. Information is attached for city council discussion and decision.

**Tonight's Council action items include:**

- Adoption of Resolution canvassing election for Hailey City Council Seats 1 and 2, and 1% Air LOT
- First Reading of Ordinance 1133, adopted by voters on November 5, 2013
- Discussion of implementation of JPA; establishment of criteria for Air Service Board appointments

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

Budget Line Item # \_\_\_\_\_ YTD Line Item Balance \$ \_\_\_\_\_  
 Estimated Hours Spent to Date: \_\_\_\_\_ Estimated Completion Date: \_\_\_\_\_  
 Staff Contact: \_\_\_\_\_ Phone # \_\_\_\_\_  
 Comments: \_\_\_\_\_

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IF APPLICABLE)

____ City Attorney	____ Clerk / Finance Director	____ Engineer	____ Building
____ Library	____ Planning	____ Fire Dept.	_____
____ Safety Committee	____ P & Z Commission	____ Police	_____
____ Streets	____ Public Works, Parks	____ Mayor	_____

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

**Tonight's Council action items include:**

- Adoption of Resolution canvassing election for Hailey City Council Seats 1 and 2, and 1% Air LOT
- First Reading of Ordinance 1133, adopted by voters on November 5, 2013
- Discussion of implementation of JPA; establishment of criteria for Air Service Board appointments

FOLLOW-UP REMARKS:

\* 11/18 - first reading of Ord. 1133 / adopted Resolution 2013-02  
 for canvassing election results soon County.  
 12/2 - 2nd Reading  
 12/16 - 3rd Reading & -115-nary

# MEMORANDUM

TO: Hailey Mayor and City Council Members  
FROM: Ned C. Williamson  
DATE: November 18, 2013  
RE: LOT Ordinance

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As you know, the voters have approved of a one percent (1%) increase on the local option tax on hotel/motel occupancy and car rentals. With this approval, I would suggest that Hailey takes the following actions:

1. Adopt Ordinance No. 1133 and conduct the first reading. Ordinance No. 1133 has an effective date of January 1, 2014. Consequently, there will be ample opportunity to conduct three readings of the ordinance and publish the ordinance before the effective date. I will present a summary of Ordinance No. 1133 for approval at the last meeting.

2. Adopt Resolution No. ~~2013-82~~ to proclaim the results of the election. See attached resolution.

3. Hailey will need to adopt criteria for the selection of its member on the Air Service Board ("Board"). We have already adopted a Joint Powers Agreement ("JPA") which will govern the operations of the Board. A copy of the JPA is attached. Under the JPA, Hailey needs to adopt criteria for the selection of the Board member subject to certain minimal qualifications established by the JPA. The JPA requires that a) the Board member be eighteen years or older, b) the Board member be appointed without consideration of political affiliation or religious denomination, c) the Board member serve without compensation and d) the Board member not have a financial interest in contracts with or be employed by the Board. *See JPA, Section 2.* As recognized by the JPA, the Board will have a limited scope of operation. *See JPA, Section 6.* In light of these parameters, I have drafted criteria for the selection of the Board member. As you can tell by the criteria, I have essentially used the same criteria set forth in the JPA as criteria to be used in the selection of the Hailey representative.

4. Once the criteria are adopted, then Hailey should select its member on the Board.

An organizational meeting was conducted on November 13. Heather Dawson and Micah Austin attended, and report the information from that meeting on Page 3 of this memo.

cc: Heather Dawson (w/ encl.)  
Micah Austin (w/ encl.)

## SELECTION CRITERIA FOR AIR SERVICE BOARD

Hailey's representative on the Sun Valley Air Service Board ("Board") shall be appointed by the Hailey Mayor with the consent and approval of the Hailey City Council. The Board member shall be appointed for a one (1) year term and shall serve without compensation.

Criteria:

1. The Board member shall be eighteen years or older.
2. The Board member shall be appointed without consideration of political affiliation or religious denomination.
3. At the time of appointment, the Board member shall not have and shall not reasonably be expected to have a conflict of interest as a member on the Board. Consistent with the Ethics in Government Act (*Idaho Code §§ 59-701 et seq.*), a conflict of interest shall be defined as any official action or any decision or recommendation by the member on the Board, the effect of which would be to the private pecuniary benefit of the member or a person within member's household, or a business with which the member or a person within the member's household is associated, unless the pecuniary benefit arises out of the following:
  - (a) An interest or membership in a particular business, industry, occupation or class required by law as a prerequisite to the holding by the person of the office or position;
  - (b) Any action in the member's official capacity which would affect to the same degree a class consisting of an industry or occupation group in which the member or a person within the member's household or business with which the member is associated, is a member or is engaged;
  - (c) Any interest which the member has by virtue of his/her profession, trade or occupation where his/her interest would be affected to the same degree as that of a substantial group or class of others similarly engaged in the profession, trade or occupation;
  - (d) Any action by the member upon any revenue measure, any appropriation measure or any measure imposing a tax, when similarly situated members of the general public are affected by the outcome of the action in a substantially similar manner and degree.

**STAFF ORGANIZATIONAL for JPA and Air Services Board Implementation**

Staff members from the Cities of Hailey, Ketchum, and Sun Valley, Fly Sun Valley Alliance and the Sun Valley Marketing Alliance met to discuss implementation details relative to the LOT JPA and the Air Services Board. Points of discussion included the following:

**Name/Acronym** – a request was made that an acronym not be used for the Air Services Board, as there are so many acronyms with the same letters.

**Appointment Criteria** - A discussion of appointment criteria was held; the contribution by Ned Williamson was appreciated and will largely be modeled by other cities as a strong base, with the potential addition of other criteria. All other entities expressed a strong desire that elected officials be appointed to the board.

**Board Voting Percentage** - The JPA calls out voting percentages for 2014 based on LOT collected in the ballot categories during FY 2013. The percentages, if rounded to a whole number, give Ketchum 50% of voting power and in simple majority issues, if Ketchum disagrees with Hailey and Sun Valley, tie votes would ensue. Not rounded to a whole number, the voting percentages calculations create a scenario wherein two cities would need to agree to reach a simple majority, and Ketchum and Sun Valley would need to agree to reach a super-majority. Hailey’s vote would not be influential in super-majority voting categories, only in simple majority. These percentages will change in subsequent years, based on LOT collection.

*Air Services Board JPA Voting Calculations for 2014*

**Total LOT collected in FY12:**

Ketchum	\$1,774,378
Sun Valley	\$1,248,522
Hailey	\$ 180,385 (collected on lodging and car rentals)
<b>Total LOT collected</b>	<b>\$3,203,285</b>

**Percent of Total LOT collected**

Ketchum	55.4%
Sun Valley	39.0%
Hailey	5.7%
<b>Total</b>	<b>= 100%</b>

**Each city’s percentage of total LOT multiplied by 90%**

Ketchum	= (.554 x .9) = 49.8%
Sun Valley	= (.390 x .9) = 35.1%
Hailey	= (.057 x .9) = 5.1%
<b>Total</b>	<b>= 90%</b>

**Add 10% to Hailey’s figure:**

Ketchum	= 49.8%
Sun Valley	= 35.1%
Hailey	= 5.1% + 10% = 15.1%
<b>Total</b>	<b>= 100%</b>

**Staffing/Contracts for Services** – Under the JPA, the Air Services Board will not have staff, but will enter into contracts for services. These will likely include bookkeeping services, administrative services such as meeting notices, agenda postings, and minutes production, legal services, as well as the contracts for services for maintain and increasing air service and air service marketing. In a spirit of cooperation and to keep start-up overhead low, various cities offered to examine whether assisting in certain services would be helpful during start-up. Meetings may be rotated around different cities, and the hosting city would produce minutes. Ketchum staff would possibly handle meeting notices and agendas, SV staff may handle accounting work, Hailey staff may handle legal coordination. The legal work itself would be contracted and paid, and we offered Hailey's attorney to perform legal work.

**Logistics of Collecting and Reporting the LOT Tax** – Businesses will not be asked to separate the tax. The Clerk or Treasurers of each city receiving the tax will calculate the correct amount, receipt it directly into its own line item, and report the tax separately. Before the tax is remitted to the Air Services Board, direct costs incurred by each city in collecting the tax will be deducted. The first tax will be collected near the end of February, and distributed in March 2014.

RESOLUTION NO. 2013-82

A RESOLUTION OF THE CITY OF HAILEY, IDAHO, ACCEPTING THE CANVASSED ELECTION RESULTS FROM THE BLAINE COUNTY BOARD OF COMMISSIONERS AND PROCLAIMING THE RESULTS OF THE SPECIAL MUNICIPAL ELECTION HELD ON TUESDAY NOVEMBER 5, 2013, AS FINAL.

WHEREAS, consolidation of elections became effective January 1, 2011. Pursuant to Section 34-1401, Idaho Code, all municipal elections shall be conducted by the county clerk of the county wherein the city lies, and elections shall be administered in accordance with the provisions of Title 34, Idaho Code.

WHEREAS, that a general election was held in and for the City of Hailey, Idaho, on Tuesday, November 5, 2013 for the purpose of a ballot measure to increase the Local-Option Non-property Sales Tax by 1% for car rental and hotel rooms for maintaining and increasing commercial air service.

WHEREAS, the City Council presented the following question to the voters:

“Shall the City of Hailey, Idaho (the “City”) adopt Ordinance No. 1133, which shall provide for the imposition and collection of, for a period of five (5) years from its effective date of January 1, 2014, certain local-option non-property taxes to raise the current rates of LOT as follows:”

(A) **An additional one percent (1%)** tax on the total amount charged for rental use or temporary occupancy of a room or living unit in a hotel or motel.

(B) **An additional one percent (1%)** tax on the total amount charged for rental use of a rental vehicle.

The purposes for which the revenues derived from the additional one percent (1%) of each of said taxes shall be used, pursuant to a joint powers agreement, are as follows:

a) maintaining and increasing commercial air service to Friedman Memorial Airport through the use of Minimum Revenue Guarantees or other inducements to providers;

b) promoting and marketing the existing service and any future service to increase passengers;

c) for all ancillary costs which are associated with the ongoing effort to maintain and increase commercial air service, including reasonable program management costs and busing due to flight diversion(s); and

d) direct costs to collect and enforce the tax, including administrative and legal fees.

all as provided in Ordinance No. 1133 approved by the Hailey City Council on August 26, 2013?

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HAILEY, IDAHO:

The said election was duly held during the hours prescribed at the polling place designated. The Official Ballots prepared and distributed by the Blaine County Clerk, were used by the Voters at said Election for casting their votes.

The Blaine County Board of Commissioners canvassed the November 5, 2013 Election Results on Tuesday, November 12, 2013. Attachment A has Election Results by Precinct and Voting Statistics by Precinct.

The City Council of the City of Hailey, Idaho, hereby accepts the canvassed election results from the Blaine County Board of Commissioners and proclaims the results of the Municipal Election held in the City of Hailey, Idaho, on Tuesday, November 5, 2013, as final.

ABSTRACT

LOCAL OPTION TAX – 60% NEEDED TO PASS

IN FAVOR	578	66.1%
AGAINST	<u>296</u>	33.9%
Total	874	
Registered Voters at Cutoff	2,307	
Election Day Registrants	46	
Total Registered Voters	2,363	
Number of Ballots Cast	657	

PASSED BY THE CITY COUNCIL this 18th day of November 2013.

SIGNED BY THE MAYOR AND THE CITY CLERK this 18<sup>th</sup> day of November 2013.

\_\_\_\_\_  
Fritz X. Haemmerle  
Mayor

ATTEST:

\_\_\_\_\_  
Mary Cone  
City Clerk

# Attachment "A"

OFFICIAL ELECTION CANVASS NOVEMBER 5, 2013

Precinct	Hailey Council Seat 1		Hailey Council Seat 2		Hailey LOT	
	Burke	Denekas	Keirn	Moore	In Favor	Against
007 - NW Hailey	107	44	106	38	118	42
008 - NE Hailey	128	68	126	60	132	72
009 - SW Hailey	119	56	112	59	120	60
010 - NW Woodside	46	33	46	32	57	30
011 - SE Woodside	54	34	60	25	52	46
Absentee	98	40	88	45	99	46
<b>City Total</b>	<b>552</b>	<b>275</b>	<b>538</b>	<b>259</b>	<b>578</b>	<b>296</b>

# Attachment 'A'

## OFFICIAL ELECTION CANVASS NOVEMBER 5, 2013

Precinct	Total Number of Registered Voters at Cutoff	Early Voting Election Day Registrations	Election Day Registrants Form Polls	Total Number of Registered Voters	Early Voting / Absentee Ballots Cast	Ballots Cast at Polls	Total Number of Ballots Cast	Percent of Registered Voters that Voted
002 Sun Valley	945	5	14	964	116	312	428	44.40%
003 N Ketchum	938	8	67	1013	136	474	610	60.22%
004 S Ketchum	1103	10	100	1213	101	617	718	59.19%
007 NW Hailey	798	4	16	818	41	161	202	24.69%
008 NE Hailey	785	3	15	803	33	206	239	29.76%
009 SW Hailey	724	3	15	742	34	182	216	29.11%
010 NW Woodside	635	3	8	646	20	87	107	16.56%
011 SE Woodside	717	1	9	727	19	99	118	16.23%
013 Bellevue	971	2	3	976	13	44	57	5.84%
014 Carey	464	0	4	468	1	42	43	9.19%
<b>County Total</b>	<b>8080</b>	<b>39</b>	<b>251</b>	<b>8370</b>	<b>514</b>	<b>2224</b>	<b>2738</b>	<b>32.71%</b>

Attachment 'A'

STATE OF IDAHO  
COUNTY OF BLAINE

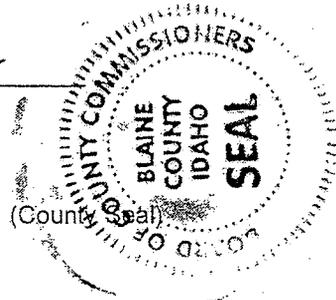
} ss.

We, the commissioners of the county and state aforesaid, acting as a Board of Canvassers of Election, convened on November 12, 2013, do hereby state that the attached is a true and complete abstract of all votes cast within this county for the candidates and/or questions as they appeared at the election held on November 5, 2013, as shown by the records now on file in the County Clerk's office.

*[Signature]*  
\_\_\_\_\_  
*Angus McLean*  
\_\_\_\_\_

*[Signature]*  
\_\_\_\_\_  
County Board of Canvassers

Attest: *[Signature]*  
\_\_\_\_\_  
County Clerk



HAILEY ORDINANCE NO. 1133

AN ORDINANCE OF THE CITY OF HAILEY, IDAHO, AMENDING ORDINANCE NO. 950, WHICH PROVIDES FOR THE IMPOSITION OF LOCAL OPTION TAXES; AMENDING SECTIONS 5.32.030, 5.32.040 AND 5.32.050 OF THE HAILEY MUNICIPAL CODE TO PROVIDE FOR AN ADDITIONAL ONE PERCENT (1%) TAX ON RENTAL VEHICLES AND HOTEL-MOTEL OCCUPANCY FOR FIVE (5) YEARS; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A REPEALER CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of Hailey is authorized to collect local option taxes pursuant to Hailey Ordinance Nos. 950 and 1035;

WHEREAS, the City of Hailey has determined it is in the best interest of the public to amend Ordinance No. 950 to provide for an increase to the local option non-property tax for the purpose of maintaining and increasing commercial air service; and

WHEREAS, on November 5, 2013, the voters of the City of Hailey approved of the adoption of Hailey Ordinance No. 1133 with an affirmative vote by 66.1% of the voters.

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

**Section 1.** Section 5.32.030 of the Hailey Municipal Code is amended by the addition of the underlined language and by the deletion of the stricken language, as follows:

5.32.030     Imposition of Certain Non-Property Taxes. The City hereby imposes and shall collect certain non-property taxes as follows:

(A) Rental Vehicle Tax: A tax is hereby imposed at the rate of ~~three~~ four percent (34%) on the Rental Vehicle Charge for each Rental Vehicle rented or leased within the City. The Rental Vehicle tax shall apply to and be computed on the rental of all Rental Vehicles including all credit, installment, conditional or similar rental or lease fees at the time the Rental Vehicle Charge is charged. The Rental Vehicle tax shall be collected by the owner or his authorized agent from the renter or lessee.

(B) Hotel-Motel Occupancy Tax: A tax is hereby imposed at the rate of ~~three~~ four percent (34%) on the Room Occupancy Charge for each Hotel-Motel room or living unit rented or leased within the City. The Hotel-Motel occupancy tax shall apply to and be computed on the rental of all Hotel-Motel rooms including all credit, installment, conditional or similar rental or lease fees at the time the Room Occupancy Charge is charged. The Hotel-Motel occupancy tax shall be collected by the owner of the Hotel-Motel or his authorized agent from the renter or lessee.

(C) Liquor By-The-Drink Tax: A tax is hereby imposed at rate of two percent (2%) of the Sales Price upon each Retail Sale of Liquor By-The-Drink within the City. The tax shall apply to and be computed on all Retail Sales of Liquor By-The-Drink including credit, or similar sales at the time of the sale. The Liquor By-The-Drink tax shall be collected by the retailer from the consumer.

(D) Restaurant Food Tax: A tax is hereby imposed at rate of one percent (1%) of the Sales Price upon each Retail Sale of Restaurant Food within the City. The tax shall apply to and be computed on all Retail Sales of Restaurant Food including credit, or similar sales at the time of the sale. The Restaurant Food tax shall be collected by the retailer from the consumer.

(E) Fractional Portion: When the Sales Price involves a fraction of a dollar, the non-property tax shall be collected on that fractional portion of the price adding thereto the tax based upon the following bracket system:

Rental Vehicle and Hotel-Motel Occupancy Taxes (34%)

<u>\$.01</u>	<u>to</u>	<u>\$.19</u>	<u>\$0.00</u>
<u>.20</u>	<u>to</u>	<u>.39</u>	<u>0.01</u>
<u>.40</u>	<u>to</u>	<u>.59</u>	<u>0.02</u>
<u>.60</u>	<u>to</u>	<u>.79</u>	<u>0.03</u>
<u>.80</u>	<u>to</u>	<u>.99</u>	<u>0.04</u>
<del>\$.01</del>	<del>to</del>	<del>\$.24</del>	<del>\$0.00</del>
<del>.25</del>	<del>to</del>	<del>.49</del>	<del>0.01</del>
<del>.50</del>	<del>to</del>	<del>.74</del>	<del>0.02</del>
<del>.75</del>	<del>to</del>	<del>.99</del>	<del>0.03</del>

(Each whole dollar \$0.034)

Liquor By-The-Drink Tax (2%)

\$.01	to	\$.33	\$0.00
.34	to	.66	0.01
.67	to	.99	0.02

(Each whole dollar \$0.02)

Restaurant Food Tax (1%)

\$.01	to	\$.49	\$0.00
.50	to	.99	0.01

(Each whole dollar \$0.01)

The retailer shall calculate the tax upon the entire amount of purchases of the consumer made at a particular time subject to this ordinance, and not separately upon each item purchased. The retailer may retain any amount collected under the bracket system which is in excess of the amount of tax for which he is liable to the City during the period as compensation for the work of collecting the tax.

(F) Monies Collected Held in Trust: All monies collected and/or retained under the provisions of this ordinance shall be held in trust for the City and for payment thereof to the City Clerk in the manner and at the times in this ordinance provided.

**Section 2.** Section 5.32.040 of the Hailey Municipal Code is amended by the addition of the underlined language and by the deletion of the stricken language, as follows:

5.32.040 Duration of Taxes. ~~Except as otherwise provided herein, the non-~~ property taxes authorized and collected under this ordinance are hereby imposed for a duration of twenty (20) years from the effective date of this ordinance. The one percent (1%) increase authorized by Ordinance 1133 for the non-property taxes collected for Rental Vehicle and Hotel-Motel Occupancy Taxes is hereby imposed for a duration of five (5) years after January 1, 2013.

**Section 3.** Section 5.32.050 of the Hailey Municipal Code is amended by the addition of the underlined language, as follows:

5.32.050 Purposes of Taxes. The non-property tax revenue derived from and collected under this ordinance shall be used for the following purposes:

- (A) Emergency services (rapid response, life saving, traffic enforcement, training, staffing, equipment, vehicles, etc.).
- (B) Maintenance, improvement and acquisition of parks.
- (C) Road repair, transportation enhancements and snow removal.
- (D) City promotion, visitor information, special events and economic development.
- (E) Town improvements (library modernization, sidewalks, town square, etc.).
- (F) Public transit and related improvements.
- (G) Direct cost to administer and enforce this ordinance.

The non-property tax revenue derived from and collected under this ordinance for the one percent (1%) increase for the non-property taxes collected for Rental Vehicle and Hotel-Motel Occupancy Taxes authorized by Ordinance No. 1133 shall be used for the following purposes:

- (A) maintaining and increasing commercial air service to Friedman Memorial Airport through the use of Minimum Revenue Guarantees or other inducements to providers;
- (B) promoting and marketing the existing service and any future service to increase passengers;

(C) for all ancillary costs which are associated with the ongoing effort to maintain and increase commercial air service, including reasonable program management costs and busing due to flight diversion(s); and

(D) direct costs to collect and enforce the tax, including administrative and legal fees.

**Section 4.** If any section, paragraph, sentence or provision hereof or the application thereof to any particular circumstances shall ever be held invalid or unenforceable, such holding shall not affect the remainder hereof, which shall continue in full force and effect and applicable to all circumstances to which it may validly apply.

**Section 5.** All ordinances and parts of ordinances in conflict herewith are hereby repealed.

**Section 6.** This Ordinance shall be in full force and effect on January 1, 2014, after its passage, approval and publication according to law.

ADOPTED BY THE HAILEY CITY COUNCIL AND APPROVED BY THE MAYOR  
this \_\_\_\_\_ day of December, 2013.

\_\_\_\_\_  
Fritz X. Haemmerle, Mayor  
City of Hailey

ATTEST:

\_\_\_\_\_  
Mary Cone  
Hailey City Clerk

