

**CITY OF HAILEY  
RESOLUTION NO. 2012-90**

**RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF HAILEY  
AUTHORIZING THE EXECUTION OF A CONTRACT FOR SERVICES WITH  
HAILEY CHAMBER OF COMMERCE**

WHEREAS, the City of Hailey desires to enter into an agreement with the Hailey Chamber of Commerce (Chamber) under which Chamber will perform economic development services with the City of Hailey utilizing Local Option Tax funds.

WHEREAS, the City of Hailey and Chamber have agreed to the terms and conditions of the Contract for Services, a copy of which is attached hereto.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HAILEY, IDAHO,** that the City of Hailey approves the Contract for Services between the City of Hailey and Hailey Chamber of Commerce and that the Mayor is authorized to execute the attached Agreement,

Passed this 17th day of December, 2012.

City of Hailey

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Fritz X. Haemmerle, Mayor

ATTEST:

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Mary Cone, City Clerk

**LEASE**  
(Hailey Chamber of Commerce)

This Lease is made this \_\_\_\_ day of December, 2012, by and between **CITY OF HAILEY**, a municipal corporation (“Lessor”) and **HAILEY CHAMBER OF COMMERCE, INC.**, an Idaho non-profit corporation (“Lessee”).

**RECITALS**

A. The Lessor is a municipal corporation and political subdivision of the State of Idaho. Fritz X. Hammerle is the duly elected and acting mayor of the City of Hailey. By resolution of the Hailey City Council, the Hailey mayor is authorized to execute this Lease.

B. The Lessee is a duly organized and operating non-profit corporation in the State of Idaho. Lynda Anderson is the duly elected and acting president of the Lessee. By resolution, the president of the Lessee is authorized to execute this Lease.

C. Lessor owns real property located at 781 South Main Street , Hailey Idaho, known as the Welcome Center. The Lessee will lease a portion of the Welcome Center, as depicted on attached **Exhibit “A”** (“Premises”).

D. Pursuant to Idaho Code § 50-1409, the Lessor has authority to lease real property not needed for city purposes, upon such terms as may be just and equitable.

E. Subject to the terms and conditions set forth herein, Lessor is willing and agrees to lease the Premises to Lessee and Lessee is willing and agrees to lease the Premises from Lessor.

**AGREEMENT**

NOW, THEREFORE, based upon the foregoing recitals which are incorporated in the Lease below as though set forth in full, the parties agree as follows:

**1. Lease Term.**

a) Lease Term. The term of this Lease shall be for a period of one (1) year commencing on January 1, 2013 (“Commencement Date”) and expiring, unless sooner terminated, at midnight on December 31, 2013 (“Lease Term”). Lessee shall be entitled to possession of the Premises from and after the Commencement Date.

b) Extended Term(s). Following the Lease Term, Lessee has the option to renew this Lease up to 5 additional successive two (2) year terms (the “Extended Term(s)”) by giving to Lessor written notice of exercise of such option at least one hundred twenty (120) days before the expiration of the Lease Term, or an Extended Term, if applicable; provided, however, that if Lessee is in default on or before the expiration of the Lease Term, or an Extended Term, if applicable, the option notice shall be totally ineffective.

2. **Rent.** Lessee shall pay to Lessor as minimum rent for the Premises, in advance on the first day of the Lease Term or an Extended Term, if applicable, and on the first day of each and every year thereafter, without offset or deduction, the sum of One Dollar (\$1.00) per year.

3. **Use of Premises.** The Premises shall be used and operated as The Lessee may use the Premises for other purposes which advance the commercial, financial, travel, tourism, industrial, civic and social interests of the City of Hailey. Lessee shall operate and use the Premises in a safe, reasonable and prudent manner, and offer information about the City of Hailey during the Lease Term and an Extended Term, if applicable. To the extent economically feasible, Lessee shall occupy and use the building on the Premises on a full-time, continuous and year-round basis during the Lease Term and any Extended Term, if applicable. Lessee shall use its best efforts to offer affordable information to the public, provided, however, that Lessee shall be entitled to charge usage fees to cover the costs of overhead of the Premises. Lessee and its guests, invitees, employees and agents may use the parking area adjacent to the Premises, which may be regulated by Lessor so that parking may be restricted or used exclusively by users other than uses of the Premises, in whole or in part, during times of use of the adjacent multi-use arena or skate park (e.g., Fourth of July Rodeo); provided such restrictions shall be communicated to Lessee not less than thirty (30) days in advance of any event and shall be designed so as not to significantly impact the operations of Lessee's operations. Lessee acknowledges that the parking area adjacent to the Premises shall be unavailable for approximately one week each year in conjunction with the Fourth of July rodeo event. Lessee shall not do nor permit anything to be done in or about the Premises or bring or keep anything in the Premises that will in any way increase the rate of fire insurance upon the building in which the Premises are situated or permit the emission of any objectionable noise or odor. Lessee shall not perform any acts or carry on any practices that may injure the Premises or the building of which the Premises form a part.

4. **Security Deposit.** Lessee shall pay as a security deposit the sum of one and No/100 Dollars (\$1.00) ("Security Deposit"), receipt of which is hereby acknowledged, to be held by Lessor as security for the faithful performance by Lessee of all the terms, covenants and conditions of this Lease to be kept and performed by Lessee during the Lease Term, or an Extended Term, if applicable. This deposit does not limit Lessor's rights or Lessee's obligations. Lessee understands that all or a portion of the deposit may be retained by Lessor upon termination of the tenancy and that a refund of any portion of the deposit to the Lessee is conditioned on the following:

- a) Lessee shall clean and restore the Premises to its condition at the commencement of this Lease, less normal wear and tear.
- b) Lessee shall have remedied or repaired any damage to the Premises to Lessor's satisfaction.
- c) Lessee shall have complied with all of the provisions of this Lease and with such other rules and regulations as the Lessor may deem necessary.

If Lessee defaults with respect to any provision of this Lease, including but not limited to the provisions relating to the payment of rent and any of the monetary sums due herewith, Lessor may (but shall not be required to) use, apply or retain all or any part of the Security Deposit for the payment of any other amount which Lessor may spend by reason of Lessee's default or to compensate Lessor for any other loss or damage which Lessor may suffer by reason of Lessee's default. If any portion of the Security Deposit is so used or applied, Lessee shall, within ten (10) days after written demand therefor, deposit cash with Lessor in an amount sufficient to restore the Security Deposit to its original amount. Lessee's failure to do so shall be a material breach of this Lease. Lessor shall not be required to keep this Security Deposit separate from his general funds, and Lessee shall not be entitled to interest on such deposit. If Lessee shall fully and faithfully perform every provision of this Lease to be performed by him, the Security Deposit or any balance thereof shall be returned to Lessee (or at Lessor's option, to the last assignee of Lessee's interests hereunder) at the expiration of the Lease Term or an Extended Term, if applicable, and after Lessee has vacated the Premises.

5. **Utilities.** Lessee shall pay Lessor a pro rata share of the square footage of the space occupied by the Premises within the Welcome Center, which the parties agree is 25%, of charges for electricity, gas, water, , security, sewer, and trash, rendered or supplied upon or in connection with the Premises. The Lessor shall forward the utility charges to the Lessee and the Lessee shall pay Lessor its share of utility charges within 30 days of the receipt of the utility charges. Lessor shall enter into its own direct contracts for cable and phone utilities service, with responsibility for 100% of those costs directly to the utility.

6. **Insurance.**

a) **Liability Insurance Requirements.** The Lessee shall maintain in full force and effect, at its sole cost and expense, during the Lease Term, or an Extended Term, if applicable, or holding over period, comprehensive liability insurance, including public liability, property damage and contractual liabilities of the Lessee, written by a responsible insurance company licensed to do business in Idaho, for the purpose of protecting Lessor against liability for loss or damage, for bodily injury, property damage, personal injury, death, and errors and omissions, relating to the use of the Premises. Such policy shall provide insurance against property damage in an amount not less than \$500,000.00 and bodily injury with limits of not less than \$500,000.00 per person and \$1,000,000.00 total for each occurrence; provided, however, the minimum limits of insurance as set forth herein shall be automatically increased at any time the liability limits of Lessor are increased pursuant to the Idaho Tort Claims Act (*Idaho Code Sections 6-901 et seq.*).

b) **Workerman's Compensation and Unemployment Insurance.** Lessee shall secure and maintain at least the statutory amounts of worker's compensation, disability benefits, and unemployment insurance in accordance with the laws of the State of Idaho.

c) **Fire and Casualty Insurance.** During the Lease Term, or an Extended Term, if applicable, Lessor shall provide and maintain fire and casualty coverage insurance for the Premises. Lessee shall reimburse Lessor for the annual cost of such insurance covering the Premises. On or about June 1 of each year of the Lease Term, or an Extended Term, if

applicable, Lessor shall provide the Lessee with an estimate of the cost of fire and casualty insurance for the buildings, structures and personal property on the Premises. Lessee shall pay Lessor the annual cost of such insurance, in advance on the first day of the following October and on the first day of October of each and every year thereafter, without offset or deduction. The cost of such insurance shall be considered additional rent. Between the Possession Date and the Commencement Date, Lessee shall pay Lessor the cost of fire and casualty coverage insurance covering the Premises as provided to Lessor from its insurer. In the event the Premises are partially or totally destroyed or damaged by fire or other casualty covered by the Lessor's insurance, the Lessee shall pay Lessor any deductible then due under the Lessor's insurance policy within thirty (30) days of receipt of the bill for the deductible.

d) Waiver of Subrogation Rights. No party shall have the right or claim against the Lessor for any losses, damages or injury, including losses, damages or injury to property or persons, including death, and for any loss of use or business interruption, occurring on the Premises (whether caused by the negligence or other fault of the Lessor or the Lessee or their respective agents, employees, subtenants, licensees or assignees or whether caused by negligence or the conditions of the Premises or any part thereof) by way of subrogation or assignment. The Lessee hereby waives and relinquishes any such right. The Lessee shall request Lessee's insurance carrier to endorse all applicable policies waiving the carrier's right of recovery under subrogation or otherwise in favor of the Lessor and provide a certificate of insurance verifying this waiver.

e) Form and Delivery of Policies. The Lessee's certificates of insurance shall name Lessor and its officials, employees and agents as additional named insured and shall be endorsed to specify that such policies cover the liability assumed by Lessee under this Lease. All insurance required by this Paragraph 6 shall be in a form and with companies satisfactory to Lessor and shall provide that it shall not be subject to cancellation, suspension, amendment or termination except after at least thirty (30) days' prior written notice to Lessor. The policy or policies, or duly executed certificates for them, shall be deposited with Lessor within fifteen (15) days after the day on which the Lease Term or an Extended Term, if applicable, commences and, upon renewal of such policies, not less than thirty (30) days prior to the expiration of the term of such coverage.

## 7. Maintenance and Repairs.

a) Lessee's Obligations. Lessee shall, at its sole cost and expense, keep and maintain the interior of the Premises (including, without limitation, all fixtures, plumbing and sewage facilities, heating, ventilation and air conditioning equipment, ice making equipment, interior and exterior walls, doors and windows) in good order, condition and repair, remove all rubbish and refuse therefrom, and replace or repair all electrical fixtures and mechanical, heating and plumbing fixtures and equipment that may be damaged or broken, during the Lease Term, or an Extended Term, if applicable. If, after thirty (30) days written notice, Lessee fails to maintain the interior of the Premises in accordance with this paragraph or commence such work, Lessor may make or cause such repairs to be made and Lessee shall immediately pay Lessor for the costs of such maintenance.

b) Lessor's Obligations. Lessor shall, at its sole cost and expense, keep and maintain the restrooms within the Welcome Center, the remainder of the Welcome Center not comprising the Premises, and the public grounds adjacent to the Welcome Center in good order, condition and repair, and remove all snow, rubbish and refuse therefrom, in accordance with the Lessor's policies in effect at the time of removal.

**8. Payment for Tenant Improvements.** On or before the Commencement Date, Lessee shall pay \_\_\_\_\_ Dollars (\$\_\_\_\_) to the Lessor for its costs for installation of the cable, telephone and a security system within the Premises.

**9. Alterations and Improvements.**

a) Conditions for Alterations. Lessee shall have the right to make changes, alterations or additions to the Premises only on the following conditions:

(i) No change, alteration or addition shall at any time be made which shall impair the structural soundness or diminish the value of the Premises.

(ii) No change, alteration or addition impacting the exterior or impacting the use or function of the interior shall be made without the prior written consent of the Lessor, such consent not to be unreasonably withheld.

(iii) No change, alteration or addition shall be undertaken until the Lessee shall have procured and paid for all required municipal and other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction.

(iv) All work done in connection with any change, alteration or addition shall be done in accordance with the Lessor's consent, in a good and workmanlike manner and in compliance with the building and zoning laws, and with all other laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, and the appropriate departments, commissions, boards and officers thereof, and in accordance with the orders, rules and regulations of the board of fire underwriters or any other body now or hereafter constituted exercising similar functions, and the Lessee shall procure certificates of occupancy and other certificates required by law.

(v) At all times when any change, alteration or addition is in progress, there shall be maintained, at Lessee's expense, workman's compensation insurance in accordance with law covering all persons employed in connection with the change, alteration or addition, and general liability insurance for the mutual benefit of the Lessee and the Lessor expressly covering the additional hazards due to the change, alteration or addition.

b) Expiration of Lease Term or Extended Term. All alterations, improvements, additions or fixtures, including trade fixtures, annexed or affixed to the Premises, including the floors, walls or ceilings, which cannot be removed without further damage to the

Premises, shall be the property of Lessor at the end or sooner termination of the Lease Term, or an Extended Term, if applicable, and surrendered with the Premises as a part of the Premises, without disturbance, molestation, or injury. However, if any of the alterations, improvements, additions, or fixtures, including trade fixtures, can be removed without damage to the Premises, these improvements shall be the property of the Lessee, so long as the Premises are in the same condition, except for normal wear and tear, as found at the beginning of the Lease Term or an Extended Term, if applicable. Notwithstanding any provision in this Lease to the contrary, any floor covering that is cemented or otherwise affixed or annexed to the floor of the Premises shall become the property of Lessor at the end or sooner termination of the Lease Term or any Extended Term, if applicable.

c) Lien. Lessee shall pay, when due, all sums of money that may become due or purportedly due for any labor, services, materials, supplies or equipment alleged to have been furnished or to be furnished to or for Lessee in, at, upon, or about the Premises and which may be secured by any mechanic's, materialmen's or other lien against the Premises or Lessor's interest in the Premises, and Lessee shall cause each such lien to be fully discharged and released at the time performance of the obligations secured matures or becomes due. Lessee shall indemnify, defend and hold Lessor harmless against liability for any liens, claims or expenses, including attorney's fees, which may arise as a result of any work on the Premises, which indemnification shall survive the termination or expiration of this Lease.

**10. Damage or Destruction.**

a) Lessor's Obligation if Fully Insured. If the Premises are partially or totally destroyed or damaged by fire or other casualty so as to become partially or totally untenable and the Premises are fully insured and covered under full standard extended risk insurance, the Premises shall be repaired or rebuilt as speedily as possible at the expense of Lessor with the insurance proceeds. Should there be a substantial interference with Lessee's activities due to such damage or destruction, the parties agree that there shall not be any abatement of rent while the Premises are repaired or rebuilt.

b) Lessor's Obligation if Not Fully Insured. If the Premises are partially or totally destroyed or damaged by fire or other casualty so as to become partially or totally untenable but the Premises are not fully insured and covered under full standard extended risk insurance, Lessor may, in its sole discretion, either rebuild or put the Premises in good condition and fit for occupancy within a reasonable time after such destruction or damage, or it may give notice terminating this Lease as of a date not later than sixty (60) days after such damage or destruction. If Lessor elects to repair or rebuild the Premises, it shall, within sixty (60) days after such damage or destruction, give Lessee notice of its intention to repair or rebuild and then shall proceed to make the repairs or to rebuild within a reasonable time after such damage or destruction. Unless Lessor elects to terminate this Lease, this Lease shall remain in full force and effect and the parties waive any provision of any law to the contrary. However, if Lessee is prevented from using any portion or all of the Premises during such period, the parties agree that there shall not be any abatement of rent while the Premises are repaired or rebuilt.

c) Lessor's and Lessee's Work if Premises Rebuilt. If Lessor should elect or be obligated to repair or rebuild because of any damage or destruction, Lessor's obligation shall be limited to the basic building and interior work as it existed at the commencement of the Lease Term. Lessee shall fully repair or replace all fixtures, exterior signs, equipment and other installations not covered by insurance.

## 11. Default and Remedies

a) Event of Default Defined. Each of the following shall be deemed a material default and breach or Event of Default:

(i) if Lessee shall, after written notice, default in the payment of rent or any other sum due under this Lease for thirty (30) days after written notice of failure to do so;

(ii) if Lessee, after written notice, shall default in the performance or observance of any other term, covenant, or condition of this Lease and shall not cure or remedy such default with reasonable dispatch within a period not exceeding thirty (30) days, unless said default or omission complained of shall be of such a nature that the same cannot be completely cured or remedied diligently within such thirty (30) day period, and shall not thereafter with reasonable diligence and in good faith proceed to remedy or cure such default;

(iii) vacating or abandonment of the Premises;

(iv) if Lessee's interest, or any part of his interest, in this Lease be assigned or transferred, either voluntarily or by operation of law, without Lessor's consent;

(v) the filing or execution or occurrence of:

(1) a petition or other proceeding by or against Lessee for, or the appointment of, a trustee, receiver, guardian, conservator, or liquidator of Lessee with respect to all or substantially all of his property, except a receiver appointed at the instance or request of Lessor;

(2) a petition or other proceeding by or against Lessee for its dissolution or liquidation, or the taking of possession of the property of Lessee by any governmental authority in connection with dissolution or liquidation; or

(3) the taking by any person of the leasehold created hereby or any part thereof upon execution, attachment or other process of law or equity.

(vi) if Lessee, after written notice, fails to take action to remove a lien against the Premises for ten (10) days. In the event, Lessee is aware of any lien

filed against the Premises, Lessee shall immediately notify Lessor in writing of the existence of the lien.

Notwithstanding anything to the contrary contained in the foregoing default clauses, the parties hereto agree that if the Lessee shall have defaulted in the performance of any (but not necessarily the same) term or condition of this Lease for three or more times during any twelve month period during the term hereof, then such conduct shall, at the election of the Lessor, represent a separate event of default which cannot be cured by the Lessee. Lessee acknowledges that the purpose of this provision is to prevent repetitive defaults by the Lessee under the Lease which work a hardship upon the Lessor and deprive the Lessor of the timely performance by the Lessee hereunder.

b) Lessor's Remedies. Upon occurrence of any Event of Default, Lessor may, at its option without any further demand or notice, in addition to any other remedy or right given hereunder or by law, do any of the following:

(i) Continuation of Lease. Lessor may elect to maintain this Lease in full force and effect and recover the rent and other monetary charges as they become due, without terminating Lessee's right to possession, irrespective of whether Lessee shall have abandoned the premises. In the event Lessor elects not to terminate the lease, Lessor shall have the right to attempt to re-let the Premises at such rent and upon such conditions and for such a term, and to do all acts necessary to maintain or preserve the Premises as Lessor deems reasonable and necessary without being deemed to have elected to terminate the Lease including removal of all persons and property of Lessee from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Lessee. In the event any such re-letting occurs, this Lease shall terminate automatically upon the new Lessee taking possession of the Premises. Notwithstanding that Lessor fails to elect to terminate the Lease initially, Lessor at any time during the term of this Lease may elect to terminate this Lease by virtue of such previous default by Lessee.

(ii) Termination of Lease. Lessor may elect to declare this Lease terminated, in which event the Lessor may terminate the Lessee's right to possession by any lawful means, the Lease shall terminate and the Lessee shall immediately surrender possession of the Premises to the Lessor. Upon any such re-entry, Lessor shall have the right to make any reasonable repairs, alterations or modifications to the Premises, which Lessor in its sole discretion deems reasonable and necessary.

All rights and remedies of Lessor hereunder shall not be exclusive but shall be cumulative. Any such re-entry or taking of possession of the Premises or property thereon shall be allowed by Lessee without hindrance, and Lessor shall not be liable in damages for any such re-entry or such taking of possession. Re-entry or taking of possession shall not be construed as an election on Lessor's part to terminate this Lease unless a written notice of such intention is given to Lessee.

c) Payment of Expenses Incurred to Cure Defaults by Lessee. In the event of Lessee's breach or default of any covenant in this Lease, Lessor may at any time, after notice to Lessee in the manner required by Paragraph 16 of this Lease, cure such breach or default for the account and at the expense of Lessee. If Lessor at any time, by reason of such breach, is compelled to pay, or elects to pay, any sum of money or to do any act that will require the payment of any sum of money, or is compelled to incur any expense, including reasonable attorney's fees, in instituting, prosecuting or defending any actions or proceedings to enforce Lessor's rights under this Lease or otherwise, the sum or sums so paid by Lessor, with all interest, costs and damages, shall be deemed to be additional rent under this Lease and shall be due from Lessee to Lessor on the first day of the month following the incurring of such expenses.

d) Waiver. A waiver of any breach or default shall not be a waiver of any other breach or default. Lessor's consent or approval shall not be deemed to waive or render unnecessary Lessor's consent to or approval of any subsequent similar act by Lessee.

**12. Assignment and Subletting.** Lessee shall not assign, mortgage or hypothecate this Lease, or any interest in this Lease, or permit the use of the Premises, in whole or in part, by any person or persons other than Lessee, without the prior written consent of the Lessor, in the sole discretion of Lessor. Thereafter and for any other potential subtenant, Lessee may only sublet the Premises or any part thereof upon the prior written approval by the Lessor, in the sole discretion of Lessor, of the prospective sublessee; however, Lessee shall remain primarily liable for the obligations arising from this Lease. For the purposes of this paragraph, sublet shall mean a long term lease between the Lessee and a sublessee, not an agreement to use a portion of the Premises for a limited time such as the use of ice time.

**13. Lessor's Access to Premises.** Lessor and its designees shall have the right to enter the Premises at all reasonable hours, and in emergencies at all times, (a) to inspect the Premises, (b) to make repairs, additions or alterations to the Premises or the building of which the Premises form a part, and (c) for any lawful purpose.

**14. Holding Over.**

a) Effect of Holding Over. If Lessee should remain in possession of the Premises after the expiration of the Lease Term, or Extended Term, if applicable, with the consent of Lessor and without executing a new Lease, then such holding over shall be construed as tenancy at will, subject to all conditions, provisions and obligations of this Lease insofar as the same are applicable to a tenancy at will.

b) Obligations of Lessee on Surrender. On the last day or sooner termination of the Lease Term, or Extended Term, if applicable, Lessee shall quit and surrender the Premises, broom clean, in good condition and repair (reasonable wear and tear, and damage by act of God excepted), subject to the requirements of Paragraph 7 of this Lease, together with all alterations, additions, and improvements that may have been made in, to, or on the Premises, except attached fixtures which have been removed without damage to the Premises, moveable furniture and unattached movable trade fixtures, all of which were put in at Lessee's expense. Lessee shall ascertain from Lessor within thirty (30) days before the end of the Lease Term, or

Extended Term, if applicable, whether Lessor desires to have the Premises or any part of the Premises restored to the condition the Premises were in when delivered to Lessee, and if Lessor shall so desire, then Lessee shall so restore the Premises or such part of the Premises before the end of the Lease Term, or Extended Term, if applicable, at Lessee's sole cost and expense. On or before the end of the Lease Term, or Extended Term, if applicable, Lessee shall remove all of Lessee's property from the Premises, and all property not removed shall be deemed abandoned by Lessee. On or before the end of the Lease Term, or Extended Term, if applicable, Lessee shall deliver all of the operating manuals of all the equipment, heating and air conditioning systems, refrigeration systems and all other mechanical systems on the Premises. If the Premises are not surrendered at the end of the Lease Term, or Extended Term, if applicable, Lessee shall indemnify Lessor against loss or liability resulting from delay by Lessee in surrendering the Premises, including, without limitation, any claims made by any succeeding Lessee based on the delay.

**15. Representations.** The Lessee acknowledges and agrees that Lessee has been informed and understands that the Lessor makes no representations or warranties to the Lessee of any kind or nature, directly or indirectly, express or implied, as to any matter whatsoever, with regard to the Premises, its durability, fitness for a particular purpose, merchantability, condition, profitability and/or quality. Furthermore, the Lessee acknowledges that the Lessor and the Lessor's agents have made no representations of any material fact concerning the Premises, that the Lessee has had an adequate opportunity to inspect and investigate the Premises, that the Lessee has made a thorough independent examination and inspection of the Premises, that the Lessee is relying solely on that examination and inspection, and that the Lessee is acquiring possession of the Premises "AS IS." The Lessee's acceptance of possession of the premises shall constitute the Lessee's acknowledgment that the Premises are in good and tenantable condition.

**16. Exculpatory Clauses.**

a) Exemption of Lessor from Liability. Lessor shall not be liable to Lessee or to any other person whomsoever for any injury or damage to person or property occurring within or about the Premises or by any other Lessee of Lessor, unless caused by or resulting from the wilful and intentional acts of the Lessor or any of the Lessor's agents, servants or employees in the operation or maintenance of the Premises. Lessor shall not be liable in damages or otherwise for failure to furnish, or any interruption of service of any water, gas, electricity, telephone, or other utility caused by fire, accident, riot, strike, labor disputes, acts of God, the making of any repairs or improvements, or causes beyond the control of Lessor, or for any loss, damage or theft of property of Lessee, its agents, servants or employees.

b) Excusable Delays. Any prevention, delay, or stoppage, due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control for the party obligated to perform shall excuse performance by such party for a period equal to any such prevention, delay or stoppage, except as otherwise provided in this Lease.

c) Indemnification and Hold Harmless. Lessee agrees to indemnify, defend and hold Lessor harmless from and against any and all claims, including mechanic's and materialman's liens, by or on behalf of any person(s), firm(s) or corporation(s), arising from the conduct or management of the operations conducted by the Lessee or arising out of any act or omission of Lessee, its contractors, licensees, agents, servants or employees, or arising from any accident, injury, or damage whatsoever caused by any person or property occurring in or about the Premises or any part thereof, and the walkways adjoining the Premises and from and against all costs, expenses, liabilities and attorney's fees incurred in connection with any such claim or proceeding brought thereon.

**17. Notices.** All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations under this Lease by either party or the other shall be in writing and shall be sufficiently given and served upon the other party, if sent by certified mail, return receipt requested, postage prepaid, and addressed to the Lessor at:

City of Hailey.  
115 Main Street So.  
Suite H  
Hailey, ID 83333

or to the Lessee at: Hailey Chamber of Commerce, Inc.  
PO Box 100  
Hailey, ID 83333

or to such other address as Lessor or Lessee may from time to time designate by notice to the other, which shall then become a new address of the party who shall give such notice. Unless otherwise specifically provided for herein, notices given pursuant to the terms of this Lease shall be deemed received on the date sent.

**18. Waiver.** The failure of either party hereto to insist upon strict performance of any of the covenants and agreements of this Lease, or to exercise any election herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such, or any other covenants or agreements, and the same shall be and remain in full force and effect. A particular waiver by either party of any said covenants or agreements to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants or agreements of this Lease.

**19. LEED Certification.** The Lessor and Lessee acknowledge that received LEED certification and wish to maintain that LEED certification. Accordingly, the Lessee shall i) prohibit smoking within the building and 25 feet of any exterior entrance to the building, ii) the parking space, directly to the west of the **use of preferred parking space**, iii) recycle any and all commodities which are recycled by the solid waste franchise holder within Hailey, iv) vi) operate HVAC and system controls within the programmed temperature ranges, determined by the Lessor and Lessee and vi) use natural ventilation instead of air conditioning whenever possible, ensuring that all windows and doors remain closed and when the building is unoccupied and when an event, including but not limited to the rodeo, produces smoke, odors,

dust, or dirt that may enter the building through an open door or window as a result of its close proximity to the arena, vii) Use only products that have been certified by Green Seal's GS-42, Green Seal Environmental Standard for Cleaning Services, listed here: <http://www.greenseal.org/findgreensealproductsandservices.aspx>, X) Lessee shall enter and exit through single door on the south side of the building, not through the wooden doors.

The Lessor shall, i) replace exterior LED and interior LED track lights with equivalent wattage LED lights, v) replace interior fluorescent, low mercury, linear tube lights, with equivalent wattage low mercury bulbs (mercury content not to exceed an average mercury content of 45.18 picograms per lumen.

## 20. Miscellaneous Provisions.

a) Construction. Whenever the singular number is used in this Lease and when required by the context, the same shall include the plural. The masculine gender shall include the feminine and neuter genders. The word "person" shall include corporation, firm or association. This Lease or any section thereof shall not be construed against any party due to the fact that the Lease or any section thereof was drafted by a particular party.

b) Title and Captions. The headings of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of this Lease.

c) Final Agreement. This instrument contains all of the agreements and conditions made between the parties to this Lease and may not be modified orally or in any manner other than by an agreement in writing signed by all parties to this Lease or their respective successors in interest.

d) Time of Essence. Time is of the essence of each term and provision of this Lease.

e) All Required Payments are Additional Rent. Except as otherwise expressly stated, each payment required to be made by Lessee shall be in addition to and not in substitution for other payments to be made by Lessee and shall be additional rent.

f) Successors and Assigns. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of Lessor and Lessee.

g) Governing Law. This Lease, the rights, privileges, interests, and immunities of the parties, the obligations, duties, and performances of the parties, the enforcement of this Lease and the several covenants, conditions and agreements hereof and any and all disputes that may arise between the parties shall be governed exclusively by the provisions of this Lease and by the laws of the State of Idaho.

h) Severability. The invalidity or illegality of any provision shall not affect the remainder of this Lease.

i) Attorney's Fees. In the event that either party hereto has to retain counsel for the purpose of enforcing any of the rights, duties or obligations arising out of or relating to this Lease, the non-prevailing party shall pay to the prevailing party the latter's reasonable attorney's fees and costs, whether or not litigation is actually instituted, and including attorney's fees and costs on appeal and bankruptcy.

j) Authority. Each signatory has full authority and consent to sign this Lease. Lessee represents and warrants to Lessor that it is a corporation organized, existing and in good standing under the laws of the State of Idaho, and it is authorized, by appropriate corporate resolution, to enter into and execute this Lease and any and all documents related thereto.

k) Execution of Necessary Instruments. Each party agrees to execute and deliver to the other all instruments that may be required to effectuate the provisions of this Lease.

l) Further Action. The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of this Lease.

IN WITNESS WHEREOF, the parties, having been duly authorized, have hereunto caused this Lease to be executed, on the day and year first above written, the same being done after public hearing, notice and statutory requirements having been fulfilled.

Dated this \_\_\_\_\_ day of December, 2012.

LESSOR:

CITY OF HAILEY, an Idaho municipal corporation

ATTEST:

By: \_\_\_\_\_  
Mary Cone, City Clerk

By: \_\_\_\_\_  
Fritz X. Haemmerle, Mayor

LESSEE:

HAILEY CHAMBER OF COMMERCE  
INC., an Idaho non-profit corporation

By: \_\_\_\_\_  
Lynda Anderson, its President

**CITY OF HAILEY  
RESOLUTION NO. 2012-91**

**RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF HAILEY TO SIGN A  
CONTINUED CONTRACT FOR INDEPENDENT CONTRACTOR TO RECORD AND  
SUMMARIZE MEETING MINUTES FOR CITY COUNCIL AND PLANNING AND  
ZONING COMMISSION MEETINGS.**

WHEREAS, the City of Hailey desires to continue services with an independent contractor to record and summarize meeting minutes for City Council and Planning and Zoning Commission Meetings.

WHEREAS, the City of Hailey and independent contractor, Deb have agreed to the terms and conditions of the Contract for Services, a copy of which is attached hereto.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HAILEY, IDAHO**, that the City of Hailey approves the revised Declaration of Trust with the Idaho Interdepartmental Authority.

Passed this 17th day of December, 2012

City of Hailey

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

ATTEST:

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

# INDEPENDENT CONTRACTOR AGREEMENT

THIS INDEPENDENT CONTRACTOR AGREEMENT ("Agreement") is made and entered into this 17th day of December, 2012, by and between the City of Hailey ("City") and Debra L. Gelet.

## RECITALS

- A. City is a municipal corporation and political subdivision of the State of Idaho, and has authority to enter into a contract for services with Debra L. Gelet.
- B. Debra L. Gelet is an individual doing business in Blaine County, Idaho and who wishes to contract with the City in a professional services capacity.
- C. Subject to the terms and conditions set forth herein, the parties hereto are desirous of entering into an independent contractor agreement with Debra L. Gelet providing administrative support services for the City.

## AGREEMENT

In consideration of the mutual covenants and promises, which the parties set forth below, City and Debra L. Gelet agree as follows:

- 1. Work. City hereby engages Debra L. Gelet and Debra L. Gelet hereby accepts the engagement to perform the tasks described in paragraph 3 of this Agreement for City subject to the terms and conditions of this Agreement.
- 2. Term. This Agreement shall have a term of Twelve (12) consecutive months and shall commence on December 17, 2012, and terminate on December 31, 2013.
- 3. Duties.
  - 3.1 General Duties of the Parties. Debra L. Gelet agrees as part of her duties under this Agreement to utilize her efforts, to faithfully perform her duties to the best of her ability, and to

perform the tasks requested by Hailey City Clerk, Mary Cone or her designated staff, Hailey Community Development Director, Micah Austin, and Hailey City Administrator, Heather Dawson.

3.2 Specific Duties. Debra L. Gelet agrees as part of her duties under this Agreement that Debra L. Gelet shall set-up digital recording sessions for City Council and Planning and Zoning Commissions regular and specially held meetings, attend, record, summarize into writing, and edit the meeting minutes on behalf of the City.

4. Consideration. City agrees to pay Debra L. Gelet for the services described in paragraph 3 of this Agreement an hourly amount of twenty dollars (\$20) during the term of this Agreement. A monthly billing shall be due and payable in full by the 25th day of the subsequent month, detailing the number of hours for each meeting, and the dates upon which the work was performed. Debra L. Gelet shall be solely responsible for the payment of insurance required by law, such as worker's compensation or unemployment insurance. City is not responsible to provide Debra L. Gelet with any health insurance, life insurance, disability insurance, or other such fringe benefits, such as sick leave, vacation time or compensatory time. City is not responsible to withhold from Debra L. Gelet's compensation amounts for federal and state income tax, FICA or Medicare.

5. Termination.

5.1 Termination by City. The parties agree that this Agreement may be terminated by City without "cause" at any time upon thirty (30) days' notice to Debra L. Gelet.

5.2 Termination by Debra L. Gelet. The parties agree that this Agreement may be terminated by Debra L. Gelet without "cause" at any time upon thirty (30) days' notice to City.

6. Relationship. The parties agree that their relationship is an independent contractor relationship. The relationship between the parties hereto shall not be that of Employer and Employee.

7 Miscellaneous Provisions.

7.1 Notices. All notices and demands of any kind which either party hereto may be required or desires to serve upon the other party under the terms of this Agreement shall be in writing and shall be served upon such other party by personal service upon such other party, or by leaving a copy of such notice or demand at the address hereinafter set forth, whereupon service shall be deemed complete, or by mailing a copy thereof by certified or registered mail, airmail if the address is outside the state in which the same is mailed, postage prepaid, with return receipt requested, addressed as follows:

If to City:                   City Clerk  
                                  Hailey City Hall  
                                  115 Main Street South  
                                  Suite H  
                                  Hailey, Idaho 83333

If to Debra L. Gelet: Debra L. Gelet  
                                  PO Box 4350  
                                  Hailey, Idaho 83333

In case of service by mail, it shall be deemed complete on the day of actual delivery as shown on the addressee's registry of certification receipt or at the expiration of the third day after the date of mailing, whichever first occurs. The addresses to which notices and demands shall be delivered or sent may be changed from time to time by notice served as hereinabove provided by either party upon the other party.

7.2 Attorney Fees. If a dispute should arise between the parties regarding the interpretation, validity or enforcement of this Agreement, the prevailing party shall be entitled to recover from the other party its attorney's fees and costs incurred in such dispute, whether or not litigation is commenced, and on any appeals.

7.3 Successors and Assigns. This Agreement shall be binding and shall inure to the benefit of the parties hereto and their respective successors in interest.

7.4 Binding Effect. The rights and obligations of the parties hereunder shall ensure to the benefit of and shall be binding upon their respective successors and legal representatives. If any provision of this agreement is judicially determined to be invalid or unenforceable, the remainder of the agreement shall, nonetheless, remain valid and enforceable.

7.5 Governing Law. This agreement shall be construed in accordance with the laws of the State of Idaho.

7.6 Entire Agreement. This agreement contains the entire agreement between City and Debra L. Gelet concerning independent contractor employment. It may not be changed orally but only by an agreement in writing signed by both parties. It is specifically understood that the parties may agree in the future to add an addendum or addenda to this Agreement whereby Debra L. Gelet would perform other specified tasks otherwise subject to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Independent Contract Agreement as of the 17th day of December, 2012.

“CITY”  
CITY OF HAILEY, a political subdivision  
of the State of Idaho

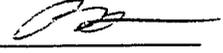
By \_\_\_\_\_  
Fritz X. Haemmerle, its Mayor

“Debra L. Gelet”

  
\_\_\_\_\_  
Debra L. Gelet



**AGENDA ITEM SUMMARY**

**DATE:** 12/17/12 **DEPARTMENT:** PW - Water **DEPT. HEAD SIGNATURE:** 

**SUBJECT:** Motion to approve submittal of Drinking Water Planning Grant Letter of Intent to Idaho Department of Environmental Quality

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

**BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:**

The last Water System Master Plan was completed in 2002 and an update is overdue. The attached application provides information to DEQ for ranking our request against others. Should we be successful in obtaining this grant it will cover 50% of the costs. This cost would be included in the 2013/14 budget year as the DEQ process for selection and finalizing grant documents will take until August/September, 2013.  
I have included the DEQ Guide for process and rating of applications.

**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)

- |   |                          |                     |                          |                    |
|---|--------------------------|---------------------|--------------------------|--------------------|
| <input type="checkbox"/> City Administrator | <input type="checkbox"/> | Library             | <input type="checkbox"/> | Benefits Committee |
| <input type="checkbox"/> City Attorney      | <input type="checkbox"/> | Mayor               | <input type="checkbox"/> | Streets            |
| <input type="checkbox"/> City Clerk         | <input type="checkbox"/> | Planning            | <input type="checkbox"/> | Treasurer          |
| <input type="checkbox"/> Building           | <input type="checkbox"/> | Police              | <input type="checkbox"/> | _____              |
| <input type="checkbox"/> Engineer           | <input type="checkbox"/> | Public Works, Parks | <input type="checkbox"/> | _____              |
| <input type="checkbox"/> Fire Dept.         | <input type="checkbox"/> | P & Z Commission    | <input type="checkbox"/> | _____              |

**RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:**

Approval of the Letter of Intent.

**ADMINISTRATIVE COMMENTS/APPROVAL:**

City Administrator \_\_\_\_\_ Dept. Head Attend Meeting (circle one) Yes No

**ACTION OF THE CITY COUNCIL:**

Date \_\_\_\_\_

City Clerk \_\_\_\_\_

**FOLLOW-UP:**

\*Ord./Res./Agrmt./Order Originals: Record \*Additional/Exceptional Originals to: \_\_\_\_\_  
Copies (all info.): \_\_\_\_\_ Copies (AIS only) \_\_\_\_\_  
Instrument # \_\_\_\_\_



**Idaho Department of Environmental Quality  
 Drinking Water Planning Grant  
 Letter of Interest**

**FY 2014**

**Section 1. Project Information**

Please provide complete and accurate answers to receive the highest possible rating for your project. DEQ recommends that you work closely with your engineering consultant to complete this form.

**A. Project/System Identification**

Public Water System No. 5070022

Project/System DUNS No. (required prior to loan signing) \_\_\_\_\_

Project/System Name City of Hailey Water Master Plan

Project/System Address 115 Main Street South City Hailey State ID Zip 83333

System Phone 208-578-2211 System Fax 208-788-2924

Population Served 8400 System Ownership (check one):  For Profit  Not For Profit

Owner's Name (print) City of Hailey Owner's Phone 208-788-4221

Name/Title of System Contact (if different from owner) Tom Hellen, Public Works Director

Contact's Address 115 Main Street South City Hailey State ID Zip 83333

Contact's Phone 208-788-9830 Contact Fax 208-788-2924 E-mail Address Tom.hellen@haileycityhall.org

**B. Project/System Problems**

1. On a separated sheet, describe any known problems that need to be addressed. Label the description as section 1, part B.

**C. Project Readiness**

Decide if your community is interested in pursuing a DEQ Drinking Water planning grant by answering the following questions. **At a minimum, the planning effort must address problems experienced by your drinking water system. For each YES, provide documentation on a separate sheet of paper.**

1. Do you need to make improvements or upgrade your public drinking water system?  YES  NO

**If you answered YES**, your drinking water system is eligible to be rated and placed on the FY 2014 planning grant priority list. Proceed to question 2 and then complete sections 2–8. As an attachment, include a description of the proposed planning project and any known problems that need to be addressed. Label the description as section 1, part B.

**If you answered NO**, you will not be placed on the new fiscal year's priority list. DEQ will notify you next year when the grant and loan process begins again. **If you answered NO, do not complete or submit this form to DEQ.**

2. If you have already contacted an engineer about your planning effort, indicate your status and provide contact information for the engineer (or firm):
  - Discussed with engineer
  - Obtained quote from engineer
  - Signed contract with engineer

Name SPF Water Engineering, Cathy Cooper  
 Address 300 E. Mallard Dr. Suite 350 City Boise State ID Zip 83706  
 Phone 208-383-4140 Fax 208-383-4156 E-mail ccooper@spfwater.com

3. What is the estimated total cost (DEQ + your match) to prepare your planning document (including an environmental document if one will be prepared as part of this grant)? \$ 200,000

**An Environmental Information Document (EID) is not required under the DEQ planning grant process. However, if you plan to construct a project with any federal funds, including the DEQ State Revolving Fund (SRF) loan program, an EID will be required before funds can be awarded. Preparation of an EID is considered grant eligible if you wish to prepare it as part of this planning process.**

4. If this planning document will include an EID, how much of the total planning budget provided above is the estimated cost (DEQ + your match) of preparing an EID? \$ 25,000
5. If interested in receiving a planning grant, will you have the 50% required match funds available?  YES  NO

**If you answered NO, do not complete or submit this form to DEQ.**

## Section 2. Public Health Emergency or Hazard

*IDAPA 58.01.22.020.02.a. Public Health Hazard. Any condition which creates, or may create, a danger to the consumer's health, which may include one or more of the following: i. Documented unresolved violations of the primary drinking water standards including maximum contaminant levels, action levels, and treatment techniques (to include maximum contaminant levels for acute and chronic contaminants); ii. Documented unresolved violations of pressure requirements; iii. Documented reduction in source capacity that impacts the system's ability to reliably serve water; or iv. Documented significant deficiencies (e.g., documented in a sanitary survey) in the physical system that is causing the system to not be able to reliably serve safe drinking water—up to 100 points.*

1. Does an officially declared or designated public health hazard or emergency exist, as certified/documented by the DEQ Board, DEQ, or District Health Department's Board of Health?  YES (Provide a copy of the Board documentation or certification with LOI.)  
 NO
2. In the last 12 months, has your system documented unresolved violations of the primary drinking water standards, including maximum contaminant levels (MCLs) (for acute and chronic contaminants), action levels, or treatment techniques? Identify constituents in violation.  YES  NO
3. In the last 12 months, has your system documented frequent unresolved incidents of pressure below 20 psi? Provide copies of public notices that are required by the "Idaho Rules for Public Drinking Water Systems" and any related documentation.  YES  NO
4. Does your system currently have a documented reduction in source capacity (well or surface water intake) that impacts the system's ability to reliably serve water? Provide documentation.  YES  NO
5. Does your system currently have other significant problems in the physical system (not otherwise listed in questions 2-4) that have been identified as a public health hazard? Provide documentation.  YES  NO
6. On a separate sheet, describe each item marked YES and attach documentation. Label each description/documentation as section 2, part number(s).

### Section 3. General Conditions of Existing Facilities

IDAPA 58.01.22.020.02.b. *General Conditions of Existing Facilities. Points shall be given based on deficiencies (which would not constitute a public health hazard) for pumping, treating, storing, and delivering drinking water—up to 60 points.*

Select all that are true and will be addressed by the proposed study. If available, provide documentation other than a sanitary survey (e.g., engineer’s evaluation).

Systems will be considered inadequate to meet current hydraulic demand if pressures are consistently between 20 and 40 psi (this section does not include occasional depressurization events below 20 psi that have been resolved).

Check all that apply:

1. Treatment deficiencies:
  - a. Water treatment facilities do not meet the requirements of the “Idaho Rules for Public Drinking Water Systems,” but problems do not constitute a public health hazard as described in section 2.  YES  NO
  - b. Treatment facilities have inadequate capacity and cannot reliably meet *current* demand without extraordinary operational procedures.  YES  NO
  - c. Inadequate treatment results in exceedance of secondary MCLs.  YES  NO
2. Source deficiencies:
  - a. Sources have been determined to be vulnerable to contamination (e.g., damaged casing, inadequate setbacks, proximity to contamination) and the vulnerabilities will be corrected as part of this project.  YES  NO
  - b. Source’s or combined sources’ capacity is inadequate to meet *current* demand, even if they are or could be equipped with adequately sized pumps. Provide a description and documentation, such as pressure readings or complaints received by operator.  YES  NO
  - c. Sources have adequate water, but well pumps or intake pumps are inadequate to meet *current* hydraulic demand. Provide a description and documentation, such as pressure readings or complaints received by operator.  YES  NO
3. Distribution system deficiencies (do not include well pumps):
  - a. Storage, pumping, or distribution facilities have inadequate capacity and cannot reliably meet *current* demand.  YES  NO
  - b. Existing storage tanks, pumping, or distribution facilities are leaking excessively or are structurally flawed or deteriorated. Provide documentation, such as maintenance logs.  YES  NO
4. Will the proposed study address redundancy and standby power?  YES  NO
5. On a separate sheet, describe each item marked YES and attach documentation. Label each description/documentation as section 3, part number(s).

### Section 4. Sustainability (Green) Infrastructure Efforts

IDAPA 58.01.22.020.02.c *Sustainability Efforts. (e.g., prospective efforts at energy conservation, water conservation, extending the life of capital assets, green building practices, and other environmentally innovative approaches to infrastructure repair, replacement and improvement)—up to 50 points.*

Answers to the following questions can improve your overall rating and your access to funds that are specifically designated for sustainability efforts. If you earn Priority List points for your responses in this section, your project engineer will need to help DEQ (several hours) develop the needed information to report to the United States Environmental Protection Agency (EPA).

For reference, some green infrastructure-related websites include the following:

- <http://www.epa.gov/cupss/>
- [http://en.wikipedia.org/wiki/ISO\\_14001](http://en.wikipedia.org/wiki/ISO_14001)
- <http://www.iso14000-iso14001-environmental-management.com/>
- [http://www.iso.org/iso/iso\\_14000\\_essentials](http://www.iso.org/iso/iso_14000_essentials)
- [http://www.energystar.gov/index.cfm?c=evaluate\\_performance.bus\\_portfoliomanager](http://www.energystar.gov/index.cfm?c=evaluate_performance.bus_portfoliomanager)
- [http://www.energystar.gov/index.cfm?c=evaluate\\_performance.bus\\_portfoliomanager\\_benchmarking](http://www.energystar.gov/index.cfm?c=evaluate_performance.bus_portfoliomanager_benchmarking)
- <http://www.epa.gov/region09/waterinfrastructure/benchmark.html>
- <http://www.epa.gov/greenpower/>
- <http://www.nema.org/Policy/Energy/Efficiency/Pages/NEMA-Premium-Motors.aspx>
- <http://www.cee1.org/ind/mot-sys/mtr-ms-main.php3>

1. As part of your planning grant will you include sustainability efforts? **Although only 50 points can be awarded under section 4, DEQ will incorporate all sustainability items checked below into the scope of the grant agreement.**  YES  NO
2. How much of your planning budget is being allocated to green infrastructure/sustainability? \$ 26,000
3. As part of your planning grant will you include management-based efforts?  YES  NO

**Check all that apply—20 points each:**

- Implemented a capital budget that is funded and is supported by a capital improvement plan (submit documentation) **OR** will develop a capital budget and capital improvement plan as part of the proposed planning project.
- Implemented a consumption-based full-cost pricing for drinking water supported by a capital budget (submit documentation) **OR** will develop consumption-based full-cost pricing as part of the proposed planning project.
- Implemented a formal asset management system (using a tool such as EPA’s Check Up Program for Small Systems [CUPSS]) (submit documentation) **OR** will develop a formal asset management system as part of the proposed planning project.
- Implemented a formal environmental management system (shown by International Organization for Standardization (ISO) 14001 certification) (submit documentation) **OR** will develop a formal environmental management system as part of the proposed planning project.
- Implemented a sustainable infrastructure (SI) benchmarking program (submit documentation) **OR** will develop a SI benchmarking program as part of the proposed planning project.
- Evaluate *green* building management (based on Leadership in Energy and Environmental Design [LEED] operation and maintenance [O&M] criteria) as part of the proposed planning project.
- Evaluate funding the provision of water efficient fixtures for the community as part of the proposed planning project.
- Conduct a professional energy audit as part of the proposed planning project.
- Other (contact Grant Program)

On an attached sheet, explain each of the management-based sustainability efforts checked above and include the cost of the effort. Label the documentation as section 4, part 3.

4. As part of your planning grant will you include technology-based efforts?  YES  NO

**Check all that apply—20 points each:**

- Water conservation measures that would result in an estimated water savings of 20% or more, such as
  - Leak detection equipment (including smart meters)
  - Water meters and implement a conservation-oriented rate structure (usage-dependent rates)
  - WaterSense plumbing fixtures/irrigation, gray water distribution/collection
  - Community-wide efforts to replace inefficient fixtures
- Energy conservation measures that would result in a 20% net energy reduction in a unit operation such as
  - Variable frequency drive (VFD) pumps
  - Turbines/hydrogenerators in pipelines
  - Energy-efficient motors that meet National Electrical Manufacturers Association (NEMA) Premium specification
  - Green roofs
  - On-site energy generation, such as fuel cells, solar, or wind
  - Replacement of pump stations with gravity-fed lines
- Construct or renovate buildings to meet LEED criteria
- Other (contact Grant Program)

On an attached sheet, explain each of the technology-based sustainability efforts checked above and include the cost of the effort. Label the documentation as section 4, part 4.

5. As part of your planning grant will you include green construction practices?  YES  NO

**Check all that apply—10 points each:**

- Evaluate use of recycled materials for facility construction and design for deconstruction
- Evaluate design/build for environmentally friendly decommissioning
- Other (contact Grant Program)

6. On an attached sheet, explain each of the construction practice sustainability efforts checked above and include the cost of the effort. Label the documentation as section 4, part 6.

**Section 5. Consent Order, Compliance Agreement Schedule, or Court Order**

*IDAPA 58.01.22.020.02.d. Consent Order, Compliance Agreement Schedule, or Court Order. Points shall be given if the system is operating under and in compliance with a Consent Order, Compliance Agreement Schedule, or Court Order and the proposed construction project will address the Consent Order, Compliance Agreement Schedule, or Court Order—up to 30 points.*

1. Is your planning effort directly related to the technical/managerial issues of the order or agreement?  YES  NO
2. If YES, on a separate sheet describe the issues and provide supporting documentation that will assist in understand the problem(s). Discuss whether you are seeking funding for a phased approach to your system's needs, and if the phasing strategy has been discussed with the DEQ regional engineer. Label the description as section 5.

**Section 6. Bonus Points/Incentives**

*IDAPA 58.01.22.020.02.e. Incentives. Bonus points shall be awarded to systems that promote source water protection, conservation, economy, proper operation maintenance, and monitoring—up to 10 points.*

**Check all that apply:**

1. Do you have a current Drinking Water Protection Plan (less than 5 years old)?  YES  NO  
(note that Hailey has a Wellhead Protection Plan that was completed in 2000-2001)

2. Have you established a drinking water system capital replacement fund and contributed to it at least once in the past 3 years? Provide a copy of your capital improvement plan and a financial statement for this fund.  YES  NO
3. Cross-connection:  
 Community Water System—Do you have an active Cross-Connection Control Plan (provide a copy or link to this plan), **OR**  
 Noncommunity Water System—Were potential backflow protection or cross-connection issues identified in the managerial module of your latest sanitary survey (provide date)?  YES  NO  
 Date \_\_\_\_\_
4. Do you have a conservation-oriented rate structure (rates dependent on use)? Provide a copy of your rate schedule.  YES  NO
5. Do you have a predesignated, licensed, "Substitute Responsible Charge Operator License Requirement" for your system as described in IDAPA 58.01.08.554?  YES  NO
6. Is your system current on required monitoring?  YES  NO

**Section 7. Affordability**

*IDAPA 58.01.22.020.02.f. Affordability. Points shall be given when current system user charges exceed state affordability guidelines—up to 10 points.*

1. How many equivalent dwelling unit (EDU) connections does your system serve? 3167
2. What is the current average residential user rate? \$13.32 /month/household/winter  
\$20.82 /month/household/summer

**Section 8. Authorized Signature**

Would you be willing to allow us to share your LOI with other federal funding agencies?  YES  NO

**I understand that if awarded funding, costs incurred prior to the award are not eligible for reimbursement, unless written acceptance of the costs are received from DEQ.**

Initials 

I certify that, to the best of my knowledge, all information provided here is valid and correct:

Authorized Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
 Print Name \_\_\_\_\_

*Return completed form by January 4, 2012 to:  
 Idaho Department of Environmental Quality  
 Attn: Charlie Parkins  
 1410 North Hilton  
 Boise, ID 83706  
[charlie.parkins@deq.idaho.gov](mailto:charlie.parkins@deq.idaho.gov)  
 Phone (208) 373-0577 Fax (208) 373-0576*

**Section 1, Part B**

The proposed planning project will be an update to the City's existing water system master plan. Hailey has completed substantial improvements to their system since the previous master plan was completed, including installation of individual service meters and alterations in how the system is controlled. The hydraulic model for the water system will be updated and different scenarios examined. Known issues to be addressed include the following.

- increasing pressures in the Northridge area of the system (pressures here are compliant with IDEQ requirements, but residents desire higher water pressures)
- Investigating solutions to high pressure areas in the lower elevations of the system
- Planning for needed future improvements to accommodate anticipated growth

**Section 3, Part 4** – Will the proposed study address redundancy and standby power?

Current and future demands will be compared with IDEQ requirements for redundant pumping and standby power, and Hailey's current redundant pumping and standby power capabilities.

**Section 4, Part 3**

- a. A Capital Improvement Plan will be developed as part of the planning effort. Needed improvements will be identified with a target construction date and estimated budgetary cost. Hailey currently has a capital budget in place. (\$10,000)
- b. Implemented a consumption-based full-cost pricing for drinking water supported by a capital budget (documentation attached). Hailey implemented consumption based rates in 2006. A brief review of rates with recommendations for the future will be included in the study. (\$7,000)
- c. Green building management (LEED) will be evaluated as part of the proposed planning project for the existing buildings included in Hailey's water system. (\$5,000)
- d. Funding the provision of water efficient fixtures for the community will be investigated as part of the proposed planning project. (\$4,000)

**Section 4, Part 4**

- a. Water conservation measures that would result in an estimated water savings of 20% or more. The study would address water conservation measures including community-wide efforts to replace inefficient fixtures, usage-dependent rates, and reduction of losses from the water system. (\$17,000)
- b. Construct or renovate buildings to meet LEED criteria. Existing well houses and pump station buildings would be considered for renovation as part of the study. (\$5,000)

**Section 4, Part 6**

- a. The use of recycled materials for facility construction will be evaluated as part of the study. (\$8,000)

1-30,000	\$0.25	\$7.50
31,000-40,000	\$0.50	\$5.00
41,000-50,000	\$0.75	\$7.50
51,000-60,000	\$1.25	\$12.50
61,000-70,000	\$1.75	\$17.50
71,000-80,000	\$2.00	\$20.00
81,000-90,000	\$2.25	\$22.50
91,000-100,000	\$2.50	\$25.00
101,000-150,000	\$2.75	\$137.50
151,000 & above	\$3.00	

Base rate \$8.32

WATER CHARGES EFFECTIVE 9/25/12



GALLONS	WTR FEES								
1000	\$8.57	51000	\$29.57	101000	\$128.57	151000	\$266.32	201000	\$416.32
2000	\$8.82	52000	\$30.82	102000	\$131.32	152000	\$269.32	202000	\$419.32
3000	\$9.07	53000	\$32.07	103000	\$134.07	153000	\$272.32	203000	\$422.32
4000	\$9.32	54000	\$33.32	104000	\$136.82	154000	\$275.32	204000	\$425.32
5000	\$9.57	55000	\$34.57	105000	\$139.57	155000	\$278.32	205000	\$428.32
6000	\$9.82	56000	\$35.82	106000	\$142.32	156000	\$281.32	206000	\$431.32
7000	\$10.07	57000	\$37.07	107000	\$145.07	157000	\$284.32	207000	\$434.32
8000	\$10.32	58000	\$38.32	108000	\$147.82	158000	\$287.32	208000	\$437.32
9000	\$10.57	59000	\$39.57	109000	\$150.57	159000	\$290.32	209000	\$440.32
10000	\$10.82	60000	\$40.82	110000	\$153.32	160000	\$293.32	210000	\$443.32
11000	\$11.07	61000	\$42.57	111000	\$156.07	161000	\$296.32	211000	\$446.32
12000	\$11.32	62000	\$44.32	112000	\$158.82	162000	\$299.32	212000	\$449.32
13000	\$11.57	63000	\$46.07	113000	\$161.57	163000	\$302.32	213000	\$452.32
14000	\$11.82	64000	\$47.82	114000	\$164.32	164000	\$305.32	214000	\$455.32
15000	\$12.07	65000	\$49.57	115000	\$167.07	165000	\$308.32	215000	\$458.32
16000	\$12.32	66000	\$51.32	116000	\$169.82	166000	\$311.32	216000	\$461.32
17000	\$12.57	67000	\$53.07	117000	\$172.57	167000	\$314.32	217000	\$464.32
18000	\$12.82	68000	\$54.82	118000	\$175.32	168000	\$317.32	218000	\$467.32
19000	\$13.07	69000	\$56.57	119000	\$178.07	169000	\$320.32	219000	\$470.32
20000	\$13.32	70000	\$58.32	120000	\$180.82	170000	\$323.32	220000	\$473.32
21000	\$13.57	71000	\$60.32	121000	\$183.57	171000	\$326.32	221000	\$476.32
22000	\$13.82	72000	\$62.32	122000	\$186.32	172000	\$329.32	222000	\$479.32
23000	\$14.07	73000	\$64.32	123000	\$189.07	173000	\$332.32	223000	\$482.32
24000	\$14.32	74000	\$66.32	124000	\$191.82	174000	\$335.32	224000	\$485.32
25000	\$14.57	75000	\$68.32	125000	\$194.57	175000	\$338.32	225000	\$488.32
26000	\$14.82	76000	\$70.32	126000	\$197.32	176000	\$341.32	226000	\$491.32
27000	\$15.07	77000	\$72.32	127000	\$200.07	177000	\$344.32	227000	\$494.32
28000	\$15.32	78000	\$74.32	128000	\$202.82	178000	\$347.32	228000	\$497.32
29000	\$15.57	79000	\$76.32	129000	\$205.57	179000	\$350.32	229000	\$500.32
30000	\$15.82	80000	\$78.32	130000	\$208.32	180000	\$353.32	230000	\$503.32
31000	\$16.32	81000	\$80.57	131000	\$211.07	181000	\$356.32	231000	\$506.32
32000	\$16.82	82000	\$82.82	132000	\$213.82	182000	\$359.32	232000	\$509.32
33000	\$17.32	83000	\$85.07	133000	\$216.57	183000	\$362.32	233000	\$512.32
34000	\$17.82	84000	\$87.32	134000	\$219.32	184000	\$365.32	234000	\$515.32
35000	\$18.32	85000	\$89.57	135000	\$222.07	185000	\$368.32	235000	\$518.32
36000	\$18.82	86000	\$91.82	136000	\$224.82	186000	\$371.32	236000	\$521.32
37000	\$19.32	87000	\$94.07	137000	\$227.57	187000	\$374.32	237000	\$524.32
38000	\$19.82	88000	\$96.32	138000	\$230.32	188000	\$377.32	238000	\$527.32
39000	\$20.32	89000	\$98.57	139000	\$233.07	189000	\$380.32	239000	\$530.32
40000	\$20.82	90000	\$100.82	140000	\$235.82	190000	\$383.32	240000	\$533.32
41000	\$21.57	91000	\$103.32	141000	\$238.57	191000	\$386.32	241000	\$536.32
42000	\$22.32	92000	\$105.82	142000	\$241.32	192000	\$389.32	242000	\$539.32
43000	\$23.07	93000	\$108.32	143000	\$244.07	193000	\$392.32	243000	\$542.32
44000	\$23.82	94000	\$110.82	144000	\$246.82	194000	\$395.32	244000	\$545.32
45000	\$24.57	95000	\$113.32	145000	\$249.57	195000	\$398.32	245000	\$548.32
46000	\$25.32	96000	\$115.82	146000	\$252.32	196000	\$401.32	246000	\$551.32
47000	\$26.07	97000	\$118.32	147000	\$255.07	197000	\$404.32	247000	\$554.32
48000	\$26.82	98000	\$120.82	148000	\$257.82	198000	\$407.32	248000	\$557.32
49000	\$27.57	99000	\$123.32	149000	\$260.57	199000	\$410.32	249000	\$560.32
50000	\$28.32	100000	\$125.82	150000	\$263.32	200000	\$413.32	250000	\$563.32

Capital Improvement Plan Project List - 11/2012 Update

Sorted By Type

PRIORITY	Project Description	FY 09-10 Projected	FY 10-11 Projected	FY 11-12 Projected	FY 12-13 Projected	FY 13-14 Projected	FY 14-15 Projected	Future	Total
	<b>Water Projects</b>								
	3rd Avenue Wellhouse & Contact Basin	0	0	0	0	50,000	450,000	0	500,000
	Second Ave Water Main Installation	0	0	0	0	0	0	465,000	465,000
	Water Grid Transmission Improvements - Deerfield	0	0	0	0	0	0	0	0
	River St Water Main Upgrade	0	0	0	0	25,000	110,000	0	135,000
	Silver St Water Main Installation	0	0	0	0	0	0	260,000	260,000
	Woodside Subdivision Water Grid Improvements	0	0	0	0	0	0	300,000	300,000
	Middle School Irrigation	0	0	5,000	10,000	0	0	0	15,000
	Next City Well - Requires Land	0	0	0	0	50,000	775,000	0	825,000
	Woodside Blvd Irrigation Pump Station	0	0	0	5,000	45,000	0	0	50,000
	Lions, Hop Porter Irrigation Systems	0	0	5,000	110,000	0	0	0	115,000
	Heagle Irrigation Systems	0	0	5,000	0	70,000	0	0	75,000
	Water Dept Shop & Office	0	0	0	0	0	0	350,000	350,000
	<b>Totals</b>	0	0	15,000	125,000	240,000	1,335,000	1,375,000	3,090,000

CITY OF HAILEY, IDAHO  
Statement of Net Assets  
Proprietary Funds  
at September 30, 2012

	<u>Water</u>	<u>Wastewater</u>	<u>Totals</u>
<b>Assets:</b>			
Current Assets:			
Cash and Deposits	\$ 240,549	\$ 191,407	\$ 431,956
Investments - Unrestricted	975,798	443,638	1,419,436
Accts receivable - customers	182,994	122,344	305,338
Inventory	119,093		119,093
	<u>1,518,434</u>	<u>757,389</u>	<u>2,275,823</u>
<b>Restricted Current Assets:</b>			
Cash, Deposits, and Investments	<u>1,920,340</u>	<u>798,214</u>	<u>2,718,554</u>
Total Current Assets	<u>3,438,774</u>	<u>1,555,603</u>	<u>4,994,377</u>
<b>Capital Assets:</b>			
Plant and equipment	10,264,368	9,803,617	20,067,985
Accumulated depreciation	<u>(4,027,467)</u>	<u>(4,531,813)</u>	<u>(8,559,280)</u>
Net Plant and equipment	<u>6,236,901</u>	<u>5,271,804</u>	<u>11,508,705</u>
<b>Total Assets</b>	<u>9,675,675</u>	<u>6,827,407</u>	<u>16,503,082</u>
<b>Liabilities:</b>			
Current Liabilities:			
Accounts and Interest Payable	79,746	19,015	98,761
Current portion long-term debt	<u>95,539</u>	<u>230,000</u>	<u>325,539</u>
Total current liabilities	<u>175,285</u>	<u>249,015</u>	<u>424,300</u>
<b>Noncurrent Liabilities:</b>			
Bonds Payable	1,995,103	2,350,000	4,345,103
Unamortized Bond Discount		56,882	56,882
Compensated Absences Payable	<u>6,529</u>	<u>26,874</u>	<u>33,403</u>
Total noncurrent liabilities	<u>2,001,632</u>	<u>2,433,756</u>	<u>4,435,388</u>
<b>Total Liabilities</b>	<u>2,176,917</u>	<u>2,682,771</u>	<u>4,859,688</u>
<b>Net Assets:</b>			
Investment in capital assets net of related debt	4,146,259	2,634,922	6,781,181
Restricted	1,920,340	798,214	2,718,554
Unrestricted	<u>1,432,159</u>	<u>711,500</u>	<u>2,143,659</u>
<b>Total Net Assets</b>	<u>\$ 7,498,758</u>	<u>\$ 4,144,636</u>	<u>\$ 11,643,394</u>

The accompanying notes are a part of these financial statements.

CITY OF HAILEY, IDAHO  
Statement of Revenues, Expenditures, and Changes in Net Assets  
Proprietary Funds  
for the year ended September 30, 2012

	<u>Water</u>	<u>Wastewater</u>	<u>Totals</u>
<b>Operating Revenues:</b>			
Charges for services	\$ 1,107,216	\$ 1,291,540	\$ 2,398,756
Hookups and connections	42,062	42,709	84,771
Reimbursements and Misc.	10,471		10,471
	<u>1,159,749</u>	<u>1,334,249</u>	<u>2,493,998</u>
<b>Total Operating Revenue</b>			
<b>Operating Expenses:</b>			
Salaries and benefits	447,619	496,785	944,404
Administrative and supplies	443,618	463,491	907,109
Depreciation	311,052	329,683	640,735
	<u>1,202,289</u>	<u>1,289,959</u>	<u>2,492,248</u>
<b>Total Operating Expenses</b>			
<b>Operating Income (Loss)</b>	<u>(42,540)</u>	<u>44,290</u>	<u>1,750</u>
<b>Nonoperating Revenues (Expenses):</b>			
Interest Income	19,793	12,890	32,683
Interest Expense	(74,768)	(127,916)	(202,684)
Gain (Loss) on asset disposal		2,400	2,400
Other Grants and Miscellaneous	56,977	56,977	113,954
	<u>2,002</u>	<u>(55,649)</u>	<u>(53,647)</u>
<b>Total Nonoperating</b>			
<b>Income (Loss) before transfers</b>	<u>(40,538)</u>	<u>(11,359)</u>	<u>(51,897)</u>
Transfers in			
Transfers out			0
<b>Net Income (Loss)</b>	<u>(40,538)</u>	<u>(11,359)</u>	<u>(51,897)</u>
<b>Total Net Assets - Beginning</b>	<u>7,539,296</u>	<u>4,155,995</u>	<u>11,695,291</u>
<b>Total Net Assets - Ending</b>	<u>\$ 7,498,758</u>	<u>\$ 4,144,636</u>	<u>\$ 11,643,394</u>

The accompanying notes are a part of these financial statements.

CITY OF HAILEY, IDAHO  
Statement of Cash Flows  
Proprietary Funds  
for the year ended September 30, 2012

	Water Fund	Wastewater Fund	Total
<b>Cash Flows From Operating Activities:</b>			
Receipts from customers	\$ 1,173,764	\$ 1,285,825	\$ 2,459,589
Payments to suppliers	(441,902)	(470,777)	(912,679)
Payments to employees	(447,619)	(496,785)	(944,404)
Other receipts	10,471		10,471
Net cash provided (used) by operations	<u>294,714</u>	<u>318,263</u>	<u>612,977</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Purchase and construction of capital assets	(395,752)	(62,039)	(457,791)
Grants	56,977	56,977	113,954
Principal paid on capital debt	(92,265)	(220,000)	(312,265)
Interest paid on capital debt	(74,768)	(127,916)	(202,684)
Net cash provided (used) by capital and related financing activities	<u>(505,808)</u>	<u>(352,978)</u>	<u>(858,786)</u>
<b>Cash Flows From Investing Activities:</b>			
Interest Income	19,793	12,890	32,683
<b>Net Increase (Decrease) in Cash and Equivalents</b>	(191,301)	(21,825)	(213,126)
<b>Balances - Beginning of the year</b>	<u>3,327,988</u>	<u>1,455,084</u>	<u>4,783,072</u>
<b>Balances - Ending of the year</b>	<u>\$ 3,136,687</u>	<u>\$ 1,433,259</u>	<u>\$ 4,569,946</u>
Displayed as:			
Pooled Cash and Investments	1,216,347	635,045	1,851,392
Restricted Assets	1,920,340	798,214	2,718,554
<b>Balances - Ending of the year</b>	<u>\$ 3,136,687</u>	<u>\$ 1,433,259</u>	<u>\$ 4,569,946</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	(40,538)	(11,359)	(51,897)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	311,052	329,683	640,735
Changes in assets and liabilities:			
Receivables, net	26,936	(5,715)	21,221
Inventory	(4,026)	0	(4,026)
Compensated Absences	(4,452)	3,043	(1,409)
Accounts and other payables	5,742	2,611	8,353
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 294,714</u>	<u>\$ 318,263</u>	<u>\$ 612,977</u>

The accompanying notes are a part of these financial statements.

CITY OF HAILEY, IDAHO  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual -- Water Fund  
 for the year ended September 30, 2012

	<u>Original and Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUE:			
User Fees	\$ 872,472	\$ 940,991	\$ 68,519
Capital Projects Bond Fees	169,031	166,225	(2,806)
Hook-up Fees	70,000	24,126	(45,874)
Service Charges	10,000	18,236	8,236
Meter Reimbursements	2,000	4,191	2,191
Idaho Power Hydroplant Revenues	10,000	3,505	(6,495)
Inspection/Live Tap Fees	1,000	450	(550)
Water Fill Tower Permits	2,500	2,025	(475)
Earnings on investments	35,000	19,793	(15,207)
Grants and Contributions		56,977	56,977
Miscellaneous			0
	<u>1,172,003</u>	<u>1,236,519</u>	<u>64,516</u>
EXPENDITURES:			
Labor and Benefits	482,827	496,785	(13,958)
Administrative and supplies	337,550	463,491	(125,941)
Debt Service	169,031	168,386	645
Capital Outlay	333,817	382,266	(48,449)
	<u>1,323,225</u>	<u>1,510,928</u>	<u>(187,703)</u>
EXCESS REVENUE (EXPENDITURES)	(151,222)	(274,409)	(123,187)
OTHER FINANCING SOURCES (USES):			
Operating transfers from other funds			
Operating transfers (to) other funds			
Depreciation and Debt Reduction Amounts		233,871	233,871
		<u>233,871</u>	<u>233,871</u>
NET CHANGE IN FUND BALANCES	(151,222)	(40,538)	\$ <u>110,684</u>
FUND BALANCE - BEGINNING	<u>7,539,296</u>	<u>7,539,296</u>	
FUND BALANCE - ENDING	\$ <u>7,388,074</u>	\$ <u>7,498,758</u>	

# **Applicant's Guide to Idaho's Public Drinking Water Facilities Planning Grant Program**

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**State of Idaho  
Department of Environmental Quality  
Water Quality Division, Grants and Loans Program  
1410 N. Hilton  
Boise, ID 83706  
September 2012**

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## Attachments

- Form A: Application Form and Checklist (PDF format)
- Form B: Authorizing Resolution (Word format)
- Form C: Outlay Report and Request for Reimbursement (Excel format)
- Form 5-A: Planning Document Outline and Checklist (PDF format)
- Form 5-B: Outline and Checklist for Environmental Information Documents (PDF format)

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## Introduction

The Idaho Department of Environmental Quality (DEQ) provides financial assistance to owners of eligible public drinking water systems in Idaho through its Drinking Water Planning Grant Program. The program funds facility planning projects designed to ensure safe and adequate supplies of drinking water.

DEQ awards grants to develop planning documents and an environmental information document (EID) that identify the most cost-effective, environmentally sound method of upgrading public drinking water systems to achieve and maintain compliance with state and federal standards. A planning document may be a facility plan, engineering report, capital improvement plan or similar document.

DEQ determines which prospective planning efforts will best protect public health and promote sustainable infrastructure through a prioritization process. The number of grants offered each year is limited to available funding. The funds are committed to the highest priority projects. Grants provide funding for up to 50% of eligible planning costs, with a matching share funded by local sources.

This guide provides a summary of drinking water planning grant procedures and is not intended to be all-inclusive. Detailed requirements are given in the "Rules for Administration of Planning Grants for Drinking Water Facilities" (IDAPA 58.01.22).

## Part 1: Eligibility

Drinking water planning grants are available to owners of the following types of public water systems: community water systems and nonprofit, noncommunity water systems. A public water system is a system for the provision of water for human consumption through pipes or other conveyances that has at least 15 service connections or regularly serves an average of at least 25 individuals daily at least 60 days out of the year.

- A *community* water system serves at least 15 service connections used by year-round residents or regularly serves at least 25 year-round residents.
- A *noncommunity* water system is a public water system that is not a community water system. In other words, it serves the public but does not serve the same people year-round. A noncommunity water system is either transient or nontransient.
  - A *nonprofit, noncommunity* water system is a public drinking water system that is not a community water system and is governed by Section 501 of the Internal Revenue Code and includes, but is not limited to, state agencies, municipalities, and nonprofit organizations such as churches and schools.
  - A *nontransient, noncommunity* water system is a noncommunity water system that regularly serves at least 25 of the same people more than 6 months per year but not year-round (e.g., a school or hospital with its own water supply).
  - A *transient noncommunity* water system does not regularly serve at least 25 of the same people for more than 6 months per year (e.g., rest area or campground with its own water supply).

These classifications include most systems owned by Idaho municipalities, special water districts, and associations.

Owners of the following public drinking water systems are not eligible for project planning grants:

- A system that lacks the financial capability to pay the nongrant share of a planning project.
- A system that is delinquent in payment of the annual state drinking water fee assessment.

## Part 2: Priority List Process

Table 1 presents a step-by-step description of the process by which projects are placed on the state's Drinking Water Planning Grant Priority List and subsequently receive and use planning grant funds. A priority list is prepared in the fiscal year prior to the year it is funded. The state fiscal year runs from July 1 through June 30.

Table 1. Priority list process.

Step	Description	Timeline
1	<b>DEQ solicits interest from owners of public water systems.</b> DEQ mails notice to owners of all eligible community and nonprofit, noncommunity public water system owners in the state to solicit interest in applying for a planning grant and thus be included on a priority list. Interested owners are directed to fill out a letter of interest (LOI) form in this notification. The blank LOI form will be available on the DEQ website.	Annually in October
2	<b>System owner indicates interest.</b> The system owner completes and returns the LOI form to DEQ. Submissions are accepted in paper or electronic copy.	8 – 9 weeks after receiving solicitation letter
3	<b>DEQ regional engineers evaluate projects.</b> DEQ regional engineers review submitted LOIs and rate projects. Rating criteria focus on potential public health risks and the status of a system's compliance with state and federal regulations. (See <i>Part 3</i> for more information on the priority rating system.)	3 weeks after receipt of system LOIs
4	<b>DEQ State Office reviews rating evaluation.</b> The State Office reviews and adjusts the regional office rating for statewide consistency. The projects are then ranked for inclusion on the next annual priority list.	3 weeks following step 3
5	<b>DEQ State Office solicits public review and comment.</b> DEQ publishes the priority list and solicits comments from the public in major newspapers around the state and on DEQ's website. The comment period lasts approximately 30 days.	4 weeks following step 4
6	<b>DEQ State Office matches priority projects to available funding.</b> Substantive public comments are considered and addressed. Public comments and ratings are used to identify top-ranked priority projects for which funding is available.	Immediately after public comment period

Step	Description	Timeline
7	<p><b>DEQ Board acts upon priority list and projects.</b>                      The Idaho Board of Environmental Quality reviews and acts upon the proposed priority list and proposed fundable projects.</p>	At the next Board meeting after the public comment period ends

### Part 3: DEQ's Priority Rating System

Prospective planning projects are evaluated, rated, and ranked by DEQ (Part 2 steps 3 and 4) for inclusion on the next annual priority list based on the intention of the planning effort to address the following criteria:

- *Documented public health hazards* that create or may create a danger to consumer health, including one or more of the following:
  - Unresolved violations of the primary drinking water standards, including maximum contaminant levels, action levels, and treatment techniques
  - Unresolved violations of pressure requirements
  - Reduction in source capacity that impacts the system's ability to reliably serve water
  - Significant problems in the physical system that are keeping the system from reliably serving safe drinking water
- *General conditions* of existing facilities that do not constitute a public health hazard based on deficiencies in pumping, treating, storing, or delivering drinking water
- *Sustainability efforts* for energy conservation, water conservation, extending the life of capital assets, green building practices, and other environmentally innovative approaches to infrastructure repair, replacement, and improvement
- *Formal enforceable order or agreement* for operation under and in compliance with applicable requirements

DEQ uses a rating form that provides a detailed scoring system for consistency. The rating form may be revised in any given year prior to the LOI rating period to better match the rule criteria given above or better meet program needs.

### Part 4: Grant Application Process

Owners of systems on the fundable planning projects Priority List are issued invitations to apply for a grant. Invitations are normally issued shortly after Board approval of the Priority List each year.

Table 2 details the steps in the grant application and award process.

Table 2. Grant application process.

Step	Description	Timeline
1	<p><b>DEQ State Office mails invitations to system owners requesting submittal of a grant application.</b>                      DEQ mails invitations to submit grant applications to systems in descending order on the Board-approved priority list as long as funding is available.</p>	Prior to start of new fiscal year that begins July 1

2	<p><b>System owner responds to grant application invitation.</b> The system owner notifies DEQ that it wishes to apply for a planning grant. Systems owners that fail to respond within the allotted time may be bypassed.</p>	<p>Within 30 days of receipt of invitation</p>
3	<p><b>System owner selects a professional engineer.</b> If the applicant has not acquired the services of a licensed professional engineer at this point, then it must contract with or hire such an engineer to assist with completing the planning document. For public agencies and municipalities, the process for selecting an engineer must be consistent with Idaho Code 67-2320. (See <i>Part 6</i> for guidance on selecting a professional engineer.) The selection process may be completed concurrently with preparation of the application package.</p>	<p>Recommend no later than receipt of invitation</p>
4	<p><b>System owner and professional engineer prepare and submit application package.</b> The system owner completes the <i>Drinking Water Planning Grant Application</i> and related documents, including a scope of work prepared by a professional engineer. (See <i>Part 5</i> for a complete listing and explanation of required application documents.) The system owner must submit the application package to the DEQ State Office by the scheduled target date. A project that does not meet the target date may be bypassed and replaced by the next highest-ranking project that is ready to proceed.</p>	<p>Within 90 days from date of invite or by specified date set by the DEQ State Office</p>
5	<p><b>DEQ reviews application.</b> DEQ reviews the application for eligibility and completeness. DEQ regional office engineers will review scope of work and engineering contract.</p>	<p>As scheduled</p>
6	<p><b>DEQ State Office extends grant offer.</b> Grant offers are prepared and signed by the DEQ director or the director's designee, executing a grant contract agreement subject to all applicable state laws. The offer is sent to successful applicants by certified mail.</p>	<p>As needed</p>
7	<p><b>System owner reviews and accepts grant offer.</b> The system owner or authorized representative reviews and officially accepts the grant offer. To accept, the authorized representative of the qualifying entity signs and returns the grant offer to the DEQ State Office within 60 days or the specified date. If the system owner does not accept the grant offer within the allotted time period, the offer may be withdrawn and grant funds may be offered to the next project on the Priority List.</p>	<p>Within 60 days of receipt of grant offer or before the end of the fiscal year, whichever comes first</p>

## Part 5: Application Package Requirements

Owners of systems with fundable planning projects on the priority list are issued invitations to apply for a grant. Invitations are normally issued shortly after Board approval of the draft priority list each year.

All completed application packages shall include the following documents:

- Signed Drinking Water Planning Grant Application (Form A)
- Authorizing Resolution (Form B)
- A signed engineering contract
- Engineering scope of work
- Engineer's professional liability declaration page

The following information must also be attached from incorporated nonprofit applicants:

- Articles of incorporation and/or certificate of incorporation
- By-laws for the incorporated nonprofit
- Certificate of existence from the Idaho Secretary of State

The following information must also be attached from investor-owned corporate applicants:

- Articles of incorporation and/or certificate of incorporation
- By-laws, if established
- Certificate of existence from the Idaho Secretary of State

Forms A and B are to be filled-out by applicants and included with the application package. The following three forms are for use by grantees (at this point the successful applicant has shifted to being referred to as the grantee) and their consultants after the grant has been awarded:

- "Outlay Report and Request for Reimbursement" (Form C)
- "Planning Document Outline and Checklist" (Form 5-A of the *Drinking Water Loan Account Handbook*)
- "Outline and Checklist for Environmental Information Documents" (Form 5-B of the *Drinking Water Loan Account Handbook*)

The following directions are provided to assist owners of systems in properly completing the documents required as part of the application package. The headings below correspond to those found on Form A.

## **Drinking Water Planning Grant Application (Form A)**

Use Form A to provide the following information:

### **Preapplication Meeting Date**

The purpose of the preapplication meeting is to provide grant applicants and DEQ an opportunity to discuss the grant program and its requirements. This is a recommended meeting that can be face-to-face or by conference call. A DEQ regional project officer and other DEQ representatives, the grant applicant, and the applicant's consulting engineer should participate in the meeting to discuss the following topics:

- Drinking water grant program
- Grant application process
- Roles and responsibilities of all parties
- Purpose of the planning documents and EID
- Key environmental issues and whether a categorical exclusion, EID, or environmental impact statement (EIS) is appropriate for the project

Applicants who attended a preapplication meeting should indicate the date the meeting was held in the box provided.

### **Section I: Background Information**

- **Applicant**
  - Full name of the community or nonprofit, noncommunity water system

- Public water system identification number
- Mailing address of the system
- **Presiding Official**
  - Full name and title of the authorized signatory
  - Mailing address to reach authorized signatory
- **Clerk/Treasurer**
  - Name and title of a contact person in the community who is able to answer questions about the proposed project (can be someone other than city clerk or treasurer)
- **Consulting Engineer**
  - Name and title of the project engineer and of the engineering firm
  - Please note that if the applicant changes engineers at any time throughout the project, DEQ should be notified promptly
- **Environmental Information Document Preparer (if different than the Consulting Engineer)**
  - Name of the EID preparer and company
  - Please note that if the EID is prepared by a firm other than the engineering firm, a copy of the contract must be included with the application
- **Grant Administrator (if different than the Consulting Engineer)**
  - Name of the grant firm and grant administrator
  - Please note that if a grant administrator is used, a copy of the grant administrator contract must be included with the application
- **Description of Project**
- **Public Water System Type**
  - Only systems eligible under IDAPA 58.01.22.010.26 will be approved for funding

## Section II: Budget Information

### A. Calculation of Total Eligible Planning Cost

Segregate grant-eligible costs into appropriate categories and indicate project-specific amounts in the right-hand column of the budget sheet. Engineering fees generally comprise the major cost of planning grants.

- Grant-related local administrative costs incurred after the grant contract agreement is executed may be eligible for reimbursement. Grant-related local administrative costs incurred prior to execution of the grant contract agreement are ineligible for reimbursement. Three examples of ineligible costs are the costs associated with acquiring funding; the ordinary operating expenses of local government, such as salaries and expenses of a mayor, city council members, or city attorney; and the costs to prepare a grant application. See *Part 7* of this document for a more complete listing of eligible and ineligible costs.

### B. Proposed Financing of Total Planning Cost

Provide a breakdown of the funding sources to be used to finance the entire planning effort.

### **C. Proposed Methods of Financing of Non-State Share**

Explain how the owner's share of project costs will be financed, including financing methods and amounts. If applicable, also identify other sources of funding.

### **Section III: Environmental Information Document**

Please state whether the EID will be included in the planning process.

- If "yes," the applicant must input how much of the planning cost will be used to develop the EID.
- If "no," the applicant must initial three informational statements.

If no EID will be developed, please note that grant funds may still be used for conducting an environmental assessment. If the applicant's intention is to apply for federal funding for improvements to their system, an EID is necessary to qualify.

### **Section IV: Engineering**

#### **A. Engineering Contract**

Attach a copy of the engineering contract between the engineering firm and applicant. The contract must be signed and accepted by the applicant. Check the appropriate boxes under item 2. All boxes should be checked. Note: the last box may remain unchecked if the grant applicant did not claim sustainability efforts as part of submitted letter of interest.

Attach a copy of the engineering scope of work. The scope of work should address items listed in Forms 5-A and 5-B, as outlined on the application form.

#### **B. Certification of Negotiations**

If the system is owned by a public agency or a political subdivision, as defined in Idaho Code 67-2320, certify full compliance for securing said professional services and the scope of work for the planning effort by initialing the three statements.

#### **C. Proof of Professional Liability**

Attach a copy of the engineering firm's affidavit of professional liability. This document is to verify indemnification in the aggregate amount of at least \$100,000 or twice the amount of the engineering firm's fee, whichever is greater, and cover all services rendered for all project steps funded by the state, system, or other entity during the entire period the engineer is working for the system.

### **Section V: Nonprofit and Investor-Owned Applicants**

Municipalities may skip this section. All other applicants must check the appropriate box for either a nonprofit or investor-owned corporation. Incorporated nonprofit applicants will need to provide a copy of their by-laws, articles of incorporation or certificate of incorporation, and certificate of existence. A certificate of existence can be ordered on the Idaho Secretary of State's website under the applicant's business filing.

Investor-owned corporations should provide by-laws, if applicable, and copies of their articles of incorporation and certificate of existence. A certificate of existence can be ordered on the Idaho Secretary of State's website under the applicant's business filing.

## Section VI: Assurances

Provide assurances of compliance, legal authority, and funding with signature by an authorized representative.

### Authorizing Resolution (Form B)

Submit an authorizing resolution approved by the applicant's governing body in accordance with its by-laws, empowering an elected official or board member to commit matching funds and to sign all documents related to the DEQ grant for the planning project. Form B is a sample authorizing resolution that may be used to meet this requirement. If the authorizing signer changes during the planning effort, a new Form B will need to be sent to the DEQ State Office.

## Part 6: Professional Engineer Selection

The grant applicant must select a licensed professional engineer to conduct drinking water planning projects funded by DEQ planning grants. This section provides a summary of the procedures and requirements for selecting a professional engineer and is not intended to be all-inclusive. Detailed requirements for public agencies and municipalities are given in Idaho Code 67-2320. DEQ recommends that entities not governed by Idaho Code 67-2320 use a competitive selection process.

The grant applicant may prefer to have the EID prepared by someone other than the engineering firm. In that case, this process should be followed separately for both the planning document and the EID (unless the consulting engineer subcontracts the EID effort).

### Step 1: When to begin

DEQ recommends that system owners begin the engineering selection process immediately upon receipt of the invitation to submit a grant application if they have not previously engaged the services of an engineer. It may be advantageous to complete the selection process before submitting the application package to provide the opportunity for the selected engineer to assist in completing the application package.

### Step 2: The competitive process

The engineering selection process by public agencies and political subdivisions must be conducted consistent with Idaho Code 67-2320. The standard method to select a professional service provider is to develop a request for qualifications (RFQ) and solicit a statement of qualifications from prospective engineers. Engineering candidates should submit qualifications directly to the applicant. To ensure a competitive process, qualifications from at least two engineers should be considered (when a competitive process is required).

### Step 3: Minimum qualifications

In addition to their technical capabilities, the engineer and the engineering firm selected by the grant applicant must meet **all** of the following minimum qualifications to be considered for work on a DEQ planning grant project:

- Must be registered as a professional engineer and currently licensed by the Idaho Board of Licensure of Professional Engineers and Professional Land Surveyors

- Cannot be debarred or otherwise prevented from providing services under another federal or state financial assistance program
- Must be covered by professional liability insurance for errors and omissions in the aggregate amount of at least \$100,000 or twice the amount of the engineering firm's fee, whichever is greater, and for indemnifying services rendered for all project steps funded by the state, system, or other entity during the entire period the engineer is working for the system

System owners may require prospective engineers to document compliance with the minimum qualifications by submitting photocopies of licensure documents and signed statements of professional status. The professional status of an engineer also may be verified through the Idaho Board of Licensure of Professional Engineers and Professional Land Surveyors at <http://ipels.idaho.gov/rostersearch.cfm>.

Prospective engineers should also provide certificates of insurance.

#### **Step 4: Evaluation of qualifications**

System owners evaluate and rank engineering firms according to their qualifications. A public agency or political subdivision is forbidden by Idaho Code 67-2320(2)(i) from using information about an engineering firm's rates, overhead, or multipliers in ranking the firms.

#### **Step 5: Negotiations with selected engineer**

The grant applicants/system owners may consider the following items when selecting the engineering candidate (or top-rated candidates):

- Scope and extent of work and other essential requirements
- Personnel and facilities necessary to accomplish the work within the required time, including employment of additional personnel when needed
- Technical services required to complete the project in accordance with regulations and criteria established for the project
- A fair and reasonable price for the required work, considering the estimated value, scope, complexity, and nature of the engineering services to be provided

### **Part 7: Project Funding (Eligible Costs)**

Grant funds awarded under this program must be used entirely to prepare a planning document identifying the most cost-effective drinking water system alternative to achieve or maintain compliance with the "Idaho Rules for Public Drinking Water Systems" (IDAPA 58.01.08) and the federal Safe Drinking Water Act.

Grants are limited to 50% of total eligible project costs. Eligible costs may include, but are not limited to, the following:

- Salaries, benefits, and expendable material that the qualified entity incurs during the project except for ordinary expenses of local government such as salaries and expenses of a mayor, city council members, board, or a city, district, or board attorney
- Professional and consulting services using any type of contract for engineering services directly related to the planning of public drinking water treatment, storage, and

distribution facilities including, but not limited to, preparation of a planning document and EID

- Financial, technical, and management capability analyses
- Public participation during alternative selection process
- Site acquisition services, which may include legal fees, appraisals, and surveys for land associated with the cost-effective alternative for future land purchases but does not include the cost of the land itself. Related costs must be incurred through dealings with a willing seller

The following costs are ineligible for funding:

- Basin- or area-wide planning not directly related to the project
- Personal injury compensation or damages arising out of the project
- Fines or penalties due to violations of, or failure to comply with, federal, state, or local laws
- Costs outside the scope of the approved project
- Ordinary operating expenses of local government, such as salaries and expenses of a mayor, city council members, or city attorney
- Preparation of a grant application and other costs associated with acquiring funding
- All costs related to assessment, defense, and settlement of disputes (unless specifically allowed by DEQ)
- Costs of supplying required permits or waivers
- Costs incurred prior to award of the grant unless specifically approved in writing as eligible pre-award costs by DEQ
- Engineering costs incurred prior to approval of the engineering contract or in excess of the contract ceiling unless preapproved in writing by DEQ
- Land acquisition and associated costs other than those listed as eligible above

## Part 8: Planning Document Process

An applicant will prepare the planning document after receiving and accepting a grant offer. Table 3 describes the planning document process.

Table 3. Planning document preparation process.

Step	Description	Timeline
1.	<b>DEQ, the system owner, and the engineer consult on drafting of planning document.</b> The appropriate DEQ regional staff consults with system owner and system owner's engineer on content of planning document. Consultations continue throughout preparation of planning documents.	As scheduled
2.	<b>System engineer prepares the draft planning document.</b> System owners must complete a planning document in conformance with IDAPA 58.01.22 et seq. and Chapter 5 of the <i>Drinking Water Loan Account Handbook</i> . System owners should also refer to the "Planning Document Outline and Checklist" (Form 5-A) to help ensure compliance. A DEQ regional office engineer will review and eventually approve this technical planning document for public comment in preparation for step 3 if the	Within 12–18 months of execution of grant contract agreement

Step	Description	Timeline
	system owner is also developing an EID. See <i>Part 9</i> for additional details on preparing the draft planning document.	
3	<b>System owner solicits public review and comment (only if they are also developing an EID).</b> For applicants developing an EID, at least one public informational meeting must be held within the system's jurisdiction. See <i>Part 10</i> , step 1, for details on public review of and comment on the planning document for system owners developing an EID. System owners that are not preparing an EID have no public participation requirements.	As scheduled
4	<b>System owner revises the technical planning document.</b> After incorporating public comment, where appropriate and if applicable revising the final planning document, it is then submitted to the DEQ regional office engineer for review and approval. In most cases, no technical revisions are needed. Contact DEQ if a revision is needed.	As scheduled

## Part 9: Preparation of the Planning Document

As noted in Table 3, system owners must complete a planning document in conformance with IDAPA 58.01.22 et seq. and Chapter 5 of the *Drinking Water Loan Account Handbook*. If a project does not include an EID, then the planning document is reviewed consistent with the "Idaho Rules for Public Drinking Water Systems" (IDAPA 58.01.08) with the goal of producing an approved planning document. No public input is required.

If a project does include an EID, then the scope is different. The purpose of a planning document that includes an EID is not only to evaluate feasible treatment, storage, and distribution alternatives for the system but also to determine the cost-effective and environmentally sound alternative.

A planning document that includes an EID is normally completed after the planning document has been technically approved for public comment. Upon the end of the comment period, the city council, board, or association officially selects an alternative. At this point, in some cases depending on the simplicity or complexity of the project, the development of the EID can begin. DEQ is willing to discuss and consider environmental assessments that are completed prior to the 14 day public comment period, which precedes the selection of the preferred alternative. This would entail complete finalization of in-depth assessments for all potential alternatives and would also entail the same review process as those assessments completed after the selection of the chosen alternative. If the grant recipient opts to complete the EID prior to the comment period, please contact the DEQ SERP Coordinator in advance for additional information. Otherwise the system owner may complete the environmental review and EID, after which DEQ will issue an environmental determination.

The public comment period and processes may vary according to the statutes, rules, ordinances or by-laws applicable to a particular system but should not be less than 14 days. The grant recipient shall provide broadly disseminated written notice of the public comment period for the public within the jurisdiction of the grant recipient. The public may provide input on the alternatives developed in the planning document technically approved for public comment. The grant recipient must hold at least one public meeting during the public comment period. At the

public meeting, an explanation of the alternatives identified must be presented with opportunity for input on those alternatives.

After the public meeting and public comment period, the final alternative will be selected and the EID may be prepared. The final environmental determination together with the technically approved planning document becomes the final planning document.

The system owner and their engineer should refer to the "Planning Document Outline and Checklist" (Form 5-A) as guidance when developing the planning document. At a minimum, the draft planning document should include the following:

- Description of existing conditions for the proposed project area;
- Description of future conditions for the proposed project area;
- Development and initial screening of alternatives;
- Development of an environmental review (describe in IDAPA 58.01.22.040).

The final planning document must include all of the draft planning document items as well as the following:

- Final screening of principal alternatives and plan adoption;
- Selected plan description and implementation arrangements;
- Relevant engineering data supporting the recommended alternative; and
- A planning period of 20 years for all facilities except distribution and transmission systems, which must be for 40 years.

If system owner stated they would address a sustainability component in their Letter of Interest, then the planning document must address those factors. Sustainability can include efforts for energy and water conservation, extending the life of the capital assets, green building practices, and other environmentally innovative approaches to infrastructure repair, replacement, and improvement.

See *Part 10* for details on formal selection of the final alternative upon which the detailed environmental evaluation will be performed.

## Part 10: Environmental Information Document and Environmental Determination Process

Table 4 describes the steps for preparing an EID and the subsequent environmental determination.

**Table 4. Environmental information document preparation process.**

Step	Description	Timeline
1	<p><b>System owner solicits public review and comment leading to selection of an alternative for the development of an EID.</b></p> <p>After the DEQ regional engineer has technically approved the facility planning document, the public must be provided with an opportunity to comment on the list of proposed alternatives identified in the document. Upon the end of the comment period, the city council, board, or association officially selects an alternative. At this point, depending on the simplicity or complexity of the project, the development of the EID can begin. If the proposed project is a simple replacement contact the DEQ SERP Coordinator to discuss a Cat Ex request for the proposed project.</p> <p>The minimum required public participation EID activities include broadly disseminated public notice and should be at least a 14-day public comment period for the list of alternatives identified in the planning document and a public meeting. One public meeting can satisfy the public participation requirements for both the environmental review and the planning document if properly coordinated. For specific EID public participation guidance, see the "Outline and Checklist for Environmental Information Documents" (Form 5-B of the <i>Drinking Water Loan Account Handbook</i> and Form 5-C, section 1)</p>	As scheduled
2	<p><b>System engineer completes the EID.</b></p> <p>The EID should be developed either as a chapter or appendix of the planning document or as a stand-alone document. The EID is developed after the public comment period for the technically approved planning document has been completed and the community has officially selected an alternative. The consulting engineer shall work with the DEQ environmental reviewer when preparing the EID to clearly determine the level of analysis.</p> <p>If the project is complex and it appears there will be significant impacts, then an EIS may be required. (See <i>Part 12</i> for an explanation of potential DEQ environmental determinations.)</p>	Within 18–24 months of execution of grant contract agreement
3	<p><b>DEQ State Office reviews final EID and makes environmental determination.</b></p> <p>The final EID is submitted to the DEQ State Office environmental reviewer for review and issuance of an environmental determination. DEQ reviews the potentially significant environmental impacts, environmental consequences, and mitigation efforts related to the selected project alternative and issues one of four possible environmental determinations. Refer to <i>Part 12</i> for more information on environmental determinations.</p>	As scheduled

Step	Description	Timeline
4	<p><b>DEQ State Office solicits public participation on the environmental determination.</b></p> <p>Each type of environmental determination has different public participation requirements. A concurrence with another agency's finding has no public comment requirement but does require a public notice in the newspaper covering the area where the system is located. A categorical exclusion requires a public notice to be published one time in the newspaper covering the area where the system is located. A finding of no significant impact requires a one-time publication in the newspaper in the system area and a 30-day public comment period. If significant impact will result DEQ will request the grantee prepare an EIS, the public comment period will take place after the EIS has been developed.</p>	1-5 weeks
5	<p><b>DEQ State Office issues final environmental determination.</b></p> <p>The record of decision verifying the final environmental determination is issued following the end of the public comment period (if applicable) and the incorporation or consideration of substantive comments received from the public. The technical planning document approved for public comment and the final environmental determination together become the final planning document.</p>	As scheduled

## Part 11: Preparation of the Environmental Information Document

As part of the planning document, if a system owner is receiving and/or anticipating federal funding, an EID is required as part of the planning grant. The purpose of the EID is to determine if construction of the proposed project as planned is likely to negatively impact sensitive environmental resources. The EID must be completed in compliance with IDAPA 58.01.22 et seq. and should be completed following Forms 5-B and 5-C of the *Drinking Water Loan Account Handbook*.

Systems owners are advised to consult with the DEQ State Office environmental reviewer early on in the preparation of the planning document to discuss the EID process and determine the most likely level of environmental review that may be required for the proposed project. Once the community has selected an alternative, the system owner or the EID preparer will need to consult with the appropriate state and/or federal agencies having official jurisdiction over the environmental resources. If negative impacts to sensitive environmental resources are identified, the level of environmental review required will increase accordingly. Adverse impacts resulting from the project and associated mitigation measures must be included in the EID submittal to DEQ.

The system owner and their consulting engineer should refer to Form 5-B and Form 5-C of the *Drinking Water Loan Account Handbook* as guidance while developing the EID. At a minimum, the EID should include all of the following:

- Purpose and need for proposed action
- Alternatives identified in the planning document
- Comparison of alternatives, including (1) the cursory broad-brush environmental screening level analysis and (2) cost comparisons of each alternative

- Detailed information on the recommended alternative
- Description of the affected environment
- Discussion of environmental impacts of the proposed action
- Findings regarding possible adverse effects and recommendations regarding resolution and mitigation as made by consulting agencies, if necessary
- Means to mitigate adverse environmental impacts, if necessary
- Discussion and supporting documentation of the public participation process
- List of referenced documents
- List of agencies consulted
- Mailing list of interested parties, including e-mails (if available)

## Part 12: Environmental Determinations

Throughout development of the planning document, DEQ staff engineers work closely with the system owners and system owner's engineer to ensure that the document is of the highest quality, resolves problems with the drinking water system, and is acceptable to the public. Approval of the final alternative and final planning document are contingent upon DEQ issuing an environmental determination in accordance with the state environmental review process. DEQ will make one of the following environmental determinations:

- **Issue a categorical exclusion with supporting documentation.**  
DEQ issues a categorical exclusion when the proposed actions individually or cumulatively will have no significant effect on the human environment; therefore, neither a finding of no significant impact nor an EIS is required.
- **Issue a finding of no significant impact (FONSI).**  
DEQ issues a FONSI when, based on an environmental assessment, an action, not otherwise excluded, will have no significant effect on the human environment. The document explains why no significant effect is anticipated and includes the environmental assessment or a summary of it and other related documents. An EIS is not required when a FONSI is issued.  
The draft FONSI is subject to a 30-day public comment period, after which it is finalized by DEQ or an EIS process is started.
- **Request the grantee prepare an EIS.**  
For a project to receive federal funding, an EIS is required when DEQ determines that the proposed project would significantly affect the environment. The purpose of the EIS is to describe the project's potentially significant environmental impacts and to explain how the impacts can be either avoided or mitigated. The cost to prepare an EIS would likely exceed DEQ's ability to provide funding support.  
The draft EIS is subject to a 30-day public comment period and a public hearing, after which it may be finalized by the system and submitted to DEQ for approval.
- **Adopt an environmental determination made by another agency.**  
DEQ may issue its own determination by adopting the environmental determination previously made by another state, federal, or local agency on the same project. Adoption

of another agency's determination relieves DEQ from conducting a full environmental review of the project.

## Part 13: Payments

Systems owners should use the "Outlay Report and Request for Reimbursement" form (Form C) as provided by DEQ to submit requests for payment. Reimbursement is limited to eligible costs. Reimbursement may be requested any time after entering into a grant contract agreement. Disbursement of funds is subject to a finding by DEQ that the grantee has complied with all agreement conditions and has prudently managed the project.

If actual planning costs exceed the grant award amount, systems owners may request a grant increase, approval of which will be subject to available funding. Documentation and justification for an increase must be submitted *before* additional costs are incurred.

If actual planning costs are lower than the grant award amount, DEQ grant reimbursements will be reduced accordingly.

DEQ may conduct a final project review to determine actual eligible costs. The system owner's financial records may be reviewed by DEQ. The final project review may be deferred until a review of the design/construction loan has been completed.

Payment of the final installment (5% of the total grant) is subject to verification of valid system operators, final DEQ approval of the planning document, and completion of the environmental review process.

## For More Information

- Contact DEQ Loan Program Coordinator MaryAnna Peavey at (208) 373-0122 or [maryanna.peavey@deq.idaho.gov](mailto:maryanna.peavey@deq.idaho.gov) with questions about the Drinking Water Planning Grant Program.
- Contact DEQ Environmental Reviewer Ester Ceja at (208) 373-0585 or [ester.ceja@deq.idaho.gov](mailto:ester.ceja@deq.idaho.gov) for questions on environmental reviews or preparing environmental information documents.
- Visit DEQ's grants and loans website for more information and access to all drinking water planning grant forms: <http://www.deq.idaho.gov/water-quality/grants-loans/water-system-planning-grants.aspx>.

## **Attachments: Forms A through 5-B**

- Form A: Application Form and Checklist
- Form B: Authorizing Resolution
- Form C: Outlay Report and Request for Reimbursement
- Form 5-A: Planning Document Outline and Checklist
- Form 5-B: Outline and Checklist for Environmental Information Documents

**Idaho Department of Environmental Quality  
State Priority Rating Form  
Drinking Water Grants**

Priority Year
<b>FY 2014</b>
Total Points
<b>0</b>

**Section 1. Project Identification**

Public Water System Name \_\_\_\_\_  
 Public Water System No. \_\_\_\_\_ Population Served \_\_\_\_\_  
 Public Water System DUNS No. \_\_\_\_\_

DEQ Staff Reviewer \_\_\_\_\_  
 Date \_\_\_\_\_ Regional Office \_\_\_\_\_

**Brief Summary/Description of Project**

Limited capabilities: WordWrap works, use <alt><enter> for manual carriage return; no <tab>

Total Estimated Project Cost \_\_\_\_\_  
 Estimated DEQ Grant \_\_\_\_\_  
 Estimated Green Funding \_\_\_\_\_

**Section 2. Public Health Emergency or Public Health Hazard** 100 points maximum

*IDAPA 58.01.22.020.01.02.a. Public Health Hazard. Any condition which creates, or may create, a danger to the consumer's health, which may include one or more of the following: i. Documented unresolved violations of the primary drinking water standards including maximum contaminant levels, action levels, and treatment techniques (to include maximum contaminant levels for acute and chronic contaminants); ii. Documented unresolved violations of pressure requirements; iii. Documented reduction in source capacity that impacts the system's ability to reliably serve water; or iv. Documented significant deficiencies (e.g., documented in a sanitary survey) in the physical system that is causing the system to not be able to reliably serve safe drinking water – up to 100 points.*

	Points	Score
<input type="checkbox"/> 1. Officially declared or designated public health hazard or emergency exists, as certified by the DEQ Board or District Health Department's Board of Health. <i>Reviewer: Have you alerted your compliance officer and has he/she taken action on the item(s) below?</i>	100	0
<b>Check all that apply:</b>		
<input type="checkbox"/> 2. In the last 12 months, the system has documented unresolved violations of the primary drinking water standards, including maximum contaminant levels (MCLs) (for acute and chronic contaminants), action levels, or treatment techniques.	35	0
<input type="checkbox"/> 3. In the last 12 months, the system has had documented and frequent unresolved incidents of pressure below 20 psi (as evidenced by public notices or other reasonable documentation).	25	0
<input type="checkbox"/> 4. The system currently has a documented reduction in source capacity (well or surface water intake) that impacts the system's ability to reliably serve water.	20	0

5. Does the system currently have other documented significant problems in the physical system (not otherwise listed in questions 2-4) that have been identified as a public health hazard? 20      0

(Section 2 subtotal: limit to 100 pts) 0

**Section 3. General Conditions of Existing Facilities**

60 points maximum

*IDAPA 58.01.22.020.02.b. General Conditions of Existing Facilities. Points shall be given based on deficiencies (which would not constitute a public health hazard) for pumping, treating, storing, and delivering drinking water – up to 60 points.*

Systems will be considered inadequate to meet current hydraulic demand if pressures are consistently between 20-40 psi (this section does not include occasional depressurization events below 20 psi that have been resolved).

**Check all that apply:**

	Points	Score
<b>1. Treatment deficiencies:</b>		
<input type="checkbox"/> a. Water treatment facilities do not meet the requirements of the "Idaho Rules for Public Drinking Water Systems," but problems do not constitute a public health hazard as described in section 2.	10	0
<input type="checkbox"/> b. Treatment facilities have inadequate capacity and cannot reliably meet <i>current</i> demand without extraordinary operational procedures.	9	0
<input type="checkbox"/> c. Inadequate treatment results in exceedance of secondary MCLs.	5	0
<b>2. Source deficiencies:</b>		
<input type="checkbox"/> a. Sources have been determined to be vulnerable to contamination (e.g., damaged casing, inadequate setbacks, proximity to contamination) and the vulnerabilities will be corrected as part of this project.	2	0
<input type="checkbox"/> b. Source's or combined sources' capacity is inadequate to meet <i>current</i> hydraulic demand, even if they are or could be equipped with adequately sized pumps (with description and documentation such as pressure readings or complaints received by operator and problem not due to leaks).	9	0
<input type="checkbox"/> c. Sources have adequate water, but well pumps or intake pumps are inadequate to meet <i>current</i> hydraulic demand (with description and documentation such as pressure readings or complaints received by operator and problem not due to leaks).	7	0
<b>3. Distribution system deficiencies (not including well pumps):</b>		
<input type="checkbox"/> a. Storage, pumping, or distribution facilities have inadequate capacity and cannot reliably meet <i>current</i> demand.	9	0
<input type="checkbox"/> b. Existing storage tanks, pumping, or distribution facilities are leaking excessively or are structurally flawed or deteriorated (with documentation, such as maintenance logs).	5	0
<input type="checkbox"/> 4. Plan will address redundancy and standby power.	4	0
<input type="checkbox"/> 5. Existing facilities are generally sound and meet existing needs.	0	0
<b>(Section 3 subtotal: limit to 60 pts)</b>		<b>0</b>

**Section 4. Sustainability Efforts**

50 points maximum

*IDAPA 58.01.22.020.02.c.Sustainability Efforts. (e.g., prospective efforts at energy conservation, water conservation, extending the life of capital assets, green building practices, and other environmentally innovative approaches to infrastructure repair, replacement and improvement) – up to 50 points.*

Management-based (LOI question 3) (check all that apply):	Points	Score
<input type="checkbox"/> System has already implemented a capital budget that is funded and is supported by a capital improvement plan (documentation provided) or will develop a capital budget and capital improvement plan as part of the proposed planning project.	20	0
<input type="checkbox"/> System has already implemented a consumption-based full-cost pricing for drinking water supported by a capital budget (documentation provided) or will develop consumption-based full-cost pricing as part of the proposed planning project.	20	0
<input type="checkbox"/> System has already implemented a formal asset management system (using a tool such as EPA’s Check Up Program for Small Systems [CUPSS]) (documentation provided) or will develop a formal asset management system as part of the proposed planning project.	20	0
<input type="checkbox"/> System has already implemented a formal environmental management system (shown by International Organization for Standardization [ISO] 14001 certification) (documentation provided) or will develop a formal environmental management system as part of the proposed planning project.	20	0
<input type="checkbox"/> System has already implemented an sustainable infrastructure (SI) benchmarking program (documentation provided) or will develop an SI benchmarking program as part of the proposed planning project.	20	0
<input type="checkbox"/> System will evaluate <i>green</i> building management (based on Leadership in Energy and Environmental Design [LEED] operation and maintenance [O&M] criteria) as part of the proposed planning project.	20	0
<input type="checkbox"/> System will evaluate funding the provision of water efficient fixtures for the community as part of the proposed planning project.	20	0
<input type="checkbox"/> System will conduct a professional energy audit as part of the proposed planning project.	20	0
<input type="checkbox"/> Other (contact Grant Program)	20	0
Technology-based (LOI question 4) (check all that apply):		
As part of this project, the applicant proposes to evaluate:		
<input type="checkbox"/> Water conservation measures that would result in an estimated water savings of 20% or more, such as: Leak detection equipment (including smart meters) Water meters and implement a conservation-oriented rate structure (usage-dependent rates) WaterSense plumbing/irrigation, gray water distribution/collection Community-wide efforts to replace inefficient fixtures	20	0
<input type="checkbox"/> Energy conservation measures that would result in a 20% net energy reduction in a unit operation such as: Variable frequency drive (VFD) pumps Turbines/hydrogenerators in pipelines Energy-efficient motors (National Electrical Manufacturers Association [NEMA] Premium or equivalent)	20	0

Green roofs		
On-site energy generation: fuel cells, solar, wind		
Pump stations replaced with gravity-fed lines		
<input type="checkbox"/> Constructing or renovating buildings to meet LEED criteria	20	0
<input type="checkbox"/> Other (contact Grant Program)	20	0
<hr/>		
Construction practices (LOI question 5) (check all that apply):		
<input type="checkbox"/> Evaluate use of recycled materials for facility construction and design for deconstruction	10	0
<input type="checkbox"/> Evaluate design/build for environmentally friendly decommissioning	10	0
<input type="checkbox"/> Other (contact the Grant Program)	10	0
		<hr/>
<b>(Section 4 subtotal: limit to 50 pts)</b>		0

<b>Section 5. Consent Order, Compliance Agreement Schedule, or Court Order</b>	30 points maximum
<i>IDAPA 58.01.22.020.02.d. Consent Order, Compliance Agreement Schedule, or Court Order. Points shall be given if the system is operating under and in compliance with a Consent Order, Compliance Agreement Schedule, or Court Order and the proposed construction project will address the Consent Order, Compliance Agreement Schedule, or Court Order – up to 30 points.</i>	

If the system is operating under an order or agreement, check:	Points	Score
<input type="checkbox"/> 1. The planning document will evaluate technical/managerial issues in the order or agreement.	30	0
<b>(Section 5 subtotal: limit to 30 pts)</b>		<hr/> 0

<b>Section 6. Bonus Points/Incentives</b>	10 points maximum
<i>IDAPA 58.01.22.020.02.e. Incentives. Bonus points shall be awarded to systems that promote source water protection, conservation, economy, proper operation maintenance, and monitoring – up to 10 points.</i>	

Check all that apply:	Points	Score
<input type="checkbox"/> 1. System has a Drinking Water Protection Plan less than 5 years old.	2	0
<input type="checkbox"/> 2. System has established a separate capital replacement fund and submitted a financial statement showing that at least one contribution has been made to it in last 3 years (consult Grant Program).	2	0
3. Cross-Connection		
<input type="checkbox"/> Community Water System – has an active Cross-Connection Control Plan (provided a copy or link to this plan), <b>OR</b>	2	0
<input type="checkbox"/> Noncommunity Water System – potential backflow protection or cross-connection issues were identified in the Managerial Module of the system's latest sanitary survey (date provided). A <i>NO</i> (no issues) awards points.	2	0
<input type="checkbox"/> 4. System has conservation-oriented rate structure (rate dependent on usage, with rate schedule provided).	2	0
<input type="checkbox"/> 5. System has a predesignated, licensed, "Substitute Responsible Charge Operator License Requirement" (IDAPA 58.01.08.554).	1	0
<input type="checkbox"/> 6. System is current on required monitoring.	1	0
<b>(Section 6 subtotal: limit to 10 pts)</b>		<hr/> 0

**Section 7. Affordability**

10 points maximum

IDAPA 58.01.22.020.02.f. Affordability. Points shall be given when current system user charges exceed state affordability guidelines – up to 10 points.

A planning effort is not affordable if the monthly user charge (based on operation, maintenance, replacement, and debt service) exceeds 1.5% of the monthly Median Household Income (MHI).

**Check one:**

1. Obtain city or community MHI from either (check one):

[factfinder2.census.gov](http://factfinder2.census.gov)

DEQ-approved community income survey \_\_\_\_\_

Community name \_\_\_\_\_

MHI (annual) \_\_\_\_\_ Year 2010

2. Adjust the MHI to January 2012 dollars using the Bureau of Labor Statistics CPI-U price index.

<http://data.bls.gov/cgi-bin/cpicalc.pl> 2012 MHI (annual) \_\_\_\_\_

Monthly user charge \_\_\_\_\_

a. Not affordable

10

b. Affordable

0

**(Section 7 subtotal) 0**

**Section 8. Priority Rating Summary**

Section 2 Subtotal – Public Health Emergency or Hazard (0-100)	0
Section 3 Subtotal – General Conditions of Existing Facilities (0-60)	0
Section 4 Subtotal – Sustainability Efforts (0-50)	0
Section 5 Subtotal – Consent Order, Compliance Agreement Schedule, or Court Order (0-30)	0
Section 6 Subtotal – Bonus Point/Incentives (0-10)	0
Section 7 Subtotal – Affordability (0-10)	0
<b>Total</b>	<b>0</b>





# AUTO TRANSPORTATION SERVICE BUSINESS LICENSE APPLICATION

## LICENSE FEES:

New or Renewal \$250.00  
(License application for full year Jan. 01 – Dec.31)

Fingerprint Processing \$34.00  
(If applicable)

TOTAL: 250.00

OFFICE USE ONLY	
NEW <input type="checkbox"/>	RENEWAL <input type="checkbox"/>
APPROVED <input type="checkbox"/>	DENIED <input type="checkbox"/>
POLICE CHECK <input checked="" type="checkbox"/>	

EXPIRES ANNUALLY ON DECEMBER 31<sup>ST</sup>

Business Name: Cornwell's Woodrue Taxi

Owner Driver's License Number FA115708K Owner Date of Birth 12.10.46

Number of Vehicles Operated by Business 3

1. Have you within the last three (3) years: been convicted of, or received a withheld judgment, been placed on probation, forfeited a bond for failure to appear for any felony or misdemeanor charge, or have any outstanding warrants? Yes  No

If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Have you had a similar license revoked, denied or suspended by this city or any other city of this state, or of the United States, within the past three (3) years? Yes  No

If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_