

**MINUTES OF THE REGULAR MEETING OF THE
HAILEY CITY COUNCIL
HELD MONDAY, JUNE 13, 2005
IN THE HAILEY TOWN CENTER MEETING ROOM**

The regular meeting of the Hailey City Council was called to order at 5:00 p.m. by Mayor Susan McBryant. Present were Council members Rick Davis, Martha Burke, and Carol Brown. Don Keirn was absent. Staff present included City Attorney Ned Williamson and City Clerk Heather Dawson.

WS 172 WORKSHOP – Appeal of Building Official Decision at 110 2nd Ave S

After convening the meeting at the Hailey Town Center, the mayor and council conducted a site visit to 110 Second Avenue South to look at issues pertaining to setback and alley encroachments on a property under consideration for a building permit. Chris Pollaro, owner, said non-conforming buildings are addressed in the zoning ordinance. The footprint of an existing building can remain the same. The demolition remodel permit is of property extending over the property line. He said his Plan A is to leave the footprint as is, remodel the home in character of the time period, and maintaining the density in the core. Next door is a house built in 1883, which has been restored. John Shenk, architect, said there is a goal to maintain the community core, keep it aesthetically pleasing. The owner's interest is to maintain this as a residential area. A foundation was put under the frame house.

The mayor noted that following these visual and verbal presentations, the council would hold their discussion of this matter at the Workshop session at the end of the meeting.

EXECUTIVE SESSION

Burke moved to go into executive session to discuss pending litigation, land acquisition, and personnel issues. Davis seconded; a roll call vote showed all in favor. The council went into executive session at 5:30 p.m.

Brown moved and Burke seconded that the council go out of executive session. A roll call vote showed all in favor. The council went out of executive session at 6:00 p.m..

OPEN SESSION FOR PUBLIC CONCERNS

E. J. Harpham was present to speak to the council about changing the city's banner specifications in regard to materials and allowing digital imprinting as well as appliqué.

Kim Johnson, a resident of 403 East Carbonate, brought concerns about the townsite overlay as it is currently written. Her main concern is encouraging access off the alleys without clearing up encroachments. The water lines are shallow, and in the past access in winter hasn't been allowed because of the threat of freezing lines. The average citizen

isn't aware of the impacts of the overlay, even in terms of taxes. The costs will go to the Hailey taxpayer after developers have made their money. She encouraged the council to read the letter, and asked them to consider putting in place a moratorium on development within the overlay.

CONSENT AGENDA

Davis moved to approve the consent agenda as presented. Burke seconded; the motion carried unanimously.

- CA 173 Motion to approve Safe and Sane Fireworks Permits for Bruce Weaver
- CA 174 Motion to approve Dangerous Fireworks Permit for the City of Hailey and Hailey Chamber of Commerce 4th of July fireworks display
- CA 175 Motion to approve Independent Contractor Agreement between MSSSI and City of Hailey for temporary administrative duties for Planning Dept.
- CA 176 Motion to approve Wastewater Utility Vehicle bid.
- CA 177 Motion to approve 2005 Beer by the Drink license for Lago Azul Mexican Restaurant
- CA 178 Motion to approve Findings of Fact, Conclusions of Law and Decision for approval of replat of Lot 7, Block 4, Airport West Final Plat
- CA 179 Motion to approve Findings of Fact, Conclusions of Law and Decision for approval of Copper Ranch Condominiums Phase II Final Plat
- CA 180 Motion to approve amendment to PUD Agreement for Silverstone Townhomes
- CA 181 Motion to approve minutes of May 23, 2005 and to suspend reading of them
- CA 182 Motion to approve claims for expenses incurred in the month of May, 2005
- CA 183 Motion to approve Treasurer's Cash Report for the month of May, 2005

OB 184 3RD READING ORDINANCE 907

Burke moved, Davis seconded that the third reading of Ordinance 907, amending the Subdivision Ordinance to revise the definition of Parks, be read by title only.

PH 185 841 BUSINESS PARK SUBDIVISION FINAL PLAT

Scott Allen of EHM Engineers presented the application of 841 Business Park. He said an easement agreement was forthcoming from Albertson's, but because of Albertson's recent legal department reconfiguration, he was not sure when that agreement would come, and he did not want this application held hostage to Albertson's schedule.

Shay said she had asked Albertson's for a letter stating that their legal team is moving forward, but that has not happened. Williamson said Hailey can not condition upon third party consent. The matter could be continued for a few weeks, and he would make a call to Albertson's. Now is the time to remove that easement. He asked what the time crunch is. Allen said the back two lots are ready to be built upon as soon as the plat is recorded.

Brown asked if we can approve a plat that doesn't show all the encumbrances. Grotto said they could show a plat with the easement on it, then do a lot line adjustment later. Allen said the easement is currently created through a document, not a plat, and if put upon this plat, then it becomes a platted easement and would require a plat vacation to get rid of it. He did not want to show the easement on this plat.

Mayor McBryant opened the public hearing. There was no public comment.

Brown was not comfortable proceeding with the matter if muddy. Allen was amendable to the two week extension. **Brown moved to continue final plat of 841 Business Park to June 27, 2005.** Burke seconded; the motion carried unanimously.

PH 186 – WINTERHAVEN CONDOMINIUMS – PHASE I FINAL PLAT

Brian Yeager of Galena Engineer said one building will be constructed in this phase. Grotto said both units are accessed from Winterhaven with separate driveways. As a result, a couple of conditions can be eliminated, and today she had noticed another item that could be deleted. Driveways no longer need to be posted for no parking. She believed the units were being structurally constructed to be converted to townhomes. It had originally come through when driveways could access up to five dwelling units. There are issues with the site and the way the common driveways are platted, and their width. Those issues might preclude conversion to townhouses, and she wanted that on the plat to alert buyers of that.

Mayor McBryant opened the public hearing. Kathy Shelly asked where the property is in relation to Winterhaven and Woodside. She lived at the Bunkhouses. Grotto said 18 units are platted in the development.

Davis moved that the council approve final plat of Winterhaven Condos Phase I, with conditions A-H, deleting the second bulleted item on A. Burke seconded; the motion carried unanimously.

PH 187 NORTHRIDGE REZONE

Brown moved to table the Northridge Rezone application to a date uncertain at the request of the applicant. Burke seconded; the motion carried unanimously.

PH 188 – REZONE OF TAX LOTS 7573 AND 5377 IN WOODSIDE

Mayor McBryant and Council President Davis recused themselves from this discussion. Burke took over the chair for this matter.

Grotto said this is a city initiated rezone of Tax Lot 7573, currently used by the Woodside Treatment Plant, approximately 6 acres, and a portion of Tax Lot 5377, owned by the Rinker Trust. Rinker has consented to the RGB zoning to satisfy the open space issues

upon this property. The remaining area would be rezoned Light Industrial (LI). The wastewater treatment plant is considered a public utility facility, and such uses are permitted in LI. The purpose is to zone the property to the current use and proposed future use, which may include expansion of the treatment plant and other municipal uses. Availability of services and accordance with the welfare of the public. The proposal relates to the future acquisition map.

Mayor McBryant opened the public hearing. Rand Peebles, representing the Rinker Trust, said Rinker consents to his property being rezoned Light Industrial. Gary Stivers asked to what use the rezoned property will be put. Hellen said future expansion of the treatment plant would be one use. There were no public comments. Brown said she looked at the site, and it appears to be zoned Light Industrial in terms of look and feel. She was equally pleased that we can forever zone 98% of that lot RGB.

Brown moved to rezone a portion of Tax lot 7573 and all of Tax Lot 5377 to LI, finding that it conforms to our comprehensive plan, calling out policy 4, expansion adjacent to existing LI districts, policy 3 under growth management, it will not require additional public costs because the land is already in use as our sewer plant, and finding that the rezone is in accordance with the general welfare of the public. Adjacent and future uses appear compatible. Burke seconded; the motion carried with Brown and Burke in favor.

Brown moved to approve Ordinance 908, authorize the first reading of the rezone ordinance by title only. Burke seconded; the motion carried with Brown and Burke in favor. Burke read the ordinance by title only.

PH 189 TOWNSITE OVERLAY DISTRICT AMENDMENTS

Grotto said this is largely a housekeeping amendment. Formerly the 40% maximum coverage applied only to lots upon which there was an accessory dwelling unit. A recent change to the ordinance requires 40% maximum lot coverage on all lots. The Business district allows 100% lot coverage, and the Limited Business district allows 70%. At the commission meeting there was some public input regarding the transition district. The commission stated they want to look at TN more comprehensively. Their recommendation was to approve the ordinance now before the council as written. Davis asked if the 40% comes from LLUPA. Grotto said it does not. She did not know where that number had initially come from. It is quite substantial lot coverage, Foxmoore houses cover only 25% to 30% of their lots.

Mayor McBryant opened the public hearing. Kim Johnson of 403 East Carbonate Street was concerned that this encourages access off the alley. She asked whose responsibility is it to clear up encroachments into the alley.

Davis asked if the water lines were lowered when the meter vaults were put into the alleys. Hellen said the water main line was not put deeper. The meter boxes were put in deeper where they could be.

Davis said this matter is simply housekeeping, and he was fine with it. Brown was mindful of the public comments made, and felt although this housekeeping matter needs to be addressed, the comments need to be addressed in another forum.

Davis moved to approve ordinance 909, finding that it is in conformance with the comprehensive plan and is in the general welfare of the public. Burke seconded; the motion carried unanimously.

PH 190 HAILEY POLICE DEPARTMENT TRAFFIC EDUCATION PROGRAM

Chief McNary said the first traffic school will be the last Wednesday of this month, and already there are 20 people signed up for the class. The class will be held once per month. He said his department is putting the course curriculum together now. He had one customer ask for a ticket rather than to have to spend the time in class. There will be a test at the end of each class. HPD writes about 200 tickets per month, and he estimated that about 125 are moving infractions, and 2/3 of those will be eligible for this class. Violators will only be allowed one class per year.

Mayor McBryant opened the matter for public hearing. Gary Stivers asked what kind of tickets can be absolved in this manner. McNary said moving infractions. McBryant said this program is Hailey's opportunity to get more involved in safety matters.

There being no further public comment, McBryant closed the public hearing. **Davis moved to approve Resolution 2005-12, and authorize the mayor to sign it.** Burke seconded; the motion carried unanimously.

PH 191 – INTERMOUNTAIN GAS FRANCHISE EXTENSION

Williamson presented an ordinance to the council which would extend the current 10-year franchise agreement with Intermountain Gas Company for an additional period, through September 14, 2005, to allow time to complete negotiations toward a new agreement. Intermountain Gas Company has no objection to the extension. The extension allows us to negotiate the new franchise agreement during that time. He asked for waiver of the three readings.

There were no public comments. **Brown moved to approve Ordinance 910, waive the three readings, read by title only, and authorize the mayor to sign.** Burke seconded; the motion carried unanimously.

OPEN SESSION

Brandy Jensen of PACE, a consulting company, said she will be meeting with the council for a goal-setting meeting at 8:00 a.m. on June 25th. She assigned homework to the council as a precursor to developing a formal agenda by June 22. She asked the council

to review its vision, its goals and objective, the budget, objectives of the budget as well as obstacles, and identify what each is willing to sacrifice.

Kim Johnson said a lot of work has been put into the townsite overlay, but the public has not been made aware of the changes to that zone. She wanted a moratorium on new platting and new building permits under this ordinance. The neighbors want to subdivide, and there are so many encroachments. Developers are going in so quickly, rushing in, pushing plats through before anything can be done about it. Taxpayers will hold the burden.

NB 192 – INTRODUCTION OF NEW FRANCHISE ORDINANCE IMG

Williamson said the introduction of this ordinance starts the process, allowing publication. He also provided the council with a proposed agreement. There are similarities in the proposed gas company agreement and the proposed cable company agreement. The purpose of this item is to get the ordinance introduced and move on. He said he will be meeting with Intermountain Gas Company's attorneys this Friday to go over issues. No action is required of the council. Davis suggested that the word "dollars" be omitted on page 185. McBryant noted that on page 186, the insurance is too low.

NB 193 - COX CABLE FRANCHISE AGREEMENT

McBryant said Cox Cable Company's extension of services has not yet made it all the way through the city. Hellen said the South Woodside Industrial Park doesn't have internet service yet. McBryant said renewal of the franchise agreement is our opportunity to get that taken care of. Glen Parker said it will cost \$225,000 just to get lines installed to the treatment plant, and there is no one else in the business park interested. Therefore, the proposed franchise agreement has an economic feasibility clause. Parker said this requirement could dramatically change the way we do business. McBryant said she hoped the company would find that revenue from the residents and businesses in the City of Hailey is important enough that the company will consider connecting to all of the city, ensuring that the franchise is available to all our citizens. Failure to do so may be a deal-breaker.

NB 194 - ANIMAL CONTROL ORDINANCE REVISIONS

Williamson said he had drafted the animal control ordinance revision pursuant to the council's direction. McBryant said the ordinance won't be enforced. Davis said it takes away ambiguity in the ordinance regarding making safety judgments. Brown added that the discretion of the police is a crucial component to her voting for this ordinance change. She did not want this to become a tool for neighborhood grudges. Burke said it shouldn't be the angry poop discussion between neighbors. With the current language, it is almost impossible to enforce anything.

The council determined to bring the matter back in Public Hearings at the next meeting.

2005/2006 PRELIMINARY BUDGET INTRODUCTION

Mayor McBryant said the budget is comprised of a summary page, then revenue, then the departmental budgets. She wanted to talk through the assumptions she was acting on when she put this budget together. The council held a meeting discussing local option tax, and learned that there is no perception that Hailey has a problem, which is a credit to the people in this room. We've done well with what we've had. Police and Fire have responded to emergencies; Planning and Building have set up a schedule for development applications and met that. Ancillary services such as Library and Parks did well with a strapped staff.

However, detriments to service do exist. Pedestrian safety is hampered by our inability to add staff to the police force. Fire ratings could increase if we don't get an additional fire station, and residents could pay up to \$800 per year more in homeowner's insurance bills. Snow removal and street maintenance are suffering. Because of policies regarding building code interpretation, customer satisfaction is confused with compliance.

Wages were proposed at a 3% increase, but some department heads have been targeted to receive a more substantial increase. She wanted the mayor and council to receive a 3% increase per year. She had budgeted some additional staff, and gave the council an allowance for their own use. The Legislative budget has discretionary funds for special council projects. The Chief Executive Budget shows a substantial decrease, and the funds have been allocated out to the departments. Staff has asked for a slider door on the meeting room, and she has allocated \$15,000 to that.

The mayor recommended a 6% increase for the clerk-treasurer, now functioning as PIO as well as finance director. The clerk-treasurer is consistently tightening the belt and still facing increasingly stringent audit requirements, and the wage is not competitive with other departments.

The Planning budget also shows a substantial increase in department head pay, because of competence. A slightly higher percentage increase is budgeted for other planning positions, because all the positions within the department are a bit below market pay, as well as being based on competencies. A new position is proposed to be shared with Building. The Building department has asked for office furniture upgrades, including storage areas for plans and table to spread them upon to make the work easier.

The mayor proposed a substantial increase in the budgeted salary of the fire chief, and added a 32 hour per week administrative assistant. She also planned to build a new fire station. The mayor remarked that she is pleased to working with Dawson as Chief Financial Officer, who consistently comes back with good ideas on how to make such projects happen. In this case, the mayor proposed a capital borrowing plan from water and wastewater, the first year of a 20-year pay-back plus interest funded in the proposed budget. Chapman said he is on target for construction next spring, and is coordinating the project with other local fire departments.

McBryant said the Police budget doesn't show a huge increase, but to his credit Chief McNary aggressively strove to get his department's salaries budget on a good parity with other jurisdictions. One car is funded for replacement each year.

No increase is proposed for the animal control budget. The Library budget is entirely prepared by the Library Board. The Engineer's wage is competitive at this time, and no additional wage increase is applied. \$80,000 of ITD grant money is budgeted for expense in a traffic study.

Brown had met with the public works street departments, and she was pleased with the efficiencies that were being sought by replacing old equipment with parts that can be added to other equipment.

The Mayor said the Parks budget is a difficult budget, because it is discretionary but gives fabric and meaning and life to the community.

McBryant said the water and wastewater budgets are simple, because rates are set to accommodate budget needs in these enterprise funds. Hellen said he may be bringing a water rate increase forward later in the budget process. McBryant said the goal is to set stable rates that won't have to be increased later when metered rates are instituted, thus further burdening heavy water users.

McBryant said the Blaine County Senior Center Auxilliary has requested funding. She still has concerns about allocating tax dollars for specific user groups that have not been voted on as part of our mission. It is the county's job to take care of the Senior Center. She would like to be able to draft a letter of support for the private group that is working on the Blaine Manor facility. Brown said the group is new, and she would like to hear more about that group in a presentation.

CHRIS POLLARO APPEAL

The council continued with its discussion of a request for a building permit to demolish and rebuild a structure which encroaches into the alley at 110 Second Avenue South. Grotto said the existing building is encroaching into the alley. If a building is non-conforming in terms of its setbacks, even if demolished, it could be rebuilt on its same foundation. If a building encroaches into any city right of way, then the non-conforming status doesn't continue. Hellen said the city had that alley surveyed, and the council had determined property owners wouldn't be required to remove their structures from the alley, but would eliminate the encroachments as changes to the structures are requested. Grotto said she didn't know if the building inspector could issue a building permit; planning couldn't help in this matter. The project, a moderate refurbishment, if done without a building permit would be done at the property owners' risk, because the city could ask for its removal at any time.

McBryant said in light of the fact that it has identified a historical overlay district, and also asked people to remove structures from the alley, the council may be open to

allowing Pollaro to move the building to the property line, no longer allowing the encroachment into the alley but allowing the continuation of the setback violation. She wasn't comfortable telling the building inspector to issue a permit. Brown complimented the building official for doing his job. Our goals are to do infill development and maintain historical structures, and if the building can be moved from the alley but still be allowed setback non-conformities, she would agree with that.

Burke said this is a difficult discussion for her, because her property has the same issues. She said she has a conflict of interest in this matter. The proposal gets Hailey's townsite to look the way we want it to, but she did not support any encroachment into the alley.

Davis said if the council allows the building to stay where it's at, we're setting precedent. He said the owner needs to get it to the lot line.

Pollaro asked how older buildings will be preserved if owners can't do any refurbishing of them. He asked if there is a different approach to historical encroachments rather than recent encroachments into the alleys. He said if a demolition permit is issued, a building permit should be able to be issued as well. McBryant said they are not necessarily connected. She said the council will have to vote to allow a setback variance.

The council then discussed comments made earlier on Hailey's banner specifications, and determined that matter should be handled administratively.

Mayor said the Local Option Tax Committee met last week, and will meet again tomorrow. We received a special events permit for a large gathering on September 11 at the high school. We have now had a rock concert as well as this special event. The school is bordered by residential development. Administrative personnel ought not to take the heat for these special events. Allowing these special events is a political decision that she's not sure she can endorse, because she can barely stand the noise from the Lion's park softball games. Retail items were sold last weekend at the school during a home and garden show. She would like to stop accepting any further special events applications until Williamson has had the opportunity to rewrite the guidelines.

Burke moved to instruct staff not to accept any other special events applications until an ordinance is written. Davis seconded. Brown said conforming uses are important. The motion carried unanimously.

Davis said historical society had a good meeting. Twin Falls is trying to recruit out-of-state labor for new businesses that are coming in.

AIRPORT REPORTS

Burke said she met with the FAA in Seattle. The 15 engineers with whom she spoke were clear that they do not allow safety deviations. Friedman has choices, La Guardia does not. The minute safety variances are granted and something gets messed up, all privileges are taken away.

Brown complimented Hellen and the Mayor for the Relay for Life presentation on the radio this morning.

The Mayor congratulated Davis for being appointed Grand Marshall of the Hailey 4th of July parade.

There being no further business, Mayor McBryant adjourned the meeting at 9:00 p.m.