

**MINUTES OF THE SPECIAL MEETING OF THE
HAILEY CITY COUNCIL
HELD MONDAY, JANUARY 2, 2006
IN THE HAILEY TOWN CENTER MEETING ROOM**

Present: Mayor Susan McBryant
Council Members Rick Davis, Martha Burke, Carol Brown, and Don Keirn.
Staff: City Attorney Ned Williamson
Press: Kathleen Turner, Wood River Journal
Jason Kauffman, Idaho Mountain Express
Gary Stivers, Sun Valley Online
Public: Jim Spinelli, Executive Director, Hailey Chamber of Commerce

OPENING REMARKS: Mayor McBryant called the meeting to order at 4:00 p.m. and wished everyone a happy and productive 2006, and welcomed participants to the first special city council meeting of the year.

The following future meeting dates/times were set: A special meeting with the Hailey City department heads for goal setting - January 24th at 4 p.m.
An early start time for the regular city council meeting scheduled January 23rd, 4:30 p.m., for executive session.

WORKSHOP: LOCAL OPTION TAX

Mayor McBryant reviewed the history of events that led the City Council to direct her to appoint an ad hoc committee to consider a Local Option Tax (LOT). The findings of the ad hoc committee were reviewed. Jim Spinelli, Executive Director of the Hailey Chamber of Commerce and member of the ad hoc committee reported that the Board of Directors of the Chamber, as well as the ad hoc committee, are unanimously in support of the findings and recommendations of the ad hoc committee. Jim reported that these groups see relatively little resistance in the community to a LOT and feel that the services proposed for taxing will have the least impact on the residents of Hailey and are generally services that support tourism in the community. Taxation is recommend as follows: 1% on restaurant food, 2% on alcohol by the drink, and 3% on hotel rooms and rental cars.

Jim reported that the ad hoc committee as well as the chamber is prepared to work on promotion of the LOT.

Rick Davis questioned if building materials should be taxed based on destination, not origin. Jim Spinelli commented that additional items could be added to the LOT after the benefits from the initial effort had been experienced. The proposed LOT is for a duration of no more than four years; then to be re-approved for subsequent years, at the same or a different collection formula.

Rick Davis moved to adopt the timeline proposed in the meeting packet that would lead to the final draft ordinance and call for ballot on March 27, 2006. Don Keirns seconded. Discussion: - ramifications of the timeline relative to the 2010 population census were considered. Practicality of the timeline was discussed and Rick Davis, along with Jim Spinelli, indicated that they are prepared to promote the LOT in the community to meet the March 27th timeline. It was felt that by that date they would know if the LOT was supported enough to pursue a ballot. The Mayor called the question and the motion was unanimously approved.

REPORTS: Attorney: none. Airport: Martha Burke reported that the airport was able to open today at 2:30 after snow had been removed and intends to remain open until the evening, when the individual runway lights will need to have snow removed by hand.

Council: Rick Davis complimented the road department for their work clearing the streets during the past holiday weekend. Mayor McBryant supported the comment, noting that Alan Stowell from the streets department and Ray Hyde from public works had created a ranking of storms and methodology for working the various ranks. Rick Davis presented the 2006 fireworks display contract to the attorney for review.

Don Keirn reported that he had attended a presentation on privatizing water and waste water systems to minimize city overhead. He does not recommend pursuit of such an option at this time. Don also reported that he will be attending a housing authority meeting on January 10th.

Carol Brown reported that the draft EIS for the Timmerman to SV corridor is ready for comment and that the Cities of Sun Valley and Ketchum, as well as Blaine County have hired a consultant to review the EIS and comment on their behalf. They have invited Hailey and Bellevue to be part of their commenting process and to include any issues we might have.

Mayor McBryant reported that the City of Sun Valley is planning a retreat with elected officials countywide on Saturday, January 7th. She applauded Sun Valley Mayor Jon Thorson for his leadership and efforts to bring the various jurisdictions together to discuss common issues. The information on the retreat will be sent to each council member so they can plan to attend.

ADJOURN: There being no further business the meeting was adjourned at 5:10 p.m.

Susan McBryant, Mayor

Heather Dawson, City Clerk

