

**MINUTES OF THE REGULAR MEETING OF THE
HAILEY CITY COUNCIL
HELD MONDAY, MARCH 13, 2006
IN THE HAILEY TOWN CENTER MEETING ROOM**

The regular meeting of the Hailey City Council was called to order at 5:30 p.m. by Mayor Susan McBryant. Present were Council members Rick Davis, Martha Burke, Don Keirn, and Carol Brown. Staff present included City Attorney Ned Williamson and City Clerk Heather Dawson.

EX 78 PROCLAMATION

Mayor McBryant proclaimed March as American Red Cross month.

EXECUTIVE SESSION

Keirn moved and Burke seconded that the council go into executive session to discuss land acquisition. A roll call vote showed all in favor. The council went into executive session at 5:38 p.m. and came out at 5:58 p.m. following a motion, second, and roll call vote.

CONSENT AGENDA

Keirn moved to adopt the consent agenda as presented. Burke seconded; the motion carried unanimously.

- CA 79 Motion to approve construction request of Friedman Memorial Airport
- CA 80 Motion to approve Special Event Permits, including: Girls on the Run, Crow Wedding, Reckless Kelly Music Fest, SV Arts Summer Concert, 4th of July BBQ & Parade, Hailey Antique Market, Hailey's Main Street Antique Show, Northern Rockies Folk Festival, and the WR Farmer's Market, including a waiver of the number of events allowed for the WR Farmer's Market
- CA 81 Motion to renew Blue Shield Contract for Group Choice Plan, with a contract period of April 1, 2006 through March 31, 2007, at a renewal rate increase to \$452 per month per person.
- CA 82 Motion to approve Water Storage Tank Pay Request # 1 for \$24,630.65

FINAL ORDINANCE READINGS – NOS. 932 (LEASH) & 938 (BUDGET)

Burke moved to authorize the 3rd reading by title only of Ordinance 932, an ordinance reinstating voice control of dogs as being sufficient under the law. Brown seconded; the motion carried with Davis opposed.

Burke moved to adopt Ordinance 938, and read the final reading by title only. Keirn seconded; the motion carried unanimously.

Previously read for final adoption on January 23, 2006, these ordinances had not yet been published and had not yet become effective.

OLD CUTTER'S ANNEXATION

Davis recused himself from the Cutters annexation discussion to avoid any potential conflict of interest.

Williamson introduced the annexation agreement as it had unfolded following the council's previous meeting. The park areas had been consolidated into one 5.08 acre park, and the applicants had agreed to develop the entire area as a city park. The developer asked for an annexation fee credit of \$45,000, the estimated amount for improvement of that portion of park space which exceeded the subdivision ordinance minimum standard. Community housing language was amended to say that qualified applicants could own no other real property in any location. A turn lane would be constructed off of Hiawatha Drive. Williamson said he believes strongly that annexation fees are different than development impact fees, and included language deterring the applicant from receiving future credits for development impact fees. A difference in language has emerged, and the applicants have indicated they will not sign the agreement if their version of that language is not used. The applicant also is not willing to install a restroom at the park. City staff had indicated the park restroom should be hooked up to the sewer and water lines, rather than Forest Service style restrooms. The final issue deals with the Hiawatha Canal upper ditch. Jim Phillips has met with the applicants; and Phillip's concerns include five points: a pathway on the upper side of the ditch which will be covered up by maintenance of the ditch; access to the ditch; the width of the easement; and a loss of vegetation along the ditch resulting from water no longer flowing in the ditch.

Jim Speck noted that the pathway is on the lower side (residential side) of the ditch, not the upper side.

McBryant said we are at the point where if we find this agreement is satisfactory, the next step is to find the annexation satisfactory. Emphasizing that the conceptual plan may not be the exact layout of the future subdivision, Mayor McBryant opened the public hearing. Al Lindley preferred a Forest Service style bathroom that can be used year around, saying other restroom sustain damage, including broken pipes and plugged lines. The Forest Service restrooms are durable. Why put something in that will eat a lot of maintenance costs?

Jim Phillips said the maintenance width of the canal is one of the issues. A slope exists on the downside of the canal. The city should properly identify the maintenance area to keep encroachments from coming up in the slope. The other issue is with regards to vegetation along the ditch. There is some question about the character of the foot bridges. Maintenance will have to occur around the bridge, and there will need to be access into the ditch. Another access point is needed somewhere around the bridge, and at the southern part of the ditch. Since the city will own the property from the west side of the canal over to the east, he hopes to work out an arrangement with the city to address the issues of access, and develop a maintenance plan in conjunction with the homeowners. Our approach to maintenance may not be what the neighbors will like to

see. The canal company worked out an arrangement with Foxmoor wherein its homeowners maintained the ditch. McBryant asked if the canal company will share the cost of building a weir. Phillips said if it is the city's water in the ditch, we can work out an arrangement for that.

John Campbell agreed that we need to walk the area after snow has melted. It will take heavy equipment up that gulch to build the water storage tank. Where the gulch comes out, there's an alluvial fan, indicating a very gentle slope. Bridges are not all meant to be constructed the same way. Phillips asked if the bridge would be built initially. It will be a major access point.

There were no further public comments. Carol Brown said regarding credits, the annexation fees are very distinguishable from development impact fees. If we go forth, that is her thought process. Regarding the bathroom, if a vault style facility is built, we will pump it on a regular basis. Vandalism doesn't happen often in the Forest Service areas. When it does happen, it's not pretty. We've got a sewer; let's hook it up to the sewer. She was intrigued by the Foxmoore example. She felt the agreement conforms to the comprehensive plan and pages 89-93 of the council packet show those areas of conformance. The annexation fees have been assessed as the price of admission with the study underlying it as a basis, to ensure that we have looked at the fiscal impact responsibly. The Forest Service system is a good system, the main thing is what people put down in the vaults that is inappropriate.

Keirn felt the residents near this property would appreciate the restroom as well.

Burke said the proposal meets the Hailey comprehensive plan. What held us up a year ago was the fiscal impact on the city. A base line was established, and now we can go ahead with this. She understand the developer will have some concerns about future credits, but this is the price of an annexation, and credits aren't appropriate. Vegetation along the canal may not be able to be addressed tonight. When we take out the \$45,000 that would be estimated to improve $\frac{3}{4}$ of an acre, did that encompass a restroom? Williamson said it did not.

Keirn was okay with the 45,000 credit. The citizens of Hailey will be well served by the money the applicants will pay in. The ditch maintenance will be handled in the subdivision process.

McBryant was uncomfortable with annexing this property and having the area that is in the county surrounded by city. She challenged the council to develop a resolution where we bill back the county for service in this area. It's a mistake to have that happen, with those parcels being left out there. Carol Brown said we will have to discuss this when the Quigley annexation application is reviewed. McBryant felt it needs to happen now. Carol Brown supported setting a resolution by which Hailey would bill back services to the county.

Carol Brown noted that the first motion pertains to the annexation application, the second is regarding zoning. **She moved to accept the annexation of Old Cutters, finding it is harmonious with the Hailey Comprehensive Plan as noted on page 89-93 of the council packet, that the application is in conformance with the comprehensive plan, and that the proposed annexation will not have a negative fiscal impact on the citizens of Hailey; with conditions that the annexation be subject to finalization of an annexation agreement providing for terms and conditions** Burke seconded; the motion carried with Keirn, Brown, and Burke in favor.

Carol Brown moved to assign the zoning designation to the Old Cutter's annexation area as presented in the staff report exhibit, finding that it conforms to the Hailey Comprehensive Plan as stated on page 93 and 94 of the council packet, that it does not create additional costs, and that it is in accordance with welfare of the general public. Burke seconded; the motion carried with Keirn, Brown and Burke in favor.

Carol Brown then moved to adopt Ordinance No. 939, and read the first reading by title only. Keirn seconded; the motion carried with Keirn, Brown, and Burke in favor.

Turning the council's attention to the annexation agreement, Williamson said it is his preference to have strong language disallowing future credits in the annexation agreement, but the applicant will not sign the agreement if it contains that language. The agreement will control this matter going forward, rather than council comments made during deliberation. Keirn said the city attorney will not fall on his sword if the language is not in the agreement. Williamson noted that the agreement will need to reflect the requirement that the restroom be hooked up to city services. **Carol Brown moved to accept the annexation agreement as presented, with a minor change on page 5 to require that a restroom be hooked up to city services.** Burke seconded; the motion carried with Keirn, Brown, and Burke in favor.

Brown noted she was impressed with the CC&R's, even though the city doesn't enforce them.

McBryant encouraged Grotto to facilitate an on-site review by the commission of the subdivision application.

MUNICIPAL CODE TITLE 13 REVISIONS – Water and Wastewater Regulations

McBryant said this presentation of amendments to the water and wastewater section of the Hailey Municipal Code is designed to focus on the mechanics of the ordinance changes. City Engineer Tom Hellen introduced the draft, which contained provisions for an annual fee for irrigation system inspections. He said he would appreciate any comments the council may have in advance about rates. Brown said she'll need a bunch of practical examples. McBryant was concerned about annual inspections of irrigation systems, saying such systems are known to be more efficient and didn't want to deter their use. She expressed concern that it is becoming ever more expensive to live in the City of Hailey, and she knew of at least a dozen retired residents that have irrigation

systems. She also expressed concern that inspecting systems may become an administrative nightmare. It is important to remember what we're trying to achieve; the conservation of water and prevention of back flow into the water system. Brown noted that landscape companies can routinely provide the service. Hellen said they have to be certified. McBryant suggested we either stagger the inspections or absorb the cost of the inspections, since we know irrigation systems are more efficient. Keirn said the administration is scary. Hellen said DEQ may require inspections more frequently than every 3 years. DEQ would prefer to see backflow prevention handled as a separate ordinance. Dawson noted that a fees based system need only charge additional fees if the use is to a specific few, rather than the fee-users at large.

Hellen said the new ordinance will eradicate irrigation charges at a fixed monthly rate, but we still need the ability to charge for irrigation this summer. Hellen said he had held discussions with city staff regarding handling leaks, and suggested that guidelines be adopted by council resolution to assign staff some discretion in waiving charges due to leaks.

Burke asked about people who have more than one hook-up, wondering how many people would bear the costs of two hookups and therefore two base rates. Hellen said a building with an Accessory Dwelling Unit has two hookups. Burke said on her property, the irrigation hookup is the second one. Hellen suggested the ordinance be written to allow hookups to be combined before the metered rates come into effect, so that entities such as the Sun Valley Center for the Arts won't have to defer its project a month or two to avoid a separate connection fee.

McBryant said she had asked Hellen to look at each of the council's water bills for a year to examine the total gallons used, how the rates he's looking at would affect these users, as a concrete example. McBryant said one goal of the rates is to achieve greater awareness among residents to conserve our water resource. The city is not trying to make money off the rates. There ought to be an average on everyone's usage. Hellen said he had developed a usage chart based on size of lots. Up to 16,000 square feet lots will be charged below or relatively close to what current charges are. Burke noted that her lot doesn't take into consideration the two street frontages, including the street trees. McBryant said Hellen is using national averages, which are skewed, because 2/3 of the nation's population lives in coastal areas.

Keirn said the city will hold to current rates through this summer while residents are able to see their metered usage. Brown said she just got her irrigation system installed in October, hasn't run it yet, but she hopes to see a dramatic reduction of water usage.

Davis said under Purposes, 13.04.010, he wanted the word "easements" added into the verbiage. He added that there are water users outside the city and asked if they have been metered. Hellen said meters have been installed to those properties. Davis agreed with the mayor regarding cross connection fees.

Mayor McBryant opened the public hearing. Brown asked if we're the first to meter water usage. McBryant said Sun Valley meters irrigation.

Al Lindley said the engineer could use his water bill as an example of a large lot with mature trees.

OPEN SESSION for PUBLIC CONCERNS

McBryant said she had met with Lilly & Fern, who has approached her to allow a Main Street improvement project funded largely through volunteers. Their request is for the city to install brackets to hold hanging flower baskets, and the volunteers would maintain the flower baskets and remove them at season's end. Pam Lawrence and Annie Cowden are asking our support to install and purchase the brackets for under \$2000.00. McBryant said she would be willing to use part of her funds for the beautification program. Hellen noted the whiskey barrels would need to be removed. Davis wanted to sponsor a basket. The council supported the project.

USGS WATERSHED STUDY PROPOSAL

The council had been presented with a memorandum from Ray Hyde following a presentation at the previous city council meeting requesting that Hailey contribute \$10,000 toward a USGS Watershed study.

Brown asked who will manage the data bank, where will it be reside, and will we have access? Hellen didn't know. Brown said she wanted those guarantees if we're going to give dollars to this. Keirn had questions about who is the ramrod on this, we don't know anything about the administration of this. Both Keirn and Brown were in favor of the concept, but didn't see the administration detail. Brown was willing to contribute to the first phase, but would want some turn around. Keirn felt the matter should be handled as an RFP; he didn't know if these people are bona fide. Davis said studies have been done and put who-knows-where. He agreed with Keirn on the RFP, and the administrative part would be addressed. Keirn said been talking about regionalization, this is a regionalized study and lends itself to regionalization – that's the way it ought to be handled. The project will need a ramrod to oversee all the pieces. McBryant didn't even like the concept. We weren't seeking it, and Hailey hadn't identified this as a need. When NPDES permit requirements change, all of the numbers will be changed, and the premises of the study may have to be changed. We weren't trying to go there yet. This is a concept solicited by outside people responding to an interest that's keen to them, not coming from the city and an interest that is keen to it.

Burke said it's not the quantity of water, but the quality that 's of issue to Hailey, and asked where will this help us directly. Keirn said we cannot commit future budgets. Brown said we test our wellheads, but that doesn't mean we know the movement of the aquifer. She was willing to buy into the project's first phase. Burke said if we're talking about the flow of groundwater, we're all in this together. Brown said it pays to be upstream. Mayor said we know that what we're doing is appropriate – so what if we

know upstream users are polluting us, what can we do about it? Keirn again said it has to be a regionalized thing, and asked who will manage the data base into the future. The council then requested a reply from the consultants who made the presentation.

DEVELOPMENT IMPACT FEE ADVISORY COMMITTEE

Mayor McBryant asked for the appointment of Taylor Walker, George Kirk, Nancy Linscott, Stefanie Marvel, and Pat Cooley to the development impact fee advisory committee. Keirn moved to accept these appointments. Brown seconded; the motion carried unanimously.

WORKSHOP

McBryant noted that in future meetings she is going to move open session for the public up to where it's after consent agenda and in line with the business topics.

OPEN SESSION – Kathleen Turner said water purification does not thoroughly clean sewage discharge water that goes into rivers. There is evidence of feminization of fish populations in the Platt River.

COUNCIL REPORTS - Burke said a Walkable Communities seminar will be scheduled in April. Brown said she will be out of town that week, but has heard Dan Burton before.

Keirn asked if portions of the highway corridor project has been cut by the cut in Garvy funds. Hellen did not know.

Burke said April 10-12 will be the FAA's Northwest Regional Conference in Seattle, and the mayor has been invited as well.

Brown said a Kart Board meeting will be held Wednesday, and asked Hellen to attend. She said she has been approached about an Arts Commission, and was interested in pulling together a small ad hoc committee

Keirn said he attended a Southern Idaho Economic Development Board meeting. One of the problems is our unemployment rate. People you're trying to recruit like higher unemployment rates. He said he would like a Hailey brochure to give to the people in Jerome.

Davis said the library received a grant, and he distributed a handout of a news article from Ginger Harmon. He had attended his first Parks and Lands Board meeting.

Davis then asked the council to picture a place in the center of Hailey that has water features, play spaces, small ice skating rink for kids, outdoor fireplaces, bandstand, puppet shows, an area called an outdoor room. Then he asked the council to picture that on Croy Street from the alley to Main Street. If the council likes the concept, that's his next project. He has someone lined up to do renderings. Burke envisioned the Cimino

pocket in Ketchum, one of the loveliest pockets in Ketchum. McBryant indicated she would discuss that further with city staff; she was hesitant to vacate the street.

Mayor McBryant pointed out that the council had approved special event permits allowing three weekends in a row in June where a park will be taken out of use, and there will be noise trespass. She expressed concern about the local residents who can't buy the ticket and can't go play on the swing.

She said the water meter ordinance is a significant issue.

Hellen said ITD will seal the highway to Ketchum this summer, a microseal over a four week period, and will be requesting the use of McKercher Boulevard as a detour for a day or two.

There being no further business, the mayor adjourned the meeting at 8:15 p.m.

Susan McBryant, Mayor

Heather Dawson, City Clerk