

**MINUTES OF THE REGULAR MEETING OF THE  
HAILEY CITY COUNCIL  
HELD MONDAY, AUGUST 13, 2007  
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, Don Keirn, Martha Burke, and Carol Brown. Staff present included City Attorney Ned Williamson and City Clerk Heather Dawson.

**OPEN SESSION**

Peter Lobb asked if July's water figures had come in. Hellen said that although May and June this year had substantially higher usage over last year, in July this year's usage was only 2000 gallons higher than last July.

**CONSENT AGENDA**

**Keirn moved to approve the Consent Agenda as presented with the exception of CA 292 and CA 299.** Brown seconded; the motion carried unanimously.

- CA 289 Motion to authorize acceptance of EMS Grant of \$151 for Kendrick KODE Vest
- CA 290-a Motion to approve alcohol beverage license for Wood River Wine Guys to conduct grocery sale of wine at 110 Carbonate Street East
- CA 290-b Motion to approve transfer of alcohol beverage license from Rob Cronin/Viva Operations to Bandida's Bar & Grill for use at the former Viva Taqueria premise at 411 North Main
- CA 291 Motion to approve alcohol beverage license annual renewals as presented
- CA 292 Motion to approve findings of fact and conclusions of law for Old Cutters Subdivision, final plat
- ~~CA 293 Motion to approve Change Order #5 for Water Storage Tank, for a net reduction in the contract price of \$3,577.36, due to higher costs associated with chlorine functions, and lower costs due to their having been no need for rock excavation.~~
- CA 294 Motion to approve bid from Hailey Nursery of \$85,812.70 for Woodside Central Park landscaping and pathway, and to authorize mayor to sign contract documents as approved by the city attorney.
- CA 295 Motion to authorize Service Agreement with Aqua Pro for weekly maintenance of Jimmy's Garden water feature.
- CA 296 Motion to authorize renewal of contract with Digline.
- CA 297 Motion to approve Engineer's notification to property owners of potential alley encroachments, informing property owners of their responsibility to remove those encroachments if they exist.
- CA 298 Motion to approve claims for payment for invoices from June and July, 2007.
- ~~CA 299 Motion to approve minutes of July 23, 2007, and to suspend reading of them.~~

**CA 293 Change Order #5 for Water Storage Tank**, for a net reduction in the contract price of \$3,577.36, due to higher costs associated with chlorine functions, and lower costs due to their having been no need for rock excavation.

Williamson corrected the proposed contract to read, within it's text, Change Order #5 (instead of #4) and he corrected the completion date. **Burke moved to approve Change Order #5 as amended by the attorney.** Keirn seconded; the motion carried unanimously.

**CA 299 Motion to approve minutes of July 23, 2007.** Burke corrected the minutes to show that she had met with the Deputy Secretary of the Interior. **Brown moved to approve the minutes of July 23, 2007 as amended.** Burke seconded; the motion carried unanimously.

### **PRESENTATIONS**

Davis presented the 2007 fireworks booster awards to:

Atkinson's	First Bank of Idaho	Power Engineers
Sawtooth Auto Sales	Pepsi Cola	Bank of America
Rocky Mtn Hardware	Mountain West Bank	D.L. Evans Bank
Friedman Memorial Airport	Zion's Wood River Valley Bank	Express Printing
Hailey Antique Market	- Alee Marsters	

Mayor McBryant thanked Davis for his booster efforts as well.

### **MAYOR'S REMARKS**

Mayor McBryant announced that a letter of commendation was presented to Acting Police Chief Jeff Gunter for assistance in apprehending in a man-hunt operation several weeks ago when HPD sent 8 officers to assist.

Brown noted that HPD had escorted the Camp Rainbow Gold event.

### **APPOINTMENTS**

Mayor said there will not be an appointment today to the Blaine County Housing Authority She had met with several people, including Gates Kellet, last week to discuss local housing authorities. She said the discussion of how Hailey will create or participate in housing authorities must include a discussion of our assets including our ordinances, our affordable housing contributions, what we have gained in terms of land and cash, what our broader vision is, and how we intend to manage our broader vision. There are lots of positive directions we can go. She felt the city must have a representative on the Blaine County Housing Authority, but we are looking for options in addition to that.

The Mayor said some by-laws for Fly Sun Valley Alliance had been prepared and reviewed by the city attorney. She asked the council to consider a good appointment to that organization.

Mayor said KART/PEAK is looking to develop a joint powers authority, and asked the council to consider a good appointment to that body.

Mayor welcomed Beth Robrohn, Hailey's new Planning Director, to her first City Council meeting as Hailey Planning Director,

#### **EYE CENTER RENTALS - FINAL PLAT REPLAT OF Lots 16-18, Block 39**

City Planner Diane Shay introduced the application, saying the final plat conforms to what was approved by the commission on April 16, 2007. Mayor opened the public hearing, but no comments were made.

Brown said this application took advantage of the offsite sidewalk in lieu of parking, thereby gaining 8 parking credits. She said it is important to keep an eye on the amount of parking in the downtown area.

**Keirn moved that the council approve the final plat with conditions a-f as presented in the staff report. Burke seconded; the motion carried unanimously.**

#### **FLOOD PLAIN RECLASSIFICATION**

Shay noted that the hydrologist, Chuck Brockway, is not present tonight because FEMA's map didn't arrive until this morning, and he has asked to be continued to the next meeting. The mayor asked if anyone is present for this discussion. No one spoke up. Davis said if this is approved, it would be putting residences back in the flood plain that are currently out. **Burke moved and Brown seconded to continue this matter to the August 27, 2007 meeting.**

#### **BUDGET PUBLIC HEARING**

Hellen spoke regarding the Resolution to set water and wastewater rates. He said the biggest change is in the connection fees, based on the matrix. The base rate jumped up slightly, and the metered rates adopted in June to be implemented on July 26, 2007 are proposed to remain the same for the next fiscal year.

Mayor introduced the budget at large and asked for public hearing. Diane Barker asked for a schedule of capital projects for the capital improvement plan. Clerk discussed new revenue information, including the Local Option Tax 12-month report showing receipt of \$360,000 and the market valuations from the county showing that property tax would be higher than anticipated because of new construction. She had consequently reduced the fund balance and increased LOT revenue by \$10,000 and property tax by \$27,000.

Brown asked if SIEDO funds would be needed. Keirn did not know at this time.

Williamson was not satisfied with the adoption date of the proposed Resolution, and also noted that the Resolution doesn't have a repealer clause. **Davis moved to adopt Resolution 2007-11, approving the rate as presented, with effective date as**

**determined by the city attorney, and a repealer clause.** Keirn seconded; the motion carried unanimously.

**Burke moved to adopt Ordinance 992, the annual appropriation ordinance, authorizing first reading by title only.** Keirn seconded; the motion carried unanimously.

## **2<sup>ND</sup> & 3<sup>RD</sup> READING ORD 991 SETTING SALARIES OF ELECTED OFFICIALS**

**Brown moved to approve Ordinance 991 setting a 3% increase on the mayor's salary, and increasing council member salaries to \$800 per month, authorize the 2<sup>nd</sup> and 3<sup>rd</sup> reading of Ordinance 991, and authorizing the mayor to sign it.** Keirn seconded; the motion carried unanimously. Mayor read the 2<sup>nd</sup> and 3<sup>rd</sup> readings by title only.

## **LEGACY PROJECT PRESENTATION**

Rich McIntyre was present to talk about the potential of a donation to the legacy project of a water right into the Big Wood River by the City of Hailey. He said part of the burden of proof that junior rights holders won't be harmed is largely vested in the donor. He felt it would be nice if the first contribution came from his hometown of Hailey. He proposed that on January 1 the city would make application to put water in the water bank, and then the water right could be examined for injury by IDWR prior to the July effective date. In many ways, this small, nonpermanent donation would make an important, symbolic statement. Brown asked what the time frame of the commitment is. McIntyre said it is for 12 months. He explained that Hailey would maintain ownership of the water right. Williamson added that the city would also maintain its priority date. Brown asked what the associated costs are; McIntyre suggested that filing fees may be approximately \$100. Keirn asked how the water gets diverted back to the Big Wood. McIntyre said it would never leave the Big Wood; the flow to the Hiawatha Ditch would be reduced by that amount.

Williamson talked about this water right quite a bit in the recent past, including using it to water parks, street rights of way, and banking it. This new legislation offers another form of banking. Hailey is not prepared to hire an engineering firm to prove the burden, and he suggested not committing to any of these types of studies.

Dave Cropper said he was 100% against deferring water from the Hiawatha Canal. In 1980 we had 5100 inches, and today we have only 3100 inches. The water eventually gets back to the river after having traveled through the canal. It keeps the trees alive. There are other water rights that have been disposed of by the city not taking advantage of certain opportunities. 3 cfs in the river is nothing, but in the canal it is a lot. Rod Kegley said spreading the water out has created an aquifer which we wouldn't have without diversion of water through canals. Hiawatha canal is the only one of Hailey's ditches left. Dumke and Cutters ranches are still using the water for irrigation, and the canal leaks billions of gallons per year to our aquifer. The benefit of the Legacy Project will be for people south of Magic Reservoir, not us here in the Wood River Valley.

The council was interested in discussing this matter, but was not prepared to make a decision. Andy Munter said he is involved because he cares about river health in general. He said the legislation prevents harm to junior water users, and if the Hiawatha Canal were to be harmed by the proposal, that would be determined during the evaluation. The legislation is filled with insurances that there is no harm. Williamson said Hailey owns the water right, and the Hiawatha Canal Company is in charge of delivering the water.

Burke said she knows of many people who are interested or concerned, and wanted to save her comments until those people have been invited to attend. Brown said she is glad we have embarked upon a 5-year water study. The evaporation from the ditch is higher than from the river. Burke suggested that Wendy Pavich's opinion be solicited. Keirn agreed, saying a neutral party should be consulted. Davis concurred that would be useful in a public hearing format. McBryant wanted to know details of how the water in the ditch is delivered when this matter is noticed for public discussion in September.

### **CLIMATE PROTECTON VEHICLE MANAGEMENT PLAN**

Dawson introduced the draft vehicle procurement and maintenance plan, saying that an analysis of Hailey's fleet has been assembled as a start to implementing this plan. She said the draft had been written by Dan Goldstein of the Environmental Resource Center. Keirn suggested a punch list of current practices be developed. Burke was concerned about retreads. Brown appreciated the idea of removing 5 vehicles from the fleet that are not reliable or not useful. Burke suggested those vehicles should be kept off the road. Scrapping them was suggested, as the steel is valuable.

### **SURPLUS EQUIPMENT**

**Keirn moved and Davis seconded to approve the Aqua Teck Vacuum Truck and the Elgin Hi-Wind Sweeper as surplus equipment for scrapping some parts and reusing others;** the motion carried unanimously.

### **WATER STORAGE TANK**

Williamson said Carrollo Engineers is likely entitled to time and materials following the projected date of completion of last December, which amounts to about \$67,000. The liquidated damages are over \$100,000, which will cover that. When considering the interim interest rates, it becomes a break-even. Tank wasn't done on time, we incurred costs, and it isn't done the way we wanted it to be done. If we went to court over this, it would be difficult to prevail \$67,817. **Brown moved to authorize the contract amendment for that amount, with a not-to-exceed of \$295,607. Burke seconded; the motion carried unanimously.**

### **2<sup>ND</sup> READINGS ORDINANCES 986, 989, AND 990**

Mayor McBryant read the second reading of these ordinances by title only.

### **WORKSHOPS**

Mayor McBryant said that there are vacancies in Hailey's Police Chief and Public Works Director positions. Jeff Gunter and Tom Hellen are serving as acting department managers. She said she plans to defer the selection of a Police Chief. It is difficult to

hire a department manager into a period of transition. Identification of the role needs to occur, with council input as to whether the position is largely public relations or carrying one of the department's shifts, or somewhere in between. The electorate should have some idea of what the elected official thinks that position should be. She would facilitate a timely hiring process after a new mayor is selected. The public works position is relative to the administrative function of the organization. At this time, it is not critical to have a Public Works Director, and certain efficiencies may be gained through a different organizational chart. Routine tasks are being allocated across departments, and those primary functions are being carried out.

Spinelli complimented Hailey Fire Department for contributing to fighting the Indian Creek fire. Bob Greenlaw, the new director of the emergency dispatch center has agreed to come and evaluate the City Hall building for security. A joint operating agreement between Bellevue and Hailey fire departments has been drafted, and the attorney is looking at the contract prior to this matter being presented to the two city councils. He said we want to slow this down a bit to look at the services we are providing, and analyze the assets and benefits.

Brown noted a Hailey Library Director had been hired. She said the Hailey Arts Commission is bringing new arts element into the Woodside Park.

Burke said airport runway grooving will occur in the near future, including day and night work.

Davis said the Parks and Lands Board had been working on the Fox Acres Triangle

### **EXECUTIVE SESSION**

Mayor McBryant noted that an executive session is needed for the purpose of discussion pending litigation under IC 67-2345.f, and real property acquisition under IC 67-2345.c. Burke moved that the council go into executive session. Brown seconded; a roll call vote showed all in favor. The Mayor and Council went into Executive Session at 7:25 p.m.

Following a motion, second, and roll call vote to adjourn, the council went out of executive session at 7:45 p.m. and the mayor adjourned the meeting immediately thereafter.

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Susan McBryant, Mayor

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Heather Dawson, City Clerk