

**MINUTES OF THE REGULAR MEETING
OF THE HAILEY CITY COUNCIL
HELD MONDAY JUNE 9, 2008
IN HAILEY CITY HALL MEETING ROOM**

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

OPENING REMARKS

Peter Lobb of 403 Carbonate expressed concerns regarding initiatives and referendums and wants to know if there is a better way to submit communications with the city. He is hoping that the council will drop the lawsuit relative to the marijuana initiatives which it filed against itself. If so, the city will have the support of the community.

Rich McIntyre said he was asked by Tom Hellen to speak with Council today on behalf of the Legacy Project and Indian Creek Initiative. A reconnection of Indian Creek to Big Wood River would have benefits. This is our chance to do a ground breaking move here. No recharge rights exist for Indian Creek. All departments, fish and game included have been working with us for 8 months. Wells are cased below the river and draw water from aquifer. McIntyre said recharge is part of this project as indicated in his presentation to the city 1-2 months ago. Idaho Dept. of Transportation does not want recharge water in their right away. That is why he became involved in this project. There are many people willing to donate water rights to the city if these waters were reconnected. We want to work with the city to join forces and reconnect this water. We have identified 4 places for connection and routing. Channel design work is underway, including channels to curve peak flows. Public meetings will be held soon. We want the city to work with this project. McIntyre requested that the city not take action on alternatives on Indian Creek, but rather review alternatives relative to these goals and support them.

Susan McBryant – gave the Airport Authority report –and among other things thought city staff representatives might want to be present for discussions regarding fuel conservation at the airport. Mayor Davis suggested that Mariel Plat or Beth Robrahn to be involved in these conversations.

CONSENT AGENDA

CA182, CA183, CA187, CA188 and CA189 were pulled from the consent agenda.
Brown moved to approve all remaining consent agenda items Keirn seconded, motion passed unanimously.

CA 182	Motion to approve Resolution 2008-08, authorizing city officials to sign Friedman Memorial Airport AIP-02 Grant application and documents for Phase 2 of the Replacement Airport Environmental Impact Statement, in the amount of \$2,625,000.	1
CA 183	Motion to approve Findings of Fact and Conclusions of Law – Lot 15A and 15B, Block 1, Birdwood Subdivision Preliminary Plat and Floodplain Development Permit.	3
CA 184	Motion to authorize Mayor to sign Safe Routes to School agreement (aka SR2S project, Key #11507 and AIP Project No. 33) with ITD which will once ratified, provide \$2500. funding and motion to approve Safe Routes to School Resolution 2008-07	11
CA 185	Motion to approve Beer & Wine license for Cowboy Cucina.	30
CA 186	Motion to approve Findings of Fact and Conclusions of Law - Airport West Phase II, Block 2, Lots 3AA & 3AB Final Plat	32
CA 187	Motion to approve Findings of Fact and Conclusions of Law – Vacation of a portion of city Block 78 alley and a portion of Spruce Street east of Buttercup Road, Block 79	38
CA 188	Motion to approve Special Event sponsored by Hailey Fire Department – Community Appreciation Day – June 21, 2008 at the Sweetwater Grange and N. Woodside Neighborhood	47
CA 189	Motion to approve Special Event TAP Enterprises Tool Sale – July 15th, 2008 located in the Armory	52
CA 190	Motion to approve safe and sane fireworks stand permits	57
CA 191	Motion to approve 4 th of July City and Chamber sponsored public fireworks display – dangerous fireworks permit	60
CA 192	Motion to approve minutes of May 28, 2008 City Council Special Meeting, and suspend reading of them	66
CA 193	Motion to approve claims for expenses incurred during the month of May, 2008.	69
CA 194	Motion to approve Treasurer’s Revenue and Expense Report for the month of May, 2008	89
CA 195	Motion to approve Treasurer’s LOT report - LOT receipts and expenditures through April, 2008	119

CA 182 – Resolution authorizing city official’s signature for Friedman Memorial Airport AIP 02 Grant Application.

Brown pulled this item to make sure that the resolution reflected Mary Cone now as the City Clerk and not Heather Dawson. **Brown moved to approve, Keirn seconded, motion passed unanimously.**

CA183 – Findings of Fact Conclusions of Law, lots 15A and 15B, Block 1, Birdwood Subdivision, preliminary plat and floodplain development permit.

Williamson had pulled this item and asked to move it to the end of the agenda. Brown recused herself on this item.

CA187 – Findings of Fact and Conclusions of Law - Vacation of a portion of city Block 78 alley and a portion of Spruce Street east of Buttercup Road, Block 79.

Williamson pulled this item to point out that the corresponding ordinance and the quitclaim deed will be discussed in future meetings. **Brown moved to approve the findings of fact and conclusions of law as presented. Keirn seconded, motion passed unanimously.**

CA188 – Special Event sponsored by Hailey Fire Department – Community Appreciation Day.

Brown pulled this item because the number of attendees was not on the special event application. Mike Chapman stated that they expected fewer than 50 people as there are currently 35 people registered for the 5k run. **Brown moved to approve the Hailey Fire Department’s Community Appreciation Day event. Keirn seconded, motion passed unanimously.**

CA 189 – Special Event TAP Enterprises Tool Sale.

Brown pulled this item to ask for clarification on Special Event Sales. She wanted to make sure this was allowed by our ordinance, to sell tools when there are businesses in the city that sell the same merchandise. After some discussion it was confirmed that Hailey’s ordinance only allows the selling of items in front of a business that sold like merchandise. Mayor Davis said he would discuss with the various merchant’s groups whether they objected to the city council issuing special event permits for these requested exceptions. **Burke moved to approve, Keirn seconded, motion passed.**

MAYOR’S REMARKS – PRESENTATIONS

Mayor Davis honored Rob Lonning, current chair of the Hailey Historic Preservation Commission, and congratulated him on his achievement of the Idaho Historical Preservationist Orchid award, and award honoring heritage stewardship. Lonning will receive the award at a ceremony to be held in Rupert Idaho .

Proclamations and Presentations

PP196 - Mayor Davis proclaims July as “A Month of Art” in Hailey.

Mayor Davis proclaimed July as “A Month of Art” in Hailey, and congratulated Mark Johnston of the Hailey Arts Commission on the efforts of that commission to enhance visual and performance art activities throughout the community. Johnston described some of the July events planned, including art displayed up and down Main Street and on July 14th there will be live music, soloists, trios, as you walk along the street.

PP197 - Jeanette McIlhenny’s Presentation re: Cmmunity Resource Worker program

McIlhenny presented information about the Blaine County School District’s Community Resource Worker program, which currently has the need for an additional position in the middle school. The primary function of this position is to help families and individuals cope with daily stress. It is a 90 day intensive program, where Jeanette is directly involved and goes to the homes and works with families. These families are ones that are in jeopardy of being displaced or evicted. This is primarily funded through the Department of Health and Welfare but they need more money. They are asking for \$5000 today.

Old Business

OB 198 – Amendments to P&Z Commission ByLaws

City Attorney Ned Williamson led this discussion pertaining to an issue from the last council meeting regarding changes to language making the P&Z ByLaws consistent with the Municipal Code Meetings Procedure. Brown asked for the language to state that a commission member who voted on the prevailing side of a decision may make a motion to reconsider. Mayor Davis states that he recalls that a member of public can also pull an item from the consent agenda for discussion. Haemmerle suggested adding a new bullet – E with this information. Williamson will revise the language and submit it for next council meeting. **Keirn moved to continue this item to June 23rd council meeting, Brown seconded, motion passed.**

OB 199 – 2nd Reading of Ordinance 1010 did not occur.

There was further discussion in regards to this ordinance and it was decided that a new draft would be presented to council in the next meeting.

OB 200 – 2nd Reading of Ordinance 1009 did not occur.

Brown wanted to clarify that she misunderstood the application of the proposed language, thought the process was new, but in fact this language was formalizing a process that past P&Z Directors had followed. In light of this, Brown wanted to discuss this with other council members and reconsider her stance. Brown does in fact want the P&Z Administrator to have the ability to make minor decisions, knowing that large decisions and ones that the Administrator was not comfortable making would be taken to the P&Z Commission for their input and direction. Keirn and Mayor Davis concur with her clarification. Haemmerle thought that some of the minor changes didn't really seem minor. Dawson suggested that the council move this discussion to a later point on the agenda while she obtains documents to aid in this discussion.

New Business

NB 201 – Peregrine Ranch Recharge Feasibility Study provided by Harry Rinker and performed by Brockway Engineering.

Harry Rinker opened by stating that this report before the council was made at his request. Haemmerle asked for an overview on what recharge is and how it benefits the city.

Chuck Brockway of Brockway Engineering said water recharge is taking surface water and sinking it into the aquifer thereby replenishing the aquifer and in this case it's the Big Wood aquifer. The reason we are looking at this is Conjunctive Management is coming to this area within 5 years and we don't know what it will look like. Almost all surface rights are junior to groundwater rights. We are only reasonably sure that domestic in

house water exemption is not on the table. Haemmerle reiterated, that this means that municipalities could be told that they must stop irrigating at some point, Brockway agreed. All the cities need to examine water usage and protect these rights. Recharge is a way to protect these by surface water rights.

Jim Speck indicated that the school could benefit from this because they have surface rights that are not being used. Speck added that our regulatory environment is in a state of flux right now. There are a couple of things that we need to get over; the director indicated the importance of the recharge of the Big Wood River. The groundwater model is being pursued as we speak rather, being developed now. The City of Hailey's water rights are delivered via the Hiawatha Canal. The municipal right may not have the same protections as what we are talking about. If the city has large areas (cemetery, parks) in use then the department would use that as the baseline the key is defining this area to create a larger baseline. The director is now leaning towards only historical consumptive use as the baseline.

Hailey could do what Twin Falls does – asks for no new consumptive impact on water rights. The city requires a donation of water rights shares when annexing of any property.

Mayor Davis asked about aquifer contamination – how do we make sure this does not happen? The Department of Environmental Quality (DEQ) wants to be sure that water going to the aquifer will not degrade it.

Mayor Davis summarized that we will have the potential to have water rights shut off for irrigation.

Brockway indicated that the city has a problem with consumptive use of well water.

Brown thanked Brockway for doing the report. She believes that we should look at all the options open for the city, and would support funding more studies.

Haemmerle stated that we must look for as much mitigation as possible and expand our historical use quickly.

Rinker stated that he we would like to make this agreement with the city but won't wait forever. He suggested getting together with a city committee and set up a plan. He estimates that it will be 24-30 months before we can move forward since we must have transfer of irrigation and approval of mitigation plan by state.

Martin Flannes of 531 Robin Hood Drive commented that Rinker is creative and will deliver the water that he needs for his development. But there are some issues, how will the DEQ director view the water usage. He would like for council to step back and look at bigger picture and work on your own timeline. You have some time to do the plan without rushing into this agreement. You have to protect growth and a recharge effort may be part of a master plan.

Drew Sandiford, a Ketchum resident supported Martin Flannes' view and hoped that the city will hear their concerns.

Another concerned citizen, also a Legacy Board Member suggests that the Legacy project may be an answer for the city instead of spending money on a consultant to get similar information.

Rich McIntyre points out that there are a series of things in process, look at a comprehensive approach and involve the community.

Haemmerle suggests identifying high priorities before doing a master plan but is in support of a master plan for the long term. We need to take an active role in understanding the DEQ's stance on this issue. We should move cautiously and engage the public but prioritize this with our plan. We need to establish larger public use of this water to create historical use.

Brown asked how do we best expand this water right? She suggested identifying both short and long term goals. Jim Speck will be utilized as our water lawyer. Brown would like to see him contact IDWR directly.

Williamson suggests that there are lots of options for the city; he suggests identifying them and having Tom Hellen provide his input as to priority and then take this to Jim Speck.

Rinker proposes to have Speck meet with Brockway and IDWR to discuss proposals.

Mayor Davis directed Williamson to call Jim Speck in the morning.

~~**NB 202 – City Clerk's call of special election, and City Council discussion of balloting options.....182**~~

NB 202 – Dawson pulled item from agenda because there was not enough qualified signatures to call a Special Election.

Needed 258 qualified signatures had – 246 for the Development Impact Fee Referendum Petition and needed 258 qualified signatures for the Business License Referendum Petition.

NB 203 – Discussion of “water conservation showcase lawns” exemption from odd/even watering regulations.

City Treasurer Becky Stokes introduced Mike Olenick a citizen (present at this meeting) who wants exemption from odd/even watering schedule and has drip irrigation. He would like to water every few days for longer periods of time and believes he would conserve water with this approach. An incentive program would be welcome by those citizens that adhere to an exception of the odd/even watering schedule.

Kathryn Goldman with the Wood River Land Trust (WRLT) announced that they have a “trout friendly lawns” program, where they work with homeowners to make steps to reduce water use, reduce use of pesticides and install drip irrigation systems. Water conservation will have long term benefits for our trout population directly by increased water levels. It can also reduce our needs on the front end by being more efficient as we grow our population. The City of Boulder provides rebates to citizens who install irrigation systems or have a certified irrigation audit and implement changes suggested by the audit. An idea is to incentivize new requirements for drought tolerant plants and growth in our city. Goldman suggests developing a water budget; identify what will be required and suggest how to stay within the budget. American Water Works Journal report for May has good information, Tom Hellen the City Engineer, may have access to this report.

Keirn suggested a sign to display as does Brown for these exceptions. And where the City monitors this usage to make sure enforcement is overseen.

Haemmerle would like to see us enforce this odd / even schedule before making exceptions. He does not think we should give back money. Maybe try good enforcement for one year and then move into this exception process.

Burke asked why should we wait to do this if we have the tools to monitor the process now? Burke would like to see those people using this as a model to those who are not doing it. Burke would like to see us do this as soon as possible. Part of the work is going to be in educating the community.

Haemmerle suggests that setting the criteria for this “exception watering schedule” will be difficult to define. He would like it to be simple and not have a lot of staff time needed to support it.

Mike Olenick uses about 42,000 gallons per month – his neighbors use approx. 65,000 gallons. He measures how much he waters every time he waters and has installed drip irrigation.

Mayor Davis suggests that Becky Stokes work with Kathryn Goldman at the WRLT to develop a plan.

Hellen – pointed to the water usage graph. City water consumption has dropped, but could be due to cold weather in May, still a drop from last year.

Workshop

OB 200 – 2nd Reading of Ordinance 1009 – continuation of discussion in Old Business.

The council now has supporting documents to review for the discussion - pg. 101 of last packet (not May 28th, May 19th) - Williamson believes that the Administrator (Robrahn) will be conservative with this amendments authorized by this ordinance language. **The**

council concurred and gave direction to resubmit the proposal ordinance as it was initially drafted for the May 19th meeting.

Hellen said he had test drove an electric car, and found it very interesting with good acceleration, but it has a maximum speed of 25 mph. A new electric vehicle would cost \$18,000. It costs approx. \$3,000 for gas and maintenance for traditional gas cars. The cost to run the electric car is approx. \$300 / year. Dawson asked if a cost benefit analysis was done. Hellen said it will take about 6 years to see a cost benefit. Batteries have short life span but newer batteries will be improving over time.

SR 204 – WRLT request waiver of land fill fees for Croy Canyon Restoration Project.

The council addressed Blaine County's response to a request by the Wood River Land Trust for waiver of fees on the Croy Canyon Restoration Project being conducted under a grant. Blaine County had offered to waive land fill dumping fees if the City of Hailey would waive any fees required of the county. The Mayor said we have a policy to not waive fees for real time costs. We have not waived any fees in past and we cannot waive this fee. He felt the county should not waive fees for real time costs as well.

Continuation of discussion on:

CA 183 – Findings of Fact Conclusions of Law, lots 15A and 15B, Block 1, Birdwood Subdivision, preliminary plat and floodplain development permit.

Williamson opened by stating this message is for 3 council members, not the Mayor or Carol Brown. Mayor Davis and Brown dismissed themselves for this discussion. Williamson was not at last meeting from May 19th. He suggested that the council call for another meeting on Birdwood subdivision because there was an undisclosed site visit by a council member and because two council members stated that the application involved an appeal. He felt these matters were procedural problems that should be corrected. Williamson also felt that the standards should include a reasonableness standard. Finally, Williamson suggested that the decision should describe actions the applicant could take to obtain a permit. **Burke moved to reconsider the Birdwood subdivision applicant and re hear the May 19th decision. Keirn seconded. Motion passed unanimously.** Keirn added that he did not know that he should declare visiting the site. Burke asked for direction from counsel as to next steps. Williamson commented that this item will be re-noticed.

Brown and Mayor Davis rejoined meeting.

Staff Reports continued:

Hellen – light flashers will be installed on Croy walkway this week and next week on Myrtle.

Dawson – The first Woodside traffic neighborhood meeting was held and there were 12 neighbors there. The 2 hour discussion resulted in a higher understanding and some conclusions. Consensus was that these neighbors want to start a neighborhood watch program. The discussion around traffic solutions was productive - sidewalks vs. speed reduction. Although there was no decision around which was the better solution, the neighbors were encouraged that they were going to be a part of the decision making process with the city.

For the June 30th – special goal meeting, Burke will be out of town. Brown, Keirn, and Haemmerle are available. 5 pm meeting time. Burke would like to share thoughts ahead of time. The June 23rd council meeting time is at 4:00 pm.

Brown spoke with the farmer's market this week they were looking for funds for a plum TV ad. Dawson suggested that the farmers market approach the Chamber of Commerce.

Council Reports

There is a city library meeting tomorrow, June 10, 2008. Keirn has an Executive Board meeting next week where George Kirk is speaking. Burke attended the Fly Sun Valley Alliance and commented that the airline industry is in mass confusion nationwide over fuel prices.

Haemmerle had 2 ½ hour driving tour of our parks and noted that most of the signs are in poor condition. He is committed to improving these signs.

Burke – went to Seattle to meet with Horizon Air on marketing and strategic planning. Horizon is going to Q400 model which is the most economical plane to run. In today's economy, it is better for an airline to leave a plane on the ground than it is to fly it because of high fuel costs. Burke also noted that there is a 40% up charge to convert oil to jet fuel. Airlines are thinking hard and will possibly make difficult decisions soon.

No executive session is needed.

Meeting was adjourned by Mayor Davis at 8:35 pm.

Rick Davis, Mayor

Mary Cone, City Clerk

