

**MINUTES OF THE SPECIAL MEETING
OF THE HAILEY CITY COUNCIL
HELD MONDAY JUNE 30, 2008
IN HAILEY CITY HALL MEETING ROOM**

The special meeting of the Hailey City Council was called to order at 5:05 P.M. by Mayor Rick Davis. Present were Council members Fritz Haemmerle, Carol Brown and Don Keirn. Staff present included City Administrator Heather Dawson, City Attorney Ned Williamson (joined at 6:30 PM), and City Clerk Mary Cone.

CONSENT AGENDA:

- ~~CA 224 Motion to declare surplus vehicles and equipment and authorize partial replacement with a leased loader and a newer semi~~
- CA 225 Motion to authorize purchase of a 20' x 20' pavilion structure plus installation costs for Woodside Central Park
- CA 226 Motion to declare release of partial security bond for infrastructure on completed R. Davis Business Park Improvements (\$11,670.00)
- CA 227 Motion to authorize 2nd Reading by Title only - proposed Ordinance 1011, amendment to the zone district map for the City of Hailey. The application would change the zoning of Lots 11 and 12, Block 126 and the north ½ of vacated Cedar Street (the current location of the Blaine County Senior Center) from General Residential (GR) to Limited Business (LB), within the Townsite Overlay
- CA 228 Motion to authorize 2nd Reading by Title only – proposed Ordinance 1012, amendment to the Hailey Zoning Ordinance No. 532, Article 8A, Wireless Facilities. To establish standards for public safety radio communication infrastructure, **motion to waive the 3rd Reading and authorize signing of the ordinance AND lastly - motion to approve Summary of Ordinance 1012**
- CA 229 Motion to approve claims for expenses incurred during the month of June, 2008
- CA 230 Motion to approve minutes of June 23, 2008 City Council Regular Meeting, and suspend reading of them

CA224 – Declaration of surplus vehicles and equipment and partial replacement with leased loader and newer semi. Tom Hellen pulled this item for discussion.

Motion to approve consent agenda items minus CA224 was made by Don Keirn seconded by Haemmerle and passed unanimously.

PUBLIC HEARING:

PH231 – Request by Stephanie Smith for extension of time period for recording of final plat of Lots 1A and 2A, Block 4, Croy’s Addition Subdivision (206 W. Croy Street). Planning Director Beth Robrahn noted that Stephanie Smith is asking for a two year extension and stated that a 6 month extension is given for Design Review and in March the council approved a preliminary plat extension for 1 year. Robrahn suggested that the council approve of a 1 year extension. **Haemmerle moved to extend plat for one year, Keirn seconded, motion unanimously passed.**

STAFF REPORTS:

SR232 – Discussion of new Special Events Approval Process. Heather Dawson opened the discussion with filling in the council with two week’s ago department head idea to the Mayor. Dawson asked the Mayor if he would like to implement procedures more in line with the Special Events Ordinance. For events with more than 200 people the council should review and approve them against the 13 criteria spelled out. For all other events the city clerk may review and approve the special events against the 13 criteria. Dawson stated that the Mayor was very comfortable with this as long as the situation did not include a waiver of another ordinance. An exception is where the event would include amplified music; this condition would be presented to council. Mayor Davis wanted to make sure that the council was comfortable with this process and asked that they be given the chance to consider it. Davis commented to the council that he thought it would create efficiencies while taking a little off of the council’s plate.

Carol Brown is okay with commercial event approval but would like to separate residential special events because she would like to see a notification given to the neighbors prior to the event. Haemmerle mentioned when he was running for the council seat that he heard many complaints regarding special events and the denial of them. He mainly wanted to be assured that there was an appeal process for when someone is denied an event application and Dawson affirmed. After this discussion, Haemmerle is also comfortable with the clerk approving these items. Dawson confirmed that there is a process for appealing denied applications. Brown would like another condition added: If it involves residential special events, then she would like to see the sponsor notify the neighbors. More specifically, give neighbors a notice when having parties with amplified music. In the end, the council concurred that they too are comfortable with this process.

Staff Reports continued:

Mayor Davis attended the AIC conference last week; he highly recommends it to council and staff.

Davis wanted to let the public and council know that he has been asked to be on the Wood River Journal Advisory Council and has attended one meeting. He wants to know if anyone has concerns with him involved in this council. Brown is concerned that his involvement could have political influence. Haemmerle concurred with Brown and feels it may be an indirect conflict and like Brown feels that the press must have absolute freedom and uninfluenced. Keirn agreed. Davis will call the publisher and let them know that he cannot be involved in the advisory council.

NEW BUSINESS:

NB233 – 2008 / 2009 Operations Budget and Goals Prioritization

Davis opened this discussion with complementing staff on their progress in the short time he has been in office. Heather and staff are coming up with ways to cover our shortfall. The objective of today’s meeting is to discuss the progress that staff has made in balancing

the budget and prioritizing the cities goals which came out of the March 31, 2008 meeting goal setting meeting. Davis wanted the council to consider something he learned at the AIC conference last week regarding Capital Improvement Plans (CIP) and budgeting. There are two approaches to CIP when funding is tight, lessen services provided or lessen CIP goals. Davis asked the council to consider this during the discussion. Also, by the end of next month staff must have their space needs defined for the next 20 years so that we can determine what size of facility we would be looking at and compare to our current land inventory.

Mayor Davis handed over the floor to Heather Dawson. Dawson opened by stating that tonight's discussion is more focused on our operations budget than goals and staff has used this year's budget to apply the defined Goals of the council which came out of the goal setting meeting three months ago. Discussion led by Dawson touched on concepts of the budget / goals and later addressed specific questions regarding the numbers.

Dawson prefaced the budget concepts by commending city staff with working with the Treasurer over the last three months and balancing the budget where we were on track to have a \$500,000 shortfall if 100% of budget allowance was spent. Balancing the budget required the city staff to ask difficult questions – what can we do without and what does that mean to the city. The process began by looking at Full Time Equivalent (FTE) positions. City staff identified a total of 10 ½ FTE positions that were either pending hiring or vacate due to attrition – totaling \$200,000. The additional \$300,000 shortfall was covered by identifying items expected to spend in the remaining budget year and those items not expected to spend. In the July 14th meeting council will be introduced to staffs ideas for what to do in the remaining budget year.

In order to balance the 2008 / 2009 budget, staff again worked with Treasurer, Becky Stokes. On the first draft staff with Treasurer Stokes was able to get operational revenues to meet operational expenses. The way we were able to do this was by deciding to not hire any vacant position not filled currently. Also, the Police Dept. has secured a contract with the Blaine County School District to fund an officer patrolling the school grounds. Because of this revenue we were able to fund another officer for the budget. Fire Dept. replaces fire truck engines every year - \$55k per year. The Fire Department will postpone one year of this service since one of the engines is newer. Dawson continued to step through all the departments and identify areas where staff has cut their budget to enable the balanced budget.

Haemmerle asked to be stepped through the numbers to understand the 3% cost of living increase and 3% (based on performance - discretionary) merit increase figures.

Brown asked if staff was concerned with not hiring for attrition. Clerk's office and Street dept may be tight but probably can manage. Snow removal is a concern; Street Director Tom Hellen is looking at cross training water and waste water employees before considering hiring for the street department. Council members Brown and Keirn expressed concern over the street department need during winter – which possibly means that snow will not be removed as quickly on city streets as in past years.

Discussion regarding Local Option Tax (LOT) Budget and options:

Dawson listed options for spending the LOT funds which included organizations such as Southern Idaho Economic Development (SIEDO), Mountain Rides, Hailey Chamber of Commerce, Sustain Blaine.

We currently have \$360,000 of LOT revenue. SIEDO has been funded in years past at \$6,000. We have already committed to \$140,000 for four years for a snow blower.

Mountain Rides request for funding from Jason Miller Director of Mountain Rides Transportation. Safe Routes to Schools 100% funded grants successful. The partnership that we have is and has been a huge success. Jason reviewed the statistics of 180% increase in services over last year. They are looking at all options for expanding services. Miller is seeing tremendous increase in ridership in just the last two months. They are considering a standalone circulator, servicing only Hailey. Miller discussed all the options to council and stated that Mountain Rides is asking for \$900,000 of federal funding with 20% of that funding being asked from local partners. Miller also noted that 25% of funding for Mountain Rides is provided by fares.

Dawson asked if there are any other agencies that could help partner for this funding. Mayor Davis asked what \$70,000 could do for Mountain Rides. \$100k is what is being asked from Mountain Rides which would provide service at the low end of their forecasting of creating more ride frequency. Brown asked Jim Spinelli what the Chamber of Commerce's views are on a proposed circulator. Spinelli is a proponent for anything that would increase efficiencies and increase volume of users for the community. Discussion around free fares vs. various fare scenarios led to agreement on the council that free fares is what they would like to continue supporting.

Krista Gurkey with Blaine County Fitness regarding the bus stop at Main & Maple (in front of her business) asked who is responsible for putting trash cans on corner. Mayor Davis will get with Tom Hellen to see if the city can do something like "adopt a trash can" and Mayor Davis will ask the Rotary if they would be willing to donate any trash cans.

Dawson led council discussion on economic development focus on three sections which we received requests from. One is the activities from the Hailey Chamber of Commerce \$51,000 funding for next years budget, \$20 k increase for staffing and rental space in town. Following the Chamber of Commerce we will discuss SIEDO funding and Sustain Blaine.

Haemmerle asked Dawson a question regarding carryover expenses. In year one, the city did spend \$10,000. We did not fill the fire officer position, did not do beautification or install the strobe light crosswalks. In year 2 we spent \$51,000 and strobe light crosswalks were installed. Spinelli addressed Haemmerle's question about Chamber's funding from the city. What you don't see is the city's goodwill which is very important to note. Businesses see the city as more friendly now. Creating alliances with the South Valley Merchant Alliance is an example of this partnership. As well as the Hailey Arts Commission partnership; leveraging expenses with these partnerships is vital to our success as a community. The chamber is developing new areas of influence; for example, for this year's Spring Fest we advertised regionally and 40 of the 75 vendors were from surrounding cities, Twin Falls, Pocatello, Idaho Falls. Spinelli notes that the chamber has 40 new

members since last October. Some North Valley partners are considering partnering with the Chamber.

Spinelli recounted various benefits from the cities LOT funding including, the first ever Wood River Valley awards, hanging basket program (Lily and Fern). The Chamber proposes a shared Chamber staff position and proposes to share the cost with the city. The Chamber is looking for rental space on Main Street in Hailey.

Haemmerle asked if the Chamber was targeting regional travel within a two hour radius or possibly Salt Lake City. Haemmerle is encouraged that we are reaching out for region travel targets.

Mayor Davis is talking with Mountain Home Air Force Base about Gunfighter Skies air show which has the potential to draw from 50,000 -100,000 people. We are attempting to create an event for the entire Valley while partnering with all the local cities and counties to promote the region.

Marty Miller with the Hailey Chamber of Commerce took a survey last year at Spring Fest. He indicated that most people were here not for the Spring Fest event but stopped by because they saw the congregation at the park. Many people were from Pocatello, and other cities that one would not expect to see visitors from because it was a significant drive.

Keirn mentioned that information should be funneled to the Department of Commerce because they will send potential employers packets for moving to the area and its benefits. Keirn suggested that he and Spinelli get together to discuss this opportunity.

Keirn mentioned that Blaine County may not fund "Sustain Blaine". Keirn suggests that the city should wait to see what the county will do. Keirn mentions the workforce development alliance; a new organization funded by the wireless grant from the Idaho Labor Dept. SIEDO will manage this group so the city won't have to. Spinelli has been approached to be on the board of the Workforce Development Alliance. Brown is in support of this Alliance as is Mayor Davis.

Rebekah Helzel is on the steering committee for Sustain Blaine.

Haemmerle asked what SIEDO is asking for. Dawson indicated \$6000. \$12,000 for Sustain Blaine with 50% being funded from the LOT revenues. Economic development impacts water, waste water and general fund. With 50% paid from water and sewer - \$12,000.

Dawson led the council through funds and expenses page 84 in packet. This is the legislative budget, it has increased because it is now holding all of the LOT revenue. The breakdown is: 50% general fund, 25% water, 25% waste water funds.

Fireworks expenses - general fund only
Mountain rides LOT – general fund
Chamber of Commerce – general fund
SIEDO - is 50,20,20 split

Is economic development impacted by water and waste water? That is the question Dawson proposed to council. After some discussion council agreed that they would prefer to have the city attorney weigh in on this question.

Mayor Davis suggested that the council the need for the USG ground water study should be discussed.

Dawson noted that the first year of LOT revenue looked higher than the second year because the first year was 14 months vs. the second year 12 months. Monthly LOT cash flow reports lets us know where we are with our commitments; so if we are low at any point the city will wait till the end of the year to make those commitments.

Brown is comfortable with LOT spending and would like to see option 2 for Mountain Rides, \$70,000 as we have budgeted.

Haemmerle wondered if there is a way to fund signs at the parks from LOT revenue. Mayor Davis will work with Dawson to see if the city has \$10,000 to spend on new signs. Becki Keefer thinks \$10,000 will cover new signs at all the parks. The LOT revenue allows for the spending of money on park signs.

Mayor Davis asked if Community Housing funds would be paid soon. Dawson indicated that these funds would be paid at building permit time which is in phase II Sweetwater Development.

Kyle Livingston a HELP committee member and presenter gave an update from the HELP committee. Livingston reviewed the ICLEI milestones and setting a target for the city. By looking at other communities as a guide, ICLEI has recommended targets to meet within a 15-20 year period. Kyoto Protocol and Mayors agreement seek to reduce emissions 7% below the 1990 levels.

Livingston proposes three reduction scenarios low, moderate, and aggressive approaches and what each of those scenarios would look like. Ways to reduce emissions by the city include 4 day work week schedule in the street, water and waste water departments. Another option would be to organize carpooling from those employees commuting from the south. Currently six city employees commute alone from the south. He proposes a reduction of the number of city vehicles and potentially purchasing an electric car. Bio Diesel is being offered at the local Hailey Chevron gas station now. Livingston compared the current city Chevy pick up with the new electric work truck and their annual operating costs. The city would recoup its cost in 7-9 years and is more environmentally friendly. Boulder Colorado higher a private company to come in a fund the building of the photovoltaic panels. If Hailey installed a similar product, it would supply 85% of the Waste water treatment plant electricity needs and reduce Hailey's municipal carbon emissions by 27%. Livingston pointed out that we do not have access to the cities 1990 carbon emissions information so he is using 2001 as the baseline. If implementing a 3% reduction annually it would take until year 2030 to reduce emissions by 50%.

Mayor Davis would be interested in looking into some of these options to reduce the cities carbon footprint.

Brown asked that Planning Director Robrahn look into our ordinance to make sure we are prepared for Design Review application where solar panels and wind turbines are proposed.

Council agreed that they are interested in discussing this further at the next meeting, after they have been presented with more information to base their discussion on ways to implement these changes.

Dawson moved on to lead the council in discussion around transportation costs with city employees. Rebekah Helzel President of ARCH Community Housing Trust has a beneficial educational program, a survey that the city could hand out to employees or partner with businesses in the community. Helzel walked the council through the various options available for getting affordable housing to employees. Larger employers have been working with ARCH, including Blaine County Schools and St. Lukes Hospital. ARCH is available to the city for free information analysis on its employees, includes a survey, open houses and financial analysis. Helzel reminded council that capital outlays are not needed to begin this process.

Haemmerle reminded council that the IHFA – Idaho Housing Funding Authority gave a presentation a few months ago. The IHFA funds ARCH.

The Walkable Community discussion was opened by Dawson. Land Use strategy is part of the Walkable Community legislation. Robrahn continued by stating a tangible goal is to plan sidewalks across the city providing connectivity. The Planning Department is working with the city engineer to define what this plan looks like. Robrahn looks at the Comprehensive Plan as guidance to this Walkable Community Goal. A few of these guidelines would be, density, efficient use of land development, and transportation plans. Robrahn also mentioned the neighborhood meetings to get ideas from citizens on what they would like to see for improvements in their area.

Haemmerle is supportive of a “sidewalk plan” and thinks it is an attainable goal. He is suggesting that we look at immediate funding for the sidewalk implementation.

Brown is concerned about the funding because past estimates are in the millions, a solution could mean going to the public and giving them a chance to see how much money is needed to fund sidewalks. Let the public decide what to do – possibly a bond. We will have the current bond paid off in August 2008. Brown would like to explore this solution, Keirn concurred. Haemmerle suggests that the city put this as a high priority. Brown’s idea is to involve other agencies (community groups) as well as citizens to come up with the best solution. The council supports Dawson to begin next steps, contacting local community agencies and groups. Dawson will think about this and give an update in the July 14th meeting.

Tom Hellen has begun plans for Development Impact Fee money – to start with Design Engineering for a Roundabout design. There are two intersections that he is exploring. Becki Keefer suggested for Parks, use Development Impact Fee funds for more trails

around town. Brown wondered if there is a more widespread and visible project for use of these fees?

Haemmerle brought up water infrastructure. What do we need? Davis replied that we need another water source. Hellen added that we are having professional services - engineers look into what it is that we (city) actually need. Hellen also mentioned that funding is directly related to utility billing, we charge for what we need.

Dawson pointed to page 83 – summary. We may revise the professional services in light of Hellen’s mention of services needed in water / waste water.

Page 85-86 of packet **Capital Budget discussion** began with 2.5 million in the reserve. Park in-lieu fees are being used currently on the Woodside Central Park. \$300k operating deficit will likely be funded by the CIP. Spring Canyon Ranch sewer funds will be added to these figures.

Mayor Davis conducted the reading of the Ordinances - 2nd Reading of Ordinance 1011 and 2nd reading of Ordinance 1012. Motion was made by Haemmerle and seconded by Keirn. Brown asked for discussion. Council voiced displeasure about the county asking for the waiver of the 3rd Reading.

Motion made by Brown to approve the Summary of Ordinance 1012, Haemmerle seconded and motion passed unanimously.

CA224 – Hellen led discussion on asking council to declare identified vehicles as surplus. **Motion made by Brown, seconded by Keirn. Motion passed unanimously.**

EXECUTIVE SESSION:

Brown moved to go into executive session at 7:58 pm, Keirn seconded. Motion passed unanimously.

Executive Session concluded at 8:15 pm

Rick Davis, Mayor

Mary Cone, City Clerk