

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD TUESDAY JULY 20, 2009
IN THE HAILEY TOWN CENTER MEETING ROOM**

The Meeting of the Hailey City Council was called to order at 5:34 P.M. by Mayor Rick Davis. Present were Council members Carol Brown, Don Keirn, Martha Burke and Fritz Haemmerle. Staff present included City Attorney Ned Williamson, and City Administrator Heather Dawson.

Mayor Davis opened the meeting with public comment:

Bob Wiederrick of 1120 Quigley Rd. in Hailey said that he has concerns with the fence that the Public Works Department is proposing along the industrial park. Wiederrick presented documents to the City Attorney. He asked Dave Ferguson, Building Official if there were problems with Egress. Ferguson said yes. It could be used as an egress pad. There will have to be a 3 foot wide opening in the fence outside the backdoor. Haemmerle asked if that is the opening we agreed to keep open to keep clean. Tom Hellen, Public Works Director said it was. Mayor Davis advised Wiederrick that this topic would be discussed at the staff meeting on Wednesday.

CONSENT AGENDA

CA 296 Motion to approve \$750,000 EPA Grant application to fund a three-year Sustainable Community Building Program, with combined cash and in-kind grant match of \$250,000

Haemmerle asked to pull CA296 for explanation from staff on how this works. Heather Dawson, City Administrator referred to Tracy Anderson as the lead grant writer. Dawson said that there were 6 city staff people who put this grant together in a very short period of time. This grant application is based on leveraging the \$150,000 that could have been used for the building to \$750,000 and our match would be \$150,000. These funds would make this building LEED certified.

Haemmerle made a motion to approve the \$750,000 grant application. Brown seconded; motion carried unanimously.

MAYOR'S REMARKS

Appreciation of volunteers who donated \$30,000 in hazardous tree removal and tree trimming to the City of Hailey Parks.

Burke read a letter dated July 20, 2009 regarding tree trimming appreciation. Northern Rockies Folk Festival Tickets and the City of Hailey are providing tickets to the volunteers who assisted in the removal of the hazardous trees. Carol Brown read the names of all volunteers that were involved and turned the appreciation talks over to Pete Kramer from Friedman Memorial Airport. The Folk Festival Board of Directors sent Kramer here to thank council for taking the lead on this. Kramer and the City jointly gave 34 tickets to the Friday night Rocky Mountain Folk Festival show for those people who volunteered their time.

Jim Spinelli spoke regarding Bowe Bergdahl. He pointed out that the Blaine County Republican's Women's Group hung all the yellow flags on Main St. When the press asked what we are doing and is it organized, Spinelli replied that it is not organized but everyone is doing their share. Pins and lapels are available if you would like to wear one.

PUBLIC HEARING (exception to the order on the agenda made by Mayor Davis)

Fly Sun Valley Alliance presentation on minimum revenue guarantee funding requests for airlines.

Maurice Charlat presented on behalf of Fly Sun Valley Alliance. Charlat talked about where SV Alliance came from and what it does. He explained that his purpose here tonight is to ask for money. He talked about the Blaine County Air Traffic Group that morphed into Fly Sun Valley Alliance. They are in existence to secure safe travel in and out of the Wood River Valley. The members of this organization include Jack Sibach, Jim Spinelli, Carol Waller, Deb Fox, Dick Fenton, Mike Rash, Jim Perkins, Dwayne Driscoe, Randi Hall, Don Keirn, Rick Baird and Len Harlig. This group is designed to make sure we continue with the best possible airline service. Communities nationwide are struggling with air service. In the packet you will see there is an awful lot of money being spent to keep air service. (MRG – Minimum Revenue Guarantees) MRG is imperative to keep Horizon air in the area. It not only requires money from the resort but also from many other levels. They are currently putting together a new Boise Sun Valley shuttle service that will be very beneficial to the community. They are trying to raise \$250,000. Wayne Driscoe is asking the City of Sun Valley for \$50,000 but that does not include the resort. They are asking Ketchum for \$50,000, Hailey \$10,000, Blaine County \$37,000, Bellevue \$2,000, Carey \$1,000. In conclusion Charlat said this is a very valuable and a worthwhile effort. If they can't raise the funds he does not know what will happen. There were documents passed out to council before the meeting. Charlat said these funds can be contingency funds. Mayor Davis asked what formula they used to come up with these numbers. Charlat said he would have to get back to him on that. One document was given as part of tonight's packet. Haemmerle asked if there are any real pledges and Charlat said he did not know at this time.

PROCLAMATIONS & PRESENTATIONS

Presentation by Ruscitto/Latham/Blanton on Rodeo Grounds

The Hailey Parks and Lands Board handed a memo to Mayor and Council at the meeting dated July 20, 2009 which stated their recommendations regarding the Hailey Rodeo Grounds Master Plan.

Mayor Davis said that when we did the public survey months ago, the public said they wanted the rodeo grounds to be used for many other things besides the rodeo. Nick Latham and Mike Bulls were hired in early May to do the planning study on the rodeo grounds. They started this process by meeting with many groups such as the Sawtooth Rangers, Hailey Ice and the Skate Board. After conclusion of those meetings they met with the Hailey Parks & Lands Board. Mike Bulls began his presentation by showing a large site map and pointed out that the property line and fence line currently do not match. He understands that we lose room when we adjust property lines; however, the existing trailer

is also in the wrong spot. The arena grounds are currently in the middle of the property. The actual space that is in the bleachers is more space than the rangers need. Ruscitto/Latham/Blanton met with each group to see what they each needed. The ranger's needs are really about parking space. Hailey Ice was concerned about dirt on top of the ice. The Skate Board group did not feel like they needed much more room. They want to create some street skate elements including curbs and stairs. Currently the parking is fairly limited and not very organized. There are two primary schemes. The first one is preferred by the Parks & Lands Board. The white wall would be maintained and new bleachers would be installed. The second scenario would be to separate the rodeo arena from the ice arena. If they combine the two venues it is more efficient. The facilities will be used in alternating seasons. It also provides more space on the peripheral. One negative is that Hailey Ice would like a roof at some time. Transferring dirt between seasons is also an issue. The pro to the second scenario is there would be no transfer of materials and you can organize the parking. As they review these two scenarios with Hailey Ice and the Rangers they feel the two separate facilities would work best for them. Creating a new entry between the rodeo grounds and the skate park, lined with trees and the white walls will be put in place. There are street skate components. There will be a visitor center and included in the ice rink are restrooms, storage, ticket area, and locker rooms. There are two separate restroom facilities. Haemmerle asked what is the current seating capacity of the Rodeo facility. They answered 2000.

Ruscitto/Latham/Blanton explained that this project could be phased. Hailey Ice has funds put aside. It was explained that they could start with a sheet of ice with manipulating of the bleachers for fire safety. An unknown person in the audience said that there are 98 spaces currently there. If you had a 42 foot trailer by itself where would it park? Nick Latham said you could get 10 trailers in there but there will still be parking in the alley. Keirn asked if this would be suitable for other events. Bulls said after speaking with Ferguson he learned we could use it for concerts. The primary use would be rodeo but there may be other uses. Lauren Hazelton, 24 Horseshoe Circle spoke for the Sawtooth Rangers. She said as ranger's we are giving a big chunk to the ice rink and is concerned that parking has not been addressed. Hazelton went onto to say that the rodeo is an essential part of the community. When you start restricting parking, you are severely limiting the use of the arena. She thinks there are other property's that could house the ice rink. The rodeo brings in funds. The ice rink does not. Mayor Davis said that this is not a public hearing. This is a presentation and advised Lauren Hazelton to come back when a public hearing was advertised.

Bulls said they are getting close. Some foundations and some structures would need to be put down before the ice was put down. Mayor Davis asked council for questions. There were none. Mayor Davis said we would notice this as a public hearing at a later date. Keefer said this was voted on unanimously by the board. A Historical assessment is still pending. This could have a lot of impact. Currently we have both parties in agreement. There are a few more hurdles to overcome.

PUBLIC HEARING

Discussion and Adoption of Fiscal Year 2009-2010 Tentative Budget

Opening remarks from mayor and/or staff

“Even though revenue has decreased, we have been able to maintain services”, Dawson said at the last meeting where the Powerpoint presentation was presented. Ned Williamson, City Attorney talked about the transfer of funds from the operational funds. Williamson feels this is not a factual point right now and did not want to spend city money on this at this time. Haemmerle talked about what the county did years ago and said that he has faith this city is not doing that so he is ok with it. Mayor said that he would like to take the LOT money before the voters in November. This conversation will be on the next council meeting agenda. Dawson said that LOT funds are a large portion of tonight’s agenda. There are many presenters in the room tonight. All LOT funds requested have been factored into the budget. The layout is in packet.

Mountain Rides presentation on Hailey Circulator Bus concept and funding requests and alternatives.

Gene Daniels presented for Mountain Rides tonight. Jason Miller was in biking accident over the weekend and unable to be present. Daniels is asking for \$95,000 and is also proposing a Hailey circulator bus. It will link with the current commuter bus in Hailey. It should increase ridership and visibility of Mountain Rides. He referred council to their packet and asked for questions. Daniels said they are sitting well due to grant money they have been awarded. They would like to start the commuter bus as early as September. But, they may need to delay it.

Sustain Blaine presentation on Go Blaine Strategy and associate funding request.

Doug Brown 76 East Fork Rd., Sustain Blaine Economic Partnership introduced the team that will be presenting, the full presentation is in tonight’s packet. Diana Packlon is giving power point presentation. Harry Griffith, Joy Casputos and Linda Haavik are present to assist with any questions. Packlon thanked Hailey for support to date and gave the history behind the effort. They have been working on this for 2 years and initiated by Sustain Blaine. They have been guided by economic consulting firm TIP Strategies located in Austin Texas. Hundreds of citizens participated, funded by county, all cities, many businesses and nonprofits and the Idaho Department of Congress.

In 2006 an estimated 60% of our Gross domestic product came from real estate, construction and tourism. All sectors have been hit by the economy. It’s clear we have to diversify. Another issue is we have to match job to talent in our community better. Service workers are priced out of local housing. We want to create a thriving, diverse, year round economy for all of Blaine County. Our strengths – we have an educated workforce, we’re entrepreneurial, there are many home grown success stories; we also have a unique access to capital for local reinvestment. She went on to say we must advocate the leverage of the Sun Valley Brand. Market all area attributes, from the SNRA to Craters of the Moon. We also need an aggressive convention and meeting strategy, expand tourism into slack season, and create a single online portal. The second goal of our strategy is support for small business and entrepreneurs. Need a formal business retention and expansion program and we need to support entrepreneurship. Our land is scarce, 81% of our land is used or owned by either the state or federal government. We must be strategic about what we use and what is available. We need to use infill development and plan ahead to target strategic

sites and diversify development opportunities. She mentioned the airport and said if the airport ends up moving there is 211 acres right in Hailey that is a unique opportunity that should not be squandered.

The most interesting component of the Go Blaine Strategy is the “Establish a Design Institute”. Look at our local businesses. They are heavily involved in design. Creating a design institute could create cross sector cooperation for these businesses and foster innovation. Who makes all this happen? She showed an implementation Timeline. TIP strategies have studied this. The recommendation was “no one exists currently that can take this on in a full scope of the plan. They recommend we develop the Blaine Development Corporation (BDC). The BDC is recommended to be a 3 person board – consisting of an Executive Director, Marketing Manager, and an Administrative Assistant. She talked about a budget. There would be significant start up costs – 1st year \$400,000. They are embarking on a capital campaign. They expect money to come from private and public sources as it did in the first phases. They are asking the City for funds but this will not be an ongoing expense. They are looking at start up costs for the first few years then declining after that. Timeline was shown on power point. Hoping the BDC would be chartered by August and begin operations in September. Haemmerle reiterated that the Funding request is \$15,000.

Hailey Chamber of Commerce presentation on chamber activities and successes, with budget request.

Jim Spinelli, 2310 Moonlight Dr., Hailey – Chamber is asking for a new contract for services. Council has a copy of the contract in their packet. They are asking for 8.6% less. This will not reduce the quality of services. Spinelli pointed out that there are many other areas beside the 4th of July parade. There is also Springfest and Trailing of the Sheep that the Chamber is involved with. He talked about the many new events and the fact that three new events were started this year. There should be one more music night coming up in August. He listed all the events the chamber has organized (15 events) from 3 to 15. Through partnerships and working with other organizations they were able to double the \$75,000 that the city gave them. He asked for the 8.6% reduction and asked council for questions. Haemmerle said that he thought Spinelli had done a good job at recruiting people around Idaho.

- Council questions of presenters and other partners and commissions having previously presented budget requests, include:

Hailey Arts Commission

Hailey Historic Preservation Commission

Hailey Tree Committee

Blaine County Housing Authority

Kathy Grotto had no additional presentation but was present for questions.

Mayor asked if any of council had any questions of the above. Council did not have any questions at this time.

City Engineer’s presentation of proposed water and wastewater rates.

Hellen started his presentation on water explaining that council had expressed a desire to award people who conserve water. His first proposal was to change how we figured the base rates. The big change is in rates per 1000 gallons. Big change is in over 50,000 gallons. He compared figures to last July to see how many people used 50,000 gallons or more. 914 customers used 60,000 gallons or more. There are 240 in the 60 to 70,000 range. More than 2/3 of people use less than 60,000 gallons per month. Savings will be from \$1.00 to \$6.50 per month.

By raising rates on higher users this will make up for the lower users. He mentioned a number of high users. School district and apartments buildings were mentioned.

Haemmerle questioned Hellen's cut off points. Brown would like Hellen to look at the numbers one more time and bring it back. Mayor does not want to see the water department run in the deficit because of this. Hellen was confident that the over users will always be there.

Peter Lobb, 403 E. Carbonate said that he thinks there is an inequity. He talked about Old Hailey. He feels this will be punishing somebody who has a larger lot and not saving water. He thinks the most equitable rate would be figuring out square footage and charging per gallon. (Proportional charging for the same bio mass). Hellen said that is the way they used to do the water bills. Your rate used to be based on the size of your lot. Dawson reiterated Peter's comments and said we should be charging based on sq footage of lot. Lobb said there is no perfect solution to this.

Hellen went on to talk about wastewater and connection fees. We have been basing our cost on what the 97 Keller Study had done for the plant. The study has been redone. The newer figures show what each house contributes to the existing infrastructure. Hellen said we dropped the fees a few hundred dollars to hook up. There is more capacity in the plant and potassium in the water system because everyone has dropped down their water usage. Mayor said for a couple years in a row we had to increase fees to make up for a shortage. He questioned if this is now all caught up? Hellen said yes.

Hellen said that so far this year we have 5 building permits issued. Hoping for 40 is not over estimating. The requirement of ordinance is that the fees be consistently applied. The fees referenced in the later part of this conversation are in the replacement fund not operating.

Linda Haavik, 608 3rd Ave S. commented that she appreciates that council is looking at public and private partnerships.

Mayor closed the public hearing and brought the conversation back to council.

Council discussion of rates proposal leading to direction to City Engineer as to which rate table to present for public hearing on August 10, 2009

Council discussion of proposed budget leading to a motion to adopt tentative budget not to exceed \$10,009,977, and identify changes to line items within the budget draft which

would better meet council goals than those presented, which amended budget will be published and noticed for public hearing on August 10, 2009.

Mayor asked for a motion to approve the tentative budget as noted above. Brown made a motion, as not to exceed, Keirn seconded; Motion carried unanimously.

Fritz asked if they could change anything after this point. Dawson explained that this could be done now. We could not increase but the budget but we could reallocate. Haemmerle would like to advertise in the future so people know when they can ask for funds. Burke said Fly Sun Valley Alliance is a worthwhile cause and eventually won't need funds. Mayor asked if there is anything in the LOT budget which could be funded by capital improvement. Dawson said no. Haemmerle reiterated that there is nothing extra in the budget. It was clarified that we won't spend it if we don't have it.

NEW BUSINESS

Hailey Chamber of Commerce request to amend contractual amounts per category

Chamber is looking at tweaking the contractual amounts. Haemmerle made motion; Brown seconded. Motion carried unanimously.

STAFF REPORTS

Hellen wanted to know if council should discuss the fence issue. The final decision was the body shop has continued using the lot and nobody is taking responsibility to keep the area cleared. Council feels the gate and fence should go up. Hellen feels the plat map that Wiederrick had turned into Williamson has no bearing. Mayor does not want staff dealing with this any further. Council gave the go ahead to put up the fence.

Mayor Davis asked Dawson to report on the Valley's Best. Dawson said that in the SunValley Guide there was computerized voting regarding the Valley's Best. There were 1100 participants. Hailey was runner up for the Hailey rodeo 2nd to the Wagon Day's Parade. Hailey was also 2nd runner up for Hop Porter Park being the best place to host a birthday party. Tracy Anderson received Best County/City Staffer, Jeff Gunter for Best Law Enforcement Officer and Heather Dawson for Best City Administrator.

The next public hearing on the budget will be August 10th. Haemmerle will not be here, however, there will still be a quorum.

Burke said that the Northern Rockies Folk Festival told her that the board would like to have the exemption of their fees in a more concrete form. Staff advised that it is already an ordinance and it does not get any more concrete than that.

Mayor presented HELP last weekend in Boise. Very educational!

Meeting adjourned at 7:45pm.