

**MINUTES OF THE MEETING OF THE  
HAILEY CITY COUNCIL  
HELD MONDAY SEPTEMBER 28, 2009  
IN THE HAILEY TOWN CENTER MEETING ROOM**

The Meeting of the Hailey City Council was called to order at 5:31 P.M. by Mayor Rick Davis. Present were Council members Carol Brown, Don Keirn, Fritz Haemmerle, and Martha Burke. Staff present included City Attorney Ned Williamson, City Administrator Heather Dawson, and City Clerk Mary Cone.

The following documents were given to council before meeting:

\$400 receipts from City Clerk for CA 389 for close out grant.  
Pictures of Hop Porter Park were given to council from Tom Hellen showing improvements from last weekend's volunteer fix-it group.

**AIRPORT ISSUES:**

Susan McBryant spoke about the October airport meeting. Next month the FMAA board will have their election of officers. Right now Burke serves as Chairman, Tom Bowman serves as Vice-Chairman and McBryant serves as Secretary/Treasurer. McBryant intends to support Martha Burke for Chairman again. Burke has done a very good job in her role and has learned a great deal about the airport during her tenure.

Burke thanked McBryant for her support. Not to diminish anything that McBryant has stated, Burke suggested that Tom Bowman (with Mayor and council's support) be Chairman on the Airport Authority Board. Burke is more than happy to support Bowman with the agenda as she has done this year. Burke has served as Chairman for 2 years on the board. Burke feels that the right thing to do is to keep rotating the chair position every 2 years. Mayor Davis is okay with this suggestion. Haemmerle would like to have a more formal policy to implement to switch chair positions every 2 years. Burke and McBryant will talk with Lubo to see about making this 2 year rotation formal. Keirn and Brown are okay with this suggestion. McBryant is in support of Burke's suggestion as it shows great partnership.

**CONSENT AGENDA:**

CA 388	Motion to authorize the Mayor to sign Idaho Department of Water Resources (IDWR) Notice of Change in Water Right Ownership form for receipt of Old Cutters water rights .....	1
CA 389	Motion to approve the close out documents of 2008 Hailey Historic Preservation Commission (HHPC) grant, which helped fund a Nomination as well as Professional Historical Survey of the Hailey Rodeo Grounds, including intensive level photographs, and ratify Mayor's signature on photographer Kendall Nelson's contract.....	11
CA 390	Motion to approve 2009 Hailey Historic Preservation Commission (HHPC) grant for 2 intensive level surveys on the Harris Apartments and J.J. Tracy Building (Barkin' Basement).....	35
CA 391	Motion to approve EPA Grant application, requesting approximately \$10,000 for a waste materials management program to raise awareness of local businesses efforts to reduce plastic bag consumption, and authorize signing of the grant application.....	41

CA 392	Motion to approve Department of Energy Recovery Act Grant application, requesting funding for an assistant city engineer to conduct Local Energy Assurance Planning (LEAP) Initiatives, in an effort to plan for adequate energy supply and continuity of government services during emergency energy supply outages, and minimize impacts on Hailey businesses during an energy emergency.....	63
CA 393	Motion to accept staff recommendations regarding selection of Independent Auditor Proposals, and authorization of mayor to sign Contract for Services with the selected audit firm Dennis R. Brown, CPA .....	91
CA 394	Motion to approve and authorize the Mayor to sign Findings of Fact and Conclusions of Law – approval of rezoning Lots 4-10, Block 126, Hailey Townsite (719 Third Avenue South) from General Residential (GR) to Limited Business (LB) conditioned on approval of a development agreement .....	125
CA 395	Motion to approve and authorize the Mayor to sign Findings of Fact and Conclusions of Law – approval of rezoning Lots 1-3, Block 126, Hailey Townsite (619 Third Avenue South) from General Residential (GR) to Limited Business (LB) conditioned on approval of a development agreement .....	133
CA 396	Motion to declare surplus property from the Hailey Library and authorize them to donate or dispose of the property (tables, chairs and shelving).....	141
<del>CA 397</del>	<del>Motion to approve Special Event First Annual Autocross at Friedman Airport/Atlantic Aviation on Oct 3, 2009, from 6 am to 6 pm .....</del>	<del>143</del>
CA 398	Motion to approve amended special event application for Hailey Halloween Hoopla on 10/31/09 3-6 pm; approved by council on 9/14/09 requesting a Kiddy Haunted House in open space next to the Mint.....	151
CA 399	Motion to approve Request for Proposals for 2009/2010 Snow Removal Services from construction companies.....	153
CA 400	Motion to approve Summary of Ordinance 1032, revising Planning and Zoning Application Fees.....	191
<del>CA 401</del>	<del>Motion to approve minutes of September 14, 2009 and to suspend reading of them.....</del>	<del>195</del>
CA 402	Motion to approve claims for expenses incurred during the month of August 2009 .....	207

Brown pulled item CA 397 for clarification.

Keirn pulled item CA 401 to abstain as he was not present in the September 14, 2009 meeting.

**Haemmerle moved to approve all other consent agenda items minus CA 397 and CA 401, seconded by Burke, motion passed unanimously.**

CA 397 – Brown wanted to understand where autocross would be held and to make sure it would not conflict with airport traffic. Burke responded that it will be in the private airport section and will not interfere with air traffic.

**Motion by Brown to approve CA 397, seconded by Keirn, motion passed unanimously.**

CA 401 - Keirn pulled this item to abstain from the motion.

**Burke made a motion to approve CA 401, seconded by Brown, motion passed with Keirn abstaining.**

**PROCLAMATIONS & PRESENTATIONS:**

*PP 403 Presentation by Neil Morrow from Ketchum Community Development Corporation (CDC) – 10 minute overview*

Morrow handed out his presentation to council and let them know that the board has asked him to present to council tonight. Morrow is the only paid staff, all others are volunteers. A number of citizens volunteer to help a number of projects along. The CDC has a partnership with Blaine County on Green building. They are wrapping up the financing for affordable housing where the ground breaking will happen soon. Morrow named several projects they are working on, including renegotiating Ketchum's franchise agreement with Idaho Power. Small businesses and start ups will soon have access to apply for the \$100,000 that has been raised by the CDC. Morrow reported to council the "Party Bus" which from concept to inception was a 6 week period before it was available for area residents to go up and down the valley without the worry of having a drink of alcohol and driving. Also Ketchum is considering a new town plaza, reported Morrow. The CDC is looking to import 5 companies into Blaine County. The Grant Resource Center is in the creation phase at the CDC – a resource to help in grant writing. The CDC is also available on a contract basis.

Brown asked Morrow how the CDC and Sustain Blaine are different and how they complement each other. Morrow replied that he is on the Sustain Blaine board which originally started as a Ketchum based CDC. The Ketchum CDC focuses primarily on two things, affordable housing and economic development, mostly job creation. As Sustain Blaine grows Morrow sees moving some projects eventually under their umbrella away from the Ketchum CDC.

Keirn asked about tax credits, federal tax credits how do they work? Morrow replied that if an applicant is awarded federal tax credits they can sell the tax credits on the open markets. The CDC was awarded about \$8.8 million worth in tax credits they sold them for \$6.5 million dollars. Banks used to be the primary purchasers. But now it is more corporations and only a few responsible banks. The purchaser buys the tax credits at a discount and then uses them for 10 years has an \$800,000 tax credit per year. At the end of the 10 years the project ownership will shift to the Ketchum CDC and the City of Ketchum continues to get a lease payment for another 45 years and the project must stay affordable housing for the entire time. The Ketchum units (32 units in less than 1 acre) are going to be affordable, ~\$400/month for 1 bedroom, ~\$800/month for a 2 bedroom unit, and ~\$1070 for 3 bedroom unit with an integrated garage.

*PP 404 Presentation by City of Hailey ICDBG Team on Idaho Community Development Block Grant project*

Dawson introduced the team members present at tonight's meeting which included Tom Hellen, Beth Robrahn, Heather Dawson, Jim Spinelli and Jeff McCurdy from Region 4 Economic Development Partnership. Not at tonight's meeting was team member Tracy Anderson. Dawson gave an overview of the grant opportunity to the council. The potential funding amount is \$500,000 with City matching funds of an equal amount. This grant would help to revitalize and restore infrastructure to River Street including sidewalks and lighting. The team will also consider and possibly present to council Urban Renewal District funding for this area. The two grant opportunities are not tied together but would benefit the same area.

Jeff McCurdy regional planner spoke to council. McCurdy was contacted by Hailey personnel to understand if there is a possibility for Hailey to be awarded this grant. In total there are \$1.5 million dollars available and usually 3 projects are awarded per year.

Jim Spinelli spoke to council regarding a recent training he attended which was put on by the Idaho State Department of Commerce to discuss Federal grant opportunities. This is a very short timeframe and Spinelli believes that Hailey has a good chance at getting this grant. Spinelli believes a focus group can fulfill the support group which the grant requires.

McCurdy explained the process to council. McCurdy states that a Public Hearing is a typical way of notifying the public. The revitalization plan should be put in place before getting feedback from the public. The timetable represents all tasks needing completion by the November 20<sup>th</sup> application deadline. The Public Hearing will be on November 16<sup>th</sup>, which is not a regular city council date but that will be the same time that the resolution will be presented to council for their approval. If the revitalization plan is not in place by the application deadline, it would negatively impact the scoring of Hailey's application. Kelly Anderson is the newly appointed Region 4 representative on the Governor's Economic Advisory Council (GEAC). The GEAC reviews grant applications and evaluate 100 points of the 900 point eligibility score.

*PP 405 Proclamation for Wood River Arts Alliance proclaiming October as National Arts and Humanities month*

**Mayor Davis read the Proclamation declaring October as National Arts and Humanities month.**

### **PUBLIC HEARINGS:**

*PH 406 Cox Cable TV Franchise Ordinance and Agreement – public comment on proposed 5-year franchise, with potential first reading of proposed franchise ordinance*

Williamson gave overview to council. This contract is 5 years versus the current one which is 4 years. There must be 3 readings of the Ordinance before October 21<sup>st</sup>, 2009.

Steve Crosser 441 Aspen Drive spoke to council. Crosser wants to know why only partial commercials are aired and interrupted. Brown knows about this and would be happy to talk with Crosser. Brown added that it does not have anything to do with the franchise agreement.

Dawson explained the franchise agreement under the SEC regulations. The City is not allowed to regulate rates or service. We allow them to use the City right-of-way for functions as stated in the agreement. In exchange for this the City gets a 5% contribution for Cox's fees.

Next Ordinance # is 1036.

**Haemmerle makes a motion to adopt Ordinance 1036 - Cox Franchise and allow the Mayor to conduct the first reading by title only, seconded by Keirn, motion passed unanimously.**

*PH 407 Application for 4<sup>th</sup> extension of Copper Ranch Athletic Facility Building Permit which was initially filed on July 17, 2006.*

Dave Ferguson gave an overview to council. Ferguson has received complaints from the public on the Athletic Facility not being completed and it being an eye sore.

Jeff Smith of 218 N. Cannon Drive Beverly Hills, CA spoke to council. Smith, the applicant, explained that the project has been personally funded up to present; now they are seeking financing for finishing the athletic facility and the remaining buildings. Smith explains that they are actively looking for another partner; John Sofro has been obtained to help market and find an additional partner. They are still selling condos although it is slow given the down market. Smith acknowledged another partnership with a worldwide gym. Smith is looking for a partner that has experience in the field because it is very challenging to keep a fitness center viable. Smith asks council to extend the building permit to allow them more time to find a partner. Smith has brought with him tonight attorney, Ed Lawson to answer any questions.

What % of the facility is complete asked Haemmerle. 75% of the facility is done; the outside is done replied Smith. In the last year how much work has been completed asked Haemmerle? \$300,000 has been spent in the last year most of the expense was for the roof. What is the 25% that needs to be finished asked Haemmerle? Indoor Pool, Electrical, Plumbing, stucco, and landscaping are most of items left to be completed replied Smith. Haemmerle asked how long will it take to get completed given you can negotiate the price with the contractor? Smith replied 8 months to complete. Haemmerle asked if they are in default of any loans. Smith replied no, they are current on all their loans.

Williamson wants to hear a commitment from the applicant to get the exterior finishes done. Smith plans to get the HVAC done first. Williamson is concerned with the exterior of the building; he wants to hear that this will be a priority. Smith explained that they need to obtain a new partner before they can finish this project. John Sofro spoke to council. Sofro is on the board at Copper Ranch, now he is marketing on behalf of Copper Ranch and an owner of a Copper Ranch condominium. No one has a more vested interest that the owner Lido Equities to get this health club finished. Sofro believes that if the building permit is not extended then the business partner prospect may not be interested in buying/taking over/finishing the athletic facility because it would cause delays and expense. The YMCA is no longer interested in partnering with Lido Equities.

Williamson asked what the current plans are for building 15 & 17. Smith replies there are 6 condos still for sale. Once these are sold, they can move forward with beginning building 15 & 17. These condos are in the \$200,000 price range much less than originally priced due to current market conditions.

Mayor Davis opened this up to public comment.

Geoffrey Moore of 1250 Woodside Blvd. spoke to council. Moore states that since the roof was just finished and Idaho Code forbids one to begin electrical work before the outside is completed. Moore also added that you cannot put the stucco on before the drywall is installed.

Peter Lobb of 403 East Carbonate spoke to council. Lobb is very concerned that we may have another Sweetwater on our hand. Lobb is for another extension but can this be the last one? Lobb does not feel that an extension would blow the deal with a gym partner.

Brown disclosed that her mother lives at Copper Ranch but she has not spoken about this subject to her. Like everyone else, Brown would like to see the outside cleaned up/finished. Brown is okay with the extension because it will give them time to get financing in place.

Keirn is for the extension.

Haemmerle wants to see from a realistic standpoint what you (applicant) can do to make this place look better. Haemmerle wants to condition the extension based on the applicant's plan of items to do. Haemmerle wants the applicant to evaluate the situation and present the plan to the city. Smith spoke with Dave Ferguson a couple of months ago and since then he has begun cleaning up the site. Smith offered to continue to do clean up and will take pictures, and present them at the next council meeting.

Ferguson's suggestion is to extend the permit for 180 days. Haemmerle wants to extend the permit for a shorter period. Brown suggests extending for 180 days and then we can pull it back if they do not keep their word.

Ed Lawson spoke for the applicant. Lawson feels that a temporary extension is not reasonable. Lawson feels that it would hurt negotiations with potential future partners.

Burke wants the applicant to make this project look okay on the outside. We have to operate under the assumption that it may not be finished within the 180 extension added Burke. But she is hopeful that the project will be finished soon.

Smith added that they are continuing to be aggressive in finding a construction loan and continuing to market the units.

Haemmerle shares this hope that Lido will find a partner and/or financing very soon. Also, Haemmerle is concerned with the appeal of this project to the neighbors.

Smith will work with Building Official Dave Ferguson to identify things to help with the outside appeal. Smith feels the council will be happy with his efforts.

**Brown moves to allow the 4<sup>th</sup> extension to the building permit for 6 months with the conditions that at the Oct. 26<sup>th</sup> meeting the Lido Equities Group (the developer) returns to council with updates after working with staff within the next 60 days, seconded by Keirn, motion passed unanimously.**

*PH 408 Block 126, Lots 4-10 -- Development Agreement with School District and subsequent 1<sup>st</sup> reading of an Ordinance rezoning said property from General Residential to Limited Business in conformance with the Development Agreement*

Williamson suggested that council continue this item to next meeting.

**Motion to continue PH 408 and PH 409 to the next council meeting by Brown, seconded by Burke, motion passed unanimously.**

*PH 409 (Continued from 8/24/09 meeting) Discussion on proposed Nuisance Ordinance*

**Motion to continue PH 408 and PH 409 to the next council meeting by Brown, seconded by Burke, motion passed unanimously.**

**OLD BUSINESS:**

*OB 410 2<sup>nd</sup> Reading of Ordinance 1034 – Text Amendment to Zoning Ordinance No 532, Sections 9.3 Off-Street Parking Dimensions and 9.4 Parking Space Requirements*

**Mayor Davis conducted the second reading by title only of Ordinance 1034.**

**NEW BUSINESS:**

*NB 411 Introduction of a revision to Chapter 13.05 of the Municipal Code; Wastewater Pretreatment; and a Best Management Practices (BMP) manual for Fats, Oils & Grease (FOG) dischargers*

Tom Hellen let council know he welcomes any questions/comments if they have any.

**7:00 pm WORKSHOP:**

Mayor Davis asked the Planning and Zoning Commissioners to join the council for the joint meeting.

*WS 413 Joint workshop discussion between City Council and Planning and Zoning Commissioners*

Present from the Planning and Zoning Commission are: David Lloyd, Geoffrey Moore and Mark Johnstone. The other two Commissioners had unexpected conflicts tonight – Owen Scanlon and Mike Pogue.

Planning Director Beth Robrahn referenced the materials in council's packet. Robrahn reviewed the timeline to adopt a new Comprehensive Plan by next spring. Robrahn is seeking input from the Commission and council on this schedule. On the back of the page Robrahn handed out to council tonight at the meeting is the tentative schedule for the community focus groups beginning November 5 through December 10<sup>th</sup>, 2009. On the front of the page is the timeline for the Comprehensive Plan updates beginning with the Neighborhood workshops and ending with City Council Public Hearings in Spring 2010.

Mayor Davis asked the Commission if they had any idea if this is a reasonable timeline. Lloyd responded that they are optimistic but they do not know what applications they might receive in the future.

Robrahn explained the intended plan for the neighborhood discussions. Robrahn and her staff would put these neighborhood workshops and focus group comments into a moldable plan. Then the information would go in front of council and discussed.

Brown applauds Robrahn on the Comprehensive Plan Update brochure and wondered if it was going to be included in the monthly newsletter. Dawson confirmed it will be included in the next newsletter being sent out within the next week.

Haemmerle feels that the Comprehensive Plan should reflect the reality that faces the city at this current time. The point is that no one wanted development in North Hailey yet we have it now, so the Comprehensive Plan should not ignore reality. Commissioner Moore stated that that is one of the Planning and Zoning Commission's goals is to address reality.

Mayor Davis has been hearing from the Senior Community that they cannot go out of town shopping anymore and they want to know why we don't have a Wal-Mart store in Hailey.

Burke hopes that we will see the turn out that we need.

Commissioner Mark Johnstone spoke to council. Johnstone hopes that we get more community involvement than what we've seen in the past.

Haemmerle wants now more than ever to hear from the public on what they want.

Robrahn wanted to make sure council was aware of the timeline and schedule. Robrahn asked council for their input, changes additions to the questions being asked in the workshops.

Mayor Davis asked the Commissioners if there is any feedback they would like to give to council. Lloyd answered, he's too new to know but he feels listening to the council tonight is very helpful to him as a Commissioner.

Beth suggested a plan to incorporate future discussions between the Planning and Zoning Commission and the Council.

Brown asked a process question to Robrahn. Will all the categories be submitted at the same time to council? Robrahn stated that everything will be submitted together but the Council could have several meetings to discuss some sections – and not review all of them at one meeting. Robrahn can keep the council informed by adding information in their packet. Brown would like to know about hot button topics but not just regular updates.

Moore let council know that they have looked at the Comprehensive Plan to look for redundancies, non-compliance and such.

Robrahn explained a bit more about the plan to council. The City boards and Commissions will provide their input, including the Parks and Lands Board and the Tree Committee added Robrahn. The public can get involved in this process through various channels, either through City Hall staff, any board or commission or through the City Council.

### **STAFF REPORTS:**

Williamson wants the council to have some discussion regarding the email from Tom Bowman regarding the airport advisory committee. Williamson wants the City to be timely in the suggestion of the nominations. Brown wants to see T. Bowman, Susan McBryant and Martha Burke to be on the nominating committee. The City will ratify the nominating committee's suggestions. Brown wants the City to publish this in the monthly newsletter, newspaper and any other regular means for getting the word out. Burke explained that the nominating committee write a letter of interest, interview the nominees and then make their decision.

**Brown moves to form a nominating committee for the airport advisory transition group, have Burke lead this committee, the committee is to be formed by Tom Bowman, Susan McBryant and Martha Burke, seconded by Keirn, and to include language that if any member is not doing what they should be then we need a process to be able to remove them, we have 30 days to advertise, and be prepared to ratify during the Oct. 26<sup>th</sup> meeting agenda or Nov. 9<sup>th</sup> meeting, motion passed unanimously.**

**Burke asked council to give the nominating committee Hailey's suggested nominees.**

Dawson believes that Nov. 9<sup>th</sup> meeting would be best.

Dawson will let council know about any extensive staff time will be needed. We were denied the Sustainability grant (which would have helped to upgrade City Hall) - just recently we heard this news. The council will be notified in advance if any extensive time will be spent by city staff on any grant application. Dawson also noted that city staff who are not writing grants are to be thanked as they are helping to support those individuals work load on a daily basis in the interim. Dawson let council know that city staff is making progress in the Quigley Annexation weekly meetings. Due to talk about this week is the golf course and Blaine County Recreation District (BCRD) will be brought into this discussion. Dawson anticipates approximately one more month of the weekly meetings before something will be in a final enough form to present to council. Dawson has asked city clerk's staff to track calls which should be going to County but that we are getting the call due to their recent 4 day work week schedule.

Brown offered to be the dispatch liaison for the city. However, it is looking like the meetings will be held mid-day during the week which is not realistically possible for her. Keirn offered to go to the meetings for Brown. Brown will let Derek Voss know that he will be the new city liaison as Derek is facilitating these meetings.

Burke had a recent tour of the library, it looks great!

Dawson handed out a handbook to council on alternative energy sources (the council approved the related grant application in tonight's consent agenda) if we are successful in obtaining this grant.

Keirn attended the Fly Sun Valley Alliance meeting last week. Horizon just wants seat paid for, they don't want to sell seats. Keirn also attended the Fish and Game meeting; Sun Valley is having animal problems because they are feeding the wildlife. Brown added that we can continue to put timely wildlife notices in our newsletter to alert our citizens at certain times of the year.

Hellen handed out pictures of the clean up day at Hop Porter Park. Mayor Davis thanked the volunteers for forming this group and helping to repair the playground equipment.

Mayor Davis concluded the meeting at 7:45 pm.

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Rick Davis, Mayor

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Mary Cone, City Clerk