

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD APRIL 10, 2010
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.

AIRPORT ISSUES:

CONSENT AGENDA:

CA 163	Motion to approve Inter-Local Agreement between Cities of Ketchum and Hailey for shared Tree Inventory software support and shared arborist services, costing Hailey \$1000 to Ketchum and \$7000 to Community Forestry Consultants, Inc	1
CA 164	Motion to ratify final DOE Local Energy Assurance Plan Grant Contract, approved on April 26 subject to amendments/review by city attorney and administrator, and executed electronically on May 4, 2010.....	9
CA 165	Motion to approve Monthly Progress Report for the Renewable Energy Enterprise Zone (REEZ) Grant.....	37
CA 166	Motion to approve hold harmless agreement for removal of trailer from River Street Property.....	39
CA 167	Motion to approve minutes of April 26, 2010 and to suspend reading of them	41
CA 168	Motion to approve minutes of May 3, 2010 and to suspend reading of them	53
CA 169	Motion to approve claims for expenses incurred during the month of April 2010.....	55
CA 170	Motion to approve Treasurer's report with LOT report and Capital Projects report — Rodeo Grounds.....	77

Tom Hellen pulled CA 166.
Brown and Keirn pulled CA 170.

Burke moved to approve all consent agenda items minus CA 166 and CA 170, seconded by Brown, motion passed unanimously.

CA 166 - Hellen will bring this back in front of council in another meeting.

Brown asked City Treasurer Becky Stokes a question on the LOT report. Stokes explained that we will not spend certain line items unless the LOT funds are received to pay for those items. We won't spend what we don't have, Stokes answered.

Haemmerle moves to approve CA 170, seconded by Keirn, motion passed unanimously.

MAYOR'S REMARKS:

Mayor Davis announced that Hailey has recently received the Arbor Day Growth Award, congratulations to the City Staff and the Tree Committee.

MR 171 Introduction of new Library / Police Department employees to Mayor and council

Chief Gunter introduced the newest officer as coming from a long line of family members in law enforcement.

Lieutenant Steve England introduced new police officer Kenny McClure to council.

PROCLAMATIONS AND PRESENTATIONS:

PP 172 Presentation by Ketchum Administrator regarding health care joint powers agreement

Gary Marks, Ketchum City Administrator gave a presentation regarding pooled medical insurance plans to council. Marks introduced Charlynn Harless with Legacy Enterprises Benefits Consulting. Marks discussed the challenges to employers with under 100 employees and the challenge it is to get data for analysis (from Insurance Companies – loss/claim information). Marks implemented a pooled program while he was with the City of Whitefish, Montana. Montana Municipal Insurance Authority (MMIA) was formed by a number of municipalities and they saved thousands of dollars in premiums (~\$400,000 as compared to trend), they were self-insured, and had access to loss data from the insurance company. MMIA negotiated new and better contracts with all providers. Marks asked council to consider joining the Joint Powers Agreement and let them know that he will be presenting this agreement in other municipalities over the next few weeks. Marks then discussed the strategy – start small form an initial group of 4-6 municipalities. Then continue to add new member cities. This agreement would mean that the newly formed group proposed as Idaho Intergovernmental Insurance Authority (III-A) can approach Blue Cross of Idaho to reduce medical premiums after the third year as a group.

Harless with Legacy Consultants spoke to council. Harless gave a background of her experience with Insurance savings plans in California. Harless was brought to Montana a few years ago to help the MMIA with finding a self-insurance plan. A feasibility study was done and determined that a group would save the municipalities thousands of dollars. Harless referenced page 3 of her handout (given to council before the presentation). Harless referenced page 10 of her presentation showing what the benefits plans used to be like before the MMIA was formed. Harless handed out a report to council, which her company produces annually – showing the success of the MMIA program. Harless explained some of the benefits from forming the MMIA and renegotiating contracts with providers, including covering mammograms and pap smears 100% before the deductible is met (prior to this, mammograms and pap smears were not being done because a \$500 to \$1,000 deductible had to be met before the Insurance Company would pay).

Brown asked a question to Gary Marks about the financial treasurer referenced in the agreement – is it contracted out or a member of one of the cities? Either could be the case answered Marks. Brown asked about investment of surplus funds – is there a time where the reserves are too high? Harless answered that anything above 95% of the coverage will go to pay for experimental treatment – which insurance companies don't usually pay for. Will a city ever get kicked out of the pool asked Brown? Harless answered no. Brown asked how Harless is here. Marks asked Ketchum to pay Harless out of their budget. The III-A would enter into an agreement with her if

they wanted her to act as a consultant. At the end of 3 years the board goes out to RFP for consultants.

Keirn asked if Marks was targeting larger communities too. Marks answered not now, smaller communities first then add larger municipalities.

Dawson asked when Blue Cross would find out about the Joint Powers agreement. Harless answered that once it is signed they will take it to the upper management in Blue Cross of Idaho, they are aware of the potential forming of this group.

Council and Mayor thanked the presenters.

APPOINTMENTS AND AWARDS:

AA 173 Friedman Memorial Airport Appointment (Burke)

Brown asked if Burke is still interested in continuing with the FMAA Board. Burke is in fact still interested; she'd like to see the project through to the end.

Keirn motioned to re-appoint Burke to the FMAA Board, seconded by Brown, motion passed unanimously.

Haemmerle feels the council needs to be kept closely informed on this in the future.

PUBLIC HEARINGS:

PH 174 Rodeo Grounds Redevelopment Project – (handouts separately) *Fundraising efforts to date* *Architect's estimate of revised project costs for Ice Rink Design Amendments* *Hailey Ice Lease Agreement*

Becki Keefer presented the fundraising efforts to date from the Parks and Lands Board. \$104,000 has been raised to date – which includes pledges. Between Hailey Ice and these funds we have raised over \$600,000 to date. Keefer mentioned the upcoming fundraising events being sponsored by Sawtooth Rangers. One of the events will be advertised as 1st Annual – BBQ. Keefer added that this fundraising is a community effort.

Jim Laski on behalf of Hailey Ice spoke to council. Laski announced that Hailey Ice has been working with a large donor that will cover the costs of the needed funds for the ice rink and include enough funds for ongoing maintenance costs to run the rink. Laski wants to wrap this up prior to the May 25th election.

Nick Latham Architect with Ruscitto Latham Blanton spoke to council. Latham was asked in the last council meeting (April 26th) to give revisions and costs to the recent design changes asked for by Hailey Ice. Latham handed out to council a floor plan of the ice rink structure and reviewed the price changes with the design additions to the ice rink – asked for by the donor

working with Laski on agreement. The original cost of the ice rink was estimated at \$1,426,740 and the new estimated cost of the ice rink facility at \$3,974,000.

Haemmerle asked a question to Latham about the costs. Latham answered the original estimated total project cost was \$5.5 million, now estimated at \$6,967,959 dollars with the Hailey Ice changes. Haemmerle asked did these costs include the sport court flooring? Latham answered no it did not. Laski added that these potential costs would be paid for by this donor he is negotiating an agreement with currently.

Brown clarified before the suggested changes the entire project costs were estimated at \$5.5 million and now it is estimated at \$6.9 million. What if the donor does not come through? Then we go back to the original plan confirmed Brown with all in agreement. Dawson pointed out that there are additional donors out there contingent on a successful bond election.

Hailey Ice lease – Williamson addressed the main points of the proposed agreement. The law currently allows for these two entities to enter into an agreement together. Williamson explained the lease term – 20 years with 3 10 year renewal opportunities – reasonable for a project this size. Hailey Ice Board would be augmented by adding 1 representative for the donor and 1 for City of Hailey. Williamson added that this has been significant work and is very exciting.

Laski added, he anticipates the original smaller rink design will be used if the donor does not come through.

Public Comments:

Craig Levitan lives in Curtis Subdivision in Hailey (550 Mother Lode Loop). Levitan believes this would be a huge benefit to Hailey. His children are hockey players and he has made many road trips for hockey. They are expensive and time consuming. Having a rink here would be a great asset to Hailey.

OLD BUSINESS:

OB 175 3rd Reading of Ordinance No. 1055 and authorize the Mayor to sign - permit limited urban agriculture in all zoning districts that allow single family dwellings and establish standards for chicken coops

Keirn motions to approve 3rd Reading of Ordinance No. 1055 and authorize the Mayor to sign, seconded by Brown, motion passed unanimously.

Mayor Davis conducted the 3rd Reading of Ordinance No. 1055.

OB 176 3rd Reading of Ordinance No. 1056 and authorize the Mayor to sign – Sign Ordinance amendments

Brown motions to approve 3rd Reading of Ordinance No. 1056 and authorize the Mayor to sign, seconded by Keirn, motion passed unanimously.

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Mayor Davis conducted the 3rd Reading of Ordinance No. 1056.

NEW BUSINESS:

NB 177 Introduction of Franchise Ordinance – Idaho Power (continued from 4/26/10)

Williamson has been working with Idaho Power on minor changes since the last meeting. The present Ordinance allows for Hailey to have 1% franchise fee. The state law allows for up to 3% if passed by election or if Idaho Power would agree to it. In exchange for a 3% franchise fee Idaho Power asked for a 20 year term. Williamson added that staff after the last meeting asked for language to be added requiring lighting across the city to be switched out for more efficient light bulbs (LED). Either 1% for 10 years or 3% for 20 years it's up to the council to decide. Williamson recommends a 20 year term and 3%. Hellen added that Idaho Power is not thrilled with the idea of changing out 90 light pole bulbs around the City.

Brown's tendency is to stay with 1% because she does not want the 3% passed onto the user.

Keirn is okay with 3%.

Burke likes Dawson's idea for a hybrid plan.

Haemmerle is not in favor of raising any rates right now.

Motion by Brown to adopt Ordinance No. 1057, seconded by Keirn, motion passed with Mayor Davis voting for the 1% fee and 10 year term breaking the tie vote. Brown and Haemmerle voting for 1%/10 year term and Burke and Keirn voting for 3%/20 year term.

NB 178 Discussion and motion to call special meeting to canvass May 25th election results

Council discussed dates and times to hold the canvass. They decided on May 26, 2010.

Brown makes motion to hold Canvass of May 25th election results on Wednesday May 26th at 5:30 pm, seconded by Keirn, motion passed unanimously.

STAFF REPORTS:

Haemmerle asks who monitors the alleyways and enforces that they are clear and safe. Chapman answered that is an age old question which has been asked since before he came to the City. Chapman then went on to answer the question as best he could. Who would someone call for a blockage in an alley asked Haemmerle. Chapman looked to the Public Works Director Tom Hellen, and confirmed that one would contact Public Works.

Hellen has been working with Sweetwater; they are adding landscaping to improve the entrance to the area. Hellen will continue to work with them to finalize these plans. Arbor Day was a success last Saturday at Hop Porter Park.

Chief Gunter met with Idaho Department of Health and Welfare regarding the closing of their office. They will have staff twice a week at the Heath Department building. St. Luke's will be taking over many functions which the Idaho Department of Health and Welfare should have been doing but weren't – once of these will be dealing with mental health issues.

Brown announced the annual Clean Sweep meet at Hop Porter Park at 9:00 am Saturday morning, then clean up will be done at Lions Park. Next Tuesday Brown has a Library Board meeting.

Keirn attended Fly Sun Valley Alliance meeting this morning. Discussion was focused around the legal issues around having cities contribute to their organization.

Mayor Davis asked for council's comments on a draft letter to the housing authority. Williamson will forward Kathy Grotto's email to council.

Mayor Davis adjourned the meeting at 7:40 P.M.

Rick Davis, Mayor

Mary Cone, City Clerk