

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD JULY 26, 2010
IN THE HAILEY TOWN CENTER MEETING ROOM**

The 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, Fritz Haemmerle, and Martha Burke. Staff present included City Attorney Ned Williamson, City Administrator Heather Dawson, and City Clerk Mary Cone.

AIRPORT ISSUES:

[5:30:54 PM](#) Susan McBryant gave council an update on the latest airport discussions. McBryant wanted council to know that there was discussion at the airport meeting about possibly giving salary increases with consideration that the City and the County may not be giving raises. As the budget comes together it will appear that there will be a \$600,000 deficit, this is not the case – it is the amount which will be spent on the relocated airport which had been set aside a long time ago reported McBryant. Master planning discussions for the redevelopment of Friedman Memorial Airport site have been going on. One contractor who was not selected as program manager commented that whoever gets the job must understand AIP eligibility and FAA criteria as well as be able to meet FMAA and FAA timelines.

Haemmerle [5:34:30 PM](#) asked a question to McBryant. Is the county more focused on the planning of the new airport rather than the governance model? The FMAA should focus on the new airport and the County Commissioners should focus on the governance model answered McBryant.

[5:36:35 PM](#) Burke added that the FAA dropped site # 4 as an option for the new location of the airport. The FAA anticipates the money for the business plan, development master planning of the relocated site to be released from congress soon. In anticipation of this money being released, that is the reason for CA 305 on tonight’s agenda. Burke added that she Rick Baird and Tom Bowman have been meeting with BLM, and others to prepare for easements, power and utilities for the relocated airport.

CONSENT AGENDA:

CA 303	Motion to ratify grant application for EPA Climate Communities Showcase Grant, submitted on July 15, 2010, requesting \$472,429 in federal funds to augment \$237,534 of local direct costs and in-kind match, for a total project application package of \$709,963.	1
CA 304	Motion to accept lowest bid package of \$177,122 from Roberts Electric for installation of a Photovoltaic Electrical System on the Woodside Wastewater Treatment Plant roof, and to authorize contract with Roberts Electric to provide and install said system pursuant to an IOER Renewable Technologies Grant.....	47
CA 305	Motion to authorize Mayor to accept and execute Resolution 2010-13 for FAA funds should they become available for the EIF process or a detailed financial analysis of possible costs and possible sources of revenue for a replacement airport.....	49
CA 306	Motion to approve special event Hailey Y Kids Club Benefit at Old Cutters Park on 7/29/10 from 7-9 pm.....	53
CA 307	Motion to approve Copper Ranch request for extension of building permit.....	59

CA 308	Motion to approve City of Hailey’s application to Moody’s for bond rating, with the application fee of \$7,600 to be paid through bond closing, and authorize the Mayor to sign the application	63
CA 309	Motion to approve Sixth Addendum to Real Estate Lease allowing for early termination of the Sawtooth Rangers lease of the Rodeo Grounds on July 26, 2010	71
CA 310	Motion to accept lowest bid package of \$7,375 for demolition of remaining rodeo grounds, awarding the bid to Burks Excavation and authorize the Mayor to sign contract for demolition of Rodeo Grounds Structure	75
CA 311	Motion to approve selection of 5 artists for public art design and implementation at the Rodeo Grounds Redevelopment Project, as recommended by the artists selection panel and the Hailey Arts Commission	81
CA 312	Motion to approve contract with 5 artists for public art design and implementation at the Rodeo Grounds Redevelopment Project	95
CA 313	Motion to approve selection of Mark Stasz for fabrication and installation of Hailey Town Entryway marker, as recommended by the artists selection panel and the Hailey Arts Commission, and to authorize the mayor to sign a contract with the artist for fabrication and installation of the artwork at Mc Kercher Park at a cost to the city of \$10,000 and contract with Mark Stasz	121
CA 314	Motion to approve Alcohol Beverage license renewals for Hailey businesses	139
CA 315	Motion to approve minutes of July 12, 2010 and to suspend reading of them	151
CA 316	Motion to approve claims for expenses incurred during the month of June 2010	161

Haemmerle pulls consent agenda item 305, 307, and 313.
Williamson pulls items CA 307, and CA 309 to amend them.

Keirn [5:43:38 PM](#) moved to approve all Consent Agenda items except 305, 307, 309, 312, and 313, seconded by Burke, motion passed unanimously.

CA 305 – Haemmerle asked if these grants have to be paid back in any way. Burke answered that if we close the airport and do not support the assurances then we’d have to pay back the FAA the funds we received. Haemmerle is opposed to approving this with an unknown amount.

[5:51:33 PM](#) Brown would like to see at another time in the future an agenda item with a discussion with the County to discuss Haemmerle’s concerns.

[5:54:22 PM](#) Brown moves to adopt resolution 2010-13, seconded by Keirn, motion passed unanimously.

CA 307 – Haemmerle’s [5:55:29 PM](#) first inclination was to decline this request but he appreciates the plan for the property (as council was given the plan information before tonight’s meeting)

Burke moves to approve extension for Copper Ranch for 180 days, Brown seconded, motion passed unanimously.

CA 309 and CA 313 - [5:58:08 PM](#) Williamson pulled consent agenda items 309 & 313 to amend them. Williamson added that authorization for mayor to sign needs to be added to the motion.

Brown moves to approve consent agenda items CA 309 and CA 313 as amended by Williamson, seconded by Keirn, motion passed unanimously.

CA 313 [5:58:47 PM](#) Dawson, \$6,000 - \$2,000 and \$2,000 change to the contract agreement for the payment schedule due to the expense of materials.

[5:59:40 PM](#) **Brown moves to approve recommendation of changes to Mark Stasz payment plan to \$6,000 - \$2,000 and \$2,000 and authorize the mayor to sign, seconded by Keirn, motion passed unanimously.**

NEW BUSINESS:

NB 317 [6:00:30 PM](#) Williamson proposes that the Hailey Ice discussion be moved to the end of the meeting so that attorney Jim Laski can be a part of the discussion. Laski was here earlier but had another hearing to attend and had to leave.

NB 318 Consideration of bids from financial institutions for Hailey's Rodeo Grounds Redevelopment Bonds, and authorization of Resolution 2010-12 awarding the bid to the successful bidder

NB 318 – Eric Heringer – financial consultant with Seattle Northwest Securities spoke to council. Hailey was able to get a Aa3 bond rating. Heringer reviewed a handout with council which showed the stability of interest rates over the past 10 years. Heringer then reviewed the bids received in this morning's auction. Then Heringer explained what the 2.10% interest rate means to the City and the bond. Bond closing is August 3, 2010 and the city will receive the money at that point and will begin making payments. Finally Heringer reviewed the difference in credit spreads for "A", "AA", and "AAA" ratings. Heringer recommends to council that they accept the bid by Robert W Baird.

[6:12:50 PM](#) Mike Moore, bond council attorney spoke to council. Moore explained that council has one final official action which is to approve Resolution 2010-12.

[6:14:02 PM](#) Haemmerle asked Williamson if he should recuse himself from this motion due to the fact that he has accounts with the brokerage firm Robert W. Baird & Company. This is the company which gave the successful bid for the General Obligation bond for the Rodeo Grounds project. Williamson agreed with Haemmerle that he should recuse himself.

[6:14:46 PM](#) **Brown moves to approve Resolution 2010-12 and authorize the Mayor to sign, seconded by Keirn, motion passed unanimously, with Haemmerle recusing himself.**

PROCLAMATIONS AND PRESENTATIONS:

PP 319 Hailey Chamber of Commerce Quarterly Report

[6:16:34 PM](#) Heather Lamonica Deckard spoke to council. Deckard reviewed the Hailey Chamber's 3rd quarter events and involvements. Haemmerle asked if they have seen an increase in new members? Deckard said they have had 13 new members in July 2010 alone and many more since February 2010.

[6:28:36 PM](#) Brown asked for the monthly accounting for expenses. Deckard answered that is given monthly. Brown would like to see a more direct link – quarterly link to the contract. Deckard will include this information in future reports.

PUBLIC HEARINGS:

PH 320 2010-2011 Preliminary Budget:

- Budget requests from outside parties/partners: Hailey Chamber of Commerce, Mountain Rides, etc.*
- Council adoption of preliminary budget for publication*

Council received a revised budget at the beginning of tonight's meeting. [6:30:55 PM](#) Becky Stokes reviewed the brief changes to the budget.

[6:34:46 PM](#) Deckard from the Hailey Chamber spoke to council regarding their budget request for 2010-2011. The Chamber is requesting \$72,000 plus a \$3,000 match from Idaho Transportation Council (ITC). This year's contract is \$69,000 with the Chamber. Anna Svidgal handed out a document to council which shows where the funds would be spent by the Chamber by category. Deckard read a letter from the Chamber Board to council but did not hand out a copy of this letter to council.

[6:44:51 PM](#) Jason Miller with Mountain Rides gave council a handout – presentation. Mountain Rides is asking for the same amount \$75,000 as they received last year from Hailey. New since last year is the Hailey Commuter Bus – started in March 2010. Miller reviewed a list of partnering projects which have been successful – namely Safe Routes to Schools grants. Miller reviewed with council what the 2011 funding would pay for. Miller then reviewed return on investment since 2009.

[6:57:24 PM](#) Kathy Grotto Blaine County Housing Authority thanked Dawson and Stokes for the offer for in-kind bookkeeping service to BCHA.

[6:58:38 PM](#) Brown would like to go through the list and state if we are able make a list of items we would like to fund. Keirn agrees with Brown. Haemmerle would like to see the Chamber's amount stay the same as last year's funding amount. After a long discussion the council has decided to move the \$3,000 from economic development to the Hailey Chamber, making a total for the Chamber \$68,000.

[7:12:27 PM](#) Mark Johnstone spoke to the \$4,800 which was moved from the Chamber's budget to the Arts Commission budget. Heather LaMonica Deckard spoke to this topic; the amount taken from the Chamber's budget is more than their expenses for the line item last year which does not seem fair.

[7:15:33 PM](#) Brown wants to understand the 1% salary merit increase. Mayor Davis explained that the money must be there and the employee merit review must be earned. Keirn is in support of this 1% increase.

7:21:47 PM Brown makes motion to adopt not to exceed (as shown in budget report handed out by B. Stokes prior to tonight's meeting) for 2010-2011 \$13,571,082, subject to a 1% pool for salary merit increases, not as shown by line item in the packet per person, seconded by Keirn, motion passed unanimously.

PH 321 A city initiated text amendment to all sections of the Hailey Comprehensive Plan. The Planning & Zoning Commission recommended approval on June 21

Robrahn showed a presentation to council and handed out a revised plan use map. Robrahn gave an overview of the purpose of the comprehensive plan – a guide for development and budgeting public funds and is required by Idaho Code. This Comprehensive Plan update was drafted concurrent with Complete Streets, Downtown Strategy and the Airport Site Master Plan. Robrahn reviewed the objectives of update. The update process started in Oct. 2009 with Neighborhood Workshops – 5 workshops with a total of 50 participants. 2 additional workshops in Dec 2009 were held to discuss the airport redevelopment. Common Threads which emerged from all of the workshops included sidewalks, pedestrian safety, trees, infill over expansion and access to public lands. Robrahn reviewed insights from these workshops, which included comments such as – Hailey Townsite is not the heart of Hailey – don't forget the rest of Hailey. Robrahn showed the proposed land use map which combines the park, trails and green space map, natural resources map and a land use map. Robrahn then reviewed the indicators for the Comprehensive Plan – approximately 5 indicators per section. With these indicators it will show whether the goals are being met and if modifications need to be made in the future.

7:47:58 PM Tony Evans asked a question about the last meeting where council conducted a vote on the Comprehensive Plan. It was a motion to remove redundancy in motions answered Burke and Haemmerle.

Haemmerle asked a question about the tools to apply the comprehensive plan. Robrahn has a goal to draft a manual for zoning – best practices and best tools to use when applying it to the comprehensive plan.

Mayor Davis suggested that each council member speak to Robrahn about their questions and concerns and then have Robrahn bring this to a future council meeting. Robrahn suggested to council that they continue this discussion to the 2nd meeting in September.

Motion to continue to 9/27/10, meeting seconded by Burke, motion passed unanimously.

Tony Evans asked if the discussions would happen in a public forum. Not the individual meetings between a council member and Robrahn. That forum is for clarification by council members to Robrahn. Any decision discussion would happen in a public setting and at the 9/27/10 meeting answered Robrahn.

PH 322 An application by the City of Hailey for preliminary plat approval of Wertheimer Park Subdivision. The plat would create 3 lots (Blaine Manor, Rodeo Grounds, & Hailey Elementary) within the General Residential (GR) and Limited Business (LB) zoning district

Dawson gave an overview to council, all 3 parties agreed to submit this preliminary plat to council for their consideration and approval. On page 402 of council packet, condition C, Robrahn clarified, first plat note would read [8:08:40 PM](#) “A ten foot (10’) wide non-motorized public access and emergency vehicle access easement along...” and add the full width and length would need to be identified on final plat as item number 5. Plat note number 6 would read “Idaho Power easements if applicable to be shown on final plat.

[8:11:04 PM](#) Williamson pointed council’s attention to page 403 in packet item i, once the quitclaim deeds are signed we are done with the documents.

[8:11:40 PM](#) John Gaeddart asked a question for clarification. Gaeddart is in full support of this application. Gaeddart added that the school will add a 10’ snow storage easement, on the City’s lot along the East side and a public access across the school’s property lot 1. Williamson added that easements should be noted on the plat if they are missing right now, but council needs to move forward with this item.

[8:15:58 PM](#) Robrahn showed all participants on a map the proposed changes she was speaking about. She responded to a concerned voiced by Tom Bergin earlier today. Robrahn showed council and public what she was referring to. Bergin wants to keep this a 26’ width access for emergency services. Gaeddart said that the school is welcome to accommodate whatever situation is necessary.

[8:20:00 PM](#) Tom Bergin spoke to the council. Bergin has not had a chance to speak to the Blaine County Commissioners so he does not have their input included in his comments tonight. Bergin appreciates Robrahn’s notification regarding the sidewalks. Bergin was surprised at the requirement for the sidewalk and does not understand if it should apply to the owners (Blaine County) or the “developer.” And are they (Blaine County) considered the developer in this case. Bergin has an ADA back access concern on the South East side fence and whether it would be acceptable and safe to build as shown.

[8:27:23 PM](#) Williamson reiterated that the plat in front of council has been agreed to by all 3 parties. Sidewalk curb and gutter, in subdivisions sidewalks must be put in. Maple Street sidewalk does not make sense. Williamson suggested that the sidewalk should be postponed until the land is redeveloped. In the Townsite Overlay district, there are non-conforming lots; Williamson feels this is a benefit. All 3 parties suggested removing the interior lot lines.

[8:31:30 PM](#) John Gaeddart on behalf of the school district would like to see council approve this and they are happy to work on a fence solution.

Brown is good with the called out changes.

Brown moves to approve the preliminary plat [8:33:17 PM](#) of Wertheimer Park Subdivision subject to conditions a-I in staff report modifying condition c adding number 5, full width and length of all easements be shown in final plat and adding number 6, Idaho Power easements if applicable be shown on final plat, finding that the configuration and development meets the provisions and standards found in the Subdivision Ordinance, the

Zoning Ordinance and any other applicable Ordinance or policy of the City of Hailey, and is in accordance with general provisions of the Comprehensive Plan, seconded by Keirn, motion passed unanimously.

As a next step Williamson will draft a development agreement.

New Business item 317 to be discussed next as Jim Laski has returned to the meeting.

NEW BUSINESS (continued):

NB 317 Consideration of Hailey Ice Lease agreement

[8:34:58 PM](#) Jim Laski council for Hailey Ice spoke to council regarding the lease. After the last meeting Laski and Williamson revised the lease to offer reasonably affordable access to the public. Williamson added that the lease term was changed to begin at Certificate of Occupancy.

Laski added that the funding from the donor is possibly 60-90 days away, so this may delay the Ice Rink project construction.

[8:37:56 PM](#) Laski is hesitant to change wording because they want to operate the ice rink and not lose money.

Williamson suggested that we have a signed contract before construction begins.

Brown moves to approve lease, seconded by Burke, motion passed unanimously.

Now council will discuss Old Business item 323.

OLD BUSINESS:

OB 323 2nd Reading of Ord. No. 1066 - amendment to Article 7, of Hailey Zoning Ordinance No 532 to clarify requirements for Detached and Attached Accessory Structures and Chicken Coops

Mayor Davis conducted the 2nd Reading of Ordinance No. 1066 by title only.

OB 324 2nd Reading of Ord. No. 1067 - text amendment to the Hailey Zoning Ordinance No. 532, Sections 10.5.4(c) Planned Unit Developments, 11.4.1 Conditional Use Permits and 12.4 Variances

[8:43:34 PM](#) Mayor Davis conducted the 2nd Reading of Ordinance No. 1067 by title only.

OB 325 2nd Reading of Ord. No. 1068 - text amendment to the Hailey Zoning Ordinance No. 532, Article 8B, Outdoor Lighting Ordinance

[8:43:55 PM](#) Mayor Davis conducted the 2nd Reading of Ordinance No. 1068 by title only.

NB 326 Approval of Contract with Kreizenbeck Constructors for Construction Management of Rodeo Grounds Redevelopment Project

[8:45:46 PM](#) Williamson met with David Maloney last week while Tom Hellen was out of the office. From that meeting changes were made to this contract. Williamson found out in the discussions that reimbursement of one personnel would be included and make the 4% to around 7%. Kreizenbeck was hesitant to put a not to exceed amount since he's not seen the plans yet. Williamson agreed with Maloney that the project superintendent while there on site and he had to be there to meet the requirements of the project. All requests for reimbursements for reimbursable items would have to be reviewed and approved by the owner (City of Hailey).

[8:50:50 PM](#) Williamson gave council an overview of the law. If successful negotiations are not able to be met on the contract, the next contractor must be used. Time is of the essence, the sooner.

[8:53:23 PM](#) Nick Latham with RLB architectural firm spoke to council. Latham wants council to bring on Kreizenbeck.

One of Williamson's changes is regarding Article 8 – is called Dispute Resolution now not Arbitration. It goes to mediation instead of Arbitration.

Brown [8:58:00 PM](#) moves to approve contract noting changes by city attorney mentioned tonight, seconded by Keirn, motion passed unanimously.

NB 327 Rodeo Grounds project update

[8:59:02 PM](#) Nick Latham gave council an update to council. The demolition project has turned into a clean up, soil clean up site which has saved lots of money as estimated from the original numbers. RLB is continuing working on the construction documents, they plan to do plan check in about 10 days. Continuing having the Power Engineers weekly meeting on the ice rink, they may put some things on hold until the donor's funding is finalized. Sewer and Water has started.

[9:03:15 PM](#) Tom Hellen Public Works Director added that they will add this information regarding the bid process on the Rodeo Grounds project on the website.

Dave Ferguson has some concerns about safety of the demolition on the Rodeo Grounds site. Latham and Hellen will go to the site tomorrow.

STAFF REPORTS:

[9:06:33 PM](#) REEZ update from Tom Hellen - he gave a handout to council at the beginning of tonight's meeting.

[9:07:12 PM](#) Dawson pointed council to page 491 of packet – discussion of communication paths for emails to administrative and legislative officials. Also, Dawson noted that at the Blaine

County Housing Authority meetings, they have been recently presented with a proposal by John Campbell to change workforce housing deeds. It may be in front of council in September 2010.

[9:09:02 PM](#) Hailey Police Department is beginning their drug alcohol education process.

With no further business Mayor Davis concluded the meeting at 9:10 P.M.

Rick Davis, Mayor

Mary Cone, City Clerk