

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD OCTOBER 25, 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, and City Clerk Mary Cone.

OPEN SESSION:

[5:29:31 PM](#) Bob Wiederrick spoke to council regarding the community housing ordinance. Wiederrick pleaded with council to repeal the development impact fee ordinance on the heels of the city repealing the community housing ordinance. Wiederrick also asked the council to change the business license ordinance to be a one time fee. Wiederrick feels that once a fee is paid there should be no other reason for inspections by the city. Wiederrick feels that home occupations, since they are not required by ordinance, fees paid should be refunded to those businesses.

RODEO GROUNDS:

[5:35:25 PM](#) Nick Latham gave a brief Rodeo Grounds update.

MAYOR'S REMARKS:

MR 487 Pat Rainey recognition 20 years service to Fire Department

[5:36:37 PM](#) Mike Chapman presented Pat Rainey with recognition of 20 years of service to the Hailey Fire Department.

CONSENT AGENDA:

CA 476	Motion to approve Idaho State Historical Society Grant Award to Florence Blanchard to conduct research for the Hailey Rodeo Park Interpretive Exhibit and authorize mayor to sign contract	1
CA 477	Motion to adopt Idaho Community Development Block Grant (ICDBG) Citizen Participation Plan for River Street Improvements	7
CA 478	Motion to approve Joint Powers Agreement with City of Ketchum for the purpose of creating a larger group (over 100) where we will be able to gather reporting data for future benefits negotiations with Insurance Companies with the intent of saving money and increasing benefits.....	11
CA 479	Motion to approve the Community Forestry Management Interlocal Agreement with the City of Ketchum and authorize mayor to sign, \$1,000 cost annually	59
CA 480	Motion to approve contract award to low bidder to install sewer main and services to properties annexed during the High School annexation process	65
CA 481	Motion to approve and authorize the mayor to sign Special Event Hailey Turkey Trot 5k Fun Run & Walk on November 25, 2010 from 10-12 pm.....	73
CA 482	Motion to approve Summary of Ordinance No. 1070 (Pre-treatment)	83
CA 483	Motion to approve Summary of Ordinance No. 1073 (Wastewater Freeze Protection Adjustment)	87
CA 484	Motion to approve minutes from October 11, 2010 meeting and suspend the reading of them	89

CA 485	Motion to approve claims for expenses incurred during the month of September 2010	97
CA 486	Motion to approve Investment Report, Treasurer’s report with LOT report, and Capital Projects report – Rodeo Grounds.....	113

CA 477 pulled by Cone.
 CA 478 pulled by Williamson.
 CA 480 pulled by Hellen.

5:38:59 PM Haemmerle moved to approve all consent agenda items minus CA 477, CA 478 and CA 480, seconded by Burke, motion passed unanimously.

CA 477 – Cone asked council to add to the motion language, and authorize the mayor to sign.

5:39:36 PM Brown moves to approve CA 477 and authorize the mayor to sign, Keirn seconded, motion passed unanimously.

CA 478 – Williamson asked for more time to review this document until the next meeting.

CA 480 – Hellen handed out to council the results of the bidding on the sewer project. Burkes Excavation was the lowest bidder. Hellen has given the contract to Williamson for his review and asked council to make a motion to approve contract and authorize the mayor to sign.

5:42:21 PM Brown moved to approve contract with Burkes Excavation and authorize the mayor to sign, seconded by Burke, motion passed unanimously.

APPOINTMENTS AND AWARDS:

AA 488 *Arts Commission appointments (2)*

5:43:12 PM Brown moves to nominate Jim Keating and RL Rowsey to the Hailey Arts Commission, seconded by Burke, motion passed.

AA 489 *Tree Committee Appointment (1)*

5:43:54 PM Brown moves to nominate Matt Phillips to the Tree Committee for a one year term (ending 12/2011), seconded by Keirn, motion passed unanimously.

PUBLIC HEARINGS:

PH 491 *An application by ARCH Community Housing Trust for a Planned Unit Development (PUD) Agreement of 24 new residential units, located on AM Lot 2, Block 1, Sutton Subdivision (731 River St. N.) within the Business (B) zoning district. The Planning and Zoning Commission recommended approval on July 19, 2010 (continued from September 13, 2010 and October 11, 2010)*

Mayor Davis asked staff if they wanted to continue this item.

5:46:04 PM Brown makes motion to continue this item to the November 8th meeting, seconded by Keirn, motion passed.

PH 490 A city initiated text amendment to Chapter 15.08, Building Code of Hailey Municipal Code. The amendments would adopt the 2009 International Energy Conservation Code (IECC) as amended and the Build Better Program, requiring an increase in energy efficiency 10% greater than the 2009 IECC and addressing other sustainable building practices including, but not limited to, indoor water conservation and construction waste recycling. If adopted the amendments would become effective January 1, 2011. This was previously noticed for August 23, 2010, postponed by the Council to September 27, 2010, continued to October 11, 2010 and continued to October 25, 2010

PH 490 - 5:46:47 PM Mariel Platt Hailey Planner opened the discussion by talking about recent comments received this week on this item.

Williamson spoke about (pages 181-186 in the packet) the Sawtooth Board of Realtors letter. According to State Law local jurisdictions can increase requirements above mandatory requirements. Regarding in lieu payment comments, Williamson views this as beneficial to all citizens and not viewed as a tax. Thirdly, the question was raised does the points system act as a cap on building size (page 182 of packet) 5:49:49 PM, the letter does not state the court case but Williamson adds that it is *Shaeffer vs. Sun Valley* which challenged Sun Valley's linkage ordinance, the court did find that in this case it was a tax but Williamson does not see a relationship with Hailey's ordinance and Sun Valley's ordinance. The suggestion to use incentives on page 186 of packet, Williamson finds some of these good ideas and suggests council consider these options.

Platt added that we have staff capacity to adjust to these changes now 5:53:34 PM. Platt displayed responses to comments received on this program. 17 different communities currently use the HERS 3rd Party verification – including Boulder County Colorado. Platt contacted Boulder and they have had no negative feedback on their program. Platt met with 4 architects last week and listened to their concerns regarding the proposed ordinance. Some of these concerns need to be looked into further, including a direct feedback tool for the 3rd Party rater.

Platt recommends to council that this be adopted for 9 months and then be reviewed and become mandatory Jan 2012. Platt reviewed council's request to determine the cost increase to implement this program.

5:59:50 PM Dave Ferguson, Building Official spoke to council and displayed a presentation to help communicate his explanation of what additions would be required to comply with the new 2009 IECC requirements which the city is about to adopt. In Section 101.4.3 of the IECC, unaltered portions of a remodel do not need to comply with the new code. Specific to the 2006 and 2009 codes, the new addition must comply with the new codes, if a portion of the existing building is altered, it must comply. Ferguson reviewed the exceptions, storm windows placed over existing. Ferguson discussed window replacements and exceptions.

[6:08:04 PM](#) Platt reviewed Building permit fees with Ferguson and Administrator Dawson prior to tonight's meeting. Having a HERS 3rd Party rater review this code it would alleviate 50% of Ferguson's inspection. Their estimates show a potential cost savings on the building department fees on residential construction. Platt gave estimated costs estimates on small, medium and large sized homes. Platt displayed an example and explained in detail the costs associated to reach the 10% improvements. Upfront cost is .4%, \$1,220 – annual energy cost savings would be \$120.

[6:15:03 PM](#) The second energy audit Platt reviewed showed a 5 year energy savings. Simple payback was in 1-5 years. 3 homes have a payback of greater than 10 years. Platt reviewed the points menu equation with council from her presentation – focusing on the points in the right hand column. There are 3 conditions which require construction to accrue points; snow melt, new residential construction and additions over 500 square feet of conditioned space. Platt gave specific scenarios in each of these categories so that council could see samples of how many points would be required in some cases. Then Platt reviewed several ways to obtain low to no cost points; by reusing building materials, placing trees in specific places to provide some energy benefits, provide south facing overhangs.

Then Platt asked for council's direction and decision.

[6:21:26 PM](#) Brown asked about the new grant awarded to Hailey EPA – it would fund 40 more audits answered Platt.

[6:22:43 PM](#) Ferguson handed out a sample of cost savings on a house in Woodside (Invoice for 1920 Laurelwood Dr.). The reduced fee would be the first two items on the invoice handout. The price for the building permit and the plan check fee would be reduced by 50%, in this example the cost would go from \$2102 and \$1366 to \$1051 and \$683 respectively.

Haemmerle asked if the committee considered incentives. Platt confirmed yes, including reduced building department fees.

Ferguson explained the process and price used to calculate fees is \$120 per square foot – these fees haven't been raised in 5 years. Blaine County looks at the square foot evaluation, a myriad of complexities to calculate the fees. Sun Valley and Ketchum range from \$120 - \$150/sq ft.

Public Comments:

[6:30:52 PM](#) Marc Corney of 565 Mother Lode Loop – added signatures to Derek Ryan's letter submitted for council's packet. There are 25 Architects names on this page as signature's in addition to Ryan's name.

[6:32:00 PM](#) Tony Evans Idaho Mountain Express asked if it was in support. Corney answered that it was in support of the general idea but brought up some concerns. Evans asked if older homes saw quicker pay back – Platt could not confirm. Evans asked where the data was coming from – audits done in the last 2 years answered Platt.

[6:33:58 PM](#) Mark Pynn 110 East Fork Road – feels that Derek Ryan’s letter is not necessarily in support of the ordinance. Pynn finds the proposed ordinance challenging and difficult to enact. Pynn sent in a letter today to council which was given to them at the meeting.

[6:35:45 PM](#) Jolyon Sawrey of 30 Wyatt Drive spoke to council. Sawrey as an architect is in support of the 10% above code suggestions. The National AIA chapter encourages all architects involvement in local communities by promoting energy efficiency in construction.

[6:38:15 PM](#) Burke feels a voluntary period is key because of the complicated nature of the proposed ordinance. Burke is confident that we can work out streamlining and incentivizing.

[6:40:08 PM](#) Haemmerle agrees with Burke. Haemmerle would like to see real costs during this voluntary period and more incentives. Haemmerle clarifies that in one year there must be an affirmative action by council to make this mandatory. Haemmerle encourages the Architects to work with staff on their concerns.

[6:42:09 PM](#) Keirn agrees with both Haemmerle and Burke. Keirn would like to see reports from Platt and Ferguson as new home construction are applied to this code. Keirn wondered how many changes we’ll see within this year timeframe.

Williamson clarified that what the written document states and staff’s recommendation is slightly different.

[6:46:25 PM](#) Brown agrees with all council’s comments. Brown spent the weekend taking FEMA’s independent study courses (Continuity of Operations and Emergency Support Function). FEMA encourages municipalities to get their building code as energy efficient as possible in case of an energy recovery situation.

Haemmerle [6:48:43 PM](#) makes a motion to adopt Ordinance No. 1074, Build Better Program (BBP) and the 2009 IECC code; where the BBP shall be voluntary until council makes motion to make it mandatory, seconded by Keirn, motion passed unanimously.

Mayor Davis conducted the First reading of Ordinance No. 1074 by title only.

Brown encouraged the local Architects to continue working with staff with their great comments.

PH 492 A city initiated text amendment to Article 4.10, Flood Hazard Overlay District of Hailey Zoning Ordinance No. 532. The amendments would adopt the November 26, 2010 revisions to the FEMA Map and Flood Insurance Study; create definitions, clarify procedures, processes, and application requirements associated with Stream Alteration and Flood Hazard Development Permits; establish a noticing procedure for Flood Hazard Development Permits associated with subdivisions; and establish that unbuildable lots have no minimum lot size. The Planning & Zoning Commission recommended adoption of these amendments on September 20, 2010

[6:51:19 PM](#) Jim Zarubica, Hailey Assistant Engineer spoke to council. This is an amendment to the current floodplain ordinance. This is precipitated by FEMA's adoption of a new flood study complete in the spring of 2010 which needs to be adopted by November 26, 2010.

Williamson [6:53:03 PM](#) reviewed this and also spoke with a FEMA representative on last Friday. Williamson referred to page 261 in packet # 2 "All subdivision proposals shall a-e." Williamson has questions about item b. – what is this? Williamson handed council his comments/suggestions to this ordinance. Williamson's suggestion is to replace the language on item b with the following: "Reduce Flood damage, to the extent possible, through design criteria, such as requiring building envelopes, minimizing the size of the building envelopes, locating building envelopes in the safest locations, reducing the number and size of encroachments in the Floodplain and providing unobstructed passage of Flood waters." The FEMA representative was amenable to this language change. It should read "Greater than fifty lots or five acres whichever is less" – (page 10, page 261 in packet). The number five was not stated in the sentence and should be. How does one measure "significant" danger (referring to # 1. on page 261 of packet) – how do you measure this asked Brown.

[6:59:34 PM](#) Haemmerle pointed council to page 256 in packet. There are in fact portions of the floodway are outside the top of the bank of the flood channel answered Zarubica. Haemmerle asked why we have stream alterations floodways permit if FEMA does also?

Haemmerle asked if we are required to have a no net rise? Zarubica clarified that the city has added a 1 foot net rise for the flood overlay area. Haemmerle would like to see a reasonable net rise.

Section 4.10.8 Zarubica suggested adding an exemption for irrigation purposes.

[7:22:35 PM](#) John Gaeddart spoke to council and asked if this cleaned up the Woodside floodplain. Zarubica answered, no it does not.

Brown moves to continue to discussion to the Nov. 8th meeting to allow staff to discuss suggested changes with FEMA and bring back to council, seconded Haemmerle, motion passed.

OLD BUSINESS:

OB 493 Consideration of MOU – Planning of Redevelopment of Friedman Memorial Airport Site

[7:24:45 PM](#) Williamson asked to revisit this later in the meeting. He wanted to make a copy of a page that did not make it into the council packet.

OB 494 3rd Reading of Ordinance No. 1071 and authorize the mayor to sign

Brown moves to approve and authorize the mayor to sign, seconded by Keirn, motion passed unanimously.

Mayor Davis conducted the 3rd Reading of Ordinance No. 1071 by title only

OB 495 3rd Reading of Ordinance No. 1072 and authorize the mayor to sign

Brown moves to approve Ordinance No. 1072, Keirn seconded, motion passed.

Mayor Davis conducted the 3rd Reading of Ordinance No.1072 by title only

OB 496 3rd Reading of Ordinance No. 1073 and authorize the mayor to sign

Brown moves to approve Ordinance No. 1073, Keirn seconded, motion passed.

Mayor Davis conducted the 3rd Reading of Ordinance No. 1073 by title only

Mayor called for a 5 minute recess at 7:30 pm.

OB 493 Consideration of MOU – Planning of Redevelopment of Friedman Memorial Airport Site

[7:32:35 PM](#) Williamson supports and suggests council adopt the revised MOU. Haemmerle clarified that the county does not want to have any say in the redevelopment of the Friedman airport site.

Keirn moves to adopt the MOU and authorize mayor to sign, seconded by Burke, motion passed unanimously.

NEW BUSINESS:

NB 497 Discussion of SPF report on conjunctive management

Roxanne Brown with SPF Engineering spoke to council [7:36:06 PM](#). Brown gave council an overview of how the state administered ground and surface water rights in the past (viewed separately) and how that view may be changing with the end of the SRBA. A partial decree will be issued for every water right in the area added Brown. Conjunctive Management could be implemented within the next 5-10 years – there is no way to tell for sure when this will happen as many things must be in place before it happens.

[7:47:36 PM](#) Haemmerle asked, with SPF's prediction we would not have enough water with the early water rights that we own. Roxanne Brown confirmed Haemmerle is correct. Roxanne Brown suggested that we start using Hiawatha Canal water and water from other sources including Indian Creek Springs as mitigation as well as other options.

Hellen mentions the ongoing USGS study – is showing that the water table is dropping.

Williamson asked a question about comingling of Indian Creek surface water with ground water sources in Hailey (water from wells) – is there anything that needs to be done with the state to ensure that Hailey will get credit for the Indian Creek water as a surface right? Roxanne Brown

thinks this is the least likely successful suggestion. The cost of operating the pumps at Indian Creek in the winter is costly. Roxanne Brown is suggesting that council take their suggestions and decide what is the most efficient path for the city.

Document the Water source policy is one suggestion by SPF. Roxanne Brown explains that they meant to prepare for the worst case scenario. Developing a policy will help in making the decision easier suggested Roxanne Brown. 2 things Brown would like the city to address, Hiawatha canal water use - not treating open space with treated water – and developing a policy for when/if water has been called/reduced.

Williamson again asked the question about commingling Indian Creek and Hiawatha water. Roxanne Brown indicated that Hailey ought to continue to document the quantity of water from all sources and suggested vigorously defending water rights on the canal.

Haemmerle referred to the information on page 12 of the SPF report – total cfs from Indian Creek and Hiawatha Water would be 5.48 cfs (#2, last paragraph from Possible Mitigation Options to Avoid Curtailment). Summer usage would be 8.5 cfs which leaves us at a deficit of 3 cfs. Measuring peak irrigation demands in July and getting a good handle on that, and find out how we could reduce/eliminate this deficit would be a good objective measure adds Haemmerle.

[8:20:09 PM](#) Carol Brown would like to see how we currently use our water (pumps and systems) and if we had to reduce watering – what would it look like.

NB 498 Discussion of Rodeo Grounds “soft costs”

[8:23:51 PM](#) Rodeo Grounds “soft costs” – Becky Stokes Treasurer reviewed the information with council. Will the council allow reimbursement from the capital fund to the general fund, water fund and wastewater fund?

Keirn understood that this would be reimbursed.

Council suggests that the funds come out of the CIP fund not from the Bond fund.

NB 499 Discussion of proposed revision to Tree Ordinance to address encroachment fees, replacement costs and procedures for Public Trees

[8:31:43 PM](#) Hellen gave an overview to council. If someone wants to remove a tree in the right of way, they can pay us for the value of the tree and remove it and the city can plant trees elsewhere. Haemmerle would like to remove the word “maintain.”

Hellen will make the suggested changes and will be back in front of council as a public hearing.

STAFF REPORTS:

[8:38:56 PM](#) Hellen handed out a staff report on EECBG grant.

[8:40:07 PM](#) Brown attended the Ready Hailey event last Saturday. The LEAP meetings are underway with staff

[8:40:42 PM](#) Keirn attended the Sun Valley Economic Development meeting. There was a major push by the private sector individuals to have the public officials be voting rather than ex-officio and the 3 present public officials declined this suggestion. The Department of Labor has assigned a project manager to the business retention expansion program that they are conducting. And they will start interviewing for an Executive Director soon.

EXECUTIVE SESSION: Pending & Imminently Likely Litigation (IC 67-2345(1)(f))

Haemmerle moves to go into Executive Session to discuss Pending & Imminently Likely Litigation (IC 67-2345(1)(f)), seconded by Burke, motion passed with roll call vote at 8:45 pm. Burke, yes. Haemmerle, yes. Keirn, yes. Brown, yes.

Mayor Davis and council came out of Executive Session and concluded the meeting at 8:53 P.M.

Rick Davis, Mayor

Mary Cone, City Clerk