

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD OCTOBER 27, 2014
IN THE HAILEY TOWN CENTER MEETING ROOM**

The Meeting of the Hailey City Council was called to order at 5:29 P.M. by Mayor Fritz Haemmerle. Present were Council members Carol Brown, Don Keirn, Pat Cooley, and Martha Burke. Staff present included City Attorney Ned Williamson, City Administrator Heather Dawson, and City Clerk Mary Cone.

[5:29:50 PM](#) call to order

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

[5:30:20 PM](#) Motion to go into Executive Session Pending & Imminently Likely Litigation (IC 67-2345(1)(f)). By Burke, seconded by Keirn. Motion passed with roll call vote. Brown, yes. Keirn, yes. Cooley, yes. Burke, yes.

[5:34:11 PM](#) Mayor Haemmerle and council came out of Executive Session

NEW BUSINESS:

NB 399 Discussion of proposed settlement agreement in Old Cutters and Mountain West Bank v. City of Hailey and consideration of Settlement Agreement and Unconditional Release of Claims on Appeal with Resolution 2014-89

Mayor Haemmerle gave a summary of this item, giving the history of what has happened to date. The city of Hailey appealed [5:36:42 PM](#) and lost the appeal, and was ordered to pay an additional \$8,750 in attorney's fees. After this time, Hailey attempted to reach a settlement with Old Cutters and offered to pay all attorney's fees to date with a signed release. Old Cutters refused this offer. Now, the parties have reached a resolution. Hailey will dismiss the appeal. Hailey will pay attorney's fees \$116,385. Hailey will give a credit to Old Cutters for Development Impact Fees in the amount of \$105,000. These are credits to be given based on future development. Hailey will obtain a full release from Old Cutters Inc. This matter is now concluded. Despite what Hailey has been through, we believe this development is good for our community.

[5:39:43 PM](#) Keirn moved to approve proposed settlement agreement with Old Cutters and Mountain West Bank, motion seconded by Burke, motion amended by Keirn, to add Resolution number 2014-89 and conditionally upon signatures and acceptances by Old Cutters and Mountain West Bank, and amended motion was seconded by Burke. Motion passed. Brown, yes. Keirn, yes. Cooley, yes. Burke, yes.

[5:41:24 PM](#) Motion to approve lien release, as exhibit A to the Settlement Agreement by Brown conditioned on getting all signatures on Settlement Agreement by all parties before

signing the lien release, seconded by Keirn. Motion passed unanimously. Brown, yes. Keirn, yes. Cooley, yes. Burke, yes.

[5:42:31 PM](#) Hailey has issued a press release and will give it to anyone that is interested in reading it.

[5:42:46 PM](#) **Brown moved to adjourn meeting, motion seconded by Keirn, motion passed unanimously.**