

AGENDA ITEM SUMMARY

DATE: 4/18/2012 DEPARTMENT: Treasurer

DEPT. HEAD SIGNATURE: 

SUBJECT:

CERTIFICATES OF DEPOSIT AT LOCAL BANKS UPDATE

AUTHORITY: ID Code _____ IAR _____ City Ordinance/Code ___ Bond Agreement ___
(IFAPPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

The Local Government Investment Pool (LGIP) continues to pay interest at 0.2%. In May 2009 the city established six fully insured CDs at the local banks in the amount of \$250,000 per fund to obtain better, safe but liquid returns.

Four of the first round of CDs have matured and the principle and interest have been moved into their respective LGIP. The other three CDs, paying between 1.87 and 3.61% interest, mature between 9/4/12 and 6/4/14. We are watching for interesting investments for the LGIP funds, aware of the need to balance liquidity, security and interest rates while being attentive to cash flow needs for capital projects.

The City is obligated to maintain a Water System Note Reserve Fund equal to one year's payment of the water bond. To that end, I would like to open a CD with Mountain West Bank in the amount of \$167,886.00 They offer a five year CD paying 1.36% with an early withdrawal penalty of six month's interest. I feel this is a decent rate of interest and the funds can be withdrawn early in the event interest rates increase substantially over the life of the CD.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

Budget Line Item # _____ -0- _____ YTD Line Item Balance \$ _____
Estimated Hours Spent to Date: _____ Estimated Completion Date: _____
Staff Contact: _____ Phone # _____
Comments: _____

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IFAPPLICABLE)

___ City Attorney	___ Clerk / Finance Director	___ Engineer	___ Building
___ Library	___ Planning	___ Fire Dept.	_____
___ Safety Committee	___ P & Z Commission	___ Police	_____
___ Streets	___ Public Works, Parks	___ Mayor	_____

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Move to authorize signatures for the purchase of \$167,886 CD at Mountain West Bank at 1.36% interest.

FOLLOW-UP REMARKS:

Date Opened: 04/19/12 Term: 60 Month(s) Tax ID: 82-6000201 Number: 8213200000016

CERTIFICATE OF DEPOSIT COPY

AND

Account Number: 8213200000016

CERTIFICATE OF DEPOSIT SIGNATURE CARD

Dollar Amount of Deposit: One hundred sixty seven thousand eight hundred eighty six & no/100 167,886.00

This Time Deposit is Issued to:

Issuer:

CITY OF HAILEY
115 MAIN S MAIN STR. SUITE H
HAILEY ID 83333

Mountain West Bank
Hailey Branch
206 North Main
Hailey, ID 83333

Not Negotiable - Not Transferable - Additional terms are below.

By HEATHER ABRAMS

Additional Terms and Disclosures

This form contains the terms for your time deposit. It is also the Truth-in-Savings disclosure for those depositors entitled to one. There are additional terms and disclosures on page two of this form, some of which explain or expand on those below. You should keep one copy of this form.

Maturity Date: This account matures 04/19/17 (See below for renewal information.)

Rate Information: The interest rate for this account is 1.35% with an annual percentage yield of 1.36%. This rate will be paid until the maturity date specified above. Interest begins to accrue on the business day you deposit any noncash item (for example, a check).

Interest will be compounded Quarterly Interest will be credited quarterly added back to the certificate

- The annual percentage yield assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings. If you close your account before interest is credited, you will not receive the accrued interest.

The NUMBER OF ENDORSEMENTS needed for withdrawal or any other purpose is: 1

Minimum Balance Requirement: You must make a minimum deposit to open this account of \$ 500.00

You must maintain this minimum balance on a daily basis to earn the annual percentage yield disclosed.

Withdrawals of Interest: Interest accrued credited during a term can be withdrawn: anytime

Early Withdrawal Penalty: If we consent to a request for a withdrawal that is otherwise not permitted you may have to pay a penalty. The penalty will be an amount equal to: 180 DAYS interest on the amount withdrawn.

Renewal Policy:

- Single Maturity: If checked, this account will not automatically renew. Interest will will not accrue after maturity. Automatic Renewal: If checked, this account will automatically renew on the maturity date. (see page two for terms) Interest will will not accrue after final maturity.

ACCOUNT OWNERSHIP: You have requested and intend the type of account marked below.

- Individual Joint Account - With Survivorship Joint Account - No Survivorship Trust: Separate Agreement Dated Public Funds

Revocable Trust or Pay on Death Designation as defined in this agreement (Beneficiaries' names and addresses)

BACKUP WITHHOLDING CERTIFICATIONS

TIN: 82-6000201

Taxpayer I.D. Number - The Taxpayer Identification Number shown above (TIN) is my correct taxpayer identification number.

Backup Withholding - I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

Exempt Recipients - I am an exempt recipient under the Internal Revenue Service Regulations.

SIGNATURE - I certify under penalties of perjury the statements checked in this section and that I am a U.S. person (including a U.S. resident alien).

DATE

SIGNATURES: I AGREE TO THE TERMS STATED ON PAGE ONE AND PAGE TWO.

X X X

DEFINITIONS: "We," "our," and "us" mean the issuer of this account and "you" and "your" mean the depositor(s). "Account" means the original certificate of deposit as well as the deposit it evidences.

TRANSFER: "Transfer" means any change in ownership, withdrawal rights, or survivorship rights, including (but not limited to) any pledge or assignment of this account as collateral. You cannot transfer this account without our written consent.

PRIMARY AGREEMENT: You agree to keep your funds with us in this account until the maturity date. (An automatically renewable account matures at regular intervals.) You may not transfer this account without first obtaining our written consent. You must present this certificate when you request a withdrawal or a transfer.

This account is void if the deposit is made by any method requiring collection (such as a check) and the deposit is not immediately collected in full. If the deposit is made or payable in a foreign currency, the amount of the deposit will be adjusted to reflect final exchange into U.S. dollars.

We may change any term of this agreement. Rules governing changes in interest rates have been provided. For other changes we will give you reasonable notice in writing or by any other method permitted by law.

If any notice is necessary, you all agree that the notice will be sufficient if we mail it to the address listed on page one of this form. You must notify us of any change.

WITHDRAWALS AND TRANSFERS: Only those of you who sign the permanent signature card may withdraw funds from this account. (In appropriate cases, a court appointed representative, a beneficiary of a trust or pay-on-death account whose right of withdrawal has matured, or a newly appointed and authorized representative of a legal entity may also withdraw from this account.) The specific number of you who must agree to any withdrawal is written on page one in the section bearing the title **NUMBER OF ENDORSEMENTS**. This means, for example, that if two of you sign the signature card but only one endorsement is necessary for withdrawal then either of you may request withdrawal of the entire account at any time. Unless otherwise specified in writing, only one endorsement is required to withdraw funds from this account.

These same rules apply to define the names and the number of you who can request our consent to a transfer.

PLEDGES: Any pledge of this account (to which we have agreed), must first be satisfied before the rights of any joint account survivor, pay-on-death beneficiary or trust account beneficiary become effective. For example, if one joint tenant pledges the account for payment of a debt and then dies, the surviving joint tenant's rights in this account are subject first to the payment of the debt.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION: You intend these rules to apply to this account depending on the form of ownership and beneficiary designation, if any, specified on page 1. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

Individual Account - Such an account is owned by one person.

Joint Account With Survivorship (And Not As Tenants In Common) - Such an account is owned by two or more persons. Each of you intend that upon your death the balance in the account (subject to any previous pledge to which we have consented) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account ownership as joint tenants with survivorship and not as tenants in common.

Joint Account - No Survivorship (As Tenants In Common) - Such an account is owned by two or more persons but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the "number of endorsements" necessary for withdrawal.

Revocable Trust and Pay-on-Death Account (subject to this agreement) - If two or more of you create such an account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. Any such beneficiary may withdraw all or any part of the account balance. The person(s) creating either of these account types reserves the right to: (1) change beneficiaries; (2) change account types; and (3) withdraw all or part of the deposit at any time.

Trust Account Subject to Separate Agreement - We will abide by the terms of any separate agreement which clearly pertains to this account and which you file with us. Any additional consistent terms stated on this form will also apply.

SET-OFF: You each agree that we may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such person's or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off does not apply to this account if: (a) it is an Individual Retirement Account or other tax-deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan, or (c) the debtor's right of withdrawal arises only in a representative capacity. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set-off.

BALANCE COMPUTATION METHOD: We use the daily balance method to calculate the interest on this account. This method applies a daily periodic rate to the principal in the account each day.

TRANSACTION LIMITATIONS: You cannot make additional deposits to this account during a term (other than credited interest). You cannot withdraw principal from this account without our consent except on or after maturity. (For accounts that automatically renew, there is a grace period after each renewal date during which withdrawals are permitted without penalty.)

In certain circumstances, such as the death or incompetence of an account owner, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

FOR ACCOUNTS THAT AUTOMATICALLY RENEW: Each renewal term will be 60 Months, beginning on the maturity date (unless we notify you, in writing, before a maturity date, of a different term for renewal).

You must notify us in writing before, or within a 10 day grace period after, the maturity date if you do not want this account to automatically renew.

Interest earned during one term that is not withdrawn during or immediately after that term is added to principal for the renewal term.

The rate for each renewal term will be determined by us on or just before the renewal date. You may call us on or shortly before the maturity date and we can tell you what the interest rate will be for the next renewal term. On accounts with terms of longer than one month we will remind you in advance of the renewal and tell you when the rate will be known for the renewal period.

See your plan disclosure if this account is part of an IRA.

Certificate of Deposit

Account Number: 8213200000016

Dollar

Amount of

Deposit: One hundred sixty seven thousand eight hundred eighty six & no/100 167,886.00

This Time Deposit is Issued to:

Issuer:

CITY OF HAILEY
115 MAIN S MAIN STR. SUITE H
HAILEY ID 83333

Mountain West Bank
Hailey Branch
206 North Main
Hailey, ID 83333

Not Negotiable - Not Transferable - Additional terms are below.

By 
HEATHER ABRAMS

Additional Terms and Disclosures

This form contains the terms for your time deposit. It is also the Truth-in-Savings disclosure for those depositors entitled to one. There are additional terms and disclosures on page two of this form, some of which explain or expand on those below. You should keep one copy of this form.

Maturity Date: This account matures 04/19/17
(See below for renewal information.)

Rate Information: The interest rate for this account is 1.35% with an annual percentage yield of 1.36%. This rate will be paid until the maturity date specified above. Interest begins to accrue on the business day you deposit any noncash item (for example, a check). Interest will be compounded Quarterly. Interest will be credited quarterly added back to the certificate.

- The annual percentage yield assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings.
- If you close your account before interest is credited, you will not receive the accrued interest.

The NUMBER OF ENDORSEMENTS needed for withdrawal or any other purpose is: 1

Minimum Balance Requirement: You must make a minimum deposit to open this account of \$ 500.00

- You must maintain this minimum balance on a daily basis to earn the annual percentage yield disclosed.

Withdrawals of Interest: Interest accrued credited during a term can be withdrawn: anytime

Early Withdrawal Penalty: If we consent to a request for a withdrawal that is otherwise not permitted you may have to pay a penalty. The penalty will be an amount equal to: 180 DAYS

interest on the amount withdrawn.

Renewal Policy:

- Single Maturity: If checked, this account will not automatically renew. Interest will will not accrue after maturity.
- Automatic Renewal: If checked, this account will automatically renew on the maturity date. (see page two for terms) Interest will will not accrue after final maturity.

ACCOUNT OWNERSHIP: You have requested and intend the type of account marked below.

- Individual
- Joint Account - With Survivorship (and not as tenants in common)
- Joint Account - No Survivorship (as tenants in common)
- Trust: Separate Agreement Dated _____
- Public Funds

Revocable Trust or Pay on Death Designation as defined in this agreement (Beneficiaries' names and addresses)

BACKUP WITHHOLDING CERTIFICATIONS

TIN: 82-6000201

Taxpayer I.D. Number - The Taxpayer Identification Number shown above (TIN) is my correct taxpayer identification number. Exempt Recipients - I am an exempt recipient under the Internal Revenue Service Regulations.

Backup Withholding - I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding. A provision for my signature, certifying under penalty of perjury the statements checked in this section and that I am a U.S. person (including a U.S. resident alien), is contained on the first copy of this certificate.

ENDORSEMENTS - SIGN ONLY WHEN YOU REQUEST WITHDRAWAL

X _____
X _____
X _____

DEFINITIONS: "We," "our," and "us" mean the issuer of this account and "you" and "your" mean the depositor(s). "Account" means the original certificate of deposit as well as the deposit it evidences.

TRANSFER: "Transfer" means any change in ownership, withdrawal rights, or survivorship rights, including (but not limited to) any pledge or assignment of this account as collateral. You cannot transfer this account without our written consent.

PRIMARY AGREEMENT: You agree to keep your funds with us in this account until the maturity date. (An automatically renewable account matures at regular intervals.) You may not transfer this account without first obtaining our written consent. You must present this certificate when you request a withdrawal or a transfer.

This account is void if the deposit is made by any method requiring collection (such as a check) and the deposit is not immediately collected in full. If the deposit is made or payable in a foreign currency, the amount of the deposit will be adjusted to reflect final exchange into U.S. dollars.

We may change any term of this agreement. Rules governing changes in interest rates have been provided. For other changes we will give you reasonable notice in writing or by any other method permitted by law.

If any notice is necessary, you all agree that the notice will be sufficient if we mail it to the address listed on page one of this form. You must notify us of any change.

WITHDRAWALS AND TRANSFERS: Only those of you who sign the permanent signature card may withdraw funds from this account. (In appropriate cases, a court appointed representative, a beneficiary of a trust or pay-on-death account whose right of withdrawal has matured, or a newly appointed and authorized representative of a legal entity may also withdraw from this account.) The specific number of you who must agree to any withdrawal is written on page one in the section bearing the title **NUMBER OF ENDORSEMENTS**. This means, for example, that if two of you sign the signature card but only one endorsement is necessary for withdrawal then either of you may request withdrawal of the entire account at any time. Unless otherwise specified in writing, only one endorsement is required to withdraw funds from this account.

These same rules apply to define the names and the number of you who can request our consent to a transfer.

PLEDGES: Any pledge of this account (to which we have agreed), must first be satisfied before the rights of any joint account survivor, pay-on-death beneficiary or trust account beneficiary become effective. For example, if one joint tenant pledges the account for payment of a debt and then dies, the surviving joint tenant's rights in this account are subject first to the payment of the debt.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION: You intend these rules to apply to this account depending on the form of ownership and beneficiary designation, if any, specified on page 1. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

Individual Account - Such an account is owned by one person.

Joint Account With Survivorship (And Not As Tenants In Common) - Such an account is owned by two or more persons. Each of you intend that upon your death the balance in the account (subject to any previous pledge to which we have consented) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account ownership as joint tenants with survivorship and not as tenants in common.

Joint Account - No Survivorship (As Tenants In Common) - Such an account is owned by two or more persons but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the "number of endorsements" necessary for withdrawal.

Revocable Trust and Pay-on-Death Account (subject to this agreement) - If two or more of you create such an account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. Any such beneficiary may withdraw all or any part of the account balance. The person(s) creating either of these account types reserves the right to: (1) change beneficiaries; (2) change account types; and (3) withdraw all or part of the deposit at any time.

Trust Account Subject to Separate Agreement - We will abide by the terms of any separate agreement which clearly pertains to this account and which you file with us. Any additional consistent terms stated on this form will also apply.

SET-OFF: You each agree that we may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such person's or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off does not apply to this account if: (a) it is an Individual Retirement Account or other tax-deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan, or (c) the debtor's right of withdrawal arises only in a representative capacity. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set-off.

BALANCE COMPUTATION METHOD: We use the daily balance method to calculate the interest on this account. This method applies a daily periodic rate to the principal in the account each day.

TRANSACTION LIMITATIONS: You cannot make additional deposits to this account during a term (other than credited interest). You cannot withdraw principal from this account without our consent except on or after maturity. (For accounts that automatically renew, there is a grace period after each renewal date during which withdrawals are permitted without penalty.)

In certain circumstances, such as the death or incompetence of an account owner, the law permits; or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

FOR ACCOUNTS THAT AUTOMATICALLY RENEW: Each renewal term will be 60 Months, beginning on the maturity date (unless we notify you, in writing, before a maturity date, of a different term for renewal).

You must notify us in writing before, or within a 10 day grace period after, the maturity date if you do not want this account to automatically renew.

Interest earned during one term that is not withdrawn during or immediately after that term is added to principal for the renewal term.

The rate for each renewal term will be determined by us on or just before the renewal date. You may call us on or shortly before the maturity date and we can tell you what the interest rate will be for the next renewal term. On accounts with terms of longer than one month we will remind you in advance of the renewal and tell you when the rate will be known for the renewal period.

See your plan disclosure if this account is part of an IRA.

Mountain West Bank
Hailey Branch
206 North Main
Hailey, ID 83333

**TRUTH IN SAVINGS DISCLOSURE
FOR TIME ACCOUNTS**

Terms following a apply only if checked.

Acct: 5 YEAR CD
Acct #: 8213200000016
Date: APRIL 19, 2012

The interest rate and annual percentage yield stated below are accurate as of the date printed above. If you would like more current rate and yield information please call us at (208) 578-0449.

This disclosure contains the rules which govern your deposit account. Unless it would be inconsistent to do so, words and phrases used in this disclosure should be construed so that the singular includes the plural and the plural includes the singular.

FIXED RATE:

The interest rate for your account is 1.35 % with an annual percentage yield of 1.36 %. We will pay this rate until maturity.
 The interest rate and annual percentage yield for your account depend upon the applicable rate tier. We will pay these rates _____.

VARIABLE RATE:

The interest rate for your account is _____ % with an annual percentage yield of _____ %. Your interest rate and annual percentage yield may change.
 The interest rate and annual percentage yield for your account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change.

Determination of Rate:

At our discretion, we may change the interest rate on your account.
 The interest rate for your account _____.

The fixed initial rate is not determined by this rule.
 The initial interest rate on your account _____.

Subsequent rates _____.

Frequency of Rate Change:

We may change the interest rate on your account _____.
 Your initial interest rate will not change until maturity.

We may change the interest rate on your account at that time and _____ thereafter.

Limitations on Rate Changes:

The interest rate for your account will not _____ by more than _____ each _____.

The interest rate will not be less than _____ % or more than _____ %.
 The interest rate will not _____.

the interest rate initially disclosed to you.

COMPOUNDING AND CREDITING:

Frequency - Interest will _____ be compounded quarterly.
Interest will be paid quarterly _____ added back to the certificate _____.

Withdrawal of Interest Before Maturity. The annual percentage yield assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings.

Required Interest Distribution. This account requires the distribution of interest and does not allow interest to remain in the account.

Effect on Closing an Account. If you close your account before interest is credited, you will _____ receive the accrued interest.

MINIMUM BALANCE REQUIREMENTS:

To Open the Account. You must deposit at least \$ 500.00 to open this account.

To Obtain the Annual Percentage Yield Disclosed.
 You must maintain a minimum balance of \$ 500.00 in the account each day to obtain the disclosed annual percentage yield.

You must maintain a minimum average daily balance of \$ _____ to obtain the disclosed annual percentage yield. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.
The period we use is _____.

BALANCE COMPUTATION METHOD:

Daily Balance Method. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

Average Daily Balance Method. We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.
The period we use is _____.

ACCUAL OF INTEREST ON NONCASH DEPOSITS:

Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Interest begins to accrue _____.
_____ you deposit noncash items (for example, checks).

MATURITY DATE:

Your account will mature on 04/19/17.
 Your account will mature in 60 Months.
 We may accelerate the maturity or call this account, at our option, _____.

Your account has no definite maturity date. To withdraw any or part of this deposit without penalty, we must receive at least _____ written notice from you of your intention to make a withdrawal. The notice must specify the exact amount and date of the intended withdrawal. Interest will no longer accrue after the withdrawal date specified in your notice on the amount specified in your notice. We may terminate this account by mailing a notice to you of our intention to terminate at least ten days before the termination date. The date of intended withdrawal of the last funds in the account, or the termination date, is considered to be the maturity date.

TIME DEPOSIT WITHDRAWAL LIMITATIONS:

Principal: You may not make a principal withdrawal from this account until maturity date.

Interest: Interest may be withdrawn after it has been credited to the account balance.

Interest Timing: You can withdraw interest _____

EARLY WITHDRAWAL PENALTY:

A penalty may will be imposed for withdrawals before maturity. The penalty will be an amount equal to:

- Seven days' interest on the amount withdrawn if the withdrawal is made within the first six days after the deposit.
- 180 days' interest on the amount withdrawn
- 90 days' interest on the amount withdrawn
- 30 days' interest on the amount withdrawn
- _____

The interest rate we will use to calculate the interest forfeiture will be: _____

We will charge the penalty first against any interest then in the account, and any excess will be deducted from the amount you withdraw.

If you withdraw some of your funds before maturity, the interest rate for the remaining funds in your account will be _____ % with an annual percentage yield of _____ %.

Minimum Balance Accounts. We reserve the right to treat any withdrawal which would reduce the balance remaining in the account below the required minimum initial deposit or minimum balance as a withdrawal of the entire account balance and calculate the amount of the penalty accordingly.

In certain circumstances, such as the death or incompetence of an account owner, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

ADDITIONS TO ACCOUNT:

- You may make no more than _____ deposits into your account each _____
- You may only make deposits into your account _____

- You may make unlimited deposits into your account.
- You may not make any deposits into your account until maturity.
- The minimum amount you can deposit is \$ _____.
- The maximum amount you can deposit is \$ _____.
- _____

RENEWAL POLICY:

Single Maturity: This account will not renew automatically at maturity. If you do not renew the account, _____

Automatic Renewal: This account will automatically renew at maturity.

You will have 10 days after the maturity date to withdraw funds without penalty.

Exceptions to Automatic Renewal: This account will not renew if you withdraw the funds on the maturity date or if we receive written notice from you on or before the maturity date of your intention not to renew.

There is no grace period following the maturity of this account to withdraw funds without penalty.

RENEWAL TERMS:

Same Term As Original: Each renewal term will be the same as the original term, beginning on the maturity date.

Different Term: Each renewal term will be _____, beginning on the maturity date.

RENEWAL INTEREST CALCULATION:

Same Interest Calculation: Interest will be calculated on the same basis as during the original term.

Different Interest Calculation: The interest rate will be the current bank rate for the account term. You may call (208) 765-0284 for current rates.

BONUSES:

You will _____ as a bonus _____

You must maintain a minimum _____ of \$ _____ to obtain the bonus.

To earn the bonus, _____

PRE-MATURITY NOTICE: Your account will mature on _____ . If the account renews, the new maturity date will be _____

The interest rate for the renewed account will be _____ % with an annual percentage yield of _____ %.

The interest rate and annual percentage yield have not yet been determined. They will be available on 04/19/17

Please call (208) 578-0449 to learn the interest rate and annual percentage yield for your new account.

ADDITIONAL TERMS:

FACTS

WHAT DOES GLACIER BANCORP, INC. DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- account balances and payment history
- credit history and account transactions

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Glacier Bancorp, Inc. chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Glacier Bancorp, Inc. share?	Can you limit this sharing?
For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes—to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes—information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes—information about your creditworthiness	No	No
For nonaffiliates to market to you	No	No

Questions?

Call or go to website:

Bank of The San Juans	Web: www.banksanjuans.com	Ph: 970-247-1818
Big Sky Western Bank	Web: www.bigskybank.com	Ph: 406-587-2922
Citizens Community Bank	Web: www.ccb-idaho.com	Ph: 208-232-5373
1st Bank	Web: www.1stbank-online.com	Ph: 800-274-7086
First Bank Montana	Web: www.1stbmt.com	Ph: 406-538-7471
First Bank of Wyoming	Web: www.firstbankofwyoming.com	Ph: 307-754-2201
First Security Bank	Web: www.fsbmsla.com	Ph: 406-728-3115
Glacier Bancorp	Web: www.glacierbancorp.com	Ph: 800-735-4371
Glacier Bank	Web: www.glacierbank.com	Ph: 800-735-4371
Mountain West Bank	Web: www.mountainwestbank.com	Ph: 800-641-5401
Valley Bank of Helena	Web: www.valleybankhelena.com	Ph: 406-495-2400
Western Security Bank	Web: www.westernsecuritybank.com	Ph: 406-238-8820

Who we are

Who is providing this notice?

Glacier Bancorp, Inc. and its affiliates

What we do

How does Glacier Bancorp, Inc. protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does Glacier Bancorp, Inc. collect my personal information?

We collect your personal information, for example, when you

- open an account or deposit money
- pay your bills or apply for a loan
- use your credit or debit card

We also collect your personal information from others such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

Definitions**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- Our affiliates include financial companies related by common ownership control. The entities jointly providing this notice are listed at the end of the form following "Other important information"

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- Glacier Bancorp, Inc. does not share with nonaffiliates so they can market to you.

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- Our joint marketing partners include companies such as financial service companies.

Other important information

Glacier Bancorp, Inc.'s affiliates include companies such as Bank of the San Juans, Big Sky Western Bank, Citizens Community Bank, 1st Bank, First Bank Montana, First Bank of Wyoming, First Security Bank, Glacier Bank, Mountain West Bank, Valley Bank of Helena, Western Security Bank.

AGENDA ITEM SUMMARY

DATE: 04/30/2012 **DEPARTMENT:** Public Works **DEPT. HEAD SIGNATURE:** HD

SUBJECT:

Motion to approve Resolution 2012-27, authorizing additional contractual services with architect Ruscitto, Latham, Blanton for \$2500 in mechanical and electrical design work on amended Interpretive Center building design and construction drawings.

AUTHORITY: ID Code _____ IAR _____ City Ordinance/Code _____
(IF APPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

In January, after preparing construction drawings for a two-story Interpretive Center, architects Nick Latham and Michael Bulls proposed a redesign of the building to a one-story building in an effort to reduce the cost of building and increase accessibility to all offices (the upstairs offices were planned without elevator or other ADA access).

They requested that we amend their contract to compensate for additional mechanical and electrical sub-contractor redesign work. The mechanical and electrical systems had been designed to 60% of the 2-story plan. The redesign change is being billed at a not-to-exceed amount of \$2,500, after the design is 100% completed.

We have prepared a Resolution by which the council may authorize the contract addition, attached.

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IF APPLICABLE)

- | | | |
|---|--|---|
| <input type="checkbox"/> City Administrator | <input type="checkbox"/> Library | <input type="checkbox"/> Benefits Committee |
| <input type="checkbox"/> City Attorney | <input type="checkbox"/> Mayor | <input type="checkbox"/> Streets |
| <input type="checkbox"/> City Clerk | <input type="checkbox"/> Planning | <input type="checkbox"/> Treasurer |
| <input type="checkbox"/> Building | <input type="checkbox"/> Police | _____ |
| <input type="checkbox"/> Engineer | <input type="checkbox"/> Public Works, Parks | _____ |
| <input type="checkbox"/> Fire Dept. | <input type="checkbox"/> P & Z Commission | _____ |

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Council discussion of Administrator's recommendations, above, and decision to approve, amend, or deny RLB's Additional Services Agreement for \$2500, with Resolution if approved.

ACTION OF THE CITY COUNCIL:

Date : 4/30/2012 -

City Clerk _____

FOLLOW-UP:

*Ord./Res./Agrmt./Order Originals: Record
Copies (all info.): _____
Instrument # _____

*Additional/Exceptional Originals to: _____
Copies (AIS only)

April 5, 2012

ADDITIONAL SERVICES AGREEMENT – INTERPRETIVE CENTER

Ruscitto/Latham/Blanton Architectura P.A. proposes to provide the following Services for the component of the Hailey Rodeo Park located in Hailey, Idaho.

CLIENT INFORMATION:

Client: City of Hailey
Representative: Fritz Haemmerle, Mayor
Address: 115 S. Main Street, Hailey, Idaho 83333
Phone: 208.788.4221 ext. 30
Email: fritz.haemmerle@haileycityhall.org

PROJECT INFORMATION:

Project Name: Hailey Rodeo Park – Interpretive Center
Location: Hailey, Idaho

SERVICES:

The Services include mechanical and electrical engineering design modifications based on the approved redesign. The Fee shall be lump sum, maximum not to exceed.

SERVICES FEE:

<u>Mechanical and Electrical Engineering Design Modifications</u>	<u>\$2,500.00</u>
Total:	\$2,500.00

PAYMENT:

The Services Fee will be invoiced monthly based on a proportion of the work completed.

Thank you for the opportunity to propose Services on this project. Please indicate your acceptance of this proposal by signing below and returning a copy to Ruscitto/Latham/Blanton. Please call me if you have any questions or concerns regarding this Agreement.

+



4/5/12

Accepted by Michael Bulls, Principal

Accepted by Fritz Haemmerle, City of Hailey Mayor

RUSCITTO/LATHAM/BLANTON

ARCHITECTURA P.A.

p.o. box 419 sun valley, idaho 83353

voice 208.726.5608

fax 208.726.1033

February 15, 2012

Hailey Rodeo Grounds Complex
Interpretive Center Billing Summary Update

Recent Billing History for Hailey Interpretive Center

4/19/11 Summary of Remaining Fees	\$10,790.00 (see attached)
4/30/11 Invoice – Construction Documents to 50%	- \$4,585.75
5/27/11 Invoice	-\$0.00
7/15/11 Invoice	-\$0.00
<u>1/23/12 Invoice – Construction Documents to 85%</u>	<u>- \$3,210.00</u>
Remaining Base Fee	\$2,994.25 (see allocation below)

Remaining Base Fee Allocation

Construction Document Phase to 100% (15% remaining)	\$ 1,375.75
Bidding / Negotiation Phase	\$539.50
<u>Construction Observation Phase</u>	<u>\$1,079.00</u>
Total	\$2,994.25

LEED Certification Documentation Consultant Agreement (see attached)

Consultant Services (RLB, PSA, ES2, Galena)	\$3,585.00
---	-------------------

Interpretive Center Additional Services (Pending city approval – see attached Services Agreement)

Contract Document Preparation for Public Works Bidding	\$5,000.00
Mechanical & Electrical Engineering Design Modifications	\$2,500.00

Interpretive Center Additional Services (Pending city approval)

Civil Engineering	\$1,500.00 *
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* Civil Engineering Estimated Fee based on Interpretive Center Budget dated 1/19/12. Civil Engineering typically has direct agreement with the City.

RUSCITTO/LATHAM/BLANTON

ARCHITECTURA P.A.

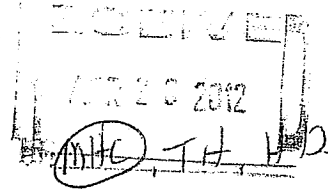
p.o. box 419 sun valley, idaho 83353

voice 208.726.5608

fax 208.726.1033

April 18, 2012

Tom Hellen, Public Works Director
City of Hailey
115 Main Street South
Hailey, ID 83333



RE: Hailey Rodeo Park – Interpretive Center
Architectural/Engineering Fee

Dear Tom:

I have attached the current invoice for architectural services rendered for the Hailey Interpretive Center project. I have also attached the **Additional Services Agreement for the Mechanical and Electrical Design Modifications** and the **Billing Summary Update** dated February 15, 2012 for reference.

The **Additional Services Agreement** was previously emailed to Heather Dawson and Becky Stokes on April 5, 2012. It has not, to my knowledge, been approved or placed on the City Council Agenda to date.

The **Billing Summary Update** is included to help you understand the remaining invoices items for the project. The current invoice completes to 100% our responsibility for the Construction Document Phase and completes to 100% our responsibility for the Bidding/Negotiation Phase.

We plan to invoice to the City for the next few months, on a monthly percentage complete basis, the remaining fee for the Construction Observation Phase in the total amount of \$1,079.00. Depending on the actual construction duration it will work out to be approximately \$200.00 per month for the next five months of construction.

In addition to remaining Base Contract fees, we also will be invoicing in the coming month, a percentage of work completed for the **LEED Certification Documentation Consultant Agreement**.

Please contact me with any questions or concerns.

Yours Truly,

Michael Bulls, AIA

RUSCITTO/LATFAM/BLANCON

ARCHITECTURA P.A.

p.o. box 419 sun valley, idaho 83353

208.726.5608

fax 208.726.1033

DATE: April 18, 2012
NAME: Tom Hellen, PE
Public Works Director/City Engineer
City of Hailey
115 South Main Street
Hailey, ID 83333

ARCHITECTURAL SERVICES RENDERED

Hailey Rodeo Grounds Complex

Progress Billing Period: January 24, 2012 – April 18, 2012

Interpretive Center

Construction Documents Phase

100% complete \$ 1,375.75

Bidding & Negotiation Phase

100% complete \$ 539.50

Interpretive Center Additional Services

(Pending City approval – see attached Services Agreement)

Mechanical and Electrical Engineering Design Modifications \$2,500.00

Fee Subtotal: \$4,415.25

Interpretive Center

Reimbursable Expenses

Design Review (with design modifications)

Color reproductions 2 (11 x 17) @ .75/sht. = 1.50

B&W reproductions 8 (24 x 36) @ 1.95/sht. = 15.60

Building Permit Submittal – City of Hailey (with design modifications)

B&W reproductions 16 (8-1/2 x 11) @ .06/sht. = .96

B&W reproductions 5 (30 x 42) @ 2.80/sht. = 14.00

Blueprinting Services 66 (30 x 42) @ 2.99/sht. (includes sales tax by vendor 7%) = 197.34*

Bid Documents - Project Manuals & Construction Documents

AIA contract documents A312-2010 & instructions and G705-2001 & instructions 20.85*

AIA contract documents A701-1997 & instructions 21.95*

AIA contract documents A201-2007 & instructions and A101-2007 & instructions 43.90*

RUSCITTO/LATHAM/BLANTON

ARCHITECTURA P.A.

p.o. box 419 sun valley, idaho 83353

voice 208.726.5608

fax 208.726.1033

Hailey Rodeo Grounds Complex
Interpretive Center
April 18, 2012
Page 2 of 2

Interpretive Center

Reimbursable Expenses (continued)

Bid Documents - Project Manuals & Construction Drawings

B&W reproductions 15 (8-1/2 x 11) @ .06/sht. = (Supplementary Conditions) =	\$.90
B&W reproductions 4 (11 x 17) @ .25/sht. =	1.00
Color reproductions 5 sets of 3 (8-1/2 x 11) @ .45/sht. =	6.75
B&W reproductions 6 sets of 31 (30 x 42) @ 2.80/sht. =	520.80
Binding Materials 5 sets @ 3.00/set =	15.00

Geotechnical Report

Reproductions 2 sets of 20 (8-1/2 x 11) at .06/sht. =	2.40
Reproductions 2 sets of 1 (11 x 17) @ .25/sht. =	.50
Binding Materials 2 sets @ 3.00/set =	6.00
Fedex; project manual & construction documents to Twin Falls Plan Center (2 airbills) =	45.05

Sales tax on all reproductions & binding materials (7%) = 40.97

*Sales tax provided by vendor

Reimbursable Subtotal: 955.47

Total Amount Due: \$5,370.72

Thank you,



Michael Bulls, AIA

AGENDA ITEM SUMMARY

DATE: 04/30/2012 **DEPARTMENT:** PW/Streets **DEPT. HEAD SIGNATURE:** HD

SUBJECT:

Motion to approve Resolution 2012-28 authorizing Memorandum of Understanding with Blaine County for shared street maintenance activity for 2012

AUTHORITY: ID Code _____ IAR _____ City Ordinance/Code _____
(IF APPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

The City of Hailey and Blaine County have assisted one another with large projects for many years. This year, the scope of shared services have been put into an agreement. The attached agreement and resolution to authorize it detail specifics and have been reviewed and approved by both city and county staff.

City and county elected officials are reviewing the agreement on April 30 and May 1, respectively.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

The reciprocal services create the same financial impact to both parties.

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IF APPLICABLE)

- | | | |
|---|--|---|
| <input type="checkbox"/> City Administrator | <input type="checkbox"/> Library | <input type="checkbox"/> Benefits Committee |
| <input type="checkbox"/> City Attorney | <input type="checkbox"/> Mayor | <input type="checkbox"/> Streets |
| <input type="checkbox"/> City Clerk | <input type="checkbox"/> Planning | <input type="checkbox"/> Treasurer |
| <input type="checkbox"/> Building | <input type="checkbox"/> Police | _____ |
| <input type="checkbox"/> Engineer | <input type="checkbox"/> Public Works, Parks | _____ |
| <input type="checkbox"/> Fire Dept. | <input type="checkbox"/> P & Z Commission | _____ |

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Motion to approve Resolution 2012-28 authorizing Memorandum of Understanding with Blaine County for shared street maintenance activity for 2012

ACTION OF THE CITY COUNCIL:

Date : _____

City Clerk _____

FOLLOW-UP:

*Ord./Res./Agrmt./Order Originals: Record
Copies (all info.): _____
Instrument # _____

*Additional/Exceptional Originals to: _____
Copies (AIS only)

**CITY OF HAILEY
RESOLUTION NO. 2012-28**

**RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF HAILEY
AUTHORIZING THE EXECUTION OF A MEMORANDUM ON UNDERSTANDING
WITH BLAINE COUNTY FOR SHARED STREET MAINTENANCE
ACTIVITY FOR 2012**

WHEREAS, the City of Hailey desires to enter into a Memorandum of Understanding with Blaine County under which Blaine County will assist the City of Hailey with large projects for many years.

WHEREAS, the City of Hailey and Blaine County have agreed to the terms and conditions of the Memorandum of Understanding, a copy of which is attached hereto.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HAILEY, IDAHO, that the City of Hailey approves the Memorandum of Understanding for Cooperative Road Maintenance between the City of Hailey and Blaine County and that the Mayor is authorized to execute the attached Agreement,

Passed this 30th day of April, 2012.

City of Hailey

Fritz X. Haemmerle, Mayor

ATTEST:

Mary Cone, City Clerk

MEMORANDUM OF UNDERSTANDING
between
BLAINE COUNTY, IDAHO
And
THE CITY OF HAILEY
Cooperative Road Maintenance

This Memorandum of Understanding ("MOU") for mutual road maintenance assistance is hereby entered into by and between Blaine County, Idaho, hereinafter referred to as the "County"; and the City of Hailey, hereinafter referred to as the "City". The City and County may hereinafter be collectively referred to as "Parties".

1. PURPOSE: The Parties have developed a mutually beneficial cooperative road maintenance plan between the period of July 9, 2012 and August 15, 2012. The City lacks the Street Department staff and equipment to chip seal City roads. The County lacks the Road and Bridge staff and equipment to remove excessive chips from the County roads after chip sealing activities. The purpose of this MOU is to provide guidelines for a collaborative work schedule between the County and the City that is equitable to all parties.

2. IT IS MUTUALLY AGREED AND UNDERSTOOD BY ALL PARTIES THAT:

County Responsibilities

- Provide at no cost three (3) 12-ton dump trucks operated by three (3) County operators, for a period of three (3) days equaling ten (10) hours in duration totaling 90 hours of labor.
- Provide at no cost a roller with operator for a period of three (3) days totaling 30 hours of labor.
- Provide at no cost a chip spreader machine with two (2) operators for three (3) days totaling 60 hours of labor.
- Equipment and labor assistance will be provided to the City for use on City road chip sealing projects on August 13-15, 2012. Please see attachment A the project locations.
- During winter, provide snowplowing and sanding on the north part of Broadford Road.

City Responsibilities

- Provide at no cost one (1) traffic control team consisting of three (3) team members on Gannet Road chip sealing mission for a period of four (4) days equaling ten (10) hours in duration totaling 120 hours of labor.
- Provide at no cost one (1) street sweeper with one (1) operator for a period of four (4) days equaling ten (10) hours in duration totaling 40 hours of labor.
- Provide at no cost one (1) end dump and one (1) operator for a period of four (4) days equaling ten (10) hours in duration totaling 40 hours of labor to haul excess chips.
- Equipment and labor assistance will be provided to the County from July 9-12, 2012 and July 16-19, 2012 for use on County road chip sealing projects. Please see attachment A the project locations.
- During winter, provide snowplowing and sanding on Empty Saddle and North Angela Drive.

3. MUTUAL INDEMNIFICATION

The County, its officers, agents, and employees, shall not be deemed to have assumed any liability for the acts of City or any officers, agents or employees thereof, and City hereby covenants and agrees to hold and save the County and all of its officers, agents, and employees harmless from all claims whatsoever that might arise against the County, its officers, agents, or employees, by reasons of any acts or failures to act on the part of City, its officers, agents or employees. The County hereby covenants to hold and save City and all its officers, agents, and employees, harmless from all claims whatsoever that might arise against City, its officers, agents, or employees by reason of any acts or failures to act on the part of the County, its officers, agents, or employees in the performance of the duties required by the terms of this Agreement.

4. TERMS AND TERMINATION

This MOU is subject to termination with or without cause by either party with a 30 day written notification prior to the commencement of work by either Party. Modifications within the scope of this MOU shall be made by mutual consent of the parties, by the issuance of a written modification, signed and dated by all Parties, prior to any changes being performed.

5. APPROVALS:

THE PARTIES HERETO have executed this instrument.

City of Hailey

Date

Attest:
City of Hailey Clerk

Angenie McCleary
Blaine County Commissioner

Date

Attest: JoLynn Drage
Blaine County Clerk

ATTACHMENT A

Cooperative Road Maintenance Tentative Work Schedule

All schedules dependent on weather condition that permit chip sealing operations.

Blaine County Road Department Schedule

Chip Seal

- July 09: Gannet Rd (3 miles)
- July 10: Gannet Rd (3 miles)
- July 11: Gannet Rd (3 miles)
- July 12: Gannet Rd (3 miles)

City of Hailey Street Department Schedule

Chip Seal

- Aug 13: 2nd Ave - Northridge
 - Northridge Dr
 - West Meadow Dr
 - Heroic Dr
 - River St N
- Aug 14: 3rdS Street intersection at McKercher Park.
 - 4th Street Intersection & Curb and Gutter at McKercher Park
 - McKercher RV Dump Parking area
- Aug 15: 2nd Street around Court house
 - Croy St around Courthouse
 - Croy St Intersection
 - Maple St Intersection
 - Chestnut St Intersection
 - Pine St Intersection
 - Walnut St Intersection

AGENDA ITEM SUMMARY

DATE: 4/30/2012

DEPARTMENT: Legal

DEPT. HEAD SIGNATURE: _____

SUBJECT:

Use Agreement with Knife River (Woodside Reconstruction Project) and Resolution No. 2012-29

AUTHORITY: ID Code _____ IAR _____ City Ordinance/Code _____
(IF APPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

I am enclosing a proposed use agreement between Hailey and Knife River, which would allow Knife River to use Hailey's lot at the intersection of Countryside and Woodside. This site is centrally located and appears to be an excellent site for staging. A CUP application has been filed to allow this use within this zoning district. The agreement requires Knife River to maintain the property during the use of the lot and to restore the property if there is any damage. In addition, the agreement calls for seeding of any undisturbed ground. I have also included covenants in the agreement which address environmental concerns.

Ned

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS: Case # _____
Budget Line Item # _____ YTD Line Item Balance \$ _____
Estimated Hours Spent to Date: _____ Estimated Completion Date: _____
Staff Contact: _____ Phone # _____
Comments: _____

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IF APPLICABLE)
____ City Attorney ____ Clerk / Finance Director ____ Engineer ____ Building
____ Library ____ Planning ____ Fire Dept. ____
____ Safety Committee ____ P & Z Commission ____ Police ____
____ Streets ____ Public Works, Parks ____ Mayor ____

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

If acceptable, make a motion to approve the Use Agreement and Resolution No. ____ and to authorize the mayor to sign the Use Agreement and Resolution No. ____.

FOLLOW-UP REMARKS:

CITY OF HAILEY
RESOLUTION NO. 2012-29

**RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF HAILEY
AUTHORIZING THE EXECUTION OF CONTRACT FOR USE OF HAILEY'S LOT AT
INTERSECTION OF COUNTRYSIDE AND WOODSIDE WITH KNIFE RIVER INC,
TO BE USED AS A STAGING AREA FOR THE WOODSIDE RECONSTRUCTION
PROJECT.**

WHEREAS, the City of Hailey desires to enter into an agreement with Knife River under which Knife River will perform and be responsible for the Lot at the Intersection of Countryside and Woodside for the City of Hailey.

WHEREAS, the City of Hailey and Knife River have agreed to the terms and conditions of the Agreement for Professional Services, a copy of which is attached hereto.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HAILEY, IDAHO, that the City of Hailey approves the Use Agreement between the City of Hailey and Knife River and that the Mayor is authorized to execute the attached Agreement,

Passed this 30th day of April, 2012.

City of Hailey

Fritz X. Haemmerle, Mayor

ATTEST:

Mary Cone, City Clerk

USE AGREEMENT

This Use Agreement ("Agreement") is made this ____ day of _____, 2012, by and between **CITY OF HAILEY**, a municipal corporation ("City"), and **KNIFE RIVER CORPORATION – NORTHWEST**, an Oregon corporation ("Knife River").

RECITALS

A. The City is a municipal corporation and political subdivision of the State of Idaho. Fritz X. Haemmerle is the duly elected and acting mayor of the City of Hailey, and is authorized to execute this Agreement.

B. Knife River is a duly organized and operating Oregon corporation authorized to do business in the State of Idaho. David S. Bull is the duly elected and acting president of Knife River and is authorized to execute this Agreement.

C. City owns real property located at the intersection of Countryside Boulevard and Woodside Boulevard, between 2528 and 2630 Woodside Boulevard, Hailey, Idaho ("Lot").

D. Knife River desires to use the Lot as a staging area for the Woodside Boulevard project between April 30, 2012, and November 30, 2012 (the "Project").

E. Subject to the terms and conditions set forth herein, City is willing and agrees to allow Knife River to use the Lot and Knife River is willing and agrees to use the Lot.

AGREEMENT

NOW, THEREFORE, based good and valuable consideration, the receipt of which is hereby acknowledged, and upon the foregoing recitals which are incorporated in this Agreement below as though set forth in full, the parties agree, as follows:

1. **Use of Lot.** During the term of the Project, the City agrees to allow Knife River and its employees, agents and subcontractors to use the Lot only for a staging area for the Project, and for no other purpose(s) without City's prior written consent. During periods of non-use of the Lot during the Project, Knife River shall lock all trailers and secure all equipment on the Lot, and keep members of the general public out of all secured areas. During the use and occupancy of the Lot, Knife River agrees to comply with (and cause its agents, contractors, employees and invitees to comply with) any applicable federal, state and municipal law, ordinance and regulations, including all applicable environmental laws, codes, and regulations, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Federal Resource Conservation and Recovery Act, the Idaho Hazardous Waste Management Act and the Idaho Environmental Protection and Health Act.

2. **Maintenance and Restoration of Lot.** Knife River shall maintain the Lot during the term of the Project in a safe and orderly condition. At the termination of the Project, Knife

River shall clean and restore the Lot to its condition at the commencement of the Project to City's satisfaction. Knife River shall seed the disturbed areas of the Lot with a drought resistant grass approved by the City on or before November 30, 2012; provided, however, if it is not possible to seed the Lot because snow is on the ground or the ground is frozen, Knife River shall seed the disturbed areas of the Lot on or before May 1, 2013. If Knife River defaults with respect to any provision of this Agreement, including but not limited to the provisions relating to the maintenance and restoration of the Lot, City may (but shall not be required to) use, apply or retain all or any part of the retainage held by City under the contract for the Project for the payment of any other amount which City may spend by reason of Knife River's default or to compensate City for any other loss or damage which City may suffer by reason of Knife River's default.

3. **Utilities.** Knife River shall pay for all charges for electricity, water, sewer, trash, and cleaning services, rendered or supplied upon or in connection with the Lot during the Project.

4. **Insurance.** During the Project, Knife River shall, at its own expense, maintain in full force, comprehensive liability insurance, including public liability, property damage and contractual liabilities of the Knife River, written by a responsible insurance company licensed to do business in Idaho, and insuring City (and such other persons, firms, or corporations designated by City) as additional named insureds against liability for claims of damage because of injury to persons and property and for death of any person or persons occurring in or about the Lot. The liability covered by such insurance shall be not less than a combined single limit of One Million Dollars (\$1,000,000). The insurance shall be primary insurance such that the insurer shall be liable for the full amount of the loss without the right of contribution from any other insurance coverage held by City.

No party shall have the right or claim against the City for any losses, damages or injury, including losses, damages or injury to property or persons, including death, and for any business interruption, occurring on the Lot or the adjoining property, (whether caused by the negligence or other fault of the City or its respective agents, employees, subtenants, licensees or assignees or whether caused by negligence or the conditions of the Lot or any part thereof) by way of subrogation or assignment. Knife River hereby waives and relinquishes any such right.

All insurance required by this Section shall be in a form and with companies satisfactory to City and shall provide that it shall not be subject to cancellation or change except after at least thirty (30) days' prior written notice to City. The policy or policies, or duly executed certificates for them, shall be deposited with City within ten (10) after the start of the Project.

5. **Exemption from Liability.** City shall not be liable to Knife River or to any other person whomsoever for any injury or damage to person or property occurring within or about the Lot, unless caused by or resulting from the willful and intentional acts of the City or any of the City's agents, servants or employees in the operation or maintenance of the Lot. City shall not be liable in damages or otherwise for failure to furnish, or any interruption of service of any water, gas, electricity, telephone, or other utility caused by fire, accident, riot, strike, labor disputes, acts

of God, the making of any repairs or improvements, or causes beyond the control of City, or for any loss, damage or theft of property of Knife River, and its agents, servants or employees.

6. **Indemnification and Hold Harmless.** Knife River agrees to indemnify and hold City harmless from and against any and all claims, including mechanic's and materialman's liens, by or on behalf of any person or person, firm(s) or corporation(s), arising from the conduct or management of the activities conducted by Knife River during the Project, or arising out of any act or omission or negligence of Knife River, and its contractors, licensees, agents, servants or employees during the Project, or arising from any accident, injury, or damage whatsoever caused by any person or property occurring in or about the Lot or any part thereof, and the walkways adjoining the Lot during the Project, and from and against all costs, expenses, liabilities and attorney's fees incurred in connection with any such claim or proceeding brought thereon.

7. **Alterations and Improvements.** Knife River shall not have the right to make changes, alterations or additions to the Lot without the prior written consent of the City, which may be withheld in the City's sole and absolute discretion.

8. **Defaults.** In the event Knife River breaches its obligations pursuant to this Agreement, then City shall notify Knife River of such breach in writing by certified mail, return receipt requested, or hand delivery, and Knife River shall cure such breach within thirty (30) days of the date of such notification. In the event of a default which cannot, with due diligence, be cured within a period of thirty (30) days, Knife River shall have such additional time to cure the same as may be reasonably necessary, providing Knife River proceeds promptly and with due diligence to cure such default after receipt of such notice. In the event Knife River fails to cure any breach, after notice as aforesaid, then City shall have the option of electing to either (i) cancel and terminate this Agreement, or (ii) terminate Knife River right to possession only without terminating the Agreement or (iii) pursue any other remedy available at law or in equity.

9. **Entry by City.** In the event of any entry in, or taking possession of, the Lot, City shall have the right, but not the obligation, to remove from the Arena all personal property of Knife River located therein and may store the same in any place selected by City, at the expense and risk of the owners thereof, with the right to sell such stored property, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, if any, and the balance, if any, shall be paid to owner of the property.

10. **Liens.** Knife River shall keep the Lot free from any liens arising out of any work performed, materials furnished or obligations incurred by Knife River.

11. **Assignment and Subletting.** Except as provided herein, Knife River shall not assign or sublet this Agreement or any or all of their interest in the Lot without first procuring the written consent of City, which may be made in the City's sole and absolute discretion. Knife River is allowed to sublet or allow the use of the Lot by its subcontractors during the Project without the consent of City; however, Knife River shall remain primarily liable for the obligations arising from this Use Agreement.

12. **Waiver.** The failure of either party hereto to insist upon strict performance of any of the covenants and agreements of this Agreement, or to exercise any election herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such, or any other covenants or agreements, and the same shall be and remain in full force and effect. A particular waiver by either party of any said covenants or agreements to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants or agreements of this Agreement.

13. **Miscellaneous Provisions.**

a. **Final Agreement.** This Agreement represents the final agreement between the parties and merges and supersedes all prior negotiations, whether written or oral, with respect thereto.

b. **Modification.** This Agreement cannot be modified, changed, discharged, or terminated, except by writing signed by the City and Knife River.

c. **Time is of the Essence.** Time and timely performance is of the essence of this Agreement.

d. **Applicable Law.** This Agreement shall be construed and enforced under the laws of the State of Idaho.

e. **Benefit.** This Agreement shall be binding upon and insure to the benefit of the parties hereto, their legal representatives, heirs, successors and assigns.

f. **Attorney's Fees.** In the event of any dispute with regard to the interpretation or enforcement of this Agreement, the prevailing party shall be entitled to recover their reasonable costs and attorney's fees incurred therein, whether or not a lawsuit is actually filed, and on any appeals, and in any bankruptcy proceeding.

g. **Presumption.** This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by either party.

h. **Notice.** Unless otherwise specifically provided for herein, notices given pursuant to the terms of this Agreement shall be deemed received on the date sent and shall be sent to the parties at their addresses first above given or such address as may be later specified by the party in writing.

i. **Further Action.** The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of this Agreement.

j. **Authority.** Each signatory has full authority and consent to sign this Agreement. Knife River represents and warrants to City that it is a corporation organized, existing and in good standing under the laws of the State of Idaho, and that it is authorized, by appropriate corporate resolution, to enter into and execute this Agreement and any and all documents related thereto.

k. **Severability.** The invalidity or illegality of any provision shall not affect the remainder of this Agreement.

IN WITNESS WHEREOF, the parties, having been duly authorized, have hereunto caused this Agreement to be executed, on the day and year first above written, the same being done after public hearing, notice and statutory requirements having been fulfilled.

CITY:

CITY OF HAILEY, an Idaho municipal corporation

ATTEST:

By: _____
Mary Cone, City Clerk

By: _____
Fritz X. Haemmerle, Mayor

KNIFE RIVER:

KNIFE RIVER CORPORATION
NORTHWEST, an Oregon corporation

By: _____
David S. Bull, its President

