AGENDA ITEM SUMMARY

DATE: 03/17/2014  DEPARTMENT: Finance/PW  DEPT. HEAD SIGNATURE:

SUBJECT:
Wastewater Solids Handling Improvement Project
• Update on Project at 90% Design – HDR
• Financial Discussion from Piper Jaffrey, Financial Advisor
• Discussion of Ordinance calling bond election and Reimbursement Resolution – Hawley Troxell

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

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:
HDR Engineering will complete 90% Design of the Wastewater Biosolids Handling Improvement Project by March 17, 2014, at which time the city council will consider whether to call a bond measure.

Hailey's financial advisors have been working with an estimate of $6 million for the bond, which is not a final figure. They will be present at the meeting to lead the city council through a discussion of the attached memorandum about.

Hailey's bond attorney has prepared and election timeline, a draft ordinance calling for bond election, and a reimbursement resolution, which, if adopted, will allow the city to reimburse itself from bond proceeds for capital costs incurred before the bond was passed. It is good practice to adopt this resolution even if the city does not plan on reimbursing itself at this time.

After receiving input from HDR and the City Council, the documents will be finalized for consideration by the Hailey City Council at a special meeting on Thursday, March 20, 2014 at noon.

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Council action will include:
1. asking questions and informing HDR relative to any design questions that arise during the presentation, in order to be fully informed about the project.
2. discussing the financial options presented and giving direction to staff on the preferred bond term.
2. fielding all questions with bond attorney on the process and documents required to adopt the bond measure.

ACTION OF THE CITY COUNCIL:
Date ________________________________

City Clerk ________________________________

FOLLOW-UP:
*Ord./Res./Agmt./Order Originals: Record *Additional/Exceptional Originals to:
Copies (all info.):
Copies (AIS only)
Instrument # ________________________________
City of Hailey
Proposed $6 Million Wastewater Revenue Bond

The following summary provides the impacts of a proposed $6 million wastewater revenue bond to be repaid from revenues of the City of Hailey’s Wastewater System. The analysis includes a review of the Wastewater System’s existing debt and related bond document requirements that would need to be met prior to issuing additional parity debt of the Wastewater System.

Overview of 2012 Bond Documents

The City currently has one series of Wastewater Revenue bonds outstanding. In December of 2012 the City issued its Series 2012 Wastewater Bond (the “2012 Bond”) through the Idaho Bond Bank to refinance the City’s Series 2001 Bonds. The 2012 Bond will mature September 15, 2021. The proposed $6M bond issue (the “Proposed Parity Bond”) would have a pledge of net revenues of the Wastewater System on parity with the 2012 Bond. The following provides a summary of City’s 2012 Bond requirements including any additional bonds test that must be met prior to issuing the Proposed Parity Debt.

2012 Bond Wastewater System Net Revenue Coverage Requirements

Under the 2012 Bond documents established with the Idaho Bond Bank Authority (“IBBA”) the City is required to maintain Net Revenues of the Wastewater System sufficient to provide 1.25 times coverage on outstanding parity debt. Additionally, the City has established a Rate Stabilization Account to provide additional funds in the event the City is unable to meet coverage in a given fiscal year. Any withdrawal from the Rate Stabilization Account would require the City to increase sewer rates sufficient to meet 1.25 times coverage in the preceding fiscal year.

2012 Bond Reserve Requirement

The Series 2012 Bonds require the City to set aside an amount equal to the lesser of

- 10% of par amount outstanding of parity debt
- Maximum annual debt service on parity debt
- 125% of average annual debt service on parity debt

At the time of the issuance of the 2012 Bonds the City funded a reserve in the amount of $208,500 from existing Wastewater System funds to satisfy the reserve requirement for the 2012 Bonds.
**2012 Bond Parity Requirements**

Any additional bonds may be issued on parity with the Series 2012 Bonds if the following conditions can be met as outlined in the 2012 Bond loan agreement:

- The City must be in compliance with 2012 loan agreements, conditions, and covenants.
- Demonstrate that current revenues for the most recently ended fiscal year provide at least 1.25 times coverage of all parity debt, including projected debt service payments on the Proposed Parity Bonds.
- Alternatively if the City is unable to meet the historical coverage test above, the City can utilize a report from a Consulting Engineer or CPA firm to demonstrate coverage of 1.25 times can be met on a future basis.

**Historical Debt Service Coverage**

The chart below provides a three-year historical look at the City’s debt service coverage from Net Revenues of the Wastewater System. With the recent Wastewater rate increase, the City was able to achieve a healthy debt service coverage ratio of 2.41 times debt service for Fiscal Year 2013.

<table>
<thead>
<tr>
<th></th>
<th>Actual 2011</th>
<th>Actual 2012</th>
<th>Actual 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>User charges</td>
<td>$1,725,173</td>
<td>$1,291,540</td>
<td>$1,209,896</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,665</td>
<td>0</td>
<td>71</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>1,726,838</td>
<td>1,291,540</td>
<td>1,209,967</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>527,974</td>
<td>496,786</td>
<td>532,725</td>
</tr>
<tr>
<td>Administrative and Supplies/Other services and charges</td>
<td>545,119</td>
<td>463,491</td>
<td>320,129</td>
</tr>
<tr>
<td>Depreciation</td>
<td>321,456</td>
<td>329,683</td>
<td>325,534</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>1,394,619</td>
<td>1,289,959</td>
<td>1,179,388</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>332,219</td>
<td>1,581</td>
<td>31,579</td>
</tr>
<tr>
<td>Add: Investment/Interest income - enterprise fund</td>
<td>5,123</td>
<td>12,890</td>
<td>22,223</td>
</tr>
<tr>
<td>Add: Depreciation expense</td>
<td>321,456</td>
<td>329,683</td>
<td>325,534</td>
</tr>
<tr>
<td>AVAILABLE FOR DEBT SERVICE PRIOR TO HOOK-UP FEES</td>
<td>658,798</td>
<td>344,154</td>
<td>379,336</td>
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<tr>
<td><strong>Debt Service</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Series 2001 Sewer Revenue</td>
<td>0</td>
<td>361,469</td>
<td>358,422</td>
</tr>
<tr>
<td>Bond Bank - 2012 Loan</td>
<td>273,289</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Debt Service</td>
<td>273,289</td>
<td>361,469</td>
<td>358,422</td>
</tr>
<tr>
<td><strong>Debt Service Coverage Prior to Hook-Up Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hook-up and Inspection fees</td>
<td>92,029</td>
<td>42,709</td>
<td>103,367</td>
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<tr>
<td>Grant Revenue</td>
<td>0</td>
<td>56,977</td>
<td>126,088</td>
</tr>
<tr>
<td><strong>Debt Service Coverage After Hook-Up Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SURPLUS FUNDS AVAILABLE AFTER PAYING DEBT SERVICE</td>
<td>$477,338</td>
<td>$82,371</td>
<td>$250,369</td>
</tr>
</tbody>
</table>
Proposed $6M Bond Analysis

The City’s existing 2012 Bonds bond payments are approximately $275,000 paid annually until September 15, 2021. The Proposed Parity Bond could be structured to wrap around the City’s existing debt to produce level combined annual bond payments of approximately $583,000 assuming a 20 year amortization. By wrapping around existing debt, the City could minimize the increase to its annual debt service payments. With the addition of the Proposed Parity Bond, the City would need to resize its existing debt service reserve to an approximate amount of $583,000 requiring the addition of $374,850. Current analysis assumes the additional funds needed to resize the reserve would be generated from the proceeds of the Proposed Parity Bond sale, but the City could also fund from existing Wastewater System reserves.

For comparison, we also ran a 23 year scenario which would lower the combined annual bond payments $37,000 to help better meet the additional bonds test and coverage requirements. The two financing scenarios are summarized below.

**Analysis Assumptions:**

- **Bond Issuance:** Through the Idaho Bond Bank Authority
- **Par Amount:** $6,000,000
- **Interest Rates:** Current Market Rates Plus 0.50%
- **Sale Date:** 9/15/2014

**Analysis Summary:**

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>20 years</th>
<th>23 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Par amount</td>
<td>6,000,000</td>
<td>6,000,000</td>
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<tr>
<td>Premium</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>227,290</td>
<td>223,692</td>
</tr>
<tr>
<td>Total</td>
<td>$6,227,290</td>
<td>$6,223,692</td>
</tr>
</tbody>
</table>

**Use of Funds**

<table>
<thead>
<tr>
<th></th>
<th>20 years</th>
<th>23 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>D.S. Reserve</td>
<td>$ 374,850</td>
<td>$ 338,250</td>
</tr>
<tr>
<td>Costs of Issuance</td>
<td>$ 120,000</td>
<td>$ 120,000</td>
</tr>
<tr>
<td><strong>Proceeds</strong></td>
<td><strong>$5,732,440</strong></td>
<td><strong>$5,765,442</strong></td>
</tr>
<tr>
<td>Total</td>
<td>$6,227,290</td>
<td>$6,223,692</td>
</tr>
</tbody>
</table>

**Repayment Summary:**

<table>
<thead>
<tr>
<th></th>
<th>20 years</th>
<th>23 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>All-In TIC:</td>
<td>4.26%</td>
<td>4.49%</td>
</tr>
<tr>
<td>Total Interest</td>
<td>$3,728,500</td>
<td>$4,616,900</td>
</tr>
<tr>
<td>Total Debt Service</td>
<td>$9,728,500</td>
<td>$10,616,900</td>
</tr>
<tr>
<td>Combined Annual Payment</td>
<td>$583,000</td>
<td>$546,000</td>
</tr>
</tbody>
</table>
The following graph illustrates how the Proposed Parity Bond would be wrapped around the existing 2012 Bond to produce combined level annual debt service (20-year scenario).
Projected Coverage (20yr & 23yr Bonds)

The Table below provides projected debt service coverage assuming 20 year and 23 year repayment structures. Both repayment structures produce a debt service coverage ratio below the required minimum of 1.25 times based on audited FY 2013 Net System Revenues. To generate the desired coverage ratio the City would need to either reduce the bond amount, increase revenues or decrease expenses to generate Net System Revenues of the Wastewater System sufficient to meet the required 1.25 times coverage ratio.

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Proposed 20yr Bonds</th>
<th>Proposed 23yr Bonds</th>
<th>Actual 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING REVENUES</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td>658,798</td>
<td>658,798</td>
<td>658,798</td>
<td></td>
</tr>
</tbody>
</table>

DEBT SERVICE

|                      |        |                     |                     |             |
| Series 2001 Sewer Revenue | 0     | 0                   | 0                   |             |
| Bond Bank - 2012 Sewer Loan | 273,289 | 273,289             | 273,289             |             |
| Proposed 2014 Sewer Bonds | 310,000 | 272,500             | 0                   |             |
| **Total Debt Service** | 583,289 | 545,789             | 273,289             |             |

DEBT SERVICE COVERAGE BEFORE HOOK-UP FEES

|                      | 114%  | 114%                | 113%                |             |
| Hook-up and inspection fees | 91,829 | 91,829              | 91,829              |             |
| Grant Revenue          | 0     | 0                   | 0                   |             |

DEBT SERVICE COVERAGE AFTER HOOK-UP FEES

|                      | 7%    | 7%                  | 7%                  |             |

SURPLUS FUNDS AVAILABLE AFTER PAYING DEBT SERVICE

|                      | 167,338 | 204,838             | 477,338             |             |

- Estimated 11% increase of Net Revenues needed to meet 1.25 times coverage with 20-year term
- Estimated 4% increase of Net Revenues needed to meet 1.25 times coverage with 23-year term
# CITY OF HAILEY, BLAINE COUNTY, IDAHO
## WATER AND SEWER REVENUE BONDS
### ELECTION TIMELINE
Revised Thursday, March 13, 2014 at 8:16 AM

<table>
<thead>
<tr>
<th>March 2014</th>
<th>April 2014</th>
<th>May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Su Mo Tu We Th Fr Sa</td>
<td>Su Mo Tu We Th Fr Sa</td>
<td>Su Mo Tu We Th Fr Sa</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2 3 4 5 6 7 8</td>
<td>6 7 8 9 10 11 12</td>
<td>4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>9 10 11 12 13 14 15</td>
<td>13 14 15 16 17 18 19</td>
<td>11 12 13 14 15 16 17</td>
</tr>
<tr>
<td>16 17 18 19 20 21 22</td>
<td>20 21 22 23 24 25 26</td>
<td>18 19 20 21 22 23 24</td>
</tr>
<tr>
<td>23 24 25 26 27 28 29</td>
<td>27 28 29 30</td>
<td>25 26 27 28 29 30</td>
</tr>
<tr>
<td>30 31</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DATE</th>
<th>MAJOR ACTIVITY</th>
<th>SPECIFIC ACTIVITY/STATUTE</th>
<th>RESPONSIBLE PARTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 17</td>
<td>Council Meeting to review draft ordinance and Preliminary Project Plan.</td>
<td>-</td>
<td>City Council/Piper Jaffray</td>
</tr>
<tr>
<td>March 20</td>
<td>Adoption of Ordinance to Approve Solids Handling Improvements and to call Bond Election; and to waive three readings</td>
<td>See FN1 for ordinance requirements; (Sections 50-1035, I.C. and 50-902)</td>
<td>City Council/Bond Counsel</td>
</tr>
<tr>
<td>By 3/21/14</td>
<td>Notify County of election date and provide forms of notice and ballot for publication; advice County of City’s official newspaper and polling places that encompass the City</td>
<td>34-1401; 34-1404; 34-106(8)</td>
<td>City/Bond Counsel</td>
</tr>
<tr>
<td>By 4/4/14 (45 days prior to Election)</td>
<td>Absentee ballots available to be sent out</td>
<td>34-1003</td>
<td>County</td>
</tr>
<tr>
<td>By 4/18/14 (no later than 30 days before Election)</td>
<td>Designation of polling places and absentee voting place</td>
<td>34-302</td>
<td>County</td>
</tr>
<tr>
<td>By 4/17/2014</td>
<td>Publish Ordinance in full or by summary (approved by City)</td>
<td>50-901; publish in official newspaper within 30 days of adoption to be effective</td>
<td>City/Bond Counsel</td>
</tr>
<tr>
<td>By 5/8/14 (no later than 12 days prior to Election)</td>
<td>First publication of Notice of Bond Election</td>
<td>34-1406</td>
<td>County/City</td>
</tr>
</tbody>
</table>

**TIMELINE (Revised March 13, 2014)**
<table>
<thead>
<tr>
<th>By 5/15/14 (no later than 5 days prior to Election)</th>
<th>Second publication of Notice of Bond Election together with sample ballot with Section 34-439 disclosure</th>
<th>34-439; 34-1406, 34-1411; ballot question limited to 250 words; if over, City pays for ballot printing costs; publication of sample ballot in two newspapers published in a county in which City lies or in one newspaper having general circulation in the City</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/16/14 (on Friday before Election)</td>
<td>Last day in-person absentee ballot applications – by 5:00 p.m.</td>
<td>34-1002</td>
<td>County</td>
</tr>
<tr>
<td>5/20/14 (Date of Election)</td>
<td>Election; Last day to receive absentee ballots (by 8 p.m.); Election polling times 8 to 8 or 7 to 8 – as determined by County</td>
<td>34-106; 34-1101; 34-1005</td>
<td>County</td>
</tr>
<tr>
<td>By 5/30/14 (within 10 days of Election)</td>
<td>Canvass of Election; Certificate of election results to City</td>
<td>34-1410; 34-1205</td>
<td>County</td>
</tr>
<tr>
<td>Following County Canvass Date (by 6/2/14)</td>
<td>City Council adopts resolution to issue a Certificate of Election</td>
<td>34-2001A; 40-day challenge period begins upon declaration/certification of election results by the City</td>
<td>City</td>
</tr>
<tr>
<td>Following Election</td>
<td>Election</td>
<td>34-106; 63-1309; If Bond fails, City may hold another election in November, 2014</td>
<td>City</td>
</tr>
</tbody>
</table>

FN1: Ordinance Requirements (50-1035), including but not limited to: brief description of the works, and if to be constructed, reference to the preliminary report or plans and specs by engineer; cost estimate by engineer; order the construction/acquisition/rehabilitation of works; direct that bonds shall be issued to pay cost of works; call for election with form of notice. Section 50-902 requires three readings of the ordinance prior to adoption, unless one-half plus one of the council members dispense with this rule.

FN2: Notice Requirements (50-1035), including but not limited to: purpose of election, amount of bonds, maturity dates of bonds, voting places, hours of election, polling places, qualifications of voters
BOND ELECTION ORDINANCE NO._______

AN ORDINANCE CALLING A SPECIAL MUNICIPAL REVENUE BOND ELECTION TO BE HELD FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY OF HAILEY, BLAINE COUNTY, IDAHO, THE PROPOSITION OF THE ISSUANCE OF UP TO $6,000,000 NEGOTIABLE REVENUE BONDS OF THE CITY OF HAILEY, BLAINE COUNTY, IDAHO, TO FINANCE CERTAIN IMPROVEMENTS TO ITS WASTEWATER TREATMENT SYSTEM, AND PROVIDING FOR THE ISSUANCE AND PAYMENT OF SUCH BONDS AND DESIGN AND CONSTRUCTION OF SAID IMPROVEMENTS.

WHEREAS, the City of Hailey, Blaine County, Idaho (the “City”), owns and operates a wastewater treatment facility system for the treatment of its citizens’ wastewater (the “System”); and

WHEREAS, the System was originally built as a small “all-in-one” plant in 1974 and was improved by the addition of a new treatment plant alongside the original plant in 2000; and

WHEREAS, the System, as constructed in 1974 and 2000, is near or past the end of its useful life and was not designed to manage and treat biosolids, which poses a safety concern for City operations staff; and

WHEREAS, the City intends to streamline its biosolids handling, which is currently hauled to the Ohio Gulch Landfill, by renovating its existing facilities to provide additional dewatering and biosolids handling facilities and related improvements (the “Improvements”), which will enable the System to provide treatment and operation facilities that meet current codes and are safe for City staff, as well as reduce time and enhance the safety of System operations; and

WHEREAS, the design and construction of the Improvements is hereby deemed by the Mayor and members of the City Council of the City (the “City Council”) to be required for the public good and welfare, and for the improvement of the health, safety, comfort and convenience of the inhabitants of the City; and

WHEREAS, the System, as improved by the Improvements, shall be operated as a single revenue producing public utility of and for the City; and

WHEREAS, the City does not have funds available to pay the costs of the Improvements; and

WHEREAS, the City Council has determined that there exists a public necessity and it is advisable to finance the cost of the Improvements through the issuance of revenue bonds of the City pursuant to the provisions of Sections 50-1027 through 50-1042, Idaho Code, as amended
(the “Revenue Bond Act”), and applicable provisions of chapter 4, Title 50, Idaho Code, chapter 2 of Title 57, Idaho Code, chapter 9 of Title 57, Idaho Code, and chapter 14 of Title 34, Idaho Code, and in order to do so desires to provide for the holding of a special election as required by said statutes.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Hailey, Blaine County, Idaho, as follows:

Section 1. The Improvements shall be designed and constructed pursuant to the Preliminary Solids Handling Improvement Project Plan dated March 17, 2014, prepared by HDR Engineer, Inc., as the same is expected to be finalized in the near future (the “Plan”), which Plan provides that the estimated cost of the Improvements, with ninety percent of the design completed, is $__________, plus the expenses properly incident thereto, for a total amount not to exceed $6,000,000, consisting of, but not limited to, administrative, engineering and other related costs, and the costs of issuance of the revenue bonds and any amounts necessary to establish bond reserve funds, if any, and the Mayor and the City Council hereby approve the Plan.

Section 2. The design and construction of the Improvements is hereby ordered.

Section 3. It is necessary and desirable to finance the costs of the Improvements by authorization of the issuance of revenue bonds in an amount not exceeding $6,000,000 pursuant to a revenue bond election, as provided by the Revenue Bond Act.

Section 4. That a Special Municipal Revenue Bond Election (the “Bond Election”) is hereby called to be held in the City on Tuesday, May 20, 2014, for the purpose of submitting to the qualified electors of the City the proposition set forth in the form of ballot appearing in Section 7 hereof.

Section 5. That pursuant to Sections 34-1401 and 50-403, Idaho Code, the Clerk of Blaine County, Idaho (the “County Clerk”) shall administer the Bond Election, including scheduling the polling times; preparing and printing the ballots; publishing notice of the Bond Election and the sample ballot as required by Section 34-1406, Idaho Code; and conducting the Bond Election.

Section 6. The City Clerk shall notify the County Clerk that the City Council has called the Bond Election on behalf of the City by delivering to the County Clerk a copy of this Ordinance, including the forms of the notice of the Bond Election set forth in Section 8 hereof and the ballot for the Bond Election set forth in Section 7 hereof.

Section 7. That the City Council hereby approves the following form of ballot for the purposes of the Bond Election:

BOND ELECTION ORDINANCE NO. ________-2

-122-
OFFICIAL BALLOT

SPECIAL MUNICIPAL REVENUE BOND ELECTION

CITY OF HAILEY, BLAINE COUNTY, IDAHO
TUESDAY, MAY 20, 2014

QUESTION: Shall the City of Hailey, Blaine County, Idaho (the "City") issue and sell its negotiable revenue bonds in the amount of up to $6,000,000 for the purpose of financing the design and construction of certain improvements to the City’s wastewater treatment facility system (the “System”), the System constituting and being operated as a revenue-producing public utility, and to pay expenses properly incident thereto including costs of issuance of such bonds, said bonds due in such installments as fixed by the City Council of the City, the last installment due and payable not more than twenty (20) years from the date of the bonds, as more fully provided in Ordinance No. ______ adopted by the City Council of the City on March 20, 2014 (such revenue bonds shall be payable from the revenues of the System, as improved, and not from ad valorem property taxes)?

IN FAVOR OF ISSUING REVENUE BONDS IN THE AMOUNT OF UP TO $6,000,000 FOR THE PURPOSES PROVIDED BY ORDINANCE NO. ______

AGAINST ISSUING REVENUE BONDS IN THE AMOUNT OF UP TO $6,000,000 FOR THE PURPOSES PROVIDED BY ORDINANCE NO. ______

The following statement is required by Section 34-439, Idaho Code:

The project to be financed by the sale of the proposed bonds includes improvements to the City’s wastewater treatment system required to ensure the safe and continued operation of the System. The date of the City’s special municipal revenue bond election is May 20, 2014. The principal amount of the proposed bonds to be issued is up to $6,000,000.
The interest rate anticipated on the proposed bond issue, based upon current market rates, is four and thirteen hundredths percent (4.13%). The total amount to be repaid over the life of the bonds, based on the anticipated interest, is $9,728,500, consisting of $6,000,000 in principal and $3,728,500 of interest, to be repaid not later than twenty (20) years from the date of the bonds.

As of May 20, 2014, the total existing bonded indebtedness of the City, including interest accrued, is $6,028,666.

(End of form of Official Ballot for the Bond Election)

Section 8. That the Notice of Bond Election shall be in substantially the following form:

NOTICE OF SPECIAL MUNICIPAL REVENUE BOND ELECTION

Pursuant to the laws of the State of Idaho and Ordinance No. _____ of the City Council of the City of Hailey, Blaine County, Idaho (the “City”), adopted on March 20, 2014, notice is hereby given that a Special Municipal Revenue Bond Election will be held in the City on Tuesday, May 20, 2014, beginning at the hour of 8:00 A.M. and closing at the hour of 8:00 P.M. on said date, on the question whether the City shall be empowered to issue special revenue bonds of the City in the principal amount of up to $6,000,000 to be repaid not later than twenty (20) years from the date of issuance of such bonds, to finance certain improvements to the City’s wastewater treatment facility system, which system constitutes and is being operated as a revenue-producing public utility, and to pay expenses properly incident thereto including costs of issuance of such bonds.

Notice is further given that only qualified electors of the City, being United States citizens eighteen (18) years of age or older, who have resided in the City for thirty (30) days preceding the election, who are registered or who register at the polls on the day of the election, as provided by law, are entitled to vote at said election.

Said election shall be held at the regular polling places for elections in Blaine County, Idaho, or by mail, as indicated below:

[County Clerk to insert Precincts applicable to City and Absentee Voting Material]

The following statement is required by Section 34-439, Idaho Code:

The project to be financed by the sale of the proposed bonds includes improvements to the City’s wastewater treatment system required to ensure the safe and continued operation of the System. The date of the City’s special municipal revenue bond election is May 20, 2014. The principal amount of the proposed bonds to be issued is up to $6,000,000.
The interest rate anticipated on the proposed bond issue, based upon current market rates, is four and thirteen hundredths percent (4.13%). The total amount to be repaid over the life of the bonds, based on the anticipated interest, is $9,728,500, consisting of $6,000,000 in principal and $3,728,500 of interest, to be repaid not later than twenty (20) years from the date of the bonds.

As of May 20, 2014, the total existing bonded indebtedness of the City, including interest accrued, is $6,028,666.

(End Form of Notice of Special Municipal Revenue Bond Election)

Section 9. That if at the Bond Election a majority of the qualified registered electors of the City, eighteen (18) years of age or older who have resided in the City for thirty (30) days, voting thereat assent to the issuance of said bonds, as verified by the County Clerk’s certified election results, the negotiable bonds of the City shall be issued as hereinabove provided and shall mature within twenty (20) years from their date and the annual bond maturities thereof shall be payable in accordance with the provisions of the Revenue Bond Act. Such issue will create a new debt to finance the design and construction of the Improvements, fund a reserve fund and to pay the costs of issuance of the bonds, in accordance with the provisions of the Revenue Bond Act.

Section 10. That said negotiable revenue bonds shall be issued if carried as aforesaid and payment shall be made from available sources of revenue of the System, as improved, until principal and interest on the bonds shall have been fully paid, all as to be more fully and particularly provided and set forth in an ordinance or ordinances hereafter passed by the City Council. Such bonds shall not be a debt of the City and the City shall not be liable thereon, nor shall the bonds be payable out of any funds other than the revenue above specified. Such bonds shall not be payable from ad valorem property taxes.

Section 11. The proper officer or officers of said City are hereby authorized and directed to do all things requisite and necessary to carry out the provisions of this Ordinance.

[The remainder of this page has been left blank intentionally.]
Section 12. This Ordinance shall take effect from and after its passage and publication of the summary substantially in the form attached hereto as Exhibit A, in the manner as required by law.

PASSED by the Council of the City this 20th day of March, 2014.

CITY OF HAILEY, BLAINE COUNTY, IDAHO

By: ______________
   Council President

By: ______________
   Mayor

(SEAL)

ATTEST:

By: ______________
   City Clerk
EXHIBIT A

Summary of Bond Election Ordinance No. ______, passed March 20, 2014

AN ORDINANCE CALLING A SPECIAL MUNICIPAL REVENUE BOND ELECTION TO BE HELD FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY OF HAILEY, BLAINE COUNTY, IDAHO, THE PROPOSITION OF THE ISSUANCE OF UP TO $6,000,000 NEGOTIABLE REVENUE BONDS OF THE CITY OF HAILEY, BLAINE COUNTY, IDAHO, TO FINANCE CERTAIN IMPROVEMENTS TO ITS WASTEWATER TREATMENT FACILITY SYSTEM, AND PROVIDING FOR THE ISSUANCE AND PAYMENT OF SUCH BONDS AND DESIGN AND CONSTRUCTION OF SAID IMPROVEMENTS.

Section 1. Provides that certain Improvements (including the renovating of existing facilities to provide additional dewatering and biosolids handling facilities and all related improvements) to the wastewater treatment facility system (the “System”) for the citizens of the City of Hailey, Blaine County, Idaho (the “City”) shall be designed and constructed pursuant to the Preliminary Solids Handling Improvement Project Plan dated March 17, 2014, prepared by HDR Engineer, Inc., as the same is expected to be finalized in the near future (the “Plan”), which Plan provides that the estimated cost of the Improvements, with ninety percent of the design completed, is $__________, plus the expenses properly incident thereto, for a total amount not to exceed $6,000,000, including related costs and costs of issuance of the proposed revenue bonds and cost of funding of reserve funds, if any, to ensure the safe and continued operation of the System.

Section 2. Orders the design and construction of the Improvements to the System.

Section 3. Deems it necessary and desirable to finance the Improvements by authorizing the revenue bonds in an amount not exceeding $6,000,000 pursuant to Sections 50-1027 through 50-1042, Idaho Code, as amended (the “Revenue Bond Act”).

Section 4. Calls a Special Municipal Revenue Bond Election to be held in the City on Tuesday, May 20, 2014 (the “Bond Election”), to submit to the qualified electors of the City the proposition whether the City shall issue and sell its revenue bonds to finance the Improvements and related costs and expenses, as set forth in the form of ballot approved therein.

Section 5. Provides that the Clerk of Blaine County, Idaho (the “County Clerk”), shall administer the Bond Election pursuant to Sections 34-1401 and 50-403, Idaho Code.

Section 6. Provides that the City’s Clerk shall deliver to the County Clerk a copy of the Ordinance with the forms of the notice of the Bond Election and ballot for the Bond Election.

Section 7. Approves the form of ballot for the Bond Election.

Section 8. Sets forth the substantial form of the Notice of Special Municipal Revenue Bond Election.

BOND ELECTION ORDINANCE NO. ______ - 7 - 127 -
Section 9. Sets forth that if a majority of the qualified registered electors of the City assent to the issuance of the bonds, the bonds of the City shall be issued, which bonds shall mature within twenty (20) years of their date with annual bond maturities payable in accordance with the Revenue Bond Act.

Section 10. Provides that payment of the revenue bonds shall be made from available sources of revenue of the System, as improved, until fully paid, as more fully provided in an ordinance to be passed by the City Council. Such bonds shall not be payable from ad valorem property taxes.

Section 11. Authorizes the proper officers of the City to do all things requisite and necessary to carry out the provisions of the Ordinance.

Section 12. Provides that the Ordinance shall take effect from and after its passage and publication of this summary as required by law.

Exhibit A: Sets forth this summary for publication.

The full text of Bond Election Ordinance No. _______ is available at the office of the City Clerk of the City of Hailey, Idaho, and will be provided to any citizen upon personal request during normal business hours.

Approved this ___ day of March, 2014.

CITY OF HAILEY, BLAINE COUNTY, IDAHO

__________________________
Mayor

ATTEST:

__________________________
City Clerk

CERTIFICATION OF COUNSEL

I, the undersigned, the legal advisor to the City of Hailey, Idaho, hereby certify that I have read the attached Summary of Bond Election Ordinance No. ______ of the City, and that the same is true and complete and provides adequate notice to the public of the contents of said ordinance.

Dated as of this ___ day of March, 2014.

By: ________________________

BOND ELECTION ORDINANCE NO. _______ - 8 - 128 -
CITY OF HAILEY, BLAINE COUNTY, IDAHO

RESOLUTION - REIMBURSEMENT OF COSTS
Official Intent pursuant to Section 1.150-2, CFR

WHEREAS, the CITY OF HAILEY, BLAINE COUNTY, IDAHO (the “City”), will pay, on and after the date hereof, certain expenditures related to the following improvements: i) up to $6,000,000 for capital improvements to the City’s waste water treatment plant (the “Project”), plus costs of issuance and amounts required to establish necessary reserves; and

WHEREAS, the City intends to issue revenue bonds to finance the design, acquisition and construction of the Project (collectively, the “Bonds”);

WHEREAS, upon issuance of the Bonds, the City reasonably intends to reimburse itself for certain expenditures on the Project (the “Reimbursable Expenditures”) incurred (i) within 60 days prior to the date hereof, or (ii) after the date hereof but prior to the issuance of the Bonds; and

WHEREAS, the City expects such reimbursement to occur not later than 18 months after the later of (i) the date of the Reimbursable Expenditures, or (ii) the date the Project is placed in service but no later than three years after the date of the Reimbursable Expenditures.

NOW, THEREFORE, IT IS RESOLVED as follows:

Section 1. The purpose of this Resolution is to permit the City to reimburse itself from the proceeds of the Bonds for Reimbursable Expenditures not exceeding $6,000,000 relating to the Project incurred up to sixty days prior to the date of this Resolution, and ending on the date of reimbursement.

Section 2. The City intends to incur and pay for Reimbursable Expenditures with its available funds, and hereby declares its intent and reasonably expects to reimburse itself for those Reimbursable Expenditures from the proceeds of the issuance of the Bonds not later than 18 months after the later of (i) the date of the expenditure, or (ii) the date the Project is placed in service but no later than three years after the date of the expenditure.

Section 3. The maximum principal amount of the Bonds expected to be issued to finance the Project is $6,000,000.

Section 4. This declaration of official intention is made pursuant to Section 1.150-2, Code of Federal Regulations.

Section 5. The officials of the City are hereby authorized and directed, for and in the name and on behalf of the City to take any and all actions and execute, acknowledge and deliver any and all agreements, instruments or other documents and revisions or corrections

REIMBURSEMENT RESOLUTION, P. 1
thereof and amendments thereto, as may in their discretion be deemed necessary or desirable to carry out the terms, provisions and intent of this Resolution.

PASSED AND ADOPTED by the City of Hailey, Blaine County, Idaho, on ____________, 2014.

By: __________________________
   Council President

ATTEST:

By: __________________________
   City Clerk
AGENDA ITEM SUMMARY

DATE: 3-17-14 DEPARTMENT: Legal DEPT. HEAD SIGNATURE: 

SUBJECT:

Ordinance No. 1144 (Noise Ordinance Amendment)

AUTHORITY: □ ID Code □ IAR □ City Ordinance/Code (IFAPPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

At the February 3, 2014 council meeting, the Mayor and City Council approved Ordinance No. 1144 and conducted a first reading. At the March 3, 2014 council meeting, the Mayor conducted another public hearing and conducted a second reading of Ordinance No. 1144. I am attaching Ordinance No. 1144 and Summary of Ordinance No. 1144.

Following the second reading, Hailey received the attached e-mail from Henno Heitur of Monkeytongue Productions. In that e-mail, Mr. Heitur makes three general points. First, he argues that the 90 dB level for all permits (except the occasional event with significant community benefit) is too low and should be replaced with a 100 dB level. I believe it is useful to establish a maximum decibel level but it is debatable whether a 90 or 100 dB level should be adopted. Mr. Heitur certainly raises some good points about the appropriate decibel level. Second, Mr. Heitur contends that borders for measuring noise is vague. In response, I am comfortable with where we measure noise. Third, Mr. Heitur believes Ordinance No. 1144 is too restrictive. Of the numerous noise ordinances that I reviewed, Hailey has the most restrictive noise ordinance. But, the Council has the authority to regulate noise and again it is debatable whether Ordinance No. 1144 is too restrictive.

Ned

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS: Caselle #

□ 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: (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:

If the Council wishes to proceed with the current version of Ordinance No. 1144, make a motion to conduct a third reading by title only and to authorize the mayor to sign, and a motion to approve the Summary of Ordinance No. 1144. If the Council does not wish to proceed the adoption of the current version of Ordinance No. 1144, have a discussion about the council's direction and direct staff accordingly.

FOLLOW-UP REMARKS:
This person makes some good points. I would like to set up a test, and perhaps ask this person to assist, at the Spud and a couple other places of concern. Perhaps we could set up the speakers and sound levels to match the ordinance, match their existing protocol, and compare how different they may be in terms of decibel levels. At this point, I would rather do something like this before recommending another ordinance revision. They make some good suggestions.

On Mar 11, 2014, at 7:28 AM, "Heather Dawson" <heather.dawson@haileycityhall.org> wrote:

This email makes me want to change our recommendation to the council. What do you think?
HD

From: Henno Heitur [mailto:silkmnnot@gmail.com]
Sent: Tuesday, March 11, 2014 2:13 AM
To: Heather Dawson
Subject: City of Hailey Noise Ordinance

Dear Mayor and Council members,

My name is Henno Heitur and I am a resident of Hailey. I own a recording studio in town and play live music in a couple different groups locally and abroad. Unfortunately, I have been away during the last two city council meetings where changes to the city noise ordinance was open to public comment. I am writing to urge you to vote against the changes as recommended. The proposed decibel level as well as parameters for enforcement are both overly restrictive and vague. Two conditions when combined, I find, make for bad law.

A 90 decibel sound pressure limit for amplified live music is very restrictive and sets up most events and venues for failure. I find the choice of that level arbitrary and capricious. As a mixing engineer all my equipment is calibrated at 85db SPL. 85dB SPL is the calibrated reference mix level used by the film industry and has been adopted by the music industry as standard. This is because 85dB is the sound volume that the human ear perceives frequencies at their most even level across the spectrum. I calibrate only a few feet away from the speakers. Holding an SPL meter and speaking loudly to address a group of people without amplification I hit 90db easily. An average level of 90dB with no peaks higher than 100dB is far more reasonable. This is why 100dB is the limit most towns and cities use, including Ketchum.
The restrictive level worries me less than the absolutely vague “borders” for sound. When I first read the proposed changes these are the questions I had:

- Will the decibel reading be at A or C weighting?
- At what distance will the reading be made?
- Will this be 90dB average or peak?
- If peak, for how long? One second? Ten second? One minute?
- Is the proposed "property line" any property line or the one opposite the stage and speakers?

I ask these questions because I will be the one setting up the PA system and ensuring I do not violate the ordinance with my own calibrated meter. As the ordinance reads I have absolutely no idea how far I should make the reading and at what weighting and direction. The Wicked Spud has a stage that sits literally on the property line. If I stand in the neighbors yard there is no way a drummer could stay below 90dB. It is impossible. An event that I have performed in and setup sound systems for in the past is the Hailey Night of Music. That event groups setup in front of businesses, on sidewalks and in side yards. What property line are we measuring from and at what distance?

Ketchum specifically calls out where the readings are to be made at their venues, such as the town square, and the distance and dB level is generous so most events need not worry. Their ordinance is restrictive as to time but they seem to be willing to waive their own rules every opportunity money is to be made. If Hailey does the same this places the burden of this ordinance on smaller events, venues and shows mostly done by local artists in support of local businesses and organizations. I support refining the noise ordinance for amplified music but Hailey is making Ketchum look like the reasonable municipality and frankly that is unfortunate. Lastly, as to the email that listed safety concerns regarding noise levels; I take personal responsibility when I go to clubs and concerts and stand next to a drummer and I wear earplugs. Perhaps they should too.

Thank you for your consideration,

Henno Heitur
Monkeytongue Productions
cakefacejane
Cow Says Mooo
519 S 4th Ave
Hailey
208-969-0099
HAILEY ORDINANCE NO. 1144

AN ORDINANCE OF THE CITY OF HAILEY, IDAHO, BY AMENDING HAILEY MUNICIPAL CODE BY AMENDING SECTION 9.04.030 TO LIMIT THE HOURS OF AMPLIFIED SOUND, TO ENUMERATE LOUD, DISTURBING AND UNNECESSARY NOISES AND TO REGULATE INDOOR AND OUTDOOR AMPLIFIED SOUND; BY AMENDING SECTION 12.12.040 TO ELIMINATE LIONS PARK FROM THE REGULATIONS OF CHAPTER 12.12 AND TO ADD CONDITIONS FOR HOURS AND DECIBEL LEVELS OF AMPLIFIED SOUND FOR A PARK RESERVATION; BY AMENDING SECTION 12.14.020 TO REVISE THE DEFINITION OF GOVERNMENT EVENTS; BY AMENDING SECTION 12.14.080 TO ADD CONDITIONS FOR HOURS AND DECIBEL LEVELS OF AMPLIFIED SOUND FOR A SPECIAL EVENT PERMIT; BY PROVIDING FOR A SEVERABILITY CLAUSE; BY PROVIDING FOR A REPEALER CLAUSE; AND BY PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, the Mayor and the City Council of the City of Hailey wish to make the City of Hailey an event friendly place while maintaining public safety and residential quality of life;

WHEREAS, to promote the peace and quiet of neighborhoods, the Mayor and the City Council believe it is necessary to regulate both indoor and outdoor amplified sound; and

WHEREAS, the Mayor and City Council find that an amendment to the amplified sound permit regulations will further the public health, safety and general welfare.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF HAILEY, IDAHO, AS FOLLOWS:

Section 1. Section 9.04.030 of the Hailey Municipal Code is amended by the deletion of the stricken language and the addition of the underlined language as follows:

9.04.030 Noise.

A. Except as otherwise provided herein, it is unlawful for any person to make, create, continue or cause to be made, created or continued, any loud or unnecessary noise, regardless whether the source of the noise occurs inside or outside of a building, which noise disturbs or injures others within the limits of the city, or which adversely affects the comfort, health, peace or safety of others within the limits of the city.

1. Outdoor Amplified sound may be permitted with an approved Special Events permit, an approved park reservation or an approved amplified sound permit. Permitted outdoor provided the amplified sound shall be limited to the hours between 10:00 a.m. and 10:00 p.m.

2. Amplified sound may be permitted with an approved Special Events permit for an event expected to attract more than 1500 people at any time in City Parks as defined by Section 12.14.020 of the Hailey Municipal Code, and between 10:00 a.m. and 11:30
p.m. in the Business (B) zoning district, and between 10:00 a.m. and midnight at Hailey's multi-
purpose arena provided the amplified sound shall be limited to the hours between 10:00 a.m. and
11:00 p.m.

3. Amplified sound may be permitted with an approved Special Event permit for an occasional event determined to be of significant benefit to the community, in which case the City may condition approval on the use of amplified sound during limited hours deemed appropriate based on the event and proximity to neighborhoods.

B. Except as otherwise provided herein, the following acts are declared to constitute the making of loud, disturbing and unnecessary noises in violation of this Section 9.04.030, but the enumeration contained in this subsection shall not be deemed to be exclusive:

1. Radios, Phonographs, Loudspeakers and Sound Amplifiers. The using, playing or operating, or permitting the playing, using or operating, of any radio, television, musical instrument, phonograph, loudspeaker, sound amplifier, or other machine or device for the production or reproduction of sound in such a manner as to disturb the peace, quiet and comfort of neighboring residents or inhabitants, including the projection of volume or sound louder than is necessary for the hearing of the person or persons in a building or vehicle in which such machine or device is operated. The operation of any such radio, television, musical instrument, phonograph, loudspeaker, sound amplifier, or other machine or device in such a manner as to be plainly audible at a distance of fifty feet (50') from the property line of any property where the same is located, or at a distance of fifty feet (50') from any vehicle in which the same is located, shall be prima facie evidence of violation of this section, except with an approved special event permit, an approved park reservation permit or an approved amplified sound permit.

2. Building and Site Construction, Alteration, Demolition, Repair and Maintenance. The construction, including excavation, of new buildings and the demolition, alteration or repair of any existing building, except between the hours of seven a.m. and seven p.m. on weekdays and eight a.m. and seven p.m. on Saturdays and nine a.m. to seven p.m. on Sundays, except in cases where urgent necessity in the interest of public health and safety has been demonstrated to the city administrator and except sounds emitted by snow removal and yard maintenance equipment in operation.

3. Pile Drivers, Hammers, Etc. The operation of any pile driver, pneumatic hammer, derrick, ram, or electric hoist, the use of which involves loud or unusual noise, and blasting or any other use of explosives, except between the hours of seven a.m. and seven p.m. Monday through Friday, except in cases where urgent necessity in the interest of public health and safety has been demonstrated to the city administrator.

4. Animals. The keeping of any animal under circumstances where resulting frequent or long, continuous noise disturbs the peace, comfort or repose of other persons in the vicinity where the animal is kept.

5. Unless otherwise permitted pursuant to an approved special event permit, amplified sound permit or park reservation, noise in excess of the following levels as measured at the property line or at the party wall between the units (if the property consists of multiple apartment units) in the following zoning districts as determined by the Hailey Zoning Ordinance within the city during the following times:

 -2-

 -135-
<table>
<thead>
<tr>
<th>Zoning District</th>
<th>Nighttime 10:00 p.m. to 7:00 a.m.</th>
<th>Evening 7:00 p.m. to 10:00 p.m.</th>
</tr>
</thead>
<tbody>
<tr>
<td>LI, TI, SCI</td>
<td>65 dB</td>
<td>65 dB</td>
</tr>
<tr>
<td>B, LB</td>
<td>65 dB</td>
<td>90 dB</td>
</tr>
</tbody>
</table>

C. An outdoor amplified sound permit is required for those events where any of the source of amplified sound is located outside of an enclosed building.

1. An outdoor amplified sound permit application must be completed and filed with the city five (5) business days prior to the event date. An outdoor amplified sound permit may be administratively approved after an applicant submits the following information on a form provided by the city:
   a. the name, address, and telephone number of the applicant;
   b. the address of the location of the property where the amplified sound will be generated;
   c. the maximum decibel level expected to be generated;
   d. the time during which the sound equipment will be used;
   e. an application fee, if established by separate resolution; and
   f. a statement that the applicant has obtained a copy of the applicable requirements of this chapter and agrees to comply with all applicable requirements.

2. An outdoor amplified sound permit may be administratively approved upon finding that the requirements of this chapter have been met.

3. Approval of Permit. The Chief of Police or his/her designee shall approve the application unless one of the following finding are made:
   a. Use of the equipment would constitute a detriment to traffic safety;
   b. The issuance of the permit would be otherwise detrimental to the public health, safety or welfare;
   c. The issuance of the permit will substantially interfere with the peace and quiet of the neighborhood or the community;
   d. The applicant would violate the provisions of this Code or any other law.

4. Upon approval of an outdoor amplified sound permit a Hailey Police officer may visit the property on the day of set up of the amplified sound equipment to measure the decibel level emitted and mark the maximum decibel level permitted on the equipment.

5. An amplified sound permit shall include the minimum conditions that any amplified sound shall be limited between 10:00 a.m. and 10:00 p.m. and that any amplified sound shall not exceed ninety (90) dB measured at the property line at any time during the event; provided, however, the Chief of Police or his/her designee is authorized to impose more restrictive conditions.

   The decibel level shall not exceed ninety (90) dB measured at the property line at any time during the event.
6. Disapproval of Permit. In the event the permit application is not approved, the Chief of Police or his designee shall state the reason(s) for such in writing and provide the applicant with the written statement.

7. Right of Appeal. Any person whose permit application is denied may appeal to the City Council within ten (10) calendar days from the date of notification of decision.

D. Penalties. Any person who violates any provision of this section shall, upon conviction, be guilty of a misdemeanor and shall be subject to a fine not exceeding three hundred dollars, imprisonment in the county jail for a period not exceeding thirty days, or both such fine and imprisonment.

**Section 2.** Section 12.12.040 of the Hailey Municipal Code is amended by the deletion of the stricken language and the addition of the underlined language as follows:

12.12.040 Reservation of City Parks.

A. **Applicability.** Reservation for the exclusive use of a City Park or a portion thereof, for gatherings of less than 250 people shall require the prior issuance of a park reservation. For gatherings that are reasonably expected to attract 250 or more people, the procedures and requirements of Chapter 12.14 of the Hailey Municipal Code shall apply instead.

1. Hop Porter and McKercher and Lions Parks shall be kept available for special events, defined and administered pursuant to Chapter 12.14, on the Friday, Saturday and Sunday of the following weekends of each year.
   a. Memorial Day
   b. The weekend closest to July Fourth. If July 4th is on a Tuesday the weekend before is reserved. If July 4th is on a Wednesday or Thursday then the weekend after is reserved.
   c. The first weekend of August for the Northern Rockies Folk Festival.
   d. Labor Day
   e. The second weekend in October for the Trailing of the Sheep Festival

2. Deerfield, Foxmoor, Curtis, the Skate Park, Balmoral, and Echo Hill Parks are neighborhood parks that should remain available for use by the general public and shall not be reserved for exclusive use except with an approved special events application pursuant to Chapter 12.14.

3. Jimmy’s Garden and E. W. Fox Demonstration Garden shall not be reserved for exclusive use.

4. Sports fields at Balmoral, Keefer, Lions and McKercher Parks shall be available for recreational league use through a Seasonal Event permit.

5. Reservation of Deerfield and Foxmoor Parks for Seasonal Events shall be prohibited due to the limited parking available.

B. **Administration.** The Administrator of this Chapter is responsible for the coordination of any applicable departmental review and issuance of a park reservation.

1. Authority of Administrator.
Section 6. Repealer Clause. All ordinances or parts thereof in conflict herewith are hereby repealed and rescinded.

Section 7. Effective Date. This Ordinance shall be in full force and effect after its passage, approval and publication according to law.

PASSED AND ADOPTED BY THE HALEY CITY COUNCIL and approved by the Mayor this ______ day of March, 2014.

______________________________
Fritz X. Haemmerle, Mayor
City of Hailey

ATTEST:

______________________________
Mary Cone, City Clerk
SUMMARY OF HAILEY ORDINANCE NO. 1144

The following is a summary of the principal provisions of Ordinance No. 1144 of the City of Hailey, Idaho, duly passed and adopted March 17, 2014, by the City Council and Mayor of the City of Hailey:

AN ORDINANCE OF THE CITY OF HAILEY, IDAHO, BY AMENDING HAILEY MUNICIPAL CODE BY AMENDING SECTION 9.04.030 TO LIMIT THE HOURS OF AMPLIFIED SOUND, TO ENUMERATE LOUD, DISTURBING AND UNNECESSARY NOISES AND TO REGULATE INDOOR AND OUTDOOR AMPLIFIED SOUND; BY AMENDING SECTION 12.12.040 TO ELIMINATE LIONS PARK FROM THE REGULATIONS OF CHAPTER 12.12 AND TO ADD CONDITIONS FOR HOURS AND DECIBEL LEVELS OF AMPLIFIED SOUND FOR A PARK RESERVATION; BY AMENDING SECTION 12.14.020 TO REVISE THE DEFINITION OF GOVERNMENT EVENTS; BY AMENDING SECTION 12.14.080 TO ADD CONDITIONS FOR HOURS AND DECIBEL LEVELS OF AMPLIFIED SOUND FOR A SPECIAL EVENT PERMIT; BY PROVIDING FOR A SEVERABILITY CLAUSE; BY PROVIDING FOR A REPEALER CLAUSE; AND BY PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

Hailey Ordinance No. 1144 amends Hailey Municipal Code, as follows:

Section 1 amends Section 9.04.030 of the Hailey Municipal Code, to a) clarify that noise shall be regulated regardless whether the source of the noise occurs inside or outside of a building, b) permit amplified sound with an approved special events permit for an event expected to attract more than 1500 people in City Parks and at the Hailey multi-purpose arena provided amplified sound is limited to the hours between 10:00 a.m. and 11:00 p.m. and for an occasional event determined to be of significant benefit to the community, c) prohibit decibel levels in excess of 65 dB between 10:00 p.m. and 7:00 a.m. for the LI, TI, SCI, B and LB zoning districts, decibel levels in excess of 65 dB between 7:00 p.m. and 10:00 p.m. for the LI, TI and SCI zoning districts, and decibel levels in excess of 90 dB between 7:00 p.m. and 10:00 p.m. for the B and LB zoning districts, d) require an amplified sound permit where any of the source of amplified sound is located outside of an enclosed building, and e) require minimum conditions for an amplified sound permit that any amplified sound shall be limited between 10:00 a.m. and 10:00 p.m. and that any amplified sound shall not exceed ninety (90) dB measured at the property line at any time during the event.

Section 2 amends Section 12.12.040 of the Hailey Municipal Code to delete Lions Park as a City Park subject to the regulations for reservation of city parks, and to require minimum conditions for a park reservation that any amplified sound shall be limited between 10:00 a.m. and dusk and that any amplified sound shall not exceed ninety (90) dB measured at the property line at any time during the event.

Section 3 amends Section 12.14.020 of the Hailey Municipal Code to amend the definition of Government Event to mean an event solely produced and administrated by the governmental entity.

Section 4 amends Section 12.14.080 of the Hailey Municipal Code to require minimum conditions for a special events permit that any amplified sound shall not exceed ninety (90) dB measured at
the property line at any time during the event and that any amplified sound shall be limited between 10:00 a.m. and 10:00 p.m. for events described in Section 9.04.030(A)(1), or ii) that any amplified sound shall not exceed ninety (90) dB measured at the property line at any time during the event and that any amplified sound shall be limited between 10:00 a.m. and 11:00 p.m. for events described in Section 9.04.030(A)(2), or iii) that any amplified sound shall not exceed a reasonable decibel level measured at the property line at any time during the event and that any amplified sound shall be limited to times deemed appropriate and commensurate for events described in Section 9.04.030(A)(3).

Section 5 provides for a severability clause.

Section 6 provides for a repealer clause.

Section 7 provides for an effective date of the ordinance.

The full text of Ordinance No. 1144 is available at Hailey City Hall at 115 South Main Street, Suite H, Hailey, Idaho 83333 and will be provided to any citizen upon request during regular business hours.

CERTIFICATION OF CITY ATTORNEY

I, the undersigned Attorney at Law, as attorney for the City of Hailey, Idaho, hereby certify that I have read the foregoing summary of Ordinance No. 1144 of the City of Hailey, that I have compared it to the full text of Ordinance No. 1144, and that in my opinion, the above summary is true and complete and provides adequate notice to the public of the contents of said Ordinance.

Dated this 17th day of March, 2014.

Ned Williamson, Hailey City Attorney

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