AGENDA ITEM SUMMARY

DATE: 6/26/2013  DEPARTMENT: Legal  DEPT. HEAD SIGNATURE: ________

SUBJECT:

Fly Sun Valley Alliance request to amend Hailey’s Local Option Tax

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

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

Last year, Hailey called a special election to consider a proposal to increase Hailey’s local option tax (“LOT”) by one percent (1%). The Hailey City Council decided to only seek voter approval to increase the LOT on hotel/motel occupancy and rental cars, not on restaurants or beer, wine or alcohol. Ketchum and Sun Valley also placed the measure on the ballot at the same time. Ketchum and Sun Valley approved of a ballot which increased the LOT on more items than Hailey put on the ballot. The voters in Ketchum and Hailey rejected the proposal, while Sun Valley voters approved the measure.

In preparation for this discussion, I have put together a proposed Joint Powers Agreement, a proposed ballot and a proposed ordinance. Please note that I drafted language which only increase the LOT on hotel/motel occupancy and rental cars. The enclosed documents are virtually identical to the documents presented to you last year.

If approved by the voters, the proposed ordinance would increase the LOT on hotel/motel occupancy and rental cars from 3% to 4% for a five year period beginning January 1, 2104.

Ned

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:  Casele #

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:

Discuss the proposal to increase the LOT and decide whether Hailey should place the request on the November ballot.

If you decide not to place the measure on the ballot, then make a motion to deny the request. No further action will be needed.

If you decide to place the measure on the ballot, then make a motion to approve the request. In that event, you will need to make a motion to approve Ordinance No. 1133, authorize the mayor to read by title only, waive the three readings, and authorize the mayor to sign Ordinance No. 1133. In addition, you will
need to make a motion to approve the Joint Powers Agreement and authorize the mayor to sign the Joint Powers Agreement and Resolution No. 2013-______________

FOLLOW-UP REMARKS:
HAILEY ORDINANCE NO. 1133

AN ORDINANCE OF THE CITY OF HAILEY, IDAHO, AMENDING ORDINANCE NO. 950, WHICH PROVIDES FOR THE IMPOSITION OF LOCAL OPTION TAXES; AMENDING SECTIONS 5.32.030, 5.32.040 AND 5.32.050 OF THE HAILEY MUNICIPAL CODE TO PROVIDE FOR AN ADDITIONAL ONE PERCENT (1%) TAX ON RENTAL VEHICLES AND HOTEL-MOTEL OCCUPANCY FOR FIVE (5) YEARS; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A REPEALER CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of Hailey is authorized to collect local option taxes pursuant to Hailey Ordinance Nos. 950 and 1035;

WHEREAS, the City of Hailey has determined it is in the best interest of the public to amend Ordinance No. 950 to provide for an increase to the local option non-property tax for the purpose of maintaining and increasing commercial air service;

WHEREAS, the City of Hailey desires to amend Ordinance No. 950 to increase its local option non-property tax for a period of five (5) years for the purposes set forth in the ballot set forth herein.

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

Section 1. The following ballot shall be submitted to the registered voters of the City of Hailey at the November 5, 2013 election and Ordinance No. 950 shall be amended as provided for in the ballot provided that the ballot is approved by sixty percent (60%) of the registered voters that vote on such ballot:

SPECIAL NON PROPERTY TAX ELECTION

CITY OF HAILEY
STATE OF IDAHO

November 5, 2013

QUESTION: Shall the City of Hailey, Idaho adopt Ordinance No. 1133, to provide for the imposition and collection of, for a period of five (5) years from its effective date of January 1, 2013, certain non-property taxes to raise the current rates of local option taxes (LOT), as follows:

(A) An additional one percent (1%) tax on the total amount charged for rental use or temporary occupancy of a room or living unit in a hotel or motel.

(B) An additional one percent (1%) tax on the total amount charged for rental use of a rental vehicle.
The purposes for which the revenues derived from the additional one percent (1%) of each of said taxes shall be used, pursuant to a joint powers agreement, are as follows:

a) maintaining and increasing commercial air service to Friedman Memorial Airport through the use of Minimum Revenue Guarantees or other inducements to providers;

b) promoting and marketing the existing service and any future service to increase passengers;

c) for all ancillary costs which are associated with the ongoing effort to maintain and increase commercial air service, including reasonable program management costs and busing due to flight diversion(s); and

d) direct costs to collect and enforce the tax, including administrative and legal fees.

all as provided in Ordinance No. 1109 adopted by the Hailey City Council on August 30, 2012?

Section 2. Section 5.32.030 of the Hailey Municipal Code is amended by the addition of the underlined language and by the deletion of the stricken language, as follows:

5.32.030 Imposition of Certain Non-Property Taxes. The City hereby imposes and shall collect certain non-property taxes as follows:

(A) Rental Vehicle Tax: A tax is hereby imposed at the rate of three four percent (34%) on the Rental Vehicle Charge for each Rental Vehicle rented or leased within the City. The Rental Vehicle tax shall apply to and be computed on the rental of all Rental Vehicles including all credit, installment, conditional or similar rental or lease fees at the time the Rental Vehicle Charge is charged. The Rental Vehicle tax shall be collected by the owner or his authorized agent from the renter or lessee.

(B) Hotel-Motel Occupancy Tax: A tax is hereby imposed at the rate of three four percent (34%) on the Room Occupancy Charge for each Hotel-Motel room or living unit rented or leased within the City. The Hotel-Motel occupancy tax shall apply to and be computed on the rental of all Hotel-Motel rooms including all credit, installment, conditional or similar rental or lease fees at the time the Room Occupancy Charge is charged. The Hotel-Motel occupancy tax shall be collected by the owner of the Hotel-Motel or his authorized agent from the renter or lessee.
(C) **Liquor By-The-Drink Tax:** A tax is hereby imposed at rate of two percent (2%) of the Sales Price upon each Retail Sale of Liquor By-The-Drink within the City. The tax shall apply to and be computed on all Retail Sales of Liquor By-The-Drink including credit, or similar sales at the time of the sale. The Liquor By-The-Drink tax shall be collected by the retailer from the consumer.

(D) **Restaurant Food Tax:** A tax is hereby imposed at rate of one percent (1%) of the Sales Price upon each Retail Sale of Restaurant Food within the City. The tax shall apply to and be computed on all Retail Sales of Restaurant Food including credit, or similar sales at the time of the sale. The Restaurant Food tax shall be collected by the retailer from the consumer.

(E) **Fractional Portion:** When the Sales Price involves a fraction of a dollar, the non-property tax shall be collected on that fractional portion of the price adding thereto the tax based upon the following bracket system:

**Rental Vehicle and Hotel-Motel Occupancy Taxes (34%)**

<table>
<thead>
<tr>
<th>Bracket</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>.01 to .19</td>
<td>0.01</td>
</tr>
<tr>
<td>.20 to .39</td>
<td>0.02</td>
</tr>
<tr>
<td>.40 to .59</td>
<td>0.03</td>
</tr>
<tr>
<td>.60 to .79</td>
<td>0.04</td>
</tr>
<tr>
<td>.80 to .99</td>
<td>0.05</td>
</tr>
</tbody>
</table>

(Each whole dollar $0.034)

**Liquor By-The-Drink Tax (2%)**

<table>
<thead>
<tr>
<th>Bracket</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>.01 to .33</td>
<td>0.01</td>
</tr>
<tr>
<td>.34 to .66</td>
<td>0.02</td>
</tr>
<tr>
<td>.67 to .99</td>
<td>0.03</td>
</tr>
</tbody>
</table>

(Each whole dollar $0.02)

**Restaurant Food Tax (1%)**

<table>
<thead>
<tr>
<th>Bracket</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>.01 to .49</td>
<td>0.01</td>
</tr>
<tr>
<td>.50 to .99</td>
<td>0.01</td>
</tr>
</tbody>
</table>

(Each whole dollar $0.01)
The retailer shall calculate the tax upon the entire amount of purchases of the consumer made at a particular time subject to this ordinance, and not separately upon each item purchased. The retailer may retain any amount collected under the bracket system which is in excess of the amount of tax for which he is liable to the City during the period as compensation for the work of collecting the tax.

(F) Monies Collected Held in Trust: All monies collected and/or retained under the provisions of this ordinance shall be held in trust for the City and for payment thereof to the City Clerk in the manner and at the times in this ordinance provided.

Section 3. Section 5.32.040 of the Hailey Municipal Code is amended by the addition of the underlined language and by the deletion of the stricken language, as follows:

5.32.040 Duration of Taxes. Except as otherwise provided herein, the non-property taxes authorized and collected under this ordinance are hereby imposed for a duration of twenty (20) years from the effective date of this ordinance. The one percent (1%) increase authorized by Ordinance 1109 for the non-property taxes collected for Rental Vehicle and Hotel-Motel Occupancy Taxes is hereby imposed for a duration of five (5) years after January 1, 2013.

Section 4. Section 5.32.050 of the Hailey Municipal Code is amended by the addition of the underlined language, as follows:

5.32.050 Purposes of Taxes. The non-property tax revenue derived from and collected under this ordinance shall be used for the following purposes:
(A) Emergency services (rapid response, life saving, traffic enforcement, training, staffing, equipment, vehicles, etc.).
(B) Maintenance, improvement and acquisition of parks.
(C) Road repair, transportation enhancements and snow removal.
(D) City promotion, visitor information, special events and economic development.
(E) Town improvements (library modernization, sidewalks, town square, etc.).
(F) Public transit and related improvements.
(G) Direct cost to administer and enforce this ordinance.

The non-property tax revenue derived from and collected under this ordinance for the one percent (1%) increase for the non-property taxes collected for Rental Vehicle and Hotel-Motel Occupancy Taxes authorized by Ordinance No. 1133 shall be used for the following purposes:

(A) maintaining and increasing commercial air service to Friedman Memorial Airport through the use of Minimum Revenue Guarantees or other inducements to providers;

(B) promoting and marketing the existing service and any future service to increase passengers;
(C) for all ancillary costs which are associated with the ongoing effort to maintain and increase commercial air service, including reasonable program management costs and busing due to flight diversion(s); and

(D) direct costs to collect and enforce the tax, including administrative and legal fees.

Section 5. If any section, paragraph, sentence or provision hereof or the application thereof to any particular circumstances shall ever be held invalid or unenforceable, such holding shall not affect the remainder hereof, which shall continue in full force and effect and applicable to all circumstances to which it may validly apply.

Section 6. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

Section 7. This Ordinance shall be in full force and effect on January 1, 2014, after voter approval, passage by the City Council and Mayor, and publication according to law.

ADOPTED BY THE HAILEY CITY COUNCIL AND APPROVED BY THE MAYOR this _______ day of August, 2013.

Fritz X. Haemmerle, Mayor
City of Hailey

ATTEST:

Mary Cone
Hailey City Clerk

Publish: Idaho Mountain Express _______, 2013
SPECIAL NON PROPERTY TAX ELECTION

CITY OF HAILEY
STATE OF IDAHO

November 5, 2013

QUESTION: Shall the City of Hailey, Idaho adopt Ordinance No. 1133, to provide for the imposition and collection of, for a period of five (5) years from its effective date of January 1, 2014, certain non-property taxes to raise the current rates of local option taxes (LOT), as follows:

(A) An additional one percent (1%) tax on the total amount charged for rental use or temporary occupancy of a room or living unit in a hotel or motel.

(B) An additional one percent (1%) tax on the total amount charged for rental use of a rental vehicle.

The purposes for which the revenues derived from the additional one percent (1%) of each of said taxes shall be used, pursuant to a joint powers agreement, are as follows:

a) maintaining and increasing commercial air service to Friedman Memorial Airport through the use of Minimum Revenue Guarantees or other inducements to providers;

b) promoting and marketing the existing service and any future service to increase passengers;

c) for all ancillary costs which are associated with the ongoing effort to maintain and increase commercial air service, including reasonable program management costs and busing due to flight diversion(s); and

d) direct costs to collect and enforce the tax, including administrative and legal fees.

IN FAVOR

AGAINST
CITY OF HAILEY
RESOLUTION NO. 2013-68

RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF HAILEY
AUTHORIZING THE EXECUTION OF JOINT POWERS AGREEMENT
ESTABLISHING A SEPARATE LEGAL ENTITY GOVERNED BY THE SUN VALLEY
AIR SERVICE BOARD

WHEREAS, the City of Hailey desires to enter into a joint powers agreement establishing a separate legal entity governed by the Sun Valley Air Service Board under which Sun Valley Air Service Board will perform and be responsible to retain, improve and develop commercial air service to Friedman Memorial Airport.

WHEREAS, the City of Hailey and Sun Valley Air Service Board have agreed to the terms and conditions of the Joint Powers Agreement, 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 Joint Powers Agreement between the City of Hailey and Sun Valley Air Service Board and that the Mayor is authorized to execute the attached Agreement,

Passed this 26th day of August 2013.

City of Hailey

Fritz X. Haemmerle, Mayor

ATTEST:

Mary Cone, City Clerk
JOINT POWERS AGREEMENT ESTABLISHING
THE SUN VALLEY AIR SERVICE BOARD
TO RETAIN, IMPROVE AND DEVELOP COMMERCIAL AIR TRANSPORTATION
SERVICES AT FRIEDMAN MEMORIAL AIRPORT

___________, 2013

This Agreement ("Agreement"), made and entered into on ____________, 2013, by and between the CITY OF KETCHUM, IDAHO, a municipal corporation ("Ketchum"), the CITY OF SUN VALLEY, IDAHO, a municipal corporation ("Sun Valley"), the CITY OF HAILEY, a municipal corporation ("Hailey"), (collectively known as "Cities"), and the COUNTY OF BLAINE, a body politic and corporate ("Blaine County") all described, individually as "Party," or jointly as "Parties;"

WITNESSETH:

WHEREAS, the Friedman Memorial Airport Authority ("FMAA"), of which Hailey and Blaine County are members, operates the Friedman Memorial Airport (the "Airport"), and over the past six years commercial enplanements have decreased to the Airport; and

WHEREAS, the Parties recognize both year-round tourism and commerce are primary contributors to the economic base of Blaine County and its Cities; and

WHEREAS, air service to the Airport is critical for such year-round tourism and commerce; and

WHEREAS, each of the respective City Councils of the Cities of Ketchum, Sun Valley, and Hailey have voted in properly noticed public meetings to place before their respective voters on the November 5, 2013, ballot, the question of a 1% Local Option Tax ("LOT") (the "Ballot Questions") to fund retention, improvement and development of commercial air transportation services to the Airport; and

WHEREAS, an opinion from the Office of the Attorney General dated March 12, 2012, to Representative Wendy Jaquet (the "AG Opinion"), indicates that general authority exists under Idaho Code Section 67-2328 for cities and counties to enter into a joint powers agreement to provide for agreements for air service, including minimum revenue guarantees ("MRG's"); and

WHEREAS, to retain, improve and develop commercial air transportation services, the Ballot Questions provide for MRG's and promotion of commercial air service to increase seats and enplanements to the Airport; and

WHEREAS, this Agreement will create the separate legal entity described below, the Sun Valley Air Service Board (the "Board"), which will contract with one or more parties, pursuant to Contracts for Services as described herein, to discharge the Board's duties and responsibilities described in the Ballot Questions; and

JOINT POWERS AGREEMENT - 1
WHEREAS, each of the Parties has made findings regarding the need for this Agreement to satisfy the duties and responsibilities described in the Ballot Questions; and

WHEREAS, the City Parties hereto are municipal corporations organized and existing under and by virtue of the laws of the State of Idaho and as such are authorized and empowered by Idaho Code Sections 50-321, 50-322, 21-110, 21-401 and related statutes to undertake the responsibilities contemplated by the Ballot Questions; and

WHEREAS, the County, pursuant to Idaho Code Sections 31-110, 21-876 and related statutes, in coordination with Hailey, provides for the operation of the Airport through the FMAA and the County as a Party to this Agreement may assist in discharging the duties contemplated by the Ballot Questions; and

WHEREAS, it is the mutual desire of the Parties hereto, acting pursuant to Idaho Code Sections 67-2328, et seq., and Idaho Code Section 21-403, to create and maintain the Authority to discharge the duties and responsibilities set forth in the Ballot Questions;

NOW, THEREFORE, in order to accomplish the aforesaid purposes, and in consideration of the mutual term, covenants and conditions set forth herein, the Parties hereto agree as follows:

1. **Establishment of Separate Legal Entity; Governance.** The Parties hereto hereby establish the Sun Valley Air Service Board (“Board”) as a separate legal entity and delegate each Party’s respective power to the Board to oversee and administer the joint undertakings contemplated herein. Parties will join and become members of the Board upon execution of this Agreement by their respective governing body.

2. **Board Membership.** The representatives of the Parties who shall be members of the Board shall be configured as described below:

   A. One (1) member from the City of Ketchum, one (1) member from the City of Sun Valley and one (1) member from the City of Hailey shall be respectively appointed by the Mayors of Ketchum, Sun Valley and Hailey with the consent and approval of the City Council of each city.

   B. One (1) member from Blaine County shall be appointed by the Board of County Commissioners.

   C. Each of the Parties shall establish its own Board member qualification criteria subject to subparagraph E.

   D. Employees, directors, shareholders, partners, owners and others with financial interests in any business, company or entity which the Board has employed or contracted with to provide equipment or services shall not be appointed or remain members of the Board.
E. Members of the Board shall be appointed without respect to political affiliation or religious denomination. Any person over the age of eighteen (18) may be eligible for appointment.

F. Members of the Board shall serve without compensation.


A. City Parties shall retain 90% of the voting rights and voting rights shall be allocated among all Board members based on their respective annual 1% LOT contributions to the Board. The initial allocation of these voting rights shall be determined using each City Party’s year ending September 30, 2013, total fiscal year actual LOT revenue collection on taxable sales described in the Ballot Questions. Each year thereafter, the voting percentages shall be revised as necessary to reflect each City Party’s year ending September 30 actual 1% LOT revenue contributions to the Board.

B. Blaine County shall not have a vote as a member of the Board, except in the instance described herein. In recognition that Friedman Memorial Airport is jointly owned by the City of Hailey and Blaine County, 10% of the voting rights of the Board members will be allocated to the Board member appointed by Hailey, unless Hailey is not a Party to this Agreement, in which case such 10% shall be allocated to the Board member appointed by Blaine County.

C. Voting Majorities. The members of the Board shall take action upon the affirmative vote of those members holding more than 50% of the voting rights, unless otherwise provided herein. A super-majority of two-thirds of those members holding voting rights shall be needed to (1) approve any initial Contract for Services with an entity or contractor or change an entity or contractor with a Contract for Services in excess of $50,000 to a different entity and/or contractor; and (2) approve any initial performance metrics and change in performance metrics determined jointly by members of the Board and contractor(s) as identified in the Contracts for Services.

4. Term of Office. The term of office on said Board shall be for the following initial terms:

1 member from Ketchum for one (1) year
1 member from Sun Valley for one (1) year
1 member from Hailey for one (1) year
1 member from Blaine County for one (1) year

Subsequent appointments shall be for one (1) year and a board member shall hold a seat on the board until his or her successor has been appointed and qualified. Vacancies occurring otherwise than through the expiration of appointed terms or removal shall be filled for the remainder of the term by the Party that appointed the board member. Removal of any member may only be made by the Party that appointed such board member.
5. **Organization Bylaws.** The Board shall be governed by the Bylaws specifying the procedural method and manner by which it shall conduct its business and affairs, provided, however, that said Bylaws shall be amended so as not be inconsistent with or contrary to the provisions of this Agreement, or any applicable local, state or federal law and shall provide that at least a simple majority must concur for the Board to act. The Bylaws shall provide, among other items, that a majority of the members of the Board shall constitute a quorum. A non-voting member is not a member for quorum purposes.

6. **Purposes and Powers.** The purpose of the Board is to establish, implement, maintain and fund a program to retain, improve and develop commercial air service to Friedman Memorial Airport. In furtherance of that purpose, the Parties hereto hereby delegate to the Board their power to carry out the duties as described and contemplated by the Ballot Questions, including entering into Contracts for Services with such entities as the Board may select, subject to the specific LOT allocations of the City Parties. It is anticipated that the Board will have no employees and that, except for the holding, distribution and oversight of the monetary contributions and entering into Contracts for Services, the Board will have a very limited scope of operation. Such delegated powers shall more specifically include, but not be limited to, the following:

A. The Board, as allowed under state and federal statutes, may apply for, receive and operate under financial assistance from the federal or state government, and from any agency or political subdivision thereof, or from any private sources;

B. To acquire by purchase, gift, lease, sublease or otherwise, to the extent and in the manner that a city or county operating under the laws of the State of Idaho might do so, personal property, including money, necessary to carry out the purposes of the Board and to invest and hold such money until distributed for the purposes contemplated by the Ballot Questions;

C. To fund administrative costs, if any, to carry out the purposes of the Board;

D. To contract with public or private agencies, companies or entities to retain, improve and develop commercial air transportation services to Friedman Memorial Airport, including contracting with third parties pursuant to Contracts for Services;

7. **Manner of Financing.** The Board shall annually adopt a budget. Subject to the provisions herein, each City Party hereto will annually budget and contribute monthly to the Board the money collected pursuant to their respective Ballot Question, less their direct costs to collect and enforce the tax, including administrative and legal fees; each City has the option to direct its monetary contribution to those purposes it specifically directs as allowed by the Ballot Questions, except for contributions to cover a pro-rata share of administrative expenses, if any, of the Board; provided, however, in the event of any litigation or other challenges to the Ballot Questions, this Agreement, the Board, or any related matters, each City shall contribute a pro-rata share of its contribution to defray any expenses related thereto. During each fiscal year, the City Parties shall contribute monthly to the Board their respective amount of money collected,
less their direct costs to collect and enforce the tax, including administrative and legal fees, subject to allocations approved by each City Party's governing board.

A. In adopting the annual budget, each City Party must contribute the money collected pursuant to its respective Ballot Question, less their direct costs to collect and enforce the tax, including administrative and legal fees. The County, in its discretion, may contribute funds to the Board; it is anticipated that the County will continue its historical support for the Airport.

B. Any entity may contribute additional funds to the Board. It is anticipated that Sun Valley Company will fund fifty percent (50%) of any MRG expenses and will provide marketing support for the air service in collaboration with the airlines and other community marketing efforts.

C. Any funds received by the Board shall be used for payments to entities pursuant to the Contract for Services, as contemplated by the Ballot Questions, for the purposes authorized therein. The budgeting, allocation and use of said funds by the Board shall be in accordance with the purposes and powers herein provided for, and in no event shall the Board use, spend, encumber or commit funds of the Parties hereto in amounts exceeding those actually budgeted and contributed to the Board by the Parties. All specific allocations of LOT proceeds by a City Party shall be followed by the Board in its budget and actual spending.

D. An annual audit or similar financial review shall be conducted consistent with Idaho statutory requirements.

E. So as to minimize Board expenses, all City Parties may agree to share in the administrative tasks of the Board through pro-rata contribution of their City staff time to perform such tasks.

8. Contracts for Services. The initial Contracts for Services with entity(ies) selected by the Board shall be entered into as soon as practicable following the appointment of the Board Members and passage of the Ballot Questions. Each year thereafter, the Board shall enter into similar contracts with such entities as the Board may select. The Contracts for Services shall (i) set forth those specific services which are to be provided consistent with the Ballot Questions, (ii) provide for detailed reporting to the Board and, as appropriate directly to the Parties, of how funds were spent in sufficient detail to demonstrate compliance with constitutional and statutory guidelines as reflected in the AG Opinion; (iii) include performance metrics consistent with expectations for the work to be performed. A Contract for Services may be for more than one year, but must explicitly state that annual funding is subject to annual appropriations which meet the Cities’ statutory limitations.

9. Duration. The duration of the Board created by this Agreement shall be for a period of at least five and one-half years; provided, however, that the same may be extended for an additional period of time, as the Parties hereto deem appropriate in order to expend the monies and satisfy the purposes set forth in the Ballot Questions. Any such extension of this Agreement shall be in writing, adopted by the governing body of each of the Parties hereto.
No Party may withdraw from the Agreement, except that any City Party that has failed to pass its Ballot Question shall be deemed to have withdrawn from this Agreement once such election results have been certified. Should no City Party pass a Ballot Question, this Agreement shall be terminated.

10. **Dissolution of the Board.** Parties, upon the dissolution of the Board-created by this Agreement or any extension or renewal thereof, for whatever reason, may agree to (1) distribute the personal property owned by the Board among themselves in a manner deemed by them to be equitable and approved in writing by the governing body of each; or (2) to sell the property in the manner provided for by law for the disposition of property by cities and counties, and the proceeds of any such sale shall be divided among the Parties hereto in proportion equal to the annual operating contributions of each to the Board since its inception.

11. **Mediation.** Any controversy or claim arising out of or relating to this Agreement or breach thereof, shall be submitted to non-binding mediation upon the written request of any Party and conducted by one (1) neutral mediator. If the Parties are unable to select a mediator, then selection shall follow the procedure published by the American Arbitration Association Commercial Mediation Rules. Mediation shall be held in Blaine County. This Agreement to mediate and any other agreement or consent to mediate entered into in accordance with this Agreement shall be specifically enforceable under the prevailing law of Idaho. Each party shall bear its own costs and the parties shall split equally the cost and expenses of the mediator.

12. **Execution and Effect.** Upon execution of this Agreement by the Parties, this Agreement shall be effective. This Agreement may be executed in counterparts, each of which shall be deemed to be an original.

13. **Amendment.** This Agreement may only be amended upon the unanimous approval of the voting Parties, and only as would be not inconsistent with the Ballot Questions.

[Signatures Appear on Following Pages]
As of the date hereof, the Parties hereto have caused this Agreement to be executed by the duly-authorized representatives this ____ day of ____________________, 2013.

CITY OF KETCHUM

By: __________________________
   Mayor

Date: __________________________

ATTEST:

______________________________
City Clerk

CITY OF SUN VALLEY

By: __________________________
   Mayor

Date: __________________________

ATTEST:

______________________________
City Clerk

CITY OF HAILEY

By: __________________________
   Mayor

Date: __________________________

ATTEST:

______________________________
City Clerk

JOINT POWERS AGREEMENT - 7
BLAINE COUNTY COMMISSIONERS

By: __________________________

Date: _________________________

By: __________________________

Date: _________________________

By: __________________________

Date: _________________________

ATTEST:

______________________________
JOINT POWERS AGREEMENT ESTABLISHING
THE SUN VALLEY AIR SERVICE BOARD
TO RETAIN, IMPROVE AND DEVELOP COMMERCIAL AIR TRANSPORTATION
SERVICES AT FRIEDMAN MEMORIAL AIRPORT

__________, 2013

This Agreement ("Agreement"), made and entered into on ____________, 2013, by and between the CITY OF KETCHUM, IDAHO, a municipal corporation ("Ketchum"), the CITY OF SUN VALLEY, IDAHO, a municipal corporation ("Sun Valley"), the CITY OF HAILEY, a municipal corporation ("Hailey"), (collectively known as "Cities"), and the COUNTY OF BLAINE, a body politic and corporate ("Blaine County") all described, individually as "Party," or jointly as "Parties;"

WITNESSETH:

WHEREAS, the Friedman Memorial Airport Authority ("FMAA"), of which Hailey and Blaine County are members, operates the Friedman Memorial Airport (the "Airport"), and over the past six years commercial enplanements have decreased to the Airport; and

WHEREAS, the Parties recognize both year-round tourism and commerce are primary contributors to the economic base of Blaine County and its Cities; and

WHEREAS, air service to the Airport is critical for such year-round tourism and commerce; and

WHEREAS, each of the respective City Councils of the Cities of Ketchum, Sun Valley, and Hailey have voted in properly noticed public meetings to place before their respective voters on the November 5, 2013, ballot, the question of a 1% Local Option Tax ("LOT") (the "Ballot Questions") to fund retention, improvement and development of commercial air transportation services to the Airport; and

WHEREAS, an opinion from the Office of the Attorney General dated March 12, 2012, to Representative Wendy Jaquet (the "AG Opinion"), indicates that general authority exists under Idaho Code Section 67-2328 for cities and counties to enter into a joint powers agreement to provide for agreements for air service, including minimum revenue guarantees ("MRG's"); and

WHEREAS, to retain, improve and develop commercial air transportation services, the Ballot Questions provide for MRG's and promotion of commercial air service to increase seats and enplanements to the Airport; and

WHEREAS, this Agreement will create the separate legal entity described below, the Sun Valley Air Service Board (the "Board"), which will contract with one or more parties, pursuant to Contracts for Services as described herein, to discharge the Board’s duties and responsibilities described in the Ballot Questions; and

JOINT POWERS AGREEMENT - 1

-120-
WHEREAS, each of the Parties has made findings regarding the need for this Agreement to satisfy the duties and responsibilities described in the Ballot Questions; and

WHEREAS, the City Parties hereto are municipal corporations organized and existing under and by virtue of the laws of the State of Idaho and as such are authorized and empowered by Idaho Code Sections 50-321, 50-322, 21-110, 21-401 and related statutes to undertake the responsibilities contemplated by the Ballot Questions; and

WHEREAS, the County, pursuant to Idaho Code Sections 31-110, 21-876 and related statutes, in coordination with Hailey, provides for the operation of the Airport through the FMAA and the County as a Party to this Agreement may assist in discharging the duties contemplated by the Ballot Questions; and

WHEREAS, it is the mutual desire of the Parties hereto, acting pursuant to Idaho Code Sections 67-2328, et seq., and Idaho Code Section 21-403, to create and maintain the Authority to discharge the duties and responsibilities set forth in the Ballot Questions;

NOW, THEREFORE, in order to accomplish the aforesaid purposes, and in consideration of the mutual term, covenants and conditions set forth herein, the Parties hereto agree as follows:

1. **Establishment of Separate Legal Entity; Governance.** The Parties hereto hereby establish the Sun Valley Air Service Board ("Board") as a separate legal entity and delegate each Party’s respective power to the Board to oversee and administer the joint undertakings contemplated herein. Parties will join and become members of the Board upon execution of this Agreement by their respective governing body.

2. **Board Membership.** The representatives of the Parties who shall be members of the Board shall be configured as described below:

   A. One (1) member from the City of Ketchum, one (1) member from the City of Sun Valley and one (1) member from the City of Hailey shall be respectively appointed by the Mayors of Ketchum, Sun Valley and Hailey with the consent and approval of the City Council of each city.

   B. One (1) member from Blaine County shall be appointed by the Board of County Commissioners.

   C. Each of the Parties shall establish its own Board member qualification criteria subject to subparagraph E.

   D. Employees, directors, shareholders, partners, owners and others with financial interests in any business, company or entity which the Board has employed or contracted with to provide equipment or services shall not be appointed or remain members of the Board.
E. Members of the Board shall be appointed without respect to political affiliation or religious denomination. Any person over the age of eighteen (18) may be eligible for appointment.

F. Members of the Board shall serve without compensation.

3. **Board Member Voting Power & Voting Majority.**

A. City Parties shall retain 90% of the voting rights and voting rights shall be allocated among all Board members based on their respective annual 1% LOT contributions to the Board. The initial allocation of these voting rights shall be determined using each City Party’s year ending September 30, 2013, total fiscal year actual LOT revenue collection on taxable sales described in the Ballot Questions. Each year thereafter, the voting percentages shall be revised as necessary to reflect each City Party’s year ending September 30 actual 1% LOT revenue contributions to the Board.

B. Blaine County shall not have a vote as a member of the Board, except in the instance described herein. In recognition that Friedman Memorial Airport is jointly owned by the City of Hailey and Blaine County, 10% of the voting rights of the Board members will be allocated to the Board member appointed by Hailey, unless Hailey is not a Party to this Agreement, in which case such 10% shall be allocated to the Board member appointed by Blaine County.

C. **Voting Majorities.** The members of the Board shall take action upon the affirmative vote of those members holding more than 50% of the voting rights, unless otherwise provided herein. A super-majority of two-thirds of those members holding voting rights shall be needed to (1) approve any initial Contract for Services with an entity or contractor or change an entity or contractor with a Contract for Services in excess of $50,000 to a different entity and/or contractor; and (2) approve any initial performance metrics and change in performance metrics determined jointly by members of the Board and contractor(s) as identified in the Contracts for Services.

4. **Term of Office.** The term of office on said Board shall be for the following initial terms:

1 member from Ketchum for one (1) year
1 member from Sun Valley for one (1) year
1 member from Hailey for one (1) year
1 member from Blaine County for one (1) year

Subsequent appointments shall be for one (1) year and a board member shall hold a seat on the board until his or her successor has been appointed and qualified. Vacancies occurring otherwise than through the expiration of appointed terms or removal shall be filled for the remainder of the term by the Party that appointed the board member. Removal of any member may only be made by the Party that appointed such board member.

**JOINT POWERS AGREEMENT - 3**
5. **Organization Bylaws.** The Board shall be governed by the Bylaws specifying the procedural method and manner by which it shall conduct its business and affairs, provided, however, that said Bylaws shall be amended so as not be inconsistent with or contrary to the provisions of this Agreement, or any applicable local, state or federal law and shall provide that at least a simple majority must concur for the Board to act. The Bylaws shall provide, among other items, that a majority of the members of the Board shall constitute a quorum. A non-voting member is not a member for quorum purposes.

6. **Purposes and Powers.** The purpose of the Board is to establish, implement, maintain and fund a program to retain, improve and develop commercial air service to Friedman Memorial Airport. In furtherance of that purpose, the Parties hereto hereby delegate to the Board their power to carry out the duties as described and contemplated by the Ballot Questions, including entering into Contracts for Services with such entities as the Board may select, subject to the specific LOT allocations of the City Parties. It is anticipated that the Board will have no employees and that, except for the holding, distribution and oversight of the monetary contributions and entering into Contracts for Services, the Board will have a very limited scope of operation. Such delegated powers shall more specifically include, but not be limited to, the following:

A. The Board, as allowed under state and federal statutes, may apply for, receive and operate under financial assistance from the federal or state government, and from any agency or political subdivision thereof, or from any private sources;

B. To acquire by purchase, gift, lease, sublease or otherwise, to the extent and in the manner that a city or county operating under the laws of the State of Idaho might do so, personal property, including money, necessary to carry out the purposes of the Board and to invest and hold such money until distributed for the purposes contemplated by the Ballot Questions;

C. To fund administrative costs, if any, to carry out the purposes of the Board;

D. To contract with public or private agencies, companies or entities to retain, improve and develop commercial air transportation services to Friedman Memorial Airport, including contracting with third parties pursuant to Contracts for Services;

7. **Manner of Financing.** The Board shall annually adopt a budget. Subject to the provisions herein, each City Party hereto will annually budget and contribute monthly to the Board the money collected pursuant to their respective Ballot Question, less their direct costs to collect and enforce the tax, including administrative and legal fees; each City has the option to direct its monetary contribution to those purposes it specifically directs as allowed by the Ballot Questions, except for contributions to cover a pro-rata share of administrative expenses, if any, of the Board; provided, however, in the event of any litigation or other challenges to the Ballot Questions, this Agreement, the Board, or any related matters, each City shall contribute a pro-rata share of its contribution to defray any expenses related thereto. During each fiscal year, the City Parties shall contribute monthly to the Board their respective amount of money collected,
less their direct costs to collect and enforce the tax, including administrative and legal fees, subject to allocations approved by each City Party’s governing board.

A. In adopting the annual budget, each City Party must contribute the money collected pursuant to its respective Ballot Question, less their direct costs to collect and enforce the tax, including administrative and legal fees. The County, in its discretion, may contribute funds to the Board; it is anticipated that the County will continue its historical support for the Airport.

B. Any entity may contribute additional funds to the Board. It is anticipated that Sun Valley Company will fund fifty percent (50%) of any MRG expenses and will provide marketing support for the air service in collaboration with the airlines and other community marketing efforts.

C. Any funds received by the Board shall be used for payments to entities pursuant to the Contract for Services, as contemplated by the Ballot Questions, for the purposes authorized therein. The budgeting, allocation and use of said funds by the Board shall be in accordance with the purposes and powers herein provided for, and in no event shall the Board use, spend, encumber or commit funds of the Parties hereto in amounts exceeding those actually budgeted and contributed to the Board by the Parties. All specific allocations of LOT proceeds by a City Party shall be followed by the Board in its budget and actual spending.

D. An annual audit or similar financial review shall be conducted consistent with Idaho statutory requirements.

E. So as to minimize Board expenses, all City Parties may agree to share in the administrative tasks of the Board through pro-rata contribution of their City staff time to perform such tasks.

8. Contracts for Services. The initial Contracts for Services with entity(ies) selected by the Board shall be entered into as soon as practicable following the appointment of the Board Members and passage of the Ballot Questions. Each year thereafter, the Board shall enter into similar contracts with such entities as the Board may select. The Contracts for Services shall (i) set forth those specific services which are to be provided consistent with the Ballot Questions, (ii) provide for detailed reporting to the Board and, as appropriate directly to the Parties, of how funds were spent in sufficient detail to demonstrate compliance with constitutional and statutory guidelines as reflected in the AG Opinion; (iii) include performance metrics consistent with expectations for the work to be performed. A Contract for Services may be for more than one year, but must explicitly state that annual funding is subject to annual appropriations which meet the Cities’ statutory limitations.

9. Duration. The duration of the Board created by this Agreement shall be for a period of at least five and one-half years; provided, however, that the same may be extended for an additional period of time, as the Parties hereto deem appropriate in order to expend the monies and satisfy the purposes set forth in the Ballot Questions. Any such extension of this Agreement shall be in writing, adopted by the governing body of each of the Parties hereto.
No Party may withdraw from the Agreement, except that any City Party that has failed to pass its Ballot Question shall be deemed to have withdrawn from this Agreement once such election results have been certified. Should no City Party pass a Ballot Question, this Agreement shall be terminated.

10. **Dissolution of the Board.** Parties, upon the dissolution of the Board created by this Agreement or any extension or renewal thereof, for whatever reason, may agree to (1) distribute the personal property owned by the Board among themselves in a manner deemed by them to be equitable and approved in writing by the governing body of each; or (2) to sell the property in the manner provided for by law for the disposition of property by cities and counties, and the proceeds of any such sale shall be divided among the Parties hereto in proportion equal to the annual operating contributions of each to the Board since its inception.

11. **Mediation.** Any controversy or claim arising out of or relating to this Agreement or breach thereof, shall be submitted to non-binding mediation upon the written request of any Party and conducted by one (1) neutral mediator. If the Parties are unable to select a mediator, then selection shall follow the procedure published by the American Arbitration Association Commercial Mediation Rules. Mediation shall be held in Blaine County. This Agreement to mediate and any other agreement or consent to mediate entered into in accordance with this Agreement shall be specifically enforceable under the prevailing law of Idaho. Each party shall bear its own costs and the parties shall split equally the cost and expenses of the mediator.

12. **Execution and Effect.** Upon execution of this Agreement by the Parties, this Agreement shall be effective. This Agreement may be executed in counterparts, each of which shall be deemed to be an original.

13. **Amendment.** This Agreement may only be amended upon the unanimous approval of the voting Parties, and only as would be not inconsistent with the Ballot Questions.

[Signatures Appear on Following Pages]
As of the date hereof, the Parties hereto have caused this Agreement to be executed by the duly-authorized representatives this _____ day of __________________, 2013.

CITY OF KETCHUM

By: __________________________
    Mayor

Date: __________________________

ATTEST:

______________________________
City Clerk

CITY OF SUN VALLEY

By: __________________________
    Mayor

Date: __________________________

ATTEST:

______________________________
City Clerk

CITY OF HAILEY

By: __________________________
    Mayor

Date: __________________________

ATTEST:

______________________________
City Clerk

JOINT POWERS AGREEMENT - 7
BLAINE COUNTY COMMISSIONERS

By: _______________________

Date: ______________________

By: _______________________

Date: ______________________

By: _______________________

Date: ______________________

ATTEST:

__________________________
AGENDA ITEM SUMMARY

DATE: 08/26/2013 DEPT.: Legislative/Administration/Engineer DEPT. HEAD SIGNATURE: HD

SUBJECT:
Consideration of Blaine County Board of Blaine County Commissioners August 1, 2013 letter requesting what interest the City of Hailey has in a temporary or permanent county levy under Idaho Code 40-801(1)(a)

AUTHORITY: □ ID Code 40-801(1)(a) □ IAR □ City Ordinance

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:
Hailey received the attached letter on August 12, 2013. Below is a discussion of the benefits and challenges associated with the alternatives outlined in the letter.

The City of Hailey’s Capital Improvement Plan identifies $70 million in expenses over the next 20 years for all city assets. The City of Hailey’s General Capital Improvement Plan (not including water and wastewater) identifies Hailey’s 20-year capital need at just under $40 million, more than half of which is for street improvements. Hailey should spend an average $2 million per year to carry out the capital plan, with at least $1 million of that going toward street capital improvements.

In addition to capital projects, Hailey’s ongoing annual street asphalt maintenance needs are identified in the Transportation Master Plan as $250,000 per year. Hailey appropriates, through its General Fund, only $125,000 per year toward asphalt maintenance. Asphalt maintenance does not include costs for street signs, striping, thermoplastic, snow removal, equipment maintenance, street tree maintenance, street irrigation system maintenance, and other costs.

Hailey currently funds 70% of its street asphalt maintenance through Local Option Tax.

Hailey’s only revenue source for capital projects comes through development impact fees, grants, and annexation fees.

A Blaine County levy under Idaho Code 40-801(1)(a) would add $704,000 per year toward Hailey’s currently unfilled need for $1,125,00/year in street project and maintenance revenue. Clearly, Hailey could use that revenue under a permanent levy, which requires a 2/3 majority vote. A temporary levy only requires a simple majority vote, and would bring, over the two years, $1,408,000. That money could be used on a specific project, or to reinvigorate our currently dormant grant program.

However, there is a significant cost to taxpayers for this .2% levy increase. Currently, the cost to taxpayers for this option is $200 per year for each $100,000 value. A $250,000 home would be assessed $500 more per year in taxes before homeowners exemption is applied. This increased tax may be prohibitive to the success of other tax, bond, or levy measures.

The alternate county option remains fairly costly to taxpayers, at .084% levy increase. Property tax bills for city residents would increase by $84 per year for each $100,000 value. A $250,000 home would be assessed $210 more per year in taxes before homeowners exemption is applied. None of that increased tax would benefit city residents except when they are using county roads. The increased tax, layered upon school taxes and the new Blaine County Recreation District levy, may be prohibitive to the success of other tax, bond, or levy measures.
Hailey’s Wastewater Biosolids Facility Bond, if passed, is estimated to cost rate-payers $86 per year.

A capital levy which can be used for any capital project (not restricted only to streets) is NOT precluded by the county levy. A capital levy can be no more than .04%, and would currently bring $281,750 into the city’s capital fund. The cost to taxpayers would be $40 per year per $100,000 value, or $100 per year on a $250,000 property. This table illustrates the discussion.

<table>
<thead>
<tr>
<th>Bond Type</th>
<th>Annual Revenue to City</th>
<th>Rate of Levy Increase</th>
<th>Cost Per $100,000 Value</th>
<th>Cost Per $250,000 Value</th>
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<tr>
<td>County Roads</td>
<td>-0-</td>
<td>.084</td>
<td>$ 84</td>
<td>$ 210</td>
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<tr>
<td>County &amp; City Roads Maximum .2%</td>
<td>$ 704,000</td>
<td>.200</td>
<td>$ 200</td>
<td>$ 500</td>
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<td>$ 250</td>
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<td>Waste Water Biosolids Project</td>
<td>$ 266,000</td>
<td>$ 7.20/month $86/year</td>
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<td>City Capital Levy</td>
<td>$ 281,750</td>
<td>.04</td>
<td>$ 40</td>
<td>$ 100</td>
</tr>
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</table>

**FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:**
Attached are two spreadsheets. The first shows .2% levy revenue of $704,000 and its use within Hailey’s Capital Improvement Plan for street and road improvements. The second spreadsheet shows the effect of the levy on the City Capital Improvement Plan at .1% alternate.

**ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS:** (IF APPLICABLE)
_X_ City Attorney _X_ Clerk / Finance Director _X_ Engineer _X_ Mayor

**RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:**

The cost of all these bond and levy measures is very high to taxpayers. Blaine County is not likely to consider a recommendation that they do nothing so that cities can put bond measures before Blaine County’s road and bridge levy. Hailey would be harmed if Blaine County went forward with the .084% county levy increase without the cities benefiting.

The letter from Blaine County suggests four options:
1. Permanent Levy up to .084%, County Use Only, city residents pay without city benefit.
2. Temporary Levy up to .084%, County Use Only, city residents pay without city benefit.
3. Permanent Levy up to .2%, County and City benefits, 2/3 majority needed to pass measure.
4. Temporary Levy up to .2%, County and City benefits, simple majority needed to pass.

Blaine County officials have expressed an openness to consideration of less than the maximum levy amounts. The table above and the second spreadsheet attached both illustrate an alternative wherein only half the levy increase allowed under Options 3 and 4 are used. This creates two more options:
5. Permanent Levy at an amount less than .2%, County and City benefits, 2/3 majority needed to pass measure.
6. Temporary Levy at an amount less than .2%, County and City benefits, simple majority needed to pass.

And finally, does the city prefer Nov 2013, May 2014, or a later date for the election.
Honorable Mayor Fritz Haemmerle
Via E-mail

Re: Countywide Road and Bridge Funding

August 1, 2013

Dear Mayor Haemmerle,

You may be aware the Board of County Commissioners has been evaluating the condition of County roads and bridges and the long-term costs associated with maintenance and construction of these various assets. This process began with creation of the Blaine County Transportation Plan, first presented to the Board in August, 2012. For your information, this comprehensive document is available on the Blaine County website, www.blaine.org, County Departments, Road and Bridge, Transportation Plan, or: http://www.co.blaine.id.us/index.asp?SEC=B0753F4E-4D88-40A9-AFFS-319417D8925&type=baseline.

The Blaine County Transportation Plan describes and rates the condition of County transportation infrastructure. It recommends measures to achieve optimal but realistic conditions and road service life (10-year). It asserts that allowing roads to deteriorate too far ultimately costs more than maintaining them at a certain level. The Plan proposes significant road repairs and additional capital investment in road reconstruction.

The Board is considering these proposals and also has identified and is considering several options to raise revenues to pay for them. Preferred options include a temporary levy override, or perhaps a series of temporary levies, or a permanent levy override. Idaho Code Section 40-801(1) provides for highway levies as follows:

The commissioners of a county highway system, the commissioners of a county-wide highway district, and the commissioners of highway districts are empowered, for the purpose of construction and maintenance of highways and bridges under their respective jurisdictions, to make the following highway ad valorem tax levies as applied to the market value for assessment purposes within their districts:

(a) Two-tenths percent (0.2%) of market value for assessment purposes for construction and maintenance of highways and bridges; provided that if the levy is made upon property within the limits of any incorporated city, fifty percent (50%) of the funds shall be apportioned to that incorporated city.

(b) A special levy of eighty-four thousandth per cent (0.084%) of market value for assessment purposes to be used for any one (1) or all of the following purposes:

1. bridge maintenance and construction;
2. matching state and federal highway funds;
3. secondary highway construction;
4. secondary highway maintenance and improvements;
5. maintenance during an emergency.

No part of this levy shall be apportioned to any incorporated city. (Emphases added)

This section authorizes two countywide levies for road and bridge purposes. The first involves a levy of up to 0.2% (.002) of market value, from which 50% of the funds raised within an incorporated city must be apportioned to that City. (For example, if the taxable value of property
within the city is $1,000,000 and the approved levy rate is 0.2%, levy proceeds would equal $2000, of which the city and county each would receive half.) The second involves a special levy of up to .084% (0.00084) of market value for specified broad uses and none of the funds may be apportioned to cities. Both these levies may be either temporary or permanent, subject to the requirements and conditions of IC § 40-801; IC § 63-802(1)(g); IC § 63-802(3).

The Board wants to know each city’s interest in the Board of County Commissioners placing on a ballot a (up to) 0.2% levy, from which all Blaine County cities would derive some revenue. From the County’s perspective, this option is neither favored, nor disfavored and it is perceived that each option carries advantages and disadvantages to passage. We would like to know your interest in and views about such a levy at the earliest opportunity, based upon your city’s goals and funding needs, or other options available to you. Available dates meeting the County’s needs for a levy election are November 5, 2013 or May 2014. The statutory deadline for approval of ballot language for a November 5, 2013 election is September 13. We recognize this is not a lot of time for any of us.

In the interim, the Board intends to conduct additional public meetings on this issue. It then will have to decide its goals for transportation infrastructure and weigh its options for achieving them. I look forward to communicating with you as you evaluate the foregoing and to scheduling any opportunities we may need for the exchange of information. Please do not hesitate to contact me or other Board members to discuss any questions or concerns that arise.

Respectfully,

Lawrence Schoen
Chairman
<table>
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<tr>
<th>Highway Levy IC $40-801</th>
<th>Highway Levy Requires 50% to Cities</th>
<th>Special Highway Levy No City Sharing Required</th>
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*County Portion at 100%

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<tr>
<th>Year</th>
<th>Asphalt Road Maintenance</th>
<th>Gravel Road Maintenance</th>
<th>Equip-Facility-Bridges-Snow Plow</th>
<th>Total Revenue Required</th>
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2012 levy: 002894850
AGENDA ITEM SUMMARY

DATE: 08/26/2013 DEPT.: Water/Wastewater DEPT. HEAD SIGNATURE: TH/MP

SUBJECT:
Staff Reports: Wastewater and Water fees for FY 2014, with consideration of rate structures and Water conservation measures.

AUTHORITY: □ ID Code □ IAR □ City Ordinance – HMC Title 13
(IF APPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

During the public hearing on the FY 2014 budget, rates were provided to the council and public that showed what the water and wastewater rates must be to support the budget under the current rate structure.

Public comment was given that suggests a different rate structure be adopted. Attached is information discussing wastewater rate structures and the effect a revised structure would have on rate-payers.

Hailey staff has been exploring water conservation rate structures as well. Attached is a full discussion of various water rate structures and the effect a revised structure would have on rate-payers.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

The wastewater rate was structured to increase revenue by $34,000 per month. The five month period, May through September, will garner $170,000 toward the $333,000 engineering contract with HDR. Rates were planned to go down in October because the remaining engineering of $163,000 will be collected in 12 months instead of 5-months.

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:

The council should discuss these rate structures with the public. If a rate structure is favored that either adds a new fee or increases a fee more than 5%, the matter should be the subject of a Notice of Public Hearing on September 16, 2013. If rates change less than 5% for all user categories, a Resolution adopting the new rate will be prepared for the September 16, 2013 Consent Agenda.

ACTION OF THE CITY COUNCIL:
Date ________________________________
City Clerk ________________________________

FOLLOW-UP:
*Ord./Res./Agmt./Order Originals: Copies (all info.):
*Additional/Exceptional Originals to: Copies
Instrument # ________________________________
City Engineer Memo

To: Mayor Fritz Haemmerle
City Council Members
CC: Heather Dawson, City Administrator
From: Tom Hellen, City Engineer
Date: 8/20/2013
Re: Review of Wastewater Rates

At the August 19, 2013 City Council meeting the question was raised as to whether the rate increase approved for the 5 months of May through September was determined in the appropriate manner. Specifically, the rate based upon winter water usage was increased from $3.94/1,000 gallons to $5.97/1,000 gallons. The question is why the rate increase was not spread evenly among all customers in the monthly base rate.

Past History

Ordinance 987 in June, 2007 set the basic structure for establishing rates for both water and wastewater by splitting labor, benefits and administrative costs 50/50 between the monthly base rate and the rate per 1,000 gallons. Other system expenses of a fixed, known cost are in the base monthly rate while variable expenses such as utility costs (electricity, natural gas) are in the rate per 1,000 gallons. Engineering costs during the budgeting process have been placed in the variable part of the rate structure as system improvements are generally not considered a fixed cost, but rather based on necessary levels of improvement tied to the number of users and volume of use.

May 2013 Rate Increase

During the presentation to the city council on the proposed rate increase for the additional engineering costs for the biosolids project the additional cost was added to the variable side of the rate setting program. This led to the increase per 1,000 gallons noted above. Had the $170,000 in engineering fees added to the budget been equally divided between all customers the base rate increase would have been approximately $10.96/customer. This amount means all customers using 5,000 gallons or less in the winter would be charged more than with the method used. 77% of our customers use 5,000 gallons or less. Because sludge production is directly related to the amount of wastewater generated it seemed appropriate to base the needed rate increase on the usage rates.
However, had the city decided to ask for a favorable bond vote prior to authorizing additional engineering the costs would have been included as a flat bond payment as a part of the monthly bill.

2014 Budget Rates

Should the city council decide that the engineering costs should be allocated to the base monthly rate I have determined what the base and variable rates would be. As shown below the monthly base rate will increase from $13.59 to $17.74/month while the rate per 1,000 gallons will decrease from $5.97 to $4.54/1,000 gallons. The table below shows the monthly bills for customers for the two options; the original proposed rates and possible revised rates.

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MEMORANDUM

TO: Mayor and City Council

FROM: Mariel Platt, Sustainability Coordinator

RE: Water Rates and Conservation Programs

DATE: August 26, 2013

Given the future of conjunctive management and adapting to lesser water resources, staff recommends that the Council review the city water rates and ensure that we have a water rate structure that can sustain water quantity impacts from conjunctive management and drought, and consider options for reducing water demand as well as supply. In conjunction with the FY 2014 budget, the Public Works Director has identified all expenses that will impact next year’s water services budget and I have identified water rate options that will fund the FY 2014 service expenses. In addition, I have identified other activities and programs that will encourage more effective and efficient irrigation practices and water usage, some of which have little-to-no financial impacts on the public or city budget.

Primary objectives to changing the water service rate and creating conservation programs/projects:

1. Generate enough revenue from rates to fund FY2014 budget expenses.
2. Promote water conservation while not overburdening citizens with excessive fees.
3. Reduce water consumption to alleviate or postpone future impacts and expenses incurred by conjunctive management.
4. Maintain the health and aesthetics of Hailey’s urban landscape by proactively addressing irrigation deficiencies and curtailing excess water usage to more effectively and efficiently use water.
5. Reduce demand to curtail excess water use, which will further supply efforts.
6. Provide a mechanism to help citizens maintain their existing landscapes with less water, which will help mitigate the effects of water rate increases by reducing water use and therefore customer expenses.

One way to address these impacts is to look at both water demand and supply. By reducing demand, the city may further stretch supply and save money by avoiding engineering, infrastructure, or other costs that may be associated with conjunctive management measures. The proposed water services budget for FY 2014 is $1,105,301. This amount includes a plan for conjunctive management, but does not include expenses for a rebate program, water supply and infrastructure measures, conjunctive management measures, or education and outreach (listed in greater detail as considerations A-C, below).

WATER CONSERVATION HISTORY: Hailey has already implemented efforts to help curtail water use,
including installing water meters throughout the city in 2006, adopting a conservation-based water rate in October 2006, requiring water conserving toilets, faucets, and showerheads in all new commercial and residential construction projects (part of the Build Better Program, made mandatory May 1, 2013).

CONSIDERATIONS: There are still a number of things that can be done to further these efforts and possibly better target the main use - irrigation. In most cases, a multi-pronged strategy is the most comprehensive way to address water conservation. Some possible ideas include the following:

A. **Rebate Program:** Address demand and supply using water fund surpluses to create a water conservation rebate fund that would use surplus revenue to provide rebates to the community to incentivize a multitude of water conservation measures. (The estimated savings and cost, shown in the measures below, were provided by local landscape professionals and provided by other cities’ research and experience). The measures with the most savings potential include:

- Distribution uniformity (see description attached) and other analyses as part of a water audit - 40-60% water savings
- Installing smart irrigation controls and moisture sensors – 20-30% water savings
- Retrofitting spray irrigation with drip irrigation systems – 20% water savings
- Replacing sprinkler heads with more efficient ones – 10-20% water savings
- Retrofitting water inefficient turf with plant materials with a lesser water demand has had variable degrees of success in reducing water use. It is important that irrigation be adjusted to reflect the lower water needs of drought tolerant plants. Ensuring that irrigation controls are changed could a requirement of the rebate program.

Similar to Save-A-Watt, the city’s established and successful energy efficiency rebate program, a water audit would be conducted prior to purchase and install of irrigation equipment. This ensures that a professional has assessed the properties’ landscape and its unique needs. It would also identify the recommended water conservation measures that would provide the greatest cost-benefit and provide education to the property owner. There are a number of details that can easily be addressed and modeled of off Save-A-Watt. Based on experience, these types of programs require relatively little time to administer, once established.

B. **Infrastructure Improvements:** Address the city’s water delivery infrastructure to increase water conservation, based on the recommendations identified in a future updated Water Master Plan.

C. **Education:** Create an education and outreach program. The city could partner with any number of organizations and individuals in the valley who see water conservation as a priority, to deliver workshops or develop other innovative ways to educate the community and promote water savings. In addition, the rebate program provides an avenue for property owners to become educated through the water audit that is conducted on their property. Save-A-Watt also requires rebate recipients to attend a community workshop on building energy efficiency, prior to receiving a rebate. A similar workshop for water conservation would provide the public with basic knowledge that they can then use to help better understand their audit and make more informed decisions about how best to save water and keep landscapes healthy and attractive, during the rebate process and into the future.

D. **Ordinance changes:**

- Amend Zoning Ordinance to require landscape measures for design review applications (this will only affect commercial projects and projects in the Townsite Overlay)
- Amend Title 15 to include landscape measures through the Build Better Program (currently only indoor water conservation is addressed). This would apply to all projects in Hailey and if implemented would not require an amendment to the design review ordinance.
- Amend Title 13 to allow water conservation rebate programs and education and outreach to be funded by water base and/or meter rate fees.

E. Rates: Make changes to the water rate to further increase water conservation and to pay for FY 2014 water service expenses. To anticipate possible water use decreases and still fund the FY 2014 water service needs, it is recommended that the rates reflect the FY2014 expenses and include a buffer or surplus. Options include:

1. Restructure rate to create more tiers.
2. Create a seasonal rate by increasing rates from May-Oct. and using existing rates the remaining months.
3. Increase all rates (two examples are provided), but do not restructure or make seasonal changes.
4. A combination of both option #1 and #2.

**2012 Hailey Water Usage**

![Graph showing water usage by month]

**Option #1:** The city’s current water rates are set up as an increasing block rate, where the price of water increases as the amount used increases. Each succeeding consumption block is more expensive. However, 68% of the city’s water usage falls exclusively within the existing tier 1 (1-30,000 gallons at a current rate of $0.25/1000 gallons), so the majority of users are not subject to the intended increasing block rate. As a result of the rate’s structure and usage pattern, the majority of customers are priced exclusively at a single block rate, where the charge is a constant price per gallon regardless of the amount of water used, up to 30,000 gallons. Considering most of the usage is occurring exclusively in the existing tier 1, if the city were to further divide tier 1 into 3 sub-tiers, it would have a better opportunity to incentivize water conservation. This would be consistent with the remaining rate structure as well, where beyond 30,000 gallons the structure currently is subdivided into 10,000 gallon increments or tiers.
Tier 1 = 1-10,000 gallons - $0.35/1000 gallons
Tier 2 = 11,000-20,000 gallons – $0.50/1000 gallons
Tier 3 = 21,000-30,000 gallons – $0.75/1000 gallons

Based on 2012 water usage, this rate would fund next year’s budget, plus 16%. See attachment #1 for details on this proposed rate.

**Option #2:** The total water usage in 2012 was 755,063,018 gallons. Assuming the winter months are representative of non-consumptive water usage only and no irrigation usage, it can be determined that providing water service for irrigation purposes is 73% of the city’s annual water usage. Given the amount of water usage attributed to irrigation, we stand to gain the largest water savings if we target this type of usage.

May through October are considered irrigation months. Adjusting rates during these months only could have a greater impact on irrigation. See attachment #2 for seasonal rate details. The model uses current water rates for the remaining months of the year. Based on 2012 water usage data, this option would cover next year’s expenses, plus provide a 17% surplus ($1,335,941).

**Option #3:** Using 2012 water usage data, increasing all rates as proposed in attachment #3, without creating a seasonal rate or additional rate tiers, would produce $1,158,229 in fees. This represents an estimated 4.5% ($52,928) surplus, based on the FY 2014 budget expenses. It is recommended that the city consider rate amounts to fund FY2014, plus 20%, to ensure any water use reduction will still provide enough funding for next years’ service needs. Attachment #4 reflects FY2014 expenses, plus 18%.

**Option #4:** A combination of options #1 (adding additional tiers) and #2 (creating a seasonal rate) were used to model a blended approach. In this option, the seasonal, off-season, and additional tiers have been calculated at a reduced rate compared to option #1 and #2, in order to not charge excessive rates, beyond the FY 2014 budget and surplus recommended to ensure any water use reductions achieved as a result of the rate increase do not leave the city with a financial deficit. Details are shown in attachment #5. This option would fund next year’s expenses, plus 21.5%.

In summary, we have many options and resources to address water conservation in a prioritized and appropriate manner based on Hailey’s needs. Staff recommends the Council and Mayor consider option #4, a combination of options #1 (adding additional tiers) and #2 (creating a seasonal rate), to fund the FY2014 water service expenses. In addition, to reduce demand, eliminate excess irrigation usage, and maintain the health and aesthetics of Hailey’s urban landscape, staff recommends the Council give direction to pursue considerations A-C and begin planning accordingly for FY2015.
Irrigation Distribution Uniformity: What Is It and Why Do You Care?

When the topic of lawn irrigation comes up with landscape professionals, the concept of “distribution uniformity” (DU) will undoubtedly get a mention. That’s because it plays an important role as a measure of your irrigation system’s ability to apply water evenly, which ultimately determines how much water you’ll use to keep your lawn green. Although no irrigation system applies water perfectly uniform, the more you can improve the DU of your system, the more water you will save. For people concerned with using less water, while maintaining a healthy lawn, it makes sense to understand what DU is and to know what you can do to improve the DU of your sprinkler system.

The best way to understand what is meant by distribution uniformity, and why it is important, is to look at a picture. As can be seen in figure (1), it is possible (and common) to over water and under water portions of your yard simultaneously. This is brought about by a combination of factors such as, poor sprinkler head spacing, overly high or low system pressure, tilted sprinkler heads, and clogged sprinklers to name a few. The hoped for result is to apply an even amount of water over the surface of your lawn, to the extent that it percolates down to the usable depth of the plant roots and no further. I say hoped for because enough landscape irrigation audits have been done to imply that great DU is a rarity.

Although there are several methods for calculating DU, the end result will be a measurement that is expressed as a percentage, where a higher number reflects a more even application of water. For example, 100% DU means that all the water being applied to your lawn is being applied evenly across the surface. Anything less than 100% would mean that some areas of your lawn are receiving less water than the rest. If you have a spot in your lawn that gets stressed or turns brown while the larger balance remains green, you are likely witnessing this effect first hand. Most homeowners attempt to correct this brown spot by increasing the amount of time that they water, which (at the cost of over watering the majority of the lawn) may eventually work. Stop here though,
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Base rate: $5.32

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**Base rate $3.32**
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AGENDA ITEM SUMMARY

DATE: 8/26/13 DEPARTMENT: PW - Water DEPT. HEAD SIGNATURE:

SUBJECT: Public Hearing for Municipal Code Chapter 13 housekeeping amendment, to clarify that Hailey’s water regulations apply only to the use of water from City of Hailey’s water system, not all water used within the city limits of Hailey.

AUTHORITY: □ ID Code □ IAR □ City Ordinance/Code

(IF APPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

This ordinance would clarify that the watering restrictions we enforce apply to those which are using city water system, not individual water rights owned by someone other than the city. Examples of this are the Cemetery District, Airport West Business Park, some Blaine County School District properties.

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: (IF APPLICABLE)

☐ City Administrator ☐ Library ☐ Benefits Committee
☐ City Attorney ☐ Mayor ☐ Streets
☐ City Clerk ☐ Planning ☐ Treasurer
☐ Building ☐ Police ☐
☐ Engineer ☐ Public Works, Parks ☐
☐ Fire Dept. ☐ P & Z Commission ☐

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Motion to approve the ordinance and conduct the first reading by title only.

ADMINISTRATIVE COMMENTS/APPROVAL:

City Administrator Dept. Head Attend Meeting (circle one) Yes No

ACTION OF THE CITY COUNCIL:

Date

City Clerk

FOLLOW-UP:

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

*Additional/Exceptional Originals to: Copies (AIS only)
HAILEY ORDINANCE NO.____

AN ORDINANCE OF THE CITY OF HAILEY, IDAHO, AMENDING SECTION 13.08.010 OF THE HAILEY MUNICIPAL CODE, BY CLARIFYING THAT WATERING RESTRICTIONS APPLY TO CITY OWNED WATER; BY PROVIDING A SEVERABILITY CLAUSE; BY PROVIDING FOR A REPEALER CLAUSE; AND BY PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Mayor and City Council of the City of Hailey believe that it is appropriate to restrict usage of water owned by the City, not water owed by third parties which is regulated by the State of Idaho; and

WHEREAS, the Mayor and City Council of the City of Hailey believe that the adoption of this ordinance will promote the health, safety and general welfare of the citizens of the City of Hailey.

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

Section 1: Section 13.08.010 of the Hailey Municipal Code is hereby amended by the deletion of the stricken language and by the addition of the underlined language, as follows:

13.08.010 Implementation of municipal water usage conservation measures.

A. Prohibition and Restriction of Municipal Water Usage. The sprinkling or watering of outdoor plantings such as grass, lawns, gardens, ground cover, shrubbery, trees or other landscaping with water owned by the City shall be restricted upon all properties with even numbered street addresses to even numbered calendar days and upon all properties with odd numbered street addresses to odd numbered calendar days, and shall be prohibited between the hours of ten a.m. and six p.m. daily, except as provided below:

1. Upon written request made by a Water User, the water superintendent may grant an exception to the prohibition and restriction of municipal water usage if one or more of the following conditions are met:
   a. The Water User is now using, or will use as condition to the granting of the exception, water conservation irrigation devices such as drip or bubbler style irrigation systems that minimize water evaporation losses; or
   b. The Water User’s water usage will be for the purpose of sprinkling or watering new plantings for a specified time period.

B. Exclusion. Sprinkling or watering by commercial nurseries on their own sites are specifically excluded from the prohibitions and restrictions of this chapter.

C. Emergency Powers. The Mayor may, upon notification by the Idaho Department of Water Resources of curtailment of City of Hailey water rights, declare an emergency and restrict water use to domestic purposes only.

-150-
Section 2: Should any section or provision of this Ordinance be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of the Ordinance as a whole or any part thereof other than the part so declared to be unconstitutional or invalid.

Section 3: All ordinances and parts of ordinances in conflict herewith are hereby repealed.

Section 4: This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

PASSED AND ADOPTED BY THE HAILEY CITY COUNCIL AND APPROVED BY THE MAYOR THIS ___ DAY OF ______, 2013.

Fritz X. Haemmerle, Mayor, City of Hailey

Attest:

Mary Cone, City Clerk

Publish: Idaho Mountain Express
AGENDA ITEM SUMMARY

DATE: 8/26/13    DEPARTMENT: PW - Water  DEPT. HEAD SIGNATURE: 

SUBJECT: Public Hearing on Proposed Cross Connection Ordinance.

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

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

This Ordinance was first considered on June 17, 2013 and a first reading conducted. On July 1, 2013 the ordinance was brought back for further public hearing and tabled to allow staff time for further research.

I have included the Sanitary Survey Report, DEQ's Administrative Rules and the Uniform Plumbing Code for your information. The Ordinance included is from the July 1 meeting. Should City Council wish to place the responsibility of an annual inspection on the property owners this ordinance would be ready for adoption. However, if one of the other two options is preferred then the ordinance will need some further revision.

This ordinance also includes a revision to 13.04.130, Water and Wastewater User Fees to allow for collecting sufficient funds to satisfy our bond requirements.

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 Administrator  Library  Benefits Committee
City Attorney  Mayor  Streets
City Clerk  Planning  Treasurer
Building  Police
Engineer  Public Works, Parks
Fire Dept.  P & Z Commission

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Approval
Motion to approve the ordinance as written and conduct first reading by title only

Further Action
Motion to revise the ordinance per the city council discussion and reschedule a public hearing

ADMINISTRATIVE COMMENTS/APPROVAL:

City Administrator  Dept. Head Attend Meeting (circle one) Yes  No

ACTION OF THE CITY COUNCIL:
Date
As you are aware the Idaho Department of Environmental Quality recently conducted our 5-year Sanitary Survey inspection. There were three items listed as Significant Deficiencies on the report, two of which are already addressed by the Water Division. The third item is the need to put in place a cross connection control plan by updating our ordinance and tracking the annual testing of all cross connections to the city water system.

City Attorney Ned Williamson has suggested that there could be three different possibilities of how annual testing could be handled.

- Use a City employee to test all of the backflow prevention devices
- Have the City hire a contractor to perform the tests
- Require property owners to hire a certified backflow tester

I have discussed these options with Mike Brown of IDEQ. He could not think of another option other than these three. I also discussed with him the pros and cons of these options.

City Employee

We currently have one Water Division employee certified for backflow device inspections and testing. The other employees could take the training and become certified. With the number of backflow devices estimated at over 2,000 on the water system this would be a large task for the Division. There would be a need for an additional employee in the Water Division given this additional workload. While somewhat seasonal work an additional employee would also be available to supplement other Water Division work. I would also be concerned that there would be property owners who would question whether a device that failed was tested accurately. The ordinance would also need to be clearly written to state that while
we are performing the tests the property owner is still responsible for maintenance of the device. We would also need to establish a charge per test so the cost of these tests are not paid by properties without backflow devices. Using a city employee would better ensure that the record keeping would be accurate and current by using our Caselle Software to track the properties.

Hire an Independent Contractor

It is my understanding that this is how it is currently done in Sun Valley. There could be an economy of scale with this approach and this contractor would not be involved in other Water Division activities. A contract would need to be written assuring that all devices are tested by the August 1 deadline that IDEQ has suggested and that the records are accurate and current. Again, the ordinance would need to be clearly written for maintenance of the device. Establishing a charge per test would also be necessary.

Property Owners Responsibility

Mike Brown of IDEQ stated that the majority of water systems have gone this route when establishing their ordinance and that the cost for this annual test ranges from $25 – $70. While Idaho Administrative Code requires that we have a cross connection control plan in place to require and track annual inspections the Uniform Plumbing Code places the responsibility for an annual test on the owner or responsible person. Maintaining the records of annual inspections would be handled differently than if city employees or a contractor handled the inspections but in discussing this with the City Clerk’s office we feel there are ways with the Utility Billing software to handle this. I am also aware that many property owners normally turn on their own irrigation systems in the spring. While they may continue to do this they would also now need the annual inspection, preferably prior to charging their system.
or taste and odor control, when the source(s) is known to be free of microbial contamination, must ensure that chlorine residual entering the distribution system after treatment is less than four (4.0) mg/L. The requirements in Subsection 552.04.b.i.i. also apply if the system maintains a chlorine residual in the distribution system. (3-30-07)

05. Fluoridation. (12-1-92)

a. Commercial sodium fluoride, sodium silico fluoride and hydrofluorosilicic acid which conform to the applicable American Water Works Association (AWWA) Standards, incorporated by reference into these rules at Subsection 002.01, are acceptable. Use of other chemicals shall be specifically approved by the Department. (3-30-07)

b. Fluoride compounds shall be stored in covered or unopened shipping containers. (3-30-07)

c. Provisions shall be made to minimize the quantity of fluoride dust. Empty bags, drums, or barrels shall be disposed of in a manner that will minimize exposure to fluoride dusts. (3-30-07)

d. Daily records of flow and amounts of fluoride added shall be kept. An analysis for fluoride in finished water shall be made at least weekly. Records of these analyses shall be kept by the supplier of water for five (5) years. (12-10-92)

06. Cross Connection Control Program - Community Water Systems. The water purveyor is responsible through its cross connection control program to take reasonable and prudent measures to protect the water system against contamination and pollution from cross connections through premises isolation, internal or in-plant isolation, fixture protection, or some combination of premises isolation, internal isolation, and fixture protection. Pursuant to Section 543, all suppliers of water for community water systems shall implement a cross connection control program to prevent the entrance to the system of materials known to be toxic or hazardous. The water purveyor is responsible to enforce the system's cross connection control program. The program will at a minimum include:

a. An inspection program to locate cross connections and determine required suitable protection. For new connections, suitable protection must be installed prior to providing water service. (5-8-09)

b. Required installation and operation of adequate backflow prevention assemblies. Appropriate and adequate backflow prevention assembly types for various facilities, fixtures, equipment, and uses of water should be selected from the AWWA Pacific Northwest Section Cross Connection Control Manual, the Uniform Plumbing Code, the AWWA Recommended Practice for Backflow Prevention and Cross Connection Control (M14), the USC Foundation Manual of Cross Connection Control, or other sources deemed acceptable by the Department. The assemblies must meet the requirements of Section 543 and comply with local ordinances. (4-4-13)

c. Annual inspections and testing of all installed backflow prevention assemblies by a tester licensed by a licensing authority recognized by the Department. Testing shall be done in accordance with the test procedures published by the University of Southern California Foundation for Cross-Connection Control and Hydraulic Research. See the USC Foundation Manual of Cross-Connection Control referenced in Subsection 002.02. (4-7-11)

d. Discontinuance of service to any structure, facility, or premises where suitable backflow protection has not been provided for a cross connection. (4-7-11)

e. Assemblies that cannot pass annual tests or those found to be defective shall be repaired, replaced, or isolated within ten (10) business days. If the failed assembly cannot be repaired, replaced, or isolated within ten (10) business days, water service to the failed assembly shall be discontinued. (4-4-13)

07. Cross Connection Control - Non-Community Water Systems. All suppliers of water for non-community water systems shall ensure that cross connections do not exist or are isolated from the potable water system by an approved backflow prevention assembly. Backflow prevention assemblies shall be inspected and tested annually for functionality by an Idaho licensed tester, as specified in Subsections 552.06.c. and 552.06.e. (4-4-13)

553. CLASSIFICATION OF WATER SYSTEMS.
source of supply without the approval of the Authority Having Jurisdiction, Health Department, or other Department Having Jurisdiction.

603.0 Cross-Connection Control.
Cross-connection control shall be provided in accordance with the provisions of this chapter.

No person shall install any water operated equipment or mechanism, or use any water-treating chemical or substance, if it is found that such equipment, mechanism, chemical, or substance may cause pollution or contamination of the domestic water supply. Such equipment or mechanism may be permitted only when equipped with an approved backflow prevention device or assembly.

603.1 Approval of Devices or Assemblies. Before any device or assembly is installed for the prevention of backflow, it shall have first been approved by the Authority Having Jurisdiction. Devices or assemblies shall be tested for conformity with recognized standards or other standards acceptable to the Authority Having Jurisdiction which are consistent with the intent of this code.

All devices or assemblies installed in a potable water supply system for protection against backflow shall be maintained in good working condition by the person or persons having control of such devices or assemblies. The Authority Having Jurisdiction or other department having jurisdiction may inspect such devices or assemblies and, if found to be

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### TABLE 6-2

<table>
<thead>
<tr>
<th>Device, Assembly, or Method</th>
<th>Degree of Hazard</th>
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<tr>
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<tr>
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<td>Back-Siphonage</td>
<td>Back-Pressure</td>
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<td>Spill-Proof Pressure-Type Vacuum Breaker</td>
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<td>x</td>
</tr>
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<td>Double Check Valve Backflow Preventer</td>
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<td>x</td>
</tr>
<tr>
<td>Pressure Vacuum Breaker</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Reduced Pressure Principle Backflow Preventer</td>
<td>x</td>
<td>x</td>
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---

1 See description of devices and assemblies in this chapter.
2 Installation in pit or vault requires previous approval by the Authority Having Jurisdiction.
3 Refer to general and specific requirement for installation.
4 Not to be subjected to operating pressure for more than 12 hours in any 24 hour period.
5 For deck-mounted and equipment-mounted vacuum breaker, see Section 603.4.16.
defective or inoperative, shall require the repair or replacement thereof. No device or assembly shall be removed from use or relocated or other device or assembly substituted, without the approval of the Authority Having Jurisdiction.

603.2 Backflow Prevention Devices, Assemblies, and Methods.

603.2.1 Airgap. The minimum airgap to afford backflow protection shall be in accordance with Table 6-3.

603.2.2 Atmospheric Vacuum Breaker (AVB). An atmospheric vacuum breaker consists of a body, a checking member, and an atmospheric opening.

603.2.3 Hose Connection Backflow Preventer. A hose connection backflow preventer consists of two independent check valves with an independent atmospheric vent between and a means of field testing and draining.

603.2.4 Double Check Valve Backflow Prevention Assembly (DC). A double check valve backflow prevention assembly consists of two independently acting internally loaded check valves, four properly located test cocks, and two isolation valves.

603.2.5 Pressure Vacuum Breaker Backflow Prevention Assembly (PVB). A pressure vacuum breaker backflow prevention assembly consists of a loaded air inlet valve, an internally loaded check valve, two (2) properly located test cocks, and two (2) isolation valves. This device shall be installed outdoors only if provisions for spillage are provided.

603.2.6 Pressure Vacuum Breaker Spill-Proof Type Backflow Prevention Assembly (S VB). A pressure type vacuum breaker backflow prevention assembly consisting of one (1) check valve force-loaded closed and an air inlet vent valve force-loaded open to atmosphere.

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**TABLE 6-3**

Minimum Airgaps for Water Distribution

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<th>Fixtures</th>
<th>When not affected by side walls¹</th>
<th>When affected by side wall²</th>
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<tr>
<td></td>
<td>Inches (mm)</td>
<td>Inches (mm)</td>
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<td>Effective openings² not greater than one-half (1/2) inch (12.7 mm) in diameter</td>
<td>1 (25.4)</td>
<td>1-1/2 (38)</td>
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<td>Effective openings² not greater than three-quarters (3/4) inch (20 mm) in diameter</td>
<td>1-1/2 (38)</td>
<td>2-1/4 (57)</td>
</tr>
<tr>
<td>Effective openings² not greater than one (1) inch (25 mm) in diameter</td>
<td>2 (51)</td>
<td>3 (76)</td>
</tr>
<tr>
<td>Effective openings² greater than one (1) inch (25 mm) in diameter</td>
<td>Two (2) times diameter of effective opening</td>
<td>Three (3) times diameter of effective opening</td>
</tr>
</tbody>
</table>

¹ Side walls, ribs, or similar obstructions do not affect airgaps when spaced from the inside edge of the spout-opening a distance greater than three times the diameter of the effective opening for a single wall, or a distance greater than four times the effective opening for two intersecting walls.

² Vertical walls, ribs, or similar obstructions extending from the water surface to or above the horizontal plane of the spout opening other than specified in Note 1 above. The effect of three or more such vertical walls or ribs has not been determined. In such cases, the airgap shall be measured from the top of the wall.

³ The effective opening shall be the minimum cross-sectional area at the seat of the control valve or the supply pipe or tubing which feeds the device or outlet. If two or more lines supply one outlet, the effective opening shall be the sum of the cross-sectional areas of the individual supply lines or the area of the single outlet, whichever is smaller.

⁴ Airgaps less than one (1) inch (25.4 mm) shall be approved only as a permanent part of a listed assembly that has been tested under actual backflow conditions with vacuums of 0 to 25 inches (635 mm) of mercury.
positioned downstream of the check valve, and located between and including two (2) tightly closing shutoff valves and test cocks.

603.2.7 Reduced Pressure Principle Backflow Prevention Assembly (RP). A reduced pressure principle backflow prevention assembly consists of two independently acting internally loaded check valves, a differential pressure relief valve, four properly located test cocks, and two isolation valves.

603.3 General Requirements.

603.3.1 All assemblies shall conform to listed standards and be acceptable to the Authority Having Jurisdiction over the selection and installation of backflow prevention assemblies.

603.3.2 Where more than one (1) backflow prevention valve is installed on a single premise, and the valves are installed in one location, each separate valve shall be permanently identified by the permittee in a manner satisfactory to the Authority Having Jurisdiction.

603.3.3 The premise owner or responsible person shall have the backflow prevention assembly tested by a certified backflow assembly tester at the time of installation, repair, or relocation and at least on an annual schedule thereafter or more often when required by the Authority Having Jurisdiction. The periodic testing shall be performed in accordance with the procedures referenced in Table 14-1 by a tester qualified in accordance with those standards.

603.3.4 Access and clearance shall be provided for the required testing, maintenance, and repair. Access and clearance shall require a minimum of one (1) foot (305 mm) between the lowest portion of the assembly and grade, floor, or platform. Installations elevated more than five (5) feet (1524 mm) above the floor or grade shall be provided with a permanent platform capable of supporting a tester or maintenance person.

603.3.5 Direct connections between potable water piping and sewer connected wastes shall not exist under any condition with or without backflow protection. Where potable water is discharged to the drainage system it shall be by means of an approved airgap of two (2) pipe diameters of the supply inlet, but in no case shall the gap be less than one (1) inch (25 mm). Connection may be made to the inlet side of a trap provided that an approved vacuum breaker is installed not less than six (6) inches (152 mm) or the distance according to the device's listing, above the flood-level rim of such trapped fixture, so that at no time will any such device be subjected to any back-pressure.

603.3.6 Backflow preventers for hot water over 110°F (43.3°C) shall be a type designed to operate at temperatures of 110°F (43.3°C) or more without rendering any portion of the assembly inoperative.

603.3.7 Fixtures, appliances, or appurtenances with integral backflow preventers or integral airgaps manufactured as a unit shall be installed in accordance with their listing requirements and the manufacturers' instructions.

603.3.8 In cold climate areas, backflow assemblies and devices shall be protected from freezing by a method acceptable to the Authority Having Jurisdiction.

603.4 Specific Requirements.

603.4.1 Water closet and urinal flushometer valves shall be equipped with an atmospheric vacuum breaker. The vacuum breaker shall be installed on the discharge side of the flushometer valve with the critical level at least six (6) inches (152 mm) or the distance according to its listing above the overflow rim of a water closet bowl or the highest part of a urinal.

603.4.2 Water closet and urinal tanks shall be equipped with a ballcock. The ballcock shall be installed with the critical level at least one (1) inch (25.4 mm) above the full opening of the overflow pipe. In cases where the ballcock has no hush tube, the bottom of the water supply inlet shall be installed one (1) inch (25.4 mm) above the full opening of the overflow pipe.

603.4.3 Water closet flushometer tanks shall be protected against backflow by an approved backflow prevention assembly, device, or method.

603.4.4 Heat Exchangers.

603.4.4.1 Heat exchangers used for heat transfer, heat recovery, or solar heating shall protect the potable water system from being contaminated by the heat transfer medium. Double-wall heat exchangers shall separate the potable water from the heat transfer medium by providing a space between the two walls which is vented to the atmosphere.

603.4.5 Water supply inlets to tanks, vats, sumps, swimming pools, and other receptacles shall be protected by one of the following means:

1. An approved airgap;
2. A listed vacuum breaker installed on the discharge side of the last valve with the critical level not less than six (6) inches (152 mm) or in accordance with its listing;
3. A backflow preventer suitable for the contamination or pollution, installed in
accordance with the requirements for that type of device or assembly as set forth in this chapter.

603.4.6 Protection from Lawn Sprinklers and Irrigation Systems.

603.4.6.1 Potable water supplies to systems having no pumps or connections for pumping equipment, and no chemical injection or provisions for chemical injection, shall be protected from backflow by one of the following devices:

(1) Atmospheric vacuum breaker
(2) Pressure vacuum breaker
(3) Reduced pressure backflow preventer

603.4.6.2 Where sprinkler and irrigation systems have pumps, connections for pumping equipment, or auxiliary air tanks or are otherwise capable of creating back-pressure, the potable water supply shall be protected by the following type of device if the backflow device is located upstream from the source of back-pressure:

(1) Reduced pressure backflow preventer

603.4.6.3 Where systems have a backflow device installed downstream from a potable water supply pump or a potable water supply pump connection, the device shall be one of the following:

(1) Atmospheric vacuum breaker
(2) Pressure vacuum breaker
(3) Reduced pressure backflow preventer

603.4.6.4 Where systems include a chemical injector or any provisions for chemical injection, the potable water supply shall be protected by the following:

(1) Reduced pressure backflow preventer

603.4.7 Potable water outlets with hose attachments, other than water heater drains, boiler drains, and clothes washer connections, shall be protected by a non-removable hose bibb type backflow preventer, a non-removable hose bibb type vacuum breaker, or by an atmospheric vacuum breaker installed at least six (6) inches (152 mm) above the highest point of usage located on the discharge side of the last valve. In climates where freezing temperatures occur, a listed self-draining frost-proof hose bibb with an integral backflow preventer or vacuum breaker shall be used.

603.4.8 DELETED.

603.4.9 Water cooled compressors, de-greasers or any other water cooled equipment shall be protected by a backflow preventer installed in accordance with the requirements of this chapter. Note: Water cooled equipment which produces back-pressure shall be equipped with the appropriate protection.

603.4.10 Water inlets to water supplied aspirators shall be equipped with a vacuum breaker installed in accordance with its listing requirements and this chapter. The discharge shall drain through an air gap. When the tailpiece of a fixture to receive the discharge of an aspirator is used, the air gap shall be located above the flood-level rim of the fixture.

603.4.11 Potable water make-up connections to steam or hot water boilers shall be provided with a listed backflow protection assembly.

603.4.12 Nonpotable Water Piping. In cases where it is impractical to correct individual cross-connections on the domestic water line, the line supplying such outlets shall be considered a non-potable water line. No drinking or domestic water outlets shall be connected to the non-potable water line. Whenever possible, all portions of the non-potable water line shall be exposed, and all exposed portions shall be properly identified in a manner satisfactory to the Authority Having Jurisdiction. Each outlet on the non-potable water line which may be used for drinking or domestic purposes shall be posted: "Caution: Non-potable water, do not drink."

603.4.13 Potable water supply to carbonators shall be protected by either an airgap or a vented backflow preventer for carbonated beverage dispensers installed within the carbonated beverage dispenser. The carbonated beverage dispenser shall bear the label of an approved testing agency, certifying and attesting that such equipment has been tested and inspected and meets the requirements of the approved applicable standard. Carbonated beverage dispensers without an approved internal airgap or vented backflow preventer for carbonated beverage dispensers and carbonated beverage dispensing systems shall have the water supply protected with a vented backflow preventer for carbonated beverage dispensers.

603.4.14 Water Treatment Units. Reverse osmosis drinking water treatment units shall meet the requirements of the appropriate standards referenced in Table 14-1. Waste or discharge from reverse osmosis or other types of water treatment units shall enter the drainage system through an airgap.
**Enhanced Sanitary Survey**

**Preliminary Inspection Findings Form**

**Facility Name:** Hailey Water & Sewer  
**PWS #:** 5070022

**Inspection Date:** 7-23-13  
**Time Closing Conference Begins:** 11:00  
**Time Closing Conference Ends:** 2:00 PM

**Inspector:** Robert Brown  
**Phone #:** 736-290

**Facility Representative:**  
**E-mail:** Colinda@haileyidaho.com

**Title:** Water Operator  
**Signature:**

**Note:** Your signature indicates you have received this document and does not imply agreement with the violations noted.

**Significant Deficiencies Noted at the Time of the Inspection:**
In accordance with IDAPA 58.01.08.008.02, the health hazards identified below must be mitigated as required by the Department and terminated within a time schedule established by the Department.

1. **No Cross Connection Control Plan**  
   **Correction Time Frame:** 24 hours  
   **Correctional action plan within 30 days**

2. **Non NSF Piping in Chlorinators**  
   **Correction Time Frame:** 24 hours  
   **Correctional action plan within 30 days**

3. **No Screen on Press Vac**  
   **Correction Time Frame:** 24 hours  
   **Correctional action plan within 30 days**

4. 

5. 

6. 

**Potential Violations Pending Further Review:**

1. 

2. 

3. 

4. 

5. 

6. 

**Free Technical Assistance:**  
Yes [x] No [ ]

Financial: a) rate reviews b) budgeting c) finding loans and grants d) capital improvement planning
Training: e) operator f) board/council g) asset management h) developing policies and procedures
Technical Assistance: i) leak detection j) line location k) distribution l) treatment m) other
System Operation: n) best practices guidance o) emergency response p) vulnerability assessment
Source Water Protection: q) planning r) implementation

**Contact Name:**  
**Phone #:**

Original stays with inspector for scanning and registration into TRIM. Copy stays with Public Water System Owner/Operator.

- 162 -
Enhanced Sanitary Survey
Instructions for Selection of Correction Time Frame

☐ 24 hours
This time frame should be selected for those items that pose an Imminent Threat to Public Health and must be remedied as soon as possible to decrease exposure to dangerous or potentially dangerous contamination or circumstances.

These items would be considered to be Health Hazards that would create or may create a danger to the consumer's health. These hazards may consist of but are not limited to, design, construction, operational, structural, collection, storage, distribution, monitoring, treatment, or water quality elements of a public water system.

This time frame should be selected for those items identified that are Significant Deficiencies and that we determine to cause or have potential to cause, risk to health or safety or that could affect the reliable delivery of safe drinking water.

(It is anticipated that relatively few items, and only those of the highest priority, will be identified that will require remedy within this Correction Time Frame.)

☐ 7 Days
These items would be considered to be Health Hazards that would create or may create a danger to the consumer's health. These hazards may consist of but are not limited to, design, construction, operational, structural, collection, storage, distribution, monitoring, treatment, or water quality elements of a public water system.

This time frame should be selected for those items identified that are Significant Deficiencies and that we determine to cause or have potential to cause, risk to health or safety or that could affect the reliable delivery of safe drinking water.

☐ Complete Report of Survey Results Within Thirty Days
A report describing the complete results of this survey will be provided within thirty days. After receipt of this report, you have 30 days to consult with the regulatory agency regarding a schedule for completing any corrective actions required in response to the survey.

(It is anticipated that the majority of the items identified during the inspection will require corrective action within 120 days following consultation with the regulatory agency. Factors that could be considered when selecting this time frame would be overall risk or potential risk to public health, expertise necessary to effectively make the modification (plumbing, electrician, engineering) and expense of the modification (large capital improvement vs. replacement of item from operating budget).

DISCLAIMER: This document is a Preliminary Inspection Findings Form. It does not constitute a final determination of compliance status with any of the laws administered by the Idaho Department of Environmental Quality, including, but not limited to, the Idaho Environmental Protection and Health Act, Idaho Code § 39-101, et seq., the Idaho Rules for Public Drinking Water Systems, IDAPA 58.01.08, and adoptions of Federal Regulations thereunder, Idaho Code § 50-1326 et seq., Idaho Code § 54-2401 et seq., or any rules promulgated, permits issued, or consent or judicial orders entered into under authority of these acts. The Idaho Department of Environmental Quality reserves the right to supplement this document with additional compliance determinations, and amend, change, or otherwise modify any determination stated in this document. This document in does not restrict or preclude the State of Idaho or the Department of Environmental Quality from taking action available under law to address past, present, or future violations of the laws administered by the agency.
HAILEY ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HAILEY AMENDING, CHAPTER 13.04 OF THE
HAILEY MUNICIPAL CODE, BY AMENDING SECTION 13.04.060, TO PROVIDE FOR
THE INSTALLATION AND MAINTENANCE OF BACKFLOW PREVENTION DEVICES
AND FOR INSPECTION; BY AMENDING SECTIONS 13.04.130(A) AND (B) TO INCLUDE
AMOUNTS NEEDED FOR LENDING REQUIREMENTS WHEN ESTABLISHING WATER
AND WASTEWATER USER FEES; BY PROVIDING FOR A SEVERABILITY CLAUSE;
BY PROVIDING FOR A REPEALER CLAUSE; AND BY PROVIDING AN EFFECTIVE
DATE AFTER JANUARY 1, 2013.

WHEREAS, the Mayor and the City Council of the City of Hailey wish to amend the
Hailey Municipal Code to ensure the safety of the City of Hailey water supply, to comply with
state mandated water regulations, and to allow residents adequate time to comply with state
mandated regulations;

WHEREAS, the Mayor and the City Council of the City of Hailey wish to amend the
Hailey Municipal Code to ensure sufficient water and wastewater fees are collected to comply
with lending requirements for capital expenses; and

WHEREAS, the Mayor and City Council find that the amendments to the Chapter 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 13.04.060 of the Hailey Municipal Code is hereby amended by the
addition of the underlined language and by the deletion of the stricken language, as follows:

13.04.060 Cross connections. By adopting this Section, the City hereby establishes and will
implement a Cross Connection program to prevent the entrance to the Municipal Water System
of materials known to be toxic or hazardous in accordance with the standards for Cross
Connections set forth in the shall adhere to Idaho Administrative Code, IDAPA 58.01.08 – Idaho
Rules for Public Drinking Water Systems, as amended.

A. Cross Connections Prohibited. The installation or maintenance of a Cross Connection is
hereby prohibited. Any such Cross Connection now existing is declared a nuisance and shall
be removed or abated upon order of the City. Failure to remove a Cross Connection or install
an approved Backflow Prevention Device as ordered within ten (10) days of the order shall
result in discontinuance of municipal water service until compliance is made.

B. Backflow Prevention Devices. Any facility requiring a Backflow Prevention Device shall
follow the requirements of the Idaho Administrative Code, IDAPA 58.01.08, Subsection
900.02 (Table 2), as amended. The minimum required Backflow Prevention Device shall be
require a testable double check valve.
C. **Inspections of Existing Buildings, Structures or Improvements.** Inspections by the City or its authorized agent, bearing proper credentials and identification, may be made of any existing building, structures or improvements of any nature receiving water from the Municipal Water System supply. The City Water Division Manager, Superintendent or his authorized agent shall make an inspection of any building, improvement or structure of any nature receiving water from the Municipal Water System supply if there appears probable cause to believe that a Cross Connection exists or that a Backflow Prevention Device should be installed.

D. **Required Installations.** Backflow Prevention Devices shall be installed at the Owner's expense at the ties on the premises or within any premises where, in the judgment of the City, the nature and extent of activities or the materials stored on the premises would present an immediate and dangerous hazard to health and/or be deleterious to the quality of the water should a Cross Connection occur, even though such Cross Connection does not exist at the time. In such circumstances, Backflow Prevention Devices may be required in the following premises:

1. Premises having an auxiliary water supply, unless the quality of the auxiliary supply is in compliance with title 1, chapter 8, "Idaho Rules for Public Drinking Water Systems", and are acceptable to the City.

2. Premises having internal Cross Connections that are not correctable, or intricate plumbing arrangements which make it impracticable to ascertain whether Cross Connections exist.

3. Premises having a repeated history of Cross Connections.

4. Premises on which any substance is handled under pressure so as to permit entry into the Municipal Water System or where a Cross Connection could reasonably be expected to occur, including the handling of process waters and cooling waters.

5. Premises where materials of a toxic or hazardous nature are handled in such a way that if back siphonage should occur, a health hazard might result.

6. The following premises, unless the City and/or a health officer determine that no hazard exists:

   a. Hospitals, mortuaries, clinics.
   b. Laboratories.
   c. Metal plating industries.
   d. Sewage treatment plants.
   e. Food or beverage processing plants.
   f. Chemical plants using a water process.
   g. Petroleum processing or storage plants.
   h. Radioactive material processing plants or nuclear reactors.
   i. Dry Cleaners
j. Others as specified by the health officer.

7. Other premises where Backflow Prevention Devices are reasonably required to protect the Municipal Water System.

8. Under circumstances set forth in this subsection, the City shall have the right to require a reduced pressure principle Backflow Prevention Device or a proper air gap separation to be installed at the property line.

E. Minimum Backflow Prevention Device. The type of Backflow Prevention Device required to be installed conform with the requirements of Idaho Administrative Code, IDAPA 58.01.08 – Idaho Rules for Public Drinking Water Systems, as amended, and shall depend on the degree of hazard which exists.

1. An air gap separation and/or a reduced pressure principle Backflow Prevention Device shall be installed where the Municipal Water System may be contaminated with sewage, industrial waste of a toxic nature, or other contaminant which could cause a health or system hazard.

2. In the case of a substance which may be objectionable but not hazardous to health, a double check valve assembly, air gap separation, or a reduced pressure principle Backflow Prevention Device shall be installed.

3. Where lawn sprinkling systems using the Municipal Water System are installed, double check valve assembly, reduced pressure principle Backflow Prevention Device, or an air gap separation shall be installed.

F. Installation. Backflow Prevention Devices required by this section (with the exception of fire sprinkler or standpipe systems) shall be installed at the Water Meter no closer than five feet (5') from the property line of the premises, or at a location approved by the City. The device shall be located so as to be readily accessible for maintenance, inspection and testing, and where no part of the device shall be submerged.

G. Annual Testing Required. Backflow Prevention Devices required by this chapter shall be installed under a permit issued by the City, and shall not be used until the same is tested by the installer and reported to the City and inspected and approved by qualified City personnel. There shall be no charge for the permit and inspection by the City prior to approval of the installation. Thereafter, the Owner shall have such Backflow Prevention Device tested by a certified backflow prevention tester annually. Such testing, together with all maintenance and repair of such device, shall be at the Owner's expense and shall be completed by and proof of compliance submitted to the City no later than August 1 of each year. All Backflow Prevention Devices shall be tested by a certified backflow prevention device tester at the Owner's expense. Whenever a device does not pass an annual test or is found to be defective, the devices shall, at the Owner's expense, be repaired, replaced, or isolated within then (10) business days. Failure of the Owner to comply with the rules for installation, maintenance, testing or inspection of Backflow Prevention Devices required by this Section shall be grounds for the termination of water service to the premises.
H. Approved Backflow Preventive Devices. Any Backflow Preventive Device required by this Section shall conform with the requirements of Idaho Administrative Code, IDAPA 58.01.08 – Idaho Rules for Public Drinking Water Systems, as amended. These devices shall be furnished and installed by and at the expense of the Owner.

I. Irrigation Systems. No irrigation system shall be installed without adequate Backflow Prevention Devices at the point from which the water for irrigation is taken from the Municipal Water System, or at a location approved by the City.

J. Fire Sprinkler Protection Systems and Fire Hydrants. All existing fire sprinkler or standpipe protection systems shall have an approved Backflow Prevention Device installed and tested by a licensed fire sprinkler installer. Failure to properly install or maintain the device may result in daily fines as provided for by the International Fire Code and the Hailey Municipal Code. Any termination of water supply to a required fire sprinkler or standpipe system will prevent the continued occupancy or use of the building until the water supply is re-established. Fire sprinkler and standpipe systems shall typically be installed on a separate water supply line prior to any Water Meter. No connection will be made to any Fire Hydrant by any person without having first received the permission of the City, except for firefighting purposes.

K. Private Water System. No person shall make or permit the Cross Connection of any Private Water System to a water line that is served by the Municipal Water System except as provided in this chapter. Whenever an Owner connects to the Municipal Water System, the Owner at Owner’s expense shall physically disconnect any Private Water System from the Municipal Water System in such a manner that water from a Private Water System will never pass through the same pipes that carry water from the Municipal Water System, except as may be approved by the City and health officer.

Section 2. Section 13.04.130(A) and (B) of the Hailey Municipal Code is hereby amended by the addition of the underlined language and by the deletion of the stricken language, as follows:

13.04.130 Water and Wastewater User Fees. The Owner or Owner’s agent of all Property connected to the Municipal Water or Wastewater System under the terms of this chapter shall be assessed and shall pay monthly user fees as follows:

A. Water User Fees.

1. User Base Fee. The monthly user base fee is intended to cover the costs of the operation, maintenance and expansion of the Municipal Water System, including but not limited to: 50% of the labor, benefits and administrative costs and any other necessary amounts required to be collected to comply with outstanding lending requirements and 100% of DEQ fees, insurance, training and short-term depreciation. The monthly user base fee shall be assessed to each Property. The monthly user base fee shall be calculated by dividing the yearly operation, maintenance and expansion costs of the Municipal Water System described herein by the number of Water Users. Property with two or more services extended to it shall have the choice of
paying a single monthly user base fee (for all services connected to the Property) or establishing separate accounts for each service with a Landlord/Tenant agreement as described in Section 13.04.150.

2. Metered Water Fee. The monthly metered fee is intended to cover the variable costs of the Municipal Water System, including the operation and maintenance costs which consist at least of, but not limited to: 50% of the labor, benefits and administrative costs, parts, fuel, utilities, vehicle maintenance, lab tests and chemicals, and any other necessary amounts required to be collected to comply with outstanding lending requirements. The monthly metered water fee shall be assessed to each separate Service Connection based upon the total amount of water used by that Property during one billing period. The metered rate is determined on a sliding scale based upon the variable costs of the Municipal Water System described herein, and as adopted by City Council resolution. The sliding scale shall assess a proportionally greater cost per gallon(s) of water as more water is used by a Property.

3. Bond Payment Fee. The monthly bond payment is intended to cover the cost of bond and note retirement costs which are the legal indebtedness the City is obligated to retire on a set schedule. The monthly water bond payment is determined by taking the bond and note retirement costs and dividing by the number of Water Users utilizing the system during the twelve month period. The monthly bond payment fee shall be assessed to each Property. Bond payment fees will continue even if water services are discontinued at any point.

4. Irrigation Fee. The monthly metered irrigation fee shall be assessed to each Property with a separate irrigation account based upon the amount of water used during one billing period.

B. Wastewater User Fees.

1. User Base Fee. The monthly user base fee is intended to cover the costs of the operation, maintenance and expansion of the Municipal Wastewater System, including but not limited to: 50% of the labor, benefits and administrative costs, and any other necessary amounts required to be collected to comply with outstanding lending requirements and 100% of DEQ fees, insurance, training, and short-term depreciation. The minimum monthly user fee shall be assessed to each Property. The monthly user base fee shall be calculated by dividing the yearly operation, maintenance and expansion costs of the Municipal Wastewater System described herein by the number of Wastewater Users. Property with two or more services extended to it shall have the choice of paying a single monthly user base fee (for all services connected to the Property) or establishing separate accounts for each service with a Landlord/Tenant agreement as described in Section 13.04.150.
2. **Metered Wastewater Fee.** The monthly metered fee is intended to cover the variable costs of the Municipal Wastewater System, including the operation and maintenance costs which consist at least of, but not limited to: 50% of the labor, benefits and administrative costs, and any other necessary amounts required to be collected to comply with outstanding lending requirements, and 100% of parts, fuel, utilities, vehicle maintenance, lab tests and chemicals. The monthly metered wastewater charge shall be assessed to each separate Property based upon the average amount of water used by that Property between November 1 and March 31 of the following year. During the following month of April, the monthly wastewater metered charge shall be adjusted based upon the average use of water used by each Property owner except as provided under Section 13.04.130(D)(3) and (4).

3. **Non-Metered Account Fee.** The new construction Wastewater user accounts, where an average winter water use has not been established, shall pay a set monthly charge to cover all fixed and variable costs of the Municipal Wastewater System.

4. **Bond Payment Fee.** The monthly bond payment is intended to cover the cost of bond and note retirement costs which are the legal indebtedness the City is obligated to retire on a set schedule. The monthly bond payment is determined by taking the bond and note retirement cost and dividing by the number of Wastewater Users utilizing the system during the twelve month period. The monthly bond payment fee shall be assessed to each Property based upon a standard ¾” water service connection. Bond payment fees will continue even if sewer services are discontinued at any point.

**Section 3.** All Ordinances or Resolutions or parts thereof in conflict herewith are hereby repealed and rescinded.

**Section 4.** If any section, paragraph, sentence or provision hereof or the application thereof to any particular circumstances shall ever be held invalid or unenforceable, such holding shall not affect the remainder hereof, which shall continue in full force and effect and applicable to all circumstances to which it may validly apply.

**Section 5.** This Ordinance shall be in full force and effect on January 1, 2014 and after its passage, approval and publication according to law.

**PASSED AND ADOPTED BY THE HAILEY CITY COUNCIL** and approved by the Mayor this ___ day of June, 2013.

Fritz X. Haemmerle, Mayor
City of Hailey
ATTEST:

Mary Cone, City Clerk
AGENDA ITEM SUMMARY

DATE: 8-26-2013  DEPARTMENT: CDD  DEPT. HEAD SIGNATURE: MA

SUBJECT: Proceed with first reading of Ordinance No. ____, a City of Hailey initiated text amending Article 2.2 the Zoning Ordinance, Ordinance No. 532, to revise the definition of City Standards and by amending Article 10.3.8 to require sidewalks in a PUD to be constructed in accordance with City Standards.

AUTHORITY: □ ID Code 39-4116  □ IAR ___________  □ City Ordinance/Code Zoning Ordinance No. 532
(If Applicable)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

Procedural History
- Planning and Zoning Public Hearing: July 22, 2013
- City Council Public Hearing: August 19, 2013
- First Reading: August 26, 2013
- Second Reading: September 16, 2013
- Third Reading: October 7, 2013

Summary
When researching the necessary amendment to Title 18 that are up for discussion in a separate public hearing, staff noticed there sections of the Zoning Ordinance that were not compliant with other sections of the Municipal Code. This ordinance ensures that the Zoning Ordinance is in full compliance with the requirements of Title 18 as they relate to public infrastructure improvements. This is a housekeeping ordinance.

Planning and Zoning Commission Recommendation

On July 22, 2013, the Planning and Zoning Commission held a public hearing on the proposed amendments. No public comment was given. After a brief discussion, the Commission voted unanimously to recommend adoption of the amendment to the City Council.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

None

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (If Applicable)

- City Administrator
- City Attorney
- City Clerk
- Building
- Engineer
- Fire Dept.
- Library
- Mayor
- Planning
- Police
- Public Works,
- Parks
- P & Z Commission
- Benefits Committee
- Streets
- Treasurer
- Sustainability

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:
Proceed with 1st Reading of Ordinance No. _____

______________________________________________________________

ACTION OF THE CITY COUNCIL:
Date: ____________________
City Clerk ____________________

______________________________________________________________

FOLLOW-UP:

*Ord./Res./Agrmt./Order Originals: Record  *Additional/Exceptional Originals to:

Copies (all info.): Copies (AIS only)
Instrument # ______________________
STAFF REPORT

TO: Hailey City Council
FROM: Micah Austin, Community Development Director
RE: Public hearing and consideration of a City of Hailey initiated text amendment to Article 2.2 the Zoning Ordinance, Ordinance No. 532, to revise the definition of City Standards and by amending Article 10.3.8 to require sidewalks in a PUD to be constructed in accordance with City Standards.

HEARING: Planning and Zoning: July 22, 2013
       City Council: August 19, 2013

Notice
Planning and Zoning
• Notice for the public hearing was published in the Idaho Mountain Express on July 3rd, 2013 and mailed to public agencies and area media on July 3rd, 2013.

City Council
• Notice for the public hearing was published in the Idaho Mountain Express on July 31st, 2013 and mailed to public agencies and area media on July 31st, 2013

Proposal
Amend sections of the Zoning Ordinance to comply with Title 18, the Mobility Design Ordinance.

Procedural History
A public hearing on the proposed text amendment was held before the Planning and Zoning Commission on July 22, 2013. A public hearing will be held before the City Council on August 19, 2013.

Planning and Zoning Commission Recommendation
On July 22, 2013, the Planning and Zoning Commission held a public hearing on the proposed amendments. No public comment was given. After a brief discussion, the Commission voted unanimously to recommend adoption of the amendment to the City Council.

Department Comments
This ordinance ensures that the Zoning Ordinance is in compliance with the requirements of Title 18 as they relate to public infrastructure improvements. This is a housekeeping ordinance.
Standards of Evaluation

Note: Staff analysis is in lighter type, italicized words are words or phrases added by staff for clarification purposes.

14.6 When evaluating any proposed amendment under this Article, the Commission and Council shall make findings of fact on the following criteria:

a. The proposed amendment is in accordance with the Comprehensive Plan;
   The Council should consider how the proposed amendments relate to the various goals of the Comprehensive Plan (listed below for reference). Section 5, Land Use, Population, and Growth Management, has been addressed as being most applicable to this application as seen below. According to Section 5.8.1 of the Comprehensive Plan, this amendment is in accordance with the Plan.

   Goal 5.8.1: To develop clear land use and development procedures that protect the public welfare for all development.
Comp Plan Goals (2010)

1.1 Preserve, protect and restore natural resources including waterways, floodplains, wetlands, soil, community forest, native vegetation, green space and wildlife habitat and migration corridors for the benefit of the City and its residents.

1.2 Efficiently use and conserve resources.

1.3 Promote renewable energy production

1.4 Promote energy conservation

1.5 Promote air quality protection

2.1 Reduce the potential threat to loss of life, limb or property and minimize public expenditures due to natural and man-made hazards.

3.1 Assure the protection and preservation of Special Sites, Areas and Features to maintain a strong community identity for future generations

3.2 Protect the residential character of the original Townsite.

4.1 Create and maintain an interconnected system of parks, recreational facilities, trails, green spaces and natural lands in order to provide diverse recreation opportunities for Hailey residents within ¼ mile to ½ mile of the greatest number of residents.

5.1 Retain a compact City comprised a central downtown with surrounding diverse neighborhoods, areas and characteristics as depicted in the Land Use Map:

a. Main Street Corridor – area of high density commercial, mixed use and residential development.

b. Downtown - the historic commercial center containing the greatest concentration of commercial, cultural and civic activity. Downtown is the priority area for encouraging higher density commercial and mixed use (commercial and residential) development.

c. Community Activity Areas – located at the north and south ends of the Main Street Corridor. High density residential is encouraged. Commercial and mixed use (commercial and residential) development is appropriate, but should be subordinate and secondary to the infill of Downtown.

d. High Density Residential – high density residential infill is encouraged in the area along Main Street and River Street between Downtown and the north and south ends of Main Street.

e. Residential Buffer – medium density residential, providing a buffer between lower density residential neighborhoods to the east and west and the Main Street District.

f. Traditional Residential – Density varies depending on the qualities of different neighborhoods, generally density is higher within a ¼ mile of Downtown, Community Activity Areas or Neighborhood Service Centers and connected by transit service.

g. Neighborhood Service Centers – Small commercial areas serving residents within walking distance (¼ to ½ mile) where commercial use is subordinate to residential uses and to Downtown or Community Activity Areas.

h. Light Industrial – Areas containing uses important to a variety of business sectors that focus on the production of products and services that are less compatible with, and do not compete with, uses in Downtown and the Community Activity Areas.

i. Airport Site Redevelopment – a diversity and integration of uses and community assets that complement and support Downtown and are connected within and to existing neighborhoods.

j. Community Gateways – areas where one has a sense of arrival or sense of being within
a part of town distinguished from others providing opportunities for special design considerations.
5.2 Maintain Downtown as the area containing the greatest concentration of commercial, cultural and civic activity and as the priority area for encouraging higher density commercial and mixed use (commercial and residential) development.

5.3 Continue cooperation with the Blaine County and the Friedman Memorial Airport Authority in regional planning efforts to optimally relocate the airport and plan for the long term redevelopment of the site within the city limits to ensure that changes in land use are beneficial to the community of Hailey.

5.4 Protect open space within and surrounding Hailey, including visible ridgelines, undeveloped hillsides and agricultural areas which help define the unique character of Hailey.

5.5 Lessen dependency on the automobile.

5.6 Manage and accommodate population growth by infill development and, when appropriate, minimal expansion by annexation and/or density increases.

5.7 Encourage development at the densities allowed in the Zoning Code.

6.1 Encourage a diversity of economic development opportunities within Hailey

6.2 Encourage abundant, competitive and career-oriented opportunities for young workers.

7.1 Encourage a variety of projects and programs that meet the needs generated by various segments of the population, especially the needs of those who risk suffering effects of discrimination or are socially or economically disadvantaged.

7.2 Encourage projects and programs that seek to provide opportunities for cultural, cross-cultural and educational enrichment.

8.1 Encourage development that provides opportunities for home ownership and rental homes for individuals and families of all socio-economic levels.

9.1 Plan for the long-term utilities, service and facility needs of the City while minimizing impacts to the greatest extent possible.

10.1 Create and maintain a pedestrian and bicycle-friendly community that provides a safe, convenient and efficient multi-modal transportation system for all Hailey residents.

11.1 Establish a built environment that maintains a human scale, retains interest, aesthetics, encourages various levels of interaction among all members of the community, and enhances the character of different neighborhoods.

12.1 Evaluate whether proposed regulatory or administrative actions may result in an unconstitutional taking of private property.

13.1 Encourage and facilitate the development of school facilities that are planned consistently with the city's other land use policies.

13.2 Ensure the provision of safe, adequate, convenient multi-modal transportation access to all existing and future school sites.
b. Essential public facilities and services are available to support the full range of proposed uses without creating excessive additional requirements at public cost for the public facilities and services; Not applicable

c. The proposed uses are compatible with the surrounding area; and Not applicable

d. The proposed amendment will promote the public health, safety and general welfare. This amendment ensures that sidewalks are installed according to City Standards which will improve the safety of the public within the subdivision, for all users.

Summary
The Council is required to hold a public hearing and determine whether the proposed amendment is in accordance with the applicable standards of evaluation.
Motion Language

Approval:

Motion to approve the amendments to Article 2.2 the Zoning Ordinance, Ordinance No. 532, to revise the definition of City Standards and by amending Article 10.3.8 to require sidewalks in a PUD to be constructed in accordance with City Standards, finding that the amendments are in accordance with the Comprehensive Plan, that essential public facilities and services are available to support the full range of proposed uses without creating excessive additional requirements at public cost for the public facilities and services, that the proposed uses are compatible with the surrounding area, and that the proposed amendment will promote the public health, safety and general welfare and adopt Ordinance _____ and authorize the mayor to conduct the first reading by title only.

Denial:

Motion to deny proposed amendments to Article 2.2 the Zoning Ordinance, Ordinance No. 532, to revise the definition of City Standards and by amending Article 10.3.8 to require sidewalks in a PUD to be constructed in accordance with City Standards, finding that [the Council should cite which standards are not met and provided the reason why each identified standard is not met].

Continuation:
Motion to continue the public hearing upon the proposed amendments to Article 2.2 the Zoning Ordinance, Ordinance No. 532, to revise the definition of City Standards and by amending Article 10.3.8 to require sidewalks in a PUD to be constructed in accordance with City Standards, to [the Council should specify a date].

Table:
Motion to table the proposed amendments to Article 2.2 the Zoning Ordinance, Ordinance No. 532, to revise the definition of City Standards and by amending Article 10.3.8 to require sidewalks in a PUD to be constructed in accordance with City Standards, to a later date: _____.
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HAILEY, IDAHO, AMENDING HAILEY’S ZONING ORDINANCE, ORDINANCE NO. 532, BY AMENDING SECTION 2.2 TO REVISE THE DEFINITION OF CITY STANDARDS AND BY AMENDING SECTION 10.3.8 TO REQUIRE SIDEWALKS IN A PUD TO BE CONSTRUCTED IN ACCORDANCE WITH CITY STANDARDS; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A REPEALER CLAUSE; AND PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE UPON PASSAGE, APPROVAL AND PUBLICATION ACCORDING TO LAW.

WHEREAS, the City of Hailey has adopted a Mobility Ordinance codified in Title 18 of the Hailey Municipal Code;

WHEREAS, the Zoning Ordinance requires an amendment to be consistent with Title 18 of the Hailey Municipal Code;

WHEREAS, the Hailey City Council has found that the following amendments to the Hailey Zoning Ordinance will generally conform to the Hailey Comprehensive Plan;

WHEREAS, the amendments will not create excessive additional requirements at public cost for public facilities and services; and

WHEREAS, the amendment will be in accordance with 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. The definition of “City Standards” found in Section 2.2 of the Hailey Zoning Ordinance No. 532 is hereby amended by addition of the underlined language and the deletion of the stricken language, as follows:

City Standards. Those standards for street, drainage, water, sewer, wastewater and other infrastructure improvements as set forth in the “City of Hailey Improvement Standard Drawings” and “Standard Specifications” adopted in by ordinance in accordance with the notice and hearing procedures provided in Idaho Code § 67-6509, Section 5 of the Subdivision Ordinance.

Section 2. Section 10.3.8 of the Hailey Zoning Ordinance No. 532 is hereby amended by addition of the underlined language and the deletion of the stricken language, as follows

10.3.8 Each PUD shall provide one (1) or more of the following amenities, commensurate with the size and density of the development, and commensurate with the modifications requested by the applicant, to ensure a public benefit:

a. Green Space. All Green Space shall be granted in perpetuity and the PUD agreement shall contain restrictions against any encroachment into the Green Space. Where a
subdivision is involved as part of the PUD approval process, Green Space shall be identified as such on the plat. A long-term maintenance plan shall be provided. Unless otherwise agreed to by the City, the PUD agreement shall contain provisions requiring that property owners within the PUD shall be responsible for maintaining the Green Space for the benefit of the residents or employees of the PUD and/or by the public. Green space shall be set aside in accordance with the following formulas:

1. For residential PUD’s: a minimum of .05 acres per residential unit.
2. For non-residential PUD’s: a minimum of 15% of the gross area of the proposed PUD.

b. Active recreational facilities. Active recreational facilities include amenities such as a swimming pool, tennis courts or playing fields, of a size appropriate to the needs of the development. The PUD agreement shall contain provisions requiring that such facilities be maintained in perpetuity, or replaced with another similar recreation facility.

c. Public transit facilities. Public transit facilities include a weather-protected transit stop or transit station, and must be located on a designated transit route.

d. Preservation of Vegetation. Preservation of significant existing vegetation on the site must include the preservation of at least 75% of mature trees greater than 6-inch caliper on the site.

e. Wetlands. Protection of significant wetlands area must constitute at least 10% of the gross area of the proposed PUD.

f. River enhancement. Enhancement of the Big Wood River and its tributaries, must include stream bank restoration and public access to or along the waterway.

g. Community Housing. For residential PUD’s, the provision of at least thirty percent (30%) of the approved number of dwelling units or lots as Community Housing Units affordable to households earning between 50% and 120% of the Area Median Income, or the provision of at least twenty percent (20%) as Community Housing Units affordable to households earning less than 50% of the Area Median Income.

h. Real Property. Dedication or conveyance of real property or an interest in real property to the City.

i. Sidewalks. Off-site sidewalk improvements shall be constructed according to City Standards Improvement Drawings and provided (in addition to sidewalk improvements that are required by ordinance adjacent to the subject property) in accordance with the following formulas:

1. For residential PUD’s: a minimum of 100 linear feet per residential unit.
2. For non-residential or mixed-use PUD’s: a minimum of 100 linear feet per 1000 square feet of gross floor area.

j. Underground Parking. Underground parking must be provided for at least 50% of the required number of parking spaces in the PUD.

k. Energy Conservation. All principal buildings within the PUD must comply with sustainable building practices, as follows:


For non-residential or mixed-use PUD’s: buildings comply with Leadership in Energy and Environmental Design (LEED) standards for basic certification.
1. Other Amenities. Other project amenities and/or benefits to the community that are found, by recommendation of the Commission and approval of the Council, to promote the purpose of this Article and the goals and objectives of the Comprehensive Plan.

Section 3. Should any section or provision of this Ordinance be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of the Ordinance as a whole or any part thereof other than the part so declared to be unconstitutional or invalid.

Section 4. All Ordinances or parts thereof in conflict herewith are hereby repealed and rescinded.

Section 5. This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

PASSED AND ADOPTED BY THE HAILEY CITY COUNCIL AND APPROVED BY THE MAYOR THIS ___ DAY OF __________, 2013.

Fritz X. Haemmerle, Mayor

Attest:

Mary Cone, City Clerk