

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD MARCH 11, 2019
IN THE HAILEY TOWN CENTER MEETING ROOM**

The Meeting of the Hailey City Council was called to order at 5:32 P.M. by Council President Martha Burke. Present were Council members Jeff Engelhardt, Kaz Thea, Pat Cooley, and Martha Burke. Mayor Fritz Haemmerle was absent. Staff present included City Attorney Christopher P. Simms, City Administrator Heather Dawson, and Deputy Clerk Nancy Arellano.

[5:32:10 PM](#) Call to order by Council President Martha Burke.

Open Session for Public Comments:
No public comments.

CONSENT AGENDA:

- [CA 060](#) Motion to ratify City of Hailey correspondence to Idaho State Legislators in support of or opposed to proposed legislation. **ACTION ITEM**
- [CA 061](#) Motion to approve Hailey Arbor Day Proclamation, setting 2019 Arbor Day in Hailey on May 18, 2019 **ACTION ITEM**.....
- [CA 062](#) Motion to approve Resolution 2019-010, authorizing grant application for Arbor Day Tree to be planted in conjunction with Arbor Day activities **ACTION ITEM**
- [CA 063](#) Motion to approve Resolution 2019-011, accepting Idaho Commission for Libraries grant funds of \$400 as part of 2019 Dia de los Niños affiliate program **ACTION ITEM**
- ~~[CA 064](#) Motion to adopt Resolution 2019-012, authorizing city officials to sign agreements and documents with APA Benefits for Dependent Care FLEX benefit administration for firefighter benefits earned under the FEMA SAFER Grant. **ACTION ITEM**~~
- ~~[CA 065](#) Motion to adopt Resolution 2019-013, authorizing city officials to sign agreements and documents with APA Benefits for Tuition Assistance FLEX benefit administration for firefighter benefits earned under the FEMA SAFER Grant. **ACTION ITEM**~~
- ~~[CA 066](#) Motion to approve Resolution 2019-014, authorizing city officials to sign agreements and documents to enroll Paid-on-Call Firefighters into a Flex 401(k) Program with PayChex Retirement Services for administration of benefits earned by firefighters under the FEMA SAFER Grant. **ACTION ITEM**~~
- ~~[CA 067](#) Motion to approve Resolution 2019-015, authorizing city officials to sign documents opening a bank account with Mountain West Bank into and from which FEMA SAFER firefighter benefits will be paid to PayChex Retirement Services for administration of benefits earned by firefighters under the FEMA SAFER Grant. **ACTION ITEM**~~
- [CA 068](#) Motion to adopt Resolution 2019-016, authorizing an agreement with HDR Engineering, Inc., in the amount of \$109,410, to update the City of Hailey’s Wastewater Facility Plan **ACTION ITEM**...
- [CA 069](#) Motion to approve Resolution 2019-017, and authorize the Mayor to sign an agreement with Webb Landscaping for seasonal upkeep at the Fox Demonstration Garden **ACTION ITEM**.....
- [CA 070](#) Motion to approve Resolution 2019-018, and authorize the Mayor to sign the Adopt A Park agreement with Webb Landscaping for maintenance and mowing at Hop Porter Park during the 2019 park season **ACTION ITEM**.....

- [CA 071](#) Motion to approve Resolutions 2019-019, 2019-020, and 2019-021, authorizing the Mayor to sign agreements with Garrett and Company, Play by Design and Justin Bundy Construction for the purchase of play equipment and installation at Hop Porter Park in the amount of \$38,087
ACTION ITEM.....
- [CA 072](#) Motion to adopt Resolution 2019-022, authorizing an agreement with Lyon Landscape Architects, in an amount not to exceed \$2,400, to conduct workshops regarding the design of a pathway/fire lane between Robin Hood and China Garden neighborhoods. This cost to be shared 50% with the developer of Carbonate View Subdivision **ACTION ITEM**
- [CA 073](#) Motion to adopt Resolution 2019-023, authorizing a Memorandum of Understanding with Quigley Farms, Blaine County, City of Ketchum, Sun Valley Sewer District and City of Hailey which identifies a process by which Quigley Farms sludge may be included within the sludge management agreements between the Cities and County, currently under revision **ACTION ITEM**.....
- [CA 074](#) Motion to approve alcohol beverage license for Hailey businesses 5b Vino Valet & JC Perfect Roast Chicken and Pasta **ACTION ITEM**.....
- [CA 075](#) Motion to approve the special event, Color Me Fearless 5k for Girls on the Run, to start and finish at Hop Porter Park, in Hailey (Saturday, June 1, 2016 from 10:00am to 1:00pm) **ACTION ITEM**....
- [CA 076](#) Motion to approve taxi driver application for Alejandro Mitma with Sun Valley Limo **ACTION ITEM**.....
- ~~[CA 077](#) Motion to approve minutes of January 28, 2019 and to suspend reading of them **ACTION ITEM**~~
- [CA 078](#) Motion to approve minutes of February 11, 2019 and to suspend reading of them **ACTION ITEM**
- [CA 079](#) Motion to ratify claims for expense during the month of February, 2019 **ACTION ITEM**.....
- [CA 080](#) Motion to ratify claims for expenses incurred during the month of February, 2019 **ACTION ITEM**....
- [CA 081](#) Motion to approve claims for expenses incurred during the month of February, 2019, and claims for expenses due by contract in March, 2019 **ACTION ITEM**
- [CA 082](#) Motion to approve Treasurer's report for February 2019 **ACTION ITEM**.....

[5:32:44 PM](#) Simms pulls CA 064, CA 065, CA 066, and CA 067. The items will be on the next meeting.

[5:33:04 PM](#) Cooley pulls CA 071.

[5:33:13 PM](#) Burke pulls CA 077, to abstain. Burke was not present for the meeting.

Cooley motions to approve Consent Agenda items minus, CA 064, CA 065, CA 066, CA 067, CA 071, and CA 077 seconded by Engelhardt. Motion passed with a roll call vote. Engelhardt, yes, Cooley, yes. Thea, yes. Burke, yes.

[5:34:08 PM](#) Cooley speaks on CA 071. Cooley recognizes this is another generous gift by the Seagraves Foundation. The Foundation has been very generous to Hailey in their help to the parks. Cooley thanks the Seagraves Foundation. Applause from the room.

Cooley motions to approve CA 071 seconded by Thea. Motion passed with roll call vote. Engelhardt, yes. Cooley, yes. Burke, yes. Thea, yes.

Cooley motions to approve CA 077 seconded by Engelhardt. Motion passed with roll call vote. Engelhardt, yes. Cooley, yes. Thea, yes. Burke abstains from voting.

PROCLAMATIONS & PRESENTATIONS:

PP 083 Presentation on the February Town Square Workshop ACTION ITEM.....

[5:35:18 PM](#) Horowitz speaks on the town square workshops and gives an overview using the GIS story map on the website. The first mention of a town square was in 2010 in the “State of Downtown Hailey” meeting. In 2015, Hailey partnered with Boise State University, Dean Gunderson who ran a public engagement process. At that time, 12 sites were identified in Hailey. The project was brought back in 2018. There were two workshops in November 2018. Displays of those results are available at City Hall to view. [5:39:24 PM](#) Staff prepared graphics to help visualize what the town square could look like. The first graphic design is what the town square could look like if it were between the Hailey Library and the Hailey Hotel. The next graphic is site #3. A vacant lot next to Cari’s Hair Salon on Croy Street, the lot is on the corner of 1st Street and Croy, next to the Blaine County Annex building. It’s a generic example if that site were used how a town square could function given the sites topography using seating or a play feature along the hillside. [5:41:18 PM](#) At the workshop, they looked at vision, amenities and activities. Horowitz gives an overview of the responses given. Inclusivity was thematic. The goal is more workshops in April.

[5:43:35 PM](#) Thea asks was there talk on the importance of getting to and from this site via walking or biking? Horowitz answers that was the focus in previous meetings. This last meeting didn’t focus on the site. Dawson also answers, comments were made that whichever site is chosen, the goal will be to have it readily accessible via Mountain Rides, bike paths, sidewalks. Thea asks if there was discussion on Main St. as opposed to off of it? Horowitz, people did talk about having it visible but buffering from noise. Simms adds, this last workshop did not focus on attributes. On amenity Thea states Sun Valley Economic Development workshop Roger Brooks, spoke about town squares being kept simple so it can change seasonally. Horowitz, we received feedback that it needed to be multi-functional. Simms, yes, allow flexibility in use. Thea, was size talked about? Horowitz, no. Simms adds economic feasibility was not addressed.

[5:47:03 PM](#) Gelskey voices concern about bathrooms. Gelskey would like to see bathrooms outside. The Library would be excited to offer regular programs. They favor the site in front of them.

[5:48:13 PM](#) Dayle Ohlau is pleased to see the site look like a permanent space. Ohlau remembers a few years back after the Sandy Hook tragedy, it was a space to gather and pray. Flexibility and movability are good ideas.

[5:49:05 PM](#) Horowitz reminds all that this the information is on our website.

PUBLIC HEARING:

PH 084 Consideration of a Final Plat Application by Old Cutters, Inc., to resubdivided Lot 14, Block 5, Old Cutters Subdivision (621 Doc’s Hickory Drive) into two (2) sublots, to be called Doc’s Hickory Duplex. This lot was previously approved as a duplex lot. ACTION ITEM.....

[5:49:17 PM](#) Horowitz speaks and introduces John Campbell. 10 duplex lots were anticipated as part of the Old Cutters Subdivision. This is routine. Nothing unusual. Campbell reiterates there’s nothing

unusual. Campbell didn't realize he needed to come back and have them subdivided again. Thea, the infrastructure has to go in? Campbell, the infrastructure is in but needs to be subdivided.

[5:53:30 PM](#) No public comments.

[5:53:41 PM](#) Council discussion on the term duplex and townhouse. Cooley asks, A-G conditions satisfied? Horowitz, yes.

[5:57:08 PM](#) Cooley motions to approve the Final Plat for Doc's Hickory Duplex to be subdivided into two 5,000 square foot sublots, Sublot 1 and Sublot 2, finding that the application meets all City Standards and conditions (a) through (g) are met, seconded by Thea. Motion passed with a roll call vote. Engelhardt, yes. Cooley, yes. Thea, yes. Burke, yes.

PH 085 Public Hearing on amended FY2019 Budget and Capital Improvement Plan, to appropriate an additional \$1,833,421 in FY 2019 and adoption of Appropriation Ordinance ACTION ITEM

[5:58:01 PM](#) Dawson speaks, City Council looked at the proposed budget amendment in January and made a motion for staff to publish a tentative not to exceed budget amount for \$15,466,946. It is an increase of \$1,833,420. Dawson states the publication was done. Dawson continues to explain the timeline since the meeting in January. The Development Impact Advisory Committee reviewed the Capital Improvement Plan that goes with the amendment and approved it. There was \$120,000 of curb ramps along Main St. we were going to do through grants that we pulled. City Council in the last meeting along with the Public Works Director agreed not to pursue those grants. [5:59:52 PM](#) Yeager, that's correct. It was for a future project. Dawson, in the proposed budget amendment tonight, we propose appropriating fund balance up to \$120,000 to fund excess snow removal and flood emergency work we may have to do this year.

[6:00:34 PM](#) Yeager is available to answer any questions.

Cooley asks if the Quigley wastewater payments is included in this. Dawson, nothing in the fund balance is from Quigley. Simms, still pending the Quigley application. Yeager explains Quigley bypass line.

[6:03:08 PM](#) No public comment.

[6:03:41 PM](#) Cooley motions to approve the first reading of Ordinance No. 1244, appropriating an additional \$1,833,420 for FY 2019, for a total FY 2019 budget of \$15,466,946 seconded by Thea. Motion passed with roll call vote. Cooley, yes. Thea, yes. Engelhardt, yes. Burke, yes.

Council President Burke conducts the first reading of Ordinance No. 1244 by title only.

PH 086 Consideration of methods by which to increase City of Hailey funding, with discussion about which is the preferred method(s) and whether or not to prepare a ballot for voter approval for a May 2019 election ACTION ITEM

[6:04:58 PM](#) Dawson speaks, continue conversation of Hailey's long-term funding. March is the last month to make a decision about a May ballot. A survey was conducted. The survey was available online, pushed through Facebook, and it went out with the newsletter. 218 responses were received. Dawson goes over the results of the survey responses. [6:13:00 PM](#) Dawson talks about the long-term

funding strategy. The survey results show more maintenance of streets and sidewalks is requested by citizens that answered the survey. [6:15:34 PM](#) We are at the point of identifying the long-term funding plan. Dawson explains the five funding measures, two-year property tax levy, permanent property tax levy, capital levy, Idaho Power franchise fee, and Local Option Tax. [6:19:53 PM](#) Dawson speaks on the LOT. The LOT term expires in 11 years, 2030. The end date can be increased or left in place allowing it to expire. Dawson reminds Council if any of them are confused by the information it is probably not a good option. It is important that what we choose is simple and easy for everyone to understand. Dawson continues to explain the measures.

[6:24:33 PM](#) Thea has a question on LOT. We are nearing 10,000 population. How does it play into this? Simms, you're referring to the 2020 population census. The Attorney General recently issued an opinion. We are eligible.

Burke, that can come in conjunction with one of the four other funding options. This is something we would do in the future knowing that's the next step.

Burke asks if anyone has spoken to Mayor Haemmerle about this and his opinion. Dawson, not so much an opinion but the mayor's thought has been more along the lines of having a visual example of what we did with Pathways for People that we can show. Burke, without his input, you'd like our thoughts on the top two? Dawson, yes. Cooley, deliberation needed tonight prior to town hall input from citizens? Dawson, would like to hear public comment and hear thoughts from council. Simms, we need enough direction to be able to prepare ballot language for a motion.

[6:29:08 PM](#) Burke opens to Public Comment.

[6:29:19 PM](#) Judy Foster, we should prioritize effective ways to address climate change. Consider ways we can best use resources and citizens input. Foster is thankful for town square meetings.

[6:31:57 PM](#) Dayle Ohlau asks how the survey was handed to the public given the small number of responses? Dawson, the survey was available online on the website, pushed out on Facebook, and went with utility bill. There were no restrictions and no way to manage the survey to identify who would answer. Only 218 responded. Burke, the interested parties answered. I'm sure there are others with strong opinions but they don't tell us. It makes it very hard. Ohlau, would the town hall comments be given equal consideration in addition to survey respondents? Dawson, hard to say. The town hall meeting is dialog. It's difficult to weigh a written comment as valuable as dialog.

[6:34:11 PM](#) Bob MacLeod, LOT sounds like a good idea but can only go so far before it becomes a burden to visitors. Not a good idea raising it. Idaho Power fee as a homeowner it's no different than others; still paying fees. Capital Levy seems complicated. Permanent tax is difficult unless you have a good idea of what you're doing in the long run. It's questionable. The two-year property tax, you have a goal and it's easy for citizens.

[6:35:31 PM](#) Thea, when was the capital improvement plan written that it didn't include maintenance? Dawson, we don't have a permanent and consistent funding stream. Until we're serious about that level of funding we haven't revised it to include maintenance.

[6:37:09 PM](#) Burke, it's never fun to ask the community for money. It's hard but we do have a responsibility. The conversation about maintenance is critical. Anything new we do, we have to be prepared to not sacrifice anything else that's in place and make sure we cover those expenses along with what we are proposing. [6:38:30 PM](#) Burke prefers a two-year temporary levy. Build in the maintenance component. Tell voters directly where the money is going. The franchise fee increase in the long run would not be painful. Not ready for a permanent levy at this election cycle. The first two have more appeal with the consideration of going back and doing the LOT until 2050 but not at this election cycle.

[6:40:04 PM](#) Cooley, the Pathways for People was stated to be a two-year process. We were showing what we were going to do and we've done that. Cooley is not in favor of a permanent levy increase. A two-year increase appeals the most. Cooley favors franchise fee spreading the tax base to everyone whether rent or own. Diversity is important.

[6:41:22 PM](#) Thea would like to see LOT extended to 2050. Thea likes the franchise fee but it might be confusing. Thea is in favor of a permanent levy. Thea, instead of continuously going and asking citizens for money. We proved we are smart about how we use the money. We've shown it with the Pathways for People. Thea likes the small tax increase to spread out to as many citizens as we can. Reporting, transparency, and honesty about what is being done with the money is important. [6:44:51 PM](#) Thea, if we can't go with a permanent levy in favor of two-year levy.

[6:45:33 PM](#) Engelhardt asks how strong is the franchise fee? Engelhardt likes the diversity. Second choice is a two-year levy. Engelhardt doesn't like the levies for many reasons. One being people want to move into the community trying to buy houses. Expensive as they are, the more taxes are added onto it, it's hard for people to buy. Rent keeps escalating. Engelhardt would like to see a diverse way to collect money. Something has to be done locally. Something besides property owners all the time. Diverse source of funds would be more appropriate.

[6:48:03 PM](#) Simms reiterates, direction on franchise fee and a two-year temporary levy and Thea favor a permanent levy.

[6:48:30 PM](#) Yeager speaks on the magnitude of the projects. The River Street project estimate is \$2.4 million. The project is roughly 50% funded. If we vote on a levy, the chance of scoring higher points on a grant application increases. The Town Square project is estimated between \$500,000 to \$1 million and currently not funded. Yeager gives another example for sidewalks.

[6:52:01 PM](#) Dawson answers Engelhardt's earlier question about the franchise fee. Currently, 1% is collected bringing in \$60,000 per year. If we increase it to 3% it would bring an additional \$120,000 per year.

[6:52:49 PM](#) Thea asks Dawson to talk about revenue bond. Dawson, a revenue bond is a bond applicable to a revenue fund. We are only allowed to collect enough to pay our bills. It cannot be applied to street maintenance. Dawson explains the similarity to a General Obligation Bond and uses the example of the Hailey Arena and street repaving project in 1990. Dawson, a General Obligation Bond is used on projects that need to be done now. Dawson exemplifies Pathways for People and levy.

[6:55:39 PM](#) Council deliberation. Burke, what could the public take? Cooley, we have to have a clear picture of what these funds are for. Cooley, not opposed to the permanent general fund if we have the vision in front of us. It's an educational process. Thea agrees. Burke, it can still be done in the future. Cooley, we have to hear what the public has to say and hear where they want to spend their money and raise that money. [6:57:06 PM](#) Thea, any of it requires campaign. Burke agrees.

[6:57:26 PM](#) Burke gives an example of the Blaine County School District. It's all about trust.

[6:58:11 PM](#) Engelhardt asks Dawson about the Franchise Fee.

[6:59:56 PM](#) Engelhardt is in favor of the Idaho Power Franchise Fee. Burke is in favor of a two-year temporary levy and the Idaho Power Franchise Fee. The LOT in the future and the permanent levy at some point later.

Dawson, staff will draft the ballot language for Idaho Power Franchise and temporary levy options. No ballots for capital levy or LOT increase at this time.

STAFF REPORTS:

[7:01:24 PM](#) Library Director, LeAnn Gelskey states the Library is now fine free. Thea supports no fines. Cooley agrees.

[7:02:20 PM](#) Aberbach states the City has begun preparing in anticipation for flooding this year.

[7:02:37 PM](#) Yeager gives an update on snow removal. Comparison between FY 2019 to FY 2017. FY 2019 so far is \$246,227 plowing 117 inches of snow and FY 2017 was \$230,831 plowing 80 inches of snow. Nearly 50% more for about \$15,000 more. Yeager praises the snow removal crew for their efficiency and doing an exceptional job. There were some changes implemented on how snow removal was done. A two shift scenario was implemented and we are hiring more seasonal help. The Street department employees are working in two shifts with overtime. The work they did with snow removal was exceptional. [7:08:00 PM](#) Yeager explains the snow removal effort in the commercial core. [7:09:10 PM](#) They are slowly transitioning for flooding control.

[7:09:56 PM](#) Thea spent two hours in snow removal equipment and saw the process. It was great to see how the process works.

[7:10:42 PM](#) Yeager, we see potholes opening up. With snowfall comes road challenges. Be patient. Unique Winter weather characteristics this year. Huge kudos to snow removal staff. They're working on snow removal, standby for potholes, and getting ready for street flooding. Yeager, the Fire Department provided lunch, Powerhouse offered. There are others but can't recall. They worked hard.

[7:14:50 PM](#) No executive session needed tonight.

Thea motions to adjourn the meeting seconded by Cooley. Motion passed unanimously.

Fritz X. Haemmerle, Mayor

Mary Cone, City Clerk