

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD MARCH 14, 2022
IN THE HAILEY TOWN CENTER MEETING ROOM**

The Meeting of the Hailey City Council was called to order at 5:31 P.M. by Mayor Martha Burke. Present were Council members Heidi Husbands, Kaz Thea, Sam Linnet, and Juan Martinez. Staff present included City Attorney Christopher P. Simms, City Administrator Heather Dawson, and City Clerk Mary Cone.

[5:31:22 PM](#) call to order by Mayor Burke

[5:31:44 PM](#) **Martinez moves to amend agenda, CA 089, PP 090, Thea seconds, motion passed with roll call vote. Husbands, yes. Linnet, yes. Thea, yes. Martinez, yes.**

Open session for public comments:

[5:32:46 PM](#) no comments.

CONSENT AGENDA:

- [CA 079](#) Motion to ratify letter sent by Mayor Burke to Idaho State Senate Affairs Committee in opposition to HB 631
ACTION ITEM
- [CA 080](#) Motion to approve Resolution 2022-019, ratifying city official’s signature on an amended Grant Agreement with FEMA Hazard Mitigation Grant Program to decrease the fire station project from \$300,000 to \$279,774.42 actual costs with Hailey’s grant match at 25%, and with the project completion date stated as November 25,2021. **ACTION ITEM**.....
- [*CA 089](#) *Motion to approve Resolution 2022-020 authorizing Mayor to sign IDVR agreement for Hailey Library grant*
ACTION ITEM
- [CA 081](#) Motion to approve minutes of February 28, 2022 and to suspend reading of them **ACTION ITEM**
- [CA 082](#) Motion to approve claims for expenses incurred during the month of February 2022, and claims for expenses due by contract in March, 2022 **ACTION ITEM**
- [CA 083](#) Motion to approve unaudited Treasurer’s report for the month of February, 2022 **ACTION ITEM**

[5:33:10 PM](#) **Thea moves to approve Consent agenda items as presented, Martinez seconds. Motion passed with roll call vote. Husbands, yes. Linnet, yes. Thea, yes. Martinez, yes.**

MAYOR’S REMARKS:

[5:33:35 PM](#) Mayor Burke will provide remarks later in the meeting.

PROCLAMATIONS AND PRESENTATIONS:

PP 090 Presentation by JD McDonnell and Claudia McCain regarding Liberty Theater Campaign

[5:34:34 PM](#) Claudia McCain, and JD McDonald, company of fools been dissolved. Listen, signed agreement, building in need of structural repairs. McDonald, 2 walls need fortifying, roof

needs bracing, and new ventilation system. Repairs at 1.2 million dollars, trying to raise 1.7 million by May 2022 to have a little extra cash on hand, to enable building to be used. Building has been used since 1938. [5:38:01 PM](#) Rotary club has donated \$100,000 and will raise another \$100,000. Would love Hailey's help and citizens of Hailey McDonald continues.

[5:39:12 PM](#) Mayor Burke asks are you a 501c3? Yes we are, still work with SPUR foundation. Having as many meetings as possible to get the word out.

PUBLIC HEARINGS:

*PH 084 Consideration of draft Capital Improvement Plan Budget for FY 2023, to be forwarded to Development Impact Fee Advisory Committee for their consideration in April, with discussion of Capital Improvement Plan as affected by ARPA funding, including discussion and decision regarding the amount of ARPA funds to be categorized under the standard allowance Lost Revenue category **ACTION ITEM***

[5:41:58 PM](#) Dawson introduces this item, ARPA funds and CIP and equipment replacement plan that was formerly a part of the CIP, and could lead to an amended budget process in a future meeting.

[5:43:22 PM](#) First category, ARPA funds, shown as lost revenue, staff feels, must be reported in April of this year, 100% of the funds. All can be done except for housing, no risk. Equivalent to a personal standard deduction to IRS tax return filing. Under the lost revenue category, is best way to use these funds.

[5:45:32 PM](#) Draft CIP budget, breaks down 2/14 council discussion and later ARPA discussion on housing. Yeager will talk about these items as discussed. Other categories in CIP, that used to be in this plan and now moved, identified them as operations and maintenance expenses. If council makes motion, then staff would bring amendment to council in future months. Then future budgets, would appropriate future funds based on needs. This is one of the key reasons, [5:47:50 PM](#) to apply 100% of ARPA funds as lost revenue. [5:49:30 PM](#) suggest submitting 100% of ARPA funds as lost revenue. Yeager, you'll see how much that need is in City of Hailey. [5:50:09 PM](#) Mayor Burke would like to discuss this first with council.

Public comments on lost revenue? [5:50:57 PM](#) none.

Council deliberation:

[5:51:32 PM](#) Thea don't see a downside to this option proposed, seems straightforward approach.

Burke agrees with Thea.

[5:52:19 PM](#) **Thea moves to declare 100% of Hailey's 1.68 million in ARPA funds as lost revenue, Linnet seconds. Motion passed with roll call vote; Husbands, yes. Linnet, yes. Thea, yes. Martinez, yes.**

Part 2 discussion led by Yeager. [5:53:12 PM](#) This is the same format as you've seen before. Attempted to prioritize projects and expenses previously shown as CIP that seem more appropriate under operations/maintenance activity. In past, operations budget turns to zero, an unexpended funds go into CIP if they are unspent. What we are attempting to do, ARPA funding in additional funding, correct operation forecasts. And then have repaving road as CIP. [5:56:49 PM](#) some funds are already committed, LHTAC grant funds, LOT funds only eligible in specific uses. Other monies uncommitted, can be used at council's discretion, by moving other item to be funded by operational funds. [5:58:15 PM](#) talks about ARPA. Everything in ARPA column, propose moving to operations budget. Also have individual rows, moving into ARPA column. Approx. 2 million, in excess of ARPA funds, not saying that we should spend all funds. We have 4 fiscal years to disperse these ARPA funds. We can budget these expenses as we see them coming. Will look at these one by one, can see if they are consistent with council's goals, then will go to DIF committee. You don't see enterprise funds in this view.

[6:01:06 PM](#) Dawson, emphasizes, replacement/maintenance, even though funds exceeds ARPA funding, we wouldn't be making this recommendation if we didn't have infusion of funding to kick-start these projects. [6:02:08 PM](#) Yeager uses Police car fleet as an example, with ARPA funding, concept, would like to have 6 new vehicles, several vehicles need replacing now, and do this on a regular basis, rolling lease or acquisitional process. [6:03:20 PM](#) England concurs, now this would hopefully get us where we need to be. Yeager, other equipment needs as well, not necessarily expanding fleet, but a replacement of what we have. Additional equipment would be an expansion and CIP funds would be appropriate for that.

[6:04:42 PM](#) Yeager, 3 items, snowblower we use, it is 17 years old, back up snowblower, has 50% capacity of main snowblower. 3 line items to account for this replacement. DIF funds additional equipment for expansion/growth related. We have future DIF collections, can help pay for the equipment as well. Snowblower replacement would come out of Operations budget. Not sure when this replacement would happen. [6:08:11 PM](#) Sand truck and spreader, replaces our current sand truck, \$85,000 could come into the fund, replace expense for the truck, would preserve capital funding elsewhere. Looking for confirmation from council, is this what you want staff to continue with? [6:09:22 PM](#)

[6:10:01 PM](#) Dawson will take public comments as well on this item.

[6:10:13 PM](#) Linnet, where is the funding for housing coming from, if we were to make this suggested move? Yeager responds, \$2 million from ARPA money remaining in CIP to help fund housing, 2 yellow highlighted items to discuss later, \$500,000, grant match reserve \$400,000 for housing. Thea asks for clarification, Yeager responds, council would need to prioritize the projects. Mayor Burke helps clarify, [6:13:36 PM](#)

[6:14:40 PM](#) Husbands, sanding truck and spreader, no money to fund this in CIP, Yeager, yes, prior to this funding, used to be in the grey boxes, now moved to orange box. [6:16:18 PM](#) Yeager points to spreadsheet to explain. Continued discussion about moving funds from CIP to ARPA as lost revenue. Police cars were not funded on CIP list, 2022 budget. Dawson, clarifies, this is for 2023 budget, main difference, blue highlight, 2022 far smaller numbers.

[6:23:25 PM](#) Thea asks another question. If you take yellow highlighted and grant match, we are able to put away for housing? Yeager responds, if we took snow blower amount, \$900,000, move to ARPA, then would use those to another future appropriation.

Continued discussion about this 2022 budget and 2023 CIP.

[6:31:58 PM](#) Mayor Burke we need to get caught up with operational expenses.

[6:34:40 PM](#) Linnet understands Mayor's approach. The housing issues is decades in the making, we need to look at big picture and take advantage of operational funding.

Public comments:

[6:37:25 PM](#) Scott Boettger of Wood River Land Trust is very confused, Hailey Greenway Master Plan, experienced devastating flooding in our community by the river a few years ago in critical areas owned by Hailey city, other areas owned by WRLT. Since Covid, increased use of Greenway area, ask for ARPA funds from City to help with plan for flood mitigation. Thea asked a question, Boettger, responds, the Heagle Park project has not been funded, to restore habitat.

Council deliberation:

[6:41:44 PM](#) Mayor asked what does staff need? Yeager, first confirmation of our approach and then go through list, change or comment on CIP funding items. Then would send to DIF committee.

[6:42:44 PM](#) Husbands, once we move funds to operations, can we move it back to CIP later? Yeager, you can update this every fiscal year. Mayor, goal is to get best mileage out of ARPA funds as we can. You do need to make a commitment, to expenses. There are other funding opportunities, retain funds for grant matches to leverage future grants, Yeager, there is other ARPA funding available for other grants. [6:45:21 PM](#) Dawson, suggests to try to keep operating funds in the operating budgets in the future.

[6:48:05 PM](#) Simms suggests to look at page 59, asks for motion #3 then go through some line items.

[6:48:29 PM](#) **Martinez moves to direct staff to move operational project items to the operations budget as suggested by staff, Linnet seconds. Motion passed with roll call vote; Husbands, yes. Linnet, yes. Thea, yes. Martinez, yes.**

Mayor Burke called for a 2-minute recess. [6:49:29 PM](#)

[6:53:55 PM](#) Mayor and Council reconvene

[6:54:52 PM](#) Yeager, motions 2 and 3, detailed review of CIP, go through and confirm funding prioritize, and then prioritize CIP funding projects. Salt storage shed, \$100,000 not enough to

fund this, wish item, no current funding of this item. Rolling stock, we have appropriated \$85,000 for acquisition for this equipment for the loader, can see that in current 2022 CIP budget. Sanding truck and spreader, new truck to replace old spreader, will be repurposed for another use. Snowblower has been discussed, not listed in previous CIP, \$900,000, comes from DIF funds. Indian Creek ROW improvements, not funded. Yeager asked for comments on these items. [6:58:57 PM](#) Dawson many of these items have restricted funds, not a lot of latitude for some of these funds. \$900,000 of these funds are restricted certain uses.

[7:00:02 PM](#) Linnet asks if we didn't apply \$600,000 to rolling stock, would have to reallocate CIP projects. Yeager, that is correct and explains in detail.

[7:04:09 PM](#) continued discussion about options for prioritizing funds.

Public comments: [7:06:35 PM](#) none

[7:07:19 PM](#) Thea asked about the River Street STP, what will happen imminently? Yeager responds, 2026, funds for that is committed, zero dollars.

[7:08:31 PM](#) Thea, intersection improvements? Yeager replies these are called out in the transportation master plan, and DIF study, used these to deploy funds and to use funds.

[7:09:22 PM](#) Linnet suggests we use \$12,000, for fund a 2023 strategic housing plan. Yeager, 2023 or leave those for flexibility. Linnet wants \$10,000.

[7:11:24 PM](#) Horowitz, in county wide strategic housing plan, could be 2023 before we could get to that. Yeager comments.

[7:13:16 PM](#) Dawson, those studies are eligible for DIF funding. Linnet, we will have another opportunity to fund those, Mayor Burke confirms.

[7:14:02 PM](#) **Martinez move to approve as presented, Simms suggested adding funds as stated by Linnet \$10,000 to strategic housing plan, seconded by Linnet. Motion passed with roll call vote, Thea, Linnet, Husbands, yes. Martinez, yes.**

NEW BUSINESS:

NB 085 Consideration of authorizing the Mayor to sign a letter committing to provide financial support in the amount of \$5000 plus staff support for the Blaine County Hazard Mitigation Grant ACTION ITEM

[7:15:55 PM](#) Lynne Barker sustainability manager at Blaine County. Will be in front of County commissioners, hazard mitigation grant, infrastructure grant program. The OEM grant staff have been great. Presentation is displayed on projector. Emissions are not going in the direction that they need to be, they are increasing as shown between the 2005 and 2018 studies. Barker gave an overview of why we are here, 100% clean energy goals. [7:21:12 PM](#) Barker explains the grant application and match requirement, asking for all partners to fund some match. Asking for \$5,800

in-lieu from Hailey and \$5,000 cash for assistance. Partners team includes, Idaho National Laboratory, National Renewable Energy Lab, Univ. of Idaho integrated design lab and Power Engineers. Will hire an outside project manager. [7:26:02 PM](#) displays funding from each entity. Project is 18 months long.

[7:27:23 PM](#) Yeager, this is a project to be excited about. Our w ww facilities have back-up generators, if this project is successful, this grid could be used as a back-up and used every day. This is the scoping grant, funding from City of Hailey, professional services fees, can come from enterprise funds. Emily Williams our sustainability coordinator has been working with Barker on this project.

[7:29:29 PM](#) **Martinez, moves to approve funding grant support letter, seconded by Thea, Motion passed with roll call vote; Husbans, yes. Linnet, yes. Thea, yes. Martinez, yes.**

OLD BUSINESS:

OB 086 2nd Reading of Ordinance No. 1298, amending the Hailey Municipal Code, Title 17: Zoning Regulations, Chapter 17.04: Establishment, Purposes and Uses within Zoning Districts, Section 17.04M.060: Townsite Overlay Bulk Requirements ACTION ITEM

[7:30:55 PM](#) **Thea moves to approve Ordinance No. 1298, authorizing Mayor to sign, waive one reading and conduct reading by title only, Martinez, seconds. Motion passed with roll call vote; Martinez, yes. Thea, yes. Linnet, yes. Husbans, yes.**

[7:32:10 PM](#) **Mayor Burke conducts 2nd and final reading of Ordinance No. 1298 by title only.**

OB 087 2nd Reading of Ordinance No. 1298, amending the Hailey Municipal Code, Title 17: Zoning Regulations, Chapter 17.04: Establishment, Purposes and Uses within Zoning Districts, Section 17.04M.060: Townsite Overlay Bulk Requirements ACTION ITEM

[7:33:13 PM](#) **Linnet moves to approve Ordinance No. 1299, authorizing Mayor to sign, waive one reading and conduct reading by title only, Martinez, seconds. Motion passed with roll call vote; Martinez, yes. Thea, yes. Linnet, yes. Husbans, yes.**

[7:34:17 PM](#) **Mayor Burke conducts 2nd and final reading of Ordinance No. 1299 by title only.**

STAFF REPORTS:

[7:35:06 PM](#) Horowitz, nothing to add to the URA report. Many thanks to Emily Williams on the help with this annual report.

[7:36:01 PM](#) Chief England social media announcement, with NAMI, sent 3 officers to crisis intervention training in Twin falls, will be more equipped to help citizens. Will be sending 4 more in the fall.

[7:37:06 PM](#) Yeager, contractor on sunbeam water main, will have street closures upcoming.

EXECUTIVE SESSION: Personnel Matters under (IC 74-206 (1) (a)) and/or Pending & Imminently Likely Litigation under (IC 74-206(1)(f))

[7:38:04 PM](#) **Martinez moves to go into Executive Session for Personnel Matters under (IC 74-206 (1) (a)) and/or Pending & Imminently Likely Litigation under (IC 74-206(1)(f)), seconded by Linnet. Motion passed with roll call vote; Martinez, yes. Thea, yes. Linnet, yes. Husbands, yes.**

Mayor and council go into executive session.

[7:50:46 PM](#) Mayor and council reconvene.

[7:51:53 PM](#) Simms suggests motion, approve Emergency Health Order 2022-03 dated March 11, 2022.[7:52:07 PM](#) **Martinez moves, Linnet seconds. Motion passed with roll call vote; Husbands, yes. Linnet, yes. Thea, yes. Martinez, yes.**

[7:52:43 PM](#) Mayor Burke, as we have an impossible task in letting Heather go, we are going to be in transition, Mayor has asked Lisa Horowitz to be the next City Administrator. Horowitz responds would be honored. Applause by room.

[7:53:33 PM](#) **Linnet motions to adjourn, Martinez seconds, motion unanimously approved.**