

**MINUTES OF THE SPECIAL MEETING OF THE
HAILEY CITY COUNCIL
HELD APRIL 28, 2014
IN THE HAILEY TOWN CENTER MEETING ROOM**

The Meeting of the Hailey City Council was called to order at 4:57 P.M. by Mayor Fritz Haemmerle. Present were Council members Carol Brown, Don Keirn, Pat Cooley, and Martha Burke. Staff present included City Attorney Ned Williamson.

[4:57:03 PM](#) – Call to Order

EXECUTIVE SESSION: Pending & Imminently Likely Litigation (IC 67-2345(1)(f))

[4:57:41 PM](#) **Keirn moves to go into Executive Session to discuss Pending & Imminently Likely Litigation (IC 67-2345(1)(f)), seconded by Burke, motion passed with roll call vote. Brown, yes. Keirn, yes. Cooley, yes. Burke, yes.**

[5:17:30 PM](#) Mayor Haemmerle and council came out of Executive Session and resumed meeting.

[5:18:04 PM](#) **Burke made a motion to appeal the matter of Old Cutters Inc., vs. City of Hailey in Federal Court 11-41261-jup, seconded by Keirn. Discussion ensued regarding the history of this situation, Mayor Haemmerle summed up the steps leading up to today's appeal. Hailey has offered to pay Old Cutter's attorney's fees of approximately \$110,000, which John Campbell has rejected. The only prudent step is to appeal this decision. Cooley adds that Old Cutters is asking the City to waive water/sewer connection fees, and Cooley states that they should not be any different than other citizens, and should be required to pay these hook-up fees. Cooley sees this request as unreasonable. Cooley would like to have this situation settled, and sees that appeal as the only way to have the assurance of the matter being settled since Campbell would not agree to the payment of attorney's fees and not pursuing further reimbursements. [5:23:01 PM](#) Mayor Haemmerle adds to previous narrative, that the developer is seeking \$816,000 in fees, and asking for additional \$700,000 in concessions which were agreed to in the annexation agreement. The annexation agreement states that the developer would not seek these and now he is. If Old Cutter's would agree to sign a release, Hailey will pay for their \$110,000 in attorney's fees. [5:23:46 PM](#) Burke adds to narrative regarding good faith, she believes we have been doing things to avoid further litigation. [5:25:07 PM](#) Brown references the 2 years of negotiations on the annexation and how our constituents were reluctant to annex property because of the impacts they have on City's infrastructures. Brown appreciates the Mayor's attempt at closure by offering to pay the attorney's fees and asking for a mutual release. [5:25:56 PM](#) Motion is on table to pursue appeal. Brown votes yes. Keirn votes yes. Cooley votes yes. Burke votes yes. Mayor votes yes. Motion passes unanimously.**

Williamson wants to clarify the motion was regarding the appeal and felt that the Mayor's last statement could be confusing.

[5:27:47 PM](#) Burke makes motion to withdraw her previous motion, Keirn seconds the amended motion, motion passed with roll call vote. Burke yes. Keirn, yes. Brown, yes. Cooley, yes.

[5:28:22 PM](#) Burke makes motion to instruct City Attorney to pursue a Notice of Appeal in this matter, seconded by Keirn. Motion passed with roll call vote. Brown, yes. Keirn, yes. Cooley, yes. Burke, yes. Haemmerle, yes.

[5:28:29 PM](#) Burke made motion to adjourn meeting, seconded by Cooley. Motion passed unanimously.

Fritz X. Haemmerle, Mayor

Mary Cone, City Clerk