

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD AUGUST 15, 2016
IN THE HAILEY TOWN CENTER MEETING ROOM**

The Meeting of the Hailey City Council was called to order at 5:30 P.M. by Mayor Fritz Haemmerle. Present were Council members Colleen Teevin, Don Keirn, , and Martha Burke. Staff present included City Attorney Ned Williamson, City Administrator Heather Dawson, and City Clerk Mary Cone.

Pat Cooley not at meeting tonight.

[5:29:49 PM](#) Call to order by Mayor Haemmerle

Open Session for Public Comments:

[5:30:13 PM](#) Sally Brown Hailey resident reads a statement regarding the Woodside Blvd. grass and right of way. Brown wants the council to reconsider the drought tolerant grasses which should not be mowed. Brown does not believe this grass is drought tolerant and is invasively growing into her lawn. Sweetwater is replacing their grass with sod, maybe the City does not know this information.

CONSENT AGENDA:

CA 273	Motion to authorize renewal of Hailey’s major medical health insurance through Blue Shield’s Gold/Silver/Bronze Direct Small Group Plan	1
CA 274	Motion to approve Resolution 2016-103, authorizing Letter of Engagement to Dennis R. Brown, CPA, for FY16 auditing services.....	6
CA 275	Motion to approve Resolution 2016-104, authorizing an Agreement with Hailey Ice to store Hailey Ice’s trailer at the wastewater treatment plant.....	14
CA 276	Motion to approve Resolution 2016-105 to approve the purchase agreement with Goode Motors for a Ford truck for the Water Division	19
CA 277	Motion to approve pay request #13 to CNI for work completed on the biosolids project in the amount of \$478,639.88.....	23
CA 278	Motion to approve pay request #1 to Conrad Brothers Construction for Cobblestone Lane for the amount of \$159,434.36.....	30
CA 279	Motion to ratify Resolutions 2016-106 for Change Order #1 for Cobblestone Lane for the amount of \$4,585.23 and 2016-107 for Change Order #2 in the amount of \$6452.74 and approval of Resolution 2016- 108 for Change Order #3 and authorize the Mayor to sign for a deduct in the contract price of \$3,059.22.....	37
CA 280	Motion to approve Alcohol License Renewals for Hailey businesses	49
CA 281	Motion to approve a Special Event and Resolution 2016-109 authorizing execution of the Hailey Arena Rental Agreement for Goodbye to Summer Rodeo and Dance on August 21, 2016.....	70
CA 282	Motion to ratify approval of a Special Event, Sawtooth Agency 2 nd Annual Multicultural Family Fun Day, to be held at Roberta McKercher Park on August 13 th from 11am to 4pm.....	81
CA 283	Motion to approve Special Event, Juido’s Night, to be held on July 29, 2016 and September 16, 2016 at the Champion Ice House from 9:00p.m. to 2:00a.m.....	87

CA 284	Motion to approve Resolution 2016-110, identifying the city’s wastewater jet truck and records as surplus property	94
CA 285	Motion to approve minutes of July 18, 2016 and to suspend reading of them	98
CA 286	Motion to ratify claims for expenses due by contract in August, 2016	108
CA 287	Motion to approve claims for expenses incurred during the month of August, 2016, and claims for expenses due by contract in September, 2016	130
CA 288	Motion to approve Treasurer’s reports for July 2016	155

Miller pulls CA item 276 [5:35:56 PM](#) Horowitz pulls CA 280, Becky Stokes pulls CA 273

[5:36:30 PM](#) Burke moved to approve all consent agenda items minus CA 273, CA 276 and CA 280, seconded by Keirn, motion passed unanimously.

[5:36:52 PM](#) CA 273 – Regence Insurance rates may change slightly if more dependents sign up for coverage, as Becky Stokes announced. [5:37:43 PM](#) Candace Ireland in audience announced that the rates are firm and won’t change. Stokes handed out the agreements to Mayor and Council just before tonight’s meeting. Dawson announced that the agreements would be adopted with Resolution 2016-113.

[5:39:15 PM](#) Motion to approve Resolution 2016-113 with the Regence Blue Shield agreements made by Keirn, seconded by Burke, motion passed with roll call vote. Burke, yes. Keirn, yes. Teevin, yes.

[5:40:03 PM](#) CA 276 Miller explained this item, has the number associated with this item, and wants to amend Resolution by adding the purchase price of \$27,715.16. Miller handed out the Proposal to Mayor and Council at meeting tonight which has the details of the vehicle purchase, budgeted item for the Water department.

[5:41:04 PM](#) Motion to approve Resolution 2016-105 with purchase price added, authorizing Proposal to be signed by Mayor, seconded by Keirn, Miller explained the piggy back quote process for purchases already approved through the state, motion approved with roll call vote, Teevin, yes. Keirn, yes. Burke, yes.

[5:43:00 PM](#) CA 280 Horowitz added two restaurants which turned in their paperwork after the packet was made, they are: A Taste of Thai & Hailey Hotel.

[5:43:49 PM](#) Keirn moves to approve alcohol license renewals for Hailey Restaurants, seconded by Burke, motion passed unanimously.

PUBLIC HEARINGS:

<i>PH 289</i>	<i>Public hearing and consideration of FY 2017 budget appropriation which includes:</i>	<i>166</i>
	<i>1. Development Impact Fee Advisory Commission’s recommendation on Hailey’s Capital Budget and Capital Improvement Plan 2016 Update, with council consideration of Capital Improvement Plan 2016 Update.....</i>	<i>168</i>

2 Authorization to approve and sign L-2 Form, certifying property tax levy to Blaine County Board of County Commissioners with a general property tax levy of \$2,358,605 and a special levy of \$400,000 176

3. Consideration of Annual Appropriation Ordinance No. 1203 appropriating \$12,017,542 to defray the expenses of the City of Hailey for Fiscal Year 2017,..... 179

[5:44:53 PM](#) Dawson gave an overview of this item. DIF advisory committee has met and suggested there items, included in this packet, CIP.

Mayor asks council to make 3 different motions for the budget items.

Public hearing comments:

[5:46:43 PM](#) Henno Heitur, Hailey resident, spoke to council, thanks for the hard work, that you do, and thanks for improving infrastructure in this town. Heitur believes staff salary increases are important, he has only held 2 jobs because he is paid well, let’s keep our staff for a long time.

[5:48:11 PM](#) Mayor Haemmerle concurs with Heitur and thanks him for his comments.

John Jonas speaks to council and [5:49:10 PM](#) thanks the City for the recent work done on the alleys between 1st and 2nd streets, it looks nice and has improved our look of the city.

Council deliberation. Burke is good with this budget.

[5:50:26 PM](#) **Burke moves to adopt the 2016 Capital Improvement Plan update, seconded by Teevin, motion passed with roll call vote. Teevin, yes. Keirn, yes. Burke, yes.**

[5:50:49 PM](#) **Burke makes motion to certify Hailey’s property tax levy to Blaine County Board of Commissioners and Idaho State Tax Commission, which includes a general levy increase as allowed by law and a special levy for street, sidewalk and pathways projects as approved by voters in May, 2016; and authorize the Mayor to sign the L-2 form, seconded by Keirn, motion approved with roll call vote. Teevin, yes. Keirn, yes. Burke, yes.**

[5:52:52 PM](#) **Burke moves to approve Hailey’s Appropriation Ordinance No. 1203, authorizes the Mayor to conduct 1st reading by title only, seconded by Keirn. Motion passed with roll call vote. Burke, yes. Keirn, yes. Teevin, yes.**

[5:53:27 PM](#) **Mayor Haemmerle conducts 1st Reading of Ordinance No. 1203, by title only.**

PH 290 Consideration of Resolution 2016-111, amending water and wastewater connection fees for FY 2017

[5:54:26 PM](#) Miller explains that only connection fees have changed in this resolution, keeping all fees in the same documents so it is easy to reference. Miller explains the 2 fees that have increased, water connection fee, by \$97 for a ¾ inch connection and the Wastewater connection fee increased \$15, minimal amounts. The total new cost for the ¾ inch Water connection fee is

\$4,181. The new Wastewater connection fee for ¾ inch hook up is \$2563. The cost increase is further explained by Miller.

No Public comments.

5:56:50 PM Burke moves to adopt Resolution 2016-111 increasing Water and Wastewater connection fees for ¾ inch, effective date is October 1, 2016, seconded by Keirn. Motion passed with roll call vote. Burke, yes. Keirn, yes. Teevin, yes.

PH 291 Continued discussion of Annexation Fee Report, with Resolution 2016-112 adopting the TischlerBise Annexation Report and setting annexation fees

5:57:59 PM Email was received from James Phillips (dated August 11, 2016) and commented on by Pat Cooley. Both Phillips comments and Cooley's comments were handed out before tonight's meeting. Mayor Haemmerle wants to continue this item to the next meeting so that the entire council can be present at the discussion. Don Keirn won't be at the September 19th, meeting. Mayor asked to continue to this item to the October 3, 2016 meeting.

Public comments:

6:01:15 PM Peter Lobb are we locked into this, can we charge different amounts if this is adopted, is there any discretion?

6:02:00 PM Burke moves to continue this item to the October 3, 2016 meeting, seconded by Keirn, motion passed unanimously.

PH 292 Consideration of amendment to Municipal Code Chapter 14.01 Annexations to amend annexation procedures

6:02:47 PM Williamson made several changes to the existing ordinance. The main change is: if we adopt a fiscal impact study, then the need for a fiscal impact analysis (when considering an annexation) may not be needed look on page 245 of packet. Williamson responds to Lobb's comment, this ordinance change is tied to standards, page 246 of packet, you can require further monetary requirements so as to not negatively impact Hailey citizens. 2nd change?

6:05:32 PM Haemmerle explained this process.

6:06:14 PM Burke wants to understand, a study is set in place, so that each annexation does not come forward and attempt to change this base report. Burke wants to know if this will stop the "nit picking" going forward. Williamson believes yes, it will remove some of the debate of fees during annexations.

Keirn believes this will help too.

6:09:44 PM Haemmerle restates his question. Williamson responds. Haemmerle repeats, this removes the requirement of the developer seeking annexation from being required to pay for a

fiscal impact study. [6:10:56 PM](#) Horowitz comments, this gives us a consistent methodology to follow.

Public comments:

[6:11:41 PM](#) Peter Lobb, read the report, feels it is good. Lobb asks, do we want this to be conditional? Lobb believes we should negotiate.

[6:12:36 PM](#) Jim Phillips Hailey resident speaks to council. Phillips feels everyone should be on same page before you (council) adopt any changes. Phillips comments about the ability to ask for more compensation, haggling will be done by developer. Phillips believes that the developer should pay for the study if requested, not the city.

[6:14:05 PM](#) Mary Roberson Hailey resident, comments. Roberson reads a statement which is a recap of the Old Cutters Annexation litigation. Roberson pleads to council, don't allow revisions to the Annexation Ordinance, she believes this would be a liability to the City.

Council deliberation:

[6:17:02 PM](#) Keirn feels this should wait like the review of the TischlerBise report.

[6:17:49 PM](#) Haemmerle makes comments about signed annexation agreements and standing by them.

[6:19:01 PM](#) **Burke moves to continue PH 292 item to the October 3, 2016 meeting, seconded by Keirn, motion passed unanimously.**

PH 293 Consideration of a Final Plat submitted by Scott Miley, represented by Galena Engineering, Inc., for a Lot Line Adjustment to Hailey Townsite, Lots 1-5, Block 45, wherein the lot lines between Lots 1-5, Block 45, are shifted to create 3 Lots, as shown located within Section 9, T.2. N., R.17 E., B.M., City of Hailey, Blaine County, Idaho. Current Zoning of the property is General Residential (GR) in the Townsite Overlay (TO) District

[6:19:35 PM](#) Horowitz gave an overview of this item. Going from 5 lots to 3 lots, 2 existing structures will be removed before the final plat can be approved. Horowitz announced...

Public comments:

[6:21:29 PM](#) Lobb thanks staff for allowing public to comment, no problems with this item, it is fine.

[6:21:54 PM](#) John Jonas asks a question about the structures proposed to be removed. Horowitz responds.

[6:23:25 PM](#) **Burke moves to approve the lot line amendment submitted by Scott Miley, for a lot line adjustment located at 215 & 219 N. First Ave, Lots 1-5, Block 45, Hailey Townsite**

to consolidate 5 existing lots into 3 lots, Lots 1A, 2A, and 3A in the General Residential (GR) and Townsite Overlay (TO) Zoning Districts, finding that the final lot line amendment plat is consistent with the approved lot line amendment preliminary plat and is subject to, conditions a-h, seconded by Keirn, motion passed with roll call vote. Teevin, yes. Keirn, yes. Burke, yes.

[6:24:54 PM](#) Mayor Haemmerle asks council to make a motion to approve the late added item to tonight's agenda. [6:25:04 PM](#) Burke moves to accept the amended agenda adding item NB 302, seconded by Keirn, motion passed unanimously.

PH 294 Public hearing and consideration of Ordinance No. 1202 amending the Ordinance No. 1184 for FY 2016, increasing Hailey's appropriation by \$3,029,770

[6:25:32 PM](#) Dawson gives a review of this item to council and adds that it is now time for public hearing on this item, page 285 in packet shows what the funds will go towards.

No Public comments:

[6:26:55 PM](#) Burke moves to adopt Ordinance No. 1202 amending and increasing Hailey's appropriation by \$3,029,770; authorize the Mayor to read by title only, suggests to waive one reading, seconded by Keirn. Motion passed with roll call vote. Keirn, yes. Burke, yes. Teevin, yes.

[6:28:09 PM](#) Mayor Haemmerle conducts 1st Reading of Ordinance No. 1202, by title only.

NEW BUSINESS:

NB 302 Consideration of Initiative Petitions to remove Development Impact Fees for commercial projects, refund Commercial Development Impact fees, and to remove annual business license renewal fee (handout)

[6:29:28 PM](#) Williamson explains that the petitions were received after the packet was produced. Williamson explains the new state laws which dictates this initiative and referendum process now. Williamson, we have followed this law to the "T". Once we receive these perfected petitions, council can consider adopting the ordinances within 30 days of receipt. Williamson discussed the 2 petitions, first the Development Impact Fee (DIF) petition, Williamson announced that \$717,000 of fees have been collected to date, commercial projects are 61% of those collected fees. The petitioner is asking to eliminate commercial development fees and only have residential construction pay these fees. Williamson believes the refund portion of the DIF petition is illegal, it creates a law over another law. Laws go forward, not back. There are 3 instances where you cannot adopt retroactively, vested rights doctrine. [6:35:11 PM](#) Essentially, the public has received funds, spent funds and there is a vested right to these funds collected and spent. Also, the law states that appropriation must be set, you can amend an appropriation ordinance, but as proposed, this petition would invoke council to amend all prior appropriation ordinances for as long as these fees have been collected. Williamson does not believe it can be done this way.

[6:37:23 PM](#) Regarding the Business License petition Williamson explains that it proposes to eliminate renewals on all businesses.

If council does not adopt these ordinances, then these petitions will go to the voters in November 2017.

[6:38:41 PM](#) Haemmerle remembers the situation with the Marijuana Initiatives passed by voters where the ordinances proposed contained illegal portions which can only be addressed by the courts after voters pass the item. Williamson concurs, “not ripe for review.” Haemmerle asks a DIF question.

[6:40:37 PM](#) Haemmerle suggests letting DIF go to voters.

[6:42:04 PM](#) Teevin asks a question.

[6:43:38 PM](#) Keirn researched refunding fees collected. Keirn wants to pass on to general election.

[6:44:55 PM](#) Burke feels we should take both to voters.

[6:46:46 PM](#) Haemmerle asks a question to Williamson.

[6:47:13 PM](#) **Burke makes a motion to not adopt the DIF ordinance and to let this go to voters, seconded by Keirn. Motion passed unanimously.**

Discussion regarding the Business License petition - [6:48:06 PM](#) Burke asks a question for clarification. Burke wants to know what is involved in a renewal. Haemmerle asks for clarification about proposing an ordinance.

Further general discussion ensued about an election.

[6:52:09 PM](#) Burke is interested in discussing a business license ordinance.

Discussion ensued about finding a special meeting date, Thursday September 8th, 2016 at 5:30 pm.

[6:54:43 PM](#) Williamson asked for council to consider the proposed ordinance petition on business license renewals. [6:55:08 PM](#) **Motion made by Keirn, seconded by Burke, motion passed unanimously.**

OLD BUSINESS:

OB 295 *3rd Reading of Ordinance No. 1199, a City-initiated text amendment to Title 16, Chapter 16.06, Section 16.06.030, clarifying the application and review for Lot Line Adjustments in Townsite Overlay*

[6:55:37 PM](#) Move to approve Ordinance No. 1199 by Burke, seconded by Keirn, authorize mayor to sign, motion passed unanimously.

[6:56:46 PM](#) Mayor Haemmerle conducted 3rd reading of Ordinance No. 1199, by title only.

OB 296 *2nd Reading of Ordinance # 1201 amending Hailey Municipal Code to add hands-free cell phone regulations*

[6:57:23 PM](#) Mayor Haemmerle conducted the 2nd reading of Ordinance No. 1201, by title only.

STAFF REPORTS:

[6:58:06 PM](#) Craig Aberbach announces recognition of all Fire Department volunteers participating in John Davies memorial service. Wood River Fire covered all calls during this time. Had first plane crash at airport, no injuries, both fire departments worked well together. And, two Hailey crews have been dispatched to help with Idaho fires.

[7:00:35 PM](#) Miller, wrapping up cobblestone sidewalk project this week. Celebration week of 8/29 for the completion of the project. 3 change orders, net overall budget increase of \$68. Received 2 Grants for help on Balmoral Park, the first was \$2,500 from Idaho Community Foundation, to put towards park improvements and \$250 from Rocky Mountain Hardware, which purchased 5 picnic tables and installed them at the park. The City will apply for more grants this winter for more help with Balmoral Park. Heagle Park play structure is done, thanks to the Kiwanis club, the 3rd park they completed. Miller announced she is in the process of putting together ad for qualifications for Pathways for People engineers. An ad will run in the paper beginning Aug. 24th for 3 weeks. Will then take a few weeks to review the responses and anticipate bringing to council a recommendation at the Oct 3, 2016 meeting for an engineer.

[7:03:04 PM](#) This week all downtown sidewalks are getting inventoried.

[7:04:45 PM](#) Jeff Gunter went to the White House to hear the 21st Century Report last week. Crime in Idaho has increased, Hailey crime rate decreased. Active Shooter training, Gunter was appointed to committee providing training to magic valley, Seagraves Foundation Grant awarded \$55,000 towards this training.

[7:06:42 PM](#) Burke, received over a dozen of positive comments on street trees trimming. People are noticing. Burkes sidewalk was shaved, thank you, it is much better.

[7:08:01 PM](#) Kiwanis regional meeting was here last week, Mayor Haemmerle welcomed them.

EXECUTIVE SESSION: Real Property Acquisition (IC 74-206(1)(c)), Pending & Imminently Likely Litigation (IC 74-206(1)(f)), and/or Personnel (IC 74-206(1)(a/b))

HAILEY CITY COUNCIL MINUTES

August 15, 2016

[7:08:26 PM](#) Burke moves to go into exec. Session to discuss Real Property Acquisition (IC 74-206(1)(c)), seconded by Keirn, motion passed with roll call vote. Teevin, yes. Keirn, yes. Burke, yes.

Mayor and council came out of Executive Session.

[7:29:24 PM](#) Motion to adjourn meeting made by Burke, seconded by Teevin, motion passed unanimously.