

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD AUGUST 24, 2020
IN THE HAILEY TOWN CENTER MEETING ROOM
AND VIRTUALLY THROUGH GOTOMEETING**

The Meeting of the Hailey City Council was called to order at _____ 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.

[5:30:15 PM](#) Roll call of council,

[5:33:39 PM](#) call to order by Mayor asking for motion to amend agenda

[5:33:49 PM](#) Thea moves to amend agenda adding late items CA 351-CA353 and NB 344, seconded by Martinez. Motion passed with roll call vote. Thea, yes. Husbands, yes. Linnet, yes. Martinez, yes.

[5:34:27 PM](#) Mayor Burke asks for any comments not on the agenda.

Public comments:

[5:34:49 PM](#) Judd Mortenson with PBR is present, Mayor Burke will have this item pulled for discussion.

CONSENT AGENDA:

- [CA 330](#) Motion to ratify a letter from the Mayor to the National Park Service in support of historic adaptive re-use of the Old Rialto Hotel **ACTION ITEM**.....
- ~~[CA 331](#) Motion to ratify a letter from the Mayor to the BLM regarding the comments on the Environmental Assessment of the Wood River Valley Recreation and Access Plan **ACTION ITEM**~~
- [CA 332](#) Motion to authorize Mayor to sign grant close-out documents, including final acknowledgement that all grant payments have been received in full, for FEMA reimbursements for flood damage in 2017 Della area flooding. **ACTION ITEM**.....
- [CA 333](#) Motion to approve Resolution 2020-93, authorizing the Mayor’s signature on an agreement with Assessment and Compliance Services to perform Asbestos sampling at the Hailey Fire Station 617 S. 3rd Ave. for an hourly rate as set out in the agreement **ACTION ITEM**.....
- ~~[CA 334](#) Motion to approve Resolution 2020-94, authorizing the Mayor’s signature on an application to place water right number 37-22019 into the Water Supply Bank. **ACTION ITEM**.....~~
- ~~[*CA 351](#) Motion to authorize the Mayor to sign the updated Findings of Fact, Conclusions of Law and Decision regarding a Planned Unit Development (PUD) Application by ARCH Community Housing Trust on behalf of Blaine County on the former Blaine Manor site. The PUD is to construct two multi-family housing buildings, one Senior Community Housing Building, and one Family Community Housing Building. This update is to clarify that only one (1) market rate managers unit is needed, versus two (2) as originally proposed **ACTION ITEM**~~
- ~~[*CA 352](#) Motion to authorize the Mayor to sign the updated Findings of the PUD Development Agreement regarding a Planned Unit Development (PUD) Application by ARCH Community Housing Trust on behalf of Blaine County on the former Blaine Manor site. This is to clarify that only one (1) market rate managers unit is~~

needed, versus two (2) as originally proposed; to clarify that the property has been deeded to IHFA; and to clarify the limited partnership arrangement between ARCH and The Housing Company ACTION ITEM.....

- ~~*CA 353~~ Motion to approve Resolution 2020-99, authorizing a Termination and Release Agreement which releases and terminates the April 17, 2012 Development Agreement between Blaine County and the City of Hailey ACTION ITEM.....
- [CA 335](#) Motion to approve Resolution 2020-95, authorizing the Mayor’s signature on the Sales Invoice with Western States CAT, for purchase of a 750kw generator for the Wastewater Treatment Plant. ACTION ITEM
- [CA 336](#) Motion to approve Resolution 2020-96, authorizing the Mayor to sign a Cooperative Agreement with the Idaho Transportation Department, for work including upgrading handicap ramps at locations indicated on Exhibit A ACTION ITEM
- [CA 337](#) Motion to approve Resolution 2020-97 authorizing the Mayor to sign a Water Use Fee Agreement with Marathon Partners, LLC, for municipal water usage associated with public infrastructure construction and dust abatement related to Sunbeam Subdivision Planned Unit Development ACTION ITEM
- ~~CA 338~~ Motion to approve Resolution 2020-98, authorizing Arena Use Application and Agreement for Professional Bull Riding rodeo to be held on September 26, 2020 ACTION ITEM.....
- [CA 339](#) Motion to approve Alcohol License Renewals ACTION ITEM
- [CA 340](#) Motion to approve claims for expenses incurred during the month of July, 2020, and claims for expenses due by contract in August, 2020 ACTION ITEM

[5:35:44 PM](#) Mayor pulls CA338, CA 351 pulled by Husbands, CA 351 and CA 353, CA 331 is also pulled, CA 334 pulled by Martinez

[5:36:48 PM](#) **Martinez moved to approve all consent agenda items minus CA 331, CA 334, CA 338, CA 351, CA 352 and CA 353, seconded by Thea, motion passed with roll call vote. Martinez, yes. Linnet, yes. Thea, yes. Husbands, yes.**

CA 331 [5:37:38 PM](#) Linnet pulled this item, he wants to see motorized path, happy with trails has concerns doesn’t allow motorized use, Quigley Canyon and Slaughterhouse does not allow motorized use, but is comfortable with this. Don’t see a huge downside to this use. Wants to hear what other council members think and maybe amend the letter. [5:40:13 PM](#) Lisa Horowitz announced that John Kurtz with BLM is on the call. Mayor Burke, asks, John Kurtz to comment on this. The one thing we are seeing is that the exit is next to City of Bellevue property. Only way to accommodate this is to connect way back on the trail. Linnet, clarifies, no exit on BLM. Kurtz, exit is next to land owned by City of Bellevue. City of Bellevue does not want to permit this access. Mayor Burke, we honor Bellevue’s wishes, and send the letter as is without changes. Linnet is okay, wasn’t aware of Bellevue’s stance. [5:43:12 PM](#) Thea asks a question about the Environmental Assessment. Kurtz, confirms, want to have trails 100% on BLM property. [5:44:06 PM](#) Horowitz, Ken Lagergren submitted comments on the BLM, increase of law enforcement on BLM property, will not increase our Hailey law enforcement efforts.

[5:44:51 PM](#) **Linnet, moves to approve CA 331, Martinez seconds. Motion passed with roll call vote. Husbands, yes. Martinez, yes. Linnet, yes. Thea, yes.**

CA 334 [5:45:14 PM](#) Martinez wants explanation, Yeager can answer question. This water right was acquired quite awhile ago, part of it is being used by school district, this is to protect it from forfeiture, prevents them from foreclosing on us in the future.

[5:47:04 PM](#) **Martinez moves to approve CA 334, Husbands, seconds, Motion passed with roll call vote. Husbands, yes. Martinez, yes. Linnet, yes. Thea, yes.**

CA 351 - [5:47:43 PM](#) Horowitz, these items were approved by council but changes to the documents were requested by title company and loaning agency. [5:48:34 PM](#) Michelle Griffith, thanks staff with putting this on the agenda so quickly. Thought needed 1 manager unit in each building, now know we can have an agreement with other building, [5:49:34 PM](#) Husbands, wants another manager unit in that building, feels that 2 managers. [5:50:09 PM](#) Griffith, this is the only way this will work, we cannot cash flow 2 managers. Griffith explains the process, underwriting gave feedback on the proforma, have to go with the way the underwriters say. [5:52:41 PM](#) listen

[5:54:28 PM](#) **Linnet moves to approve CA 351, CA 352 and CA 353, seconded by Martinez, Thea, yes. Linnet yes. Husbands, nay. Martinez, yes.**

CA 338 – PBR Judd Mortenson, PBR event producer is on the phone. Julie is on the phone as well. Adds, Julie, protocol, of [5:56:53 PM](#) industry professionals have implemented this plan, have attended quite a few of these events this year and they have gone well, feel this is something that could go well in Hailey. [5:57:41 PM](#) Thea asks, is 1,100 maximum number of attendees? Mortenson, capacity of arena is 3,800. We are looking at 50% capacity, max. of 1,100. Social distancing, recommended, Thea believes it should be “required” Julie, responded, we are happy to tighten up the language. This would be on site management. [6:00:32 PM](#) Linnet is proud of how our community is now compared to the State. Looks to language, appreciates guidelines, don’t feel comfortable with this, first emergency session with legislature, citizens broke doors down, were not wearing masks. Linnet, there are no real good options, have misgivings about approving now. [6:02:50 PM](#) Husbands, concurs with Linnet, with school starting, hopefully we can stay open for 1 month. Doesn’t think this event should happen this year welcome them next year. [6:03:38 PM](#) Thea, is also quite hesitant to approve, even though it is in an open air arena. [6:05:00 PM](#) Martinez, wants to pursued council members to change their mind. We had the 4th of July parade, it went well. Wants to hear from the applicant, on rebuttal, we have the ability to put on an event safely and that people can enjoy. [6:06:44 PM](#) Mayor Burke, don’t need rebuttal, other states have used this plan, we are in a different situation in Idaho. Hope they can come back next year.

[6:08:03 PM](#) Linnet, feel more comfortable if Health District and doctors and EMS were consulted and gave it their approval. For this and future events. [6:09:11 PM](#) Thea, feels public would think we were not be.

[6:09:30 PM](#) **Linnet makes motion to deny, Thea seconds, motion passed with roll call vote. Husbands, yes. Linnet, yes. Thea, yes. Martinez, no.**

PUBLIC HEARINGS:

PH 341 Consideration of a Preliminary Plat Subdivision Application (Phase II) by Sweetwater Communities, LLC, represented by Matt Watson, located at Block 2, Sweetwater P.U.D. Subdivision, where Phase II of Block 2 is subdivided into 14 sublots consisting of: two (2), ten-

*unit condominiums and four (4), three-plex townhomes, for a total of 32 residential units. This project is located along Shenandoah Drive, in Section 15, T.2 N., R.18 E., B.M., City of Hailey, Blaine County, Idaho, within the Limited Business (LB) Zoning District **ACTION ITEM***

There was a noticing error on this item, Horowitz explains, we will renote this item for future agenda.

PH 342 Consideration of FY 2021 Budget, with motions on:

- *Ordinance No. 1265, Hailey's annual appropriation ordinance setting expenditures of \$12,728,166 for fiscal year 2021, with first reading by title only **ACTION ITEM**; and*
- *L2 Property Tax Certification Form, with consideration of whether to certify a 3% increase in taxes or, alternatively, to certify Hailey's annual levy using the Governors Public Safety Grant Initiative (GPSGI) to reduce the amount of property tax levied **ACTION ITEM**; and*

*Consideration of setting a special meeting to take public hearing on a Resolution declaring foregone property taxes for potential use in a future year **ACTION ITEM***

[6:12:06 PM](#) Horowitz mentioned that Scott is present for NB 344.

[6:13:06 PM](#) PH 342, budget, Horowitz, recommend that we approach it in order of the Agenda Item Summary, the appropriation ordinance no. 1265 is the first item for discussion. Dawson, shares her screen for council to view.

Public comments:

[6:16:43 PM](#) Dawson received 2 emails today and forwarded to council, asking for us to fund a sustainability coordinator, Ken Lagergren, encourages us to take climate change seriously and find funds for a sustainability manager, from Ginna Lagergren. Second email is from Gaston Zuain, [6:18:54 PM](#) supports the sustainability effort as long as it does not compromise the Hailey coordinator position. Dawson points out that this funding is not identified in our appropriation ordinance.

No public comments.

[6:20:02 PM](#) reopen public comments.

[6:20:39 PM](#) no public comments.

[6:20:50 PM](#) Thea, what was the final number for the Chamber of Commerce? Can we secure more money in the sustainability direction? Dawson points to document shown on her screen, this current year \$70,000? Budgeted, next year \$67,000, reduction of 4%.

[6:23:08 PM](#) Mayor Burke, asks Horowitz, to share thoughts on in-kind resources. Water smarty ideas. If we cannot afford at that level can offer staff expertise on issues going forward. Dawson, \$20,000 per year, 20 hours per month plus benefits. The joint coordinator, looking at \$120,000 funded position, county \$40,000 offers, if Hailey opts in at \$40,000 that would have the funding. How this opportunity would be finalized, not specified, we can support through

personal man power in place of the monetary difference. [6:26:41 PM](#) Horowitz, it would be a step backwards if we funded a regional position, would not want to lose traction. Mayor Burke, does not want to lose ground. [6:27:29 PM](#) Husbands, would Bellevue contribute? Dawson, Bellevue and Sun Valley have not shown interests, but don't know for sure. [6:28:08 PM](#) Thea, who provides funding to the Chamber besides Hailey city. Idaho Tourism Grant largely supports the Chamber. Hailey supports through LOT funding and then Chamber memberships. Do other cities provide funding? [6:29:00 PM](#) Mike McKenna, all cities are Chamber members, we don't have that with other cities. Other cities pay with membership dues. McKenna, have been discussing partnering with the Sun Valley marketing and city funding. [6:30:49 PM](#) Mayor Burke, Ketchum probably won't be contributing since they are cutting their marketing funding. Husbands asks if we can take money from the Chamber to give to that cause. Mayor Burke, won't support this idea. [6:32:26 PM](#) How do you feel about professional services and then next year put money in the Sustainability pot. Linnet, do we need to decide today for next year? Linnet, would like more time to think about this option, likes having Hailey have their own resource, happy with where we are.

[6:34:04 PM](#) Mayor Burke back to the Ordinance, **Linnet moves to approve Ordinance No. 1265 \$12,728,166, conduct first reading by title only, seconded by Thea. Motion passed with roll call vote. Thea, yes. Husbands, yes. Linnet, yes. Martinez, yes.**

[6:35:01 PM](#) **Mayor Burke conducts 1st Reading of Ordinance No. 1265, \$12,728,166 by title only.**

[6:36:01 PM](#) Part 2 of budget, Dawson discusses the property taxes options, she shows budget lines regarding property taxes, decrease from 15% and 9%, \$2,783, requested in the L2, option 1. Option 2 is more complicated, listen, reduction is \$513,000, upsetting our bottom line, reimbursement from state, state sales tax 15% reduction. We would only get \$513,000 from the state.

Question from council. [6:41:02 PM](#) Thea, if we choose this option, are we sure the money will come in and happen seamlessly. [6:41:23 PM](#) Christopher Simms, challenge, maybe hear from Treasurer. On these options. [6:41:54 PM](#) Becky Stokes, asks to look at the worksheet 2nd page of the L2, bottom, allowed 3% expense reimbursement. They have not decided, it will not be more than \$19,000? This has been an interesting process, it is like a loan, it is paid back to them by way of a property tax reduction is funds to the City. It is not a gift as it might have seemed like. Stokes in December we would receive the funds, then we would not get the full amount of our property taxes, that is how we "pay it back to the state," [6:44:32 PM](#) the property owner would pay less in taxes, Dawson explains. [6:45:41 PM](#) Stokes explains. Simms adds, we would derive \$45,000 more in option 1, no jeopardize in lawsuit. The basis of the lawsuit, money given by CARES act, not intended to be replacement revenue, well founded arguments. Share similar concerns, governors and attorney generals offices disagree. Also take note from local experts, see approx. \$30 extra for a \$500,000 assessed value, subject to future years of recapture. [6:48:32 PM](#) Linnet asks question, the following year if we select option 2, could we raise property taxes by 6% the next year? Stokes responds, you can increase 6% that year. [6:50:13 PM](#) Simms, paying all of one's emergency services payroll as if all related to COvid, when not directly related to

COVID. Status on lawsuit? Simms, it has been sitting on the magistrates' desk since early August.

Public comments: [6:51:43 PM](#) none.

[6:52:22 PM](#) Thea, asks Simms to expand on comment regarding COVID. Simms, the actual use of these funds should be for public safety. If we were able to use this money, could recover funds? Our governor's office explains why they think this is lawful. [6:54:57 PM](#) Husbands, what city's are opting in to this? [6:55:48 PM](#) Linnet, Boise and treasure valley tax issues. It seems like a political move. When he looks at benefits to City and property owners is small. A lot of people who need tax break won't get it because they don't own property. We have taken the 3% increase for over a decade, impact is \$30 to \$500,000. With the pending litigation, one option looks like not great benefits, the other uncertain benefits with the lawsuits. Haven't been persuaded to see benefits for going down this path. [6:59:11 PM](#) Thea, how many people are owners/renters. Linnet, percentage of taxable property value, most expensive property. Renters get zero benefit. As an owner, fine with paying more to keep. Horowitz reads tenant numbers, 1,000 renters in Hailey. [7:00:50 PM](#) Husbands would like to help some way. [7:02:29 PM](#) Thea, we should be clear on why we make whatever decision we make. Feels that this is not enough relief to go with either option. [7:03:09 PM](#) Mayor Burke, asks Dawson, if council chooses to go without the program, would help to send letter, and describe what programs might benefit our community, at least 5 departments that could use additional staff. If we could get a grant, to help employ more staff, would help our unemployment rates. [7:04:49 PM](#) Linnet asks Dawson and Burke, is there any way to earmark some of revenue on option 1, help individuals directly. [7:06:12 PM](#) Thea comments on ??? collecting money for that reason. Dawson don't know about the legality of that type of program. Linnet likes option 2, but doesn't see that much benefit for our community. [7:07:54 PM](#) Martinez, is a renter, simple is better, litigation, take a pass on that. Husbands comments, Martinez sees her point, [7:09:34 PM](#) Thea, writing a resolution the following year, would have to hit people harder with higher taxes because we cannot balance our budget. [7:10:29 PM](#) Mayor Burke it is a hard question. Linnet, important to understand tax increases., this is the city's main source of revenue the 3% property tax increase annually. This is why previous councils have done this in the past. [7:12:20 PM](#) Husbands, what about only raising 2% now? [7:12:41 PM](#) Dawson responds, if you take anything less than 3%, resolution to collect uncollected "foregone" amount, collect it latter, can increase taxes in later year. This year, city must do resolution this year, can notice meeting on Sept 3, 2020. Cannot do it tonight. [7:14:33 PM](#) Simms, we cannot opt in to governor's plan with partial opting in. [7:15:34 PM](#) Mayor Burke, we may not be out of COVID next year. [7:16:41 PM](#) Linnet do responsible thing and keep 3% this year, have conversation later if things get worse. Mayor Burke agrees with Linnet.

[7:17:17 PM](#) Linnet moves to approve L2 in option 1, 3% increase, seconded by Martinez. Motion passed with roll call vote. Husbands, no. Thea, yes. Linnet, yes. Martinez, yes.

[7:18:17 PM](#) Thea asks that our newsletter speaks to this difficult decision, feel this is the best way forward, and state program is too risky. Mayor Burke, agrees with Thea. Thanks council and grateful for their input and hope our decision is the right one.

Mayor Burke moves west meadows NB item next for discussion.

NB 344 *Consideration of bids for West Meadows Drive and approval of Resolution 2020-____, authorizing the Mayor to sign Notice to Proceed and contract documents to the lowest bidder (documents in packet) ACTION ITEM*

[7:20:18 PM](#) Yeager opens with this item. Approximate 320 linear foot of water main, parallel lines into Northridge, can improve water pressure, this is one of the 3 components, Galena Engineering drafted this bid, received 2 bids B&G Dirtworks, Scott Gointendia, B&G Dirt Works propose accepting their bid, name contractor and amount in motion language.

Questions for Yeager, none.

[7:22:45 PM](#) **Thea moves to approve Resolution, 2020-98 , no public comments,**

[7:24:16 PM](#) **Thea moves to approve resolution 2020-98 B&g \$145,852 provide construction services, seconded by Martinez?, Husbands, first.**

Mayor changed agenda order to mural on Jane's for discussion next.

NB 345 *Consideration of the Hailey Arts and Historic Preservation Commission's recommended Artists for a mural on the south wall of Jane's Artifacts and motion to adopt Resolution 2020-_____, authorizing the Mayor's signature on an agreement between the City of Hailey, Jane Drussel of Jane's Artifacts and the WRHS W.A.T.E.R. Club and Hailey Climate Action Coalition, for installation and terms pertaining to mural to be located at 106 South Main Street. ACTION ITEM*

[7:26:42 PM](#) Horowitz gives overview of this item, to put Mural on South side of Jane's artifacts building. The Arts and Historic Preservation Commission, explains intent of imagery and mural. Elizabeth Jeffrey, introduces Audrey, Audrey speaks, creativity, reminder to our citizens of the beauty, diverse community with this artwork, hope that will be positive and education changes in our valley. Ruben speaks, combines cultures, solves problems of our generation, Another student speaks, our mural speaks to climate awareness, using water based paints, and not buying new paints, using an electric lift not gas powered, bring awareness to climate awareness and unity to our valley. [7:31:17 PM](#) a female now speaking, take action to follow all environmental issues that are going on today. Jeffrey, have any questions? Jane has not seen the final version yet, she suggested some changes that are incorporated in this rendering.

[7:32:01 PM](#) Thea, round of applause. All for this mural, how do you protect it from the elements. Have to put a coating on it, like the Owl mural. Horowitz, let the council know that Jane Drussel was not on the call tonight but that they should reach out to her for her final approval.

[7:33:49 PM](#) Linnet, is this the final version? Jeffrey yes.

[7:34:07 PM](#) **Thea moves to approve Resolution 2020-100 and authorize Mayor to sign agreement for mural at Jane's, seconded by Martinez. Motion passed with roll call vote. Thea yes. Husbands, yes. Martinez, yes. Linnet, yes.**

NB 343 *Consideration of Resolution 2020- ____, authorizing an agreement with Stanley Consultants Inc., in the amount of \$214,297, for River St. Reconstruction Project. ACTION ITEM*

[7:35:03 PM](#) Yeager opens this item, contract with Stanley Consultants concept phase is complete, phase 2 is the final design for these 2 blocks, LTHAC grant for 7%. At conclusion of this process, next year, would have plans specs available to go out to bid. Construction for this project would be in the year 2024. Authorize agreement to begin final design on River street.

[7:37:39 PM](#) **Motion made by Linnet to adopt Resolution 2020-101 authorizing agreement with Stanley Consultants and authorize the Mayor to sign, seconded by Thea, Husbands, yes. Linnet, yes. Martinez, yes. Thea, yes.**

Mayor Burke, wants to do readings and then move idling to next meeting.

OLD BUSINESS:

OB 347 *2nd Reading of Ordinance 1263, extending rubbish hauling franchise with OBRAS LLC dba Clear Creek Disposal through May 11, 2021 ACTION ITEM*

[7:39:09 PM](#) **Mayor Burke, conducts 2nd Reading of Ordinance No. 1263, by title only.**

OB 348 *3rd Reading of Ordinance No. 1264, amending the Hailey Municipal Code, Title 13, Public Services, Section 13.04.060, Cross Connections and Title 18, Mobility Design, Section 18.14, Standard Drawings, and Summary of Ordinance No. 1264 ACTION ITEM*

[7:40:05 PM](#) **Thea makes a motion to adopt Ordinance No. 1264, 3rd reading by title only, authorize Mayor to sign, and summary of Ordinance No. 1264, Martinez seconds. Motion passed with roll call vote. Husbands, yes. Linnet, yes. Martinez, yes. Thea, yes.**

[7:41:29 PM](#) **Mayor Burke conducts 3rd Reading by title only of Ordinance No. 1264, by title only.**

STAFF REPORTS:

[7:43:07 PM](#) Dawson only staff reports left to discuss.

[7:43:28 PM](#) Dawson, The Mint is being repurposed to YMCA school care, designating 2 parking spots in front. Chamber and Farmer's market creating an event on Labor Day weekend, music and car show, amendment to the event.

[7:44:55 PM](#) Simms, alerts emergency powers ordinance expires in Sept. will be in first of Sept meetings to extend this emergency order.

[7:45:33 PM](#) Husbands, new Library Director hired, Lyn Drewien, a great fit moving the Library forward.

[7:46:03 PM](#) Thea, comment, new curb gutter accessible, impressed with the list. Pleased with the new one on Croy Street. We need this property taxes revenue to keep all this going.

[7:47:05 PM](#) **Motion to adjourn made by Thea, Martinez seconds, motion passed unanimously.**