

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD NOVEMBER 14, 2011
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 Rick Davis. Present were Council members Carol Brown, Don Keirn, Fritz Haemmerle, and Martha Burke. Staff present included City Attorney Ned Williamson, City Administrator Heather Dawson, Tom Hellen, Mike Baledge, and City Clerk Mary Cone.

[5:32:08 PM](#) Mayor opened the meeting.

AIRPORT ISSUES:

[5:32:20 PM](#) Susan McBryant gave an airport update to the council. There was active participation with Bellevue residents in the last FMAA meeting. Beginning discussions are occurring with the FAA. This airport process is not free. McBryant discussed setting the budget; they are spending approximately \$50,000/month (they are in the 4th month of this process) – with only \$200,000 allocated in the capital budget. Important to note, the FMAA has not spent any direct tax dollars at this point, as all costs have been covered by the budgeted amount. McBryant ended by stating that the FMAA has operated in the black for all of these years.

Public comments:

[5:36:31 PM](#) Geoffrey Moore 1250 Woodside Blvd spoke to council. The Woodside Blvd. project and the Rubbish Hauling services on the agenda warrant public comment.

[5:37:30 PM](#) Blake Eagle 171 Cranbrook spoke to the council. Mayor Davis asked Blake Eagle to hold his comments to the Public Hearing item regarding Water and Wastewater fees.

CONSENT AGENDA:

CA 513	— Motion to approve the acceptance of donations to the City of Hailey or its departments/programs: Acceptance of donation of trees and shrubs planted by adjacent property owner in Deerfield Park Acceptance of \$ 33.00 donation from Bob Wiederrick, via Pacific Recycling, for aluminum can collection on behalf of the Hailey Arts Commission programs	1
CA 514	— Motion to approve Resolution 2011-41, ratifying previously (October 24, 2011) approved Change Order # 2 submitted by JUB Engineers for \$115,000 for engineering costs associated with engineering of Woodside Boulevard.....	3
CA 515	— Motion to approve Resolution 2011-42, approving Change Order #3 submitted by JUB Engineers for \$67,578 for engineering costs associated with engineering of Woodside Boulevard	33
CA 516	— Motion to approve Resolution 2011-43, approving extension of four (4) contracts with Sluder Construction for the 2011/2012 snow season at the same hourly cost as the 2010 and 2011 season	49
CA 517	— Motion to approve Resolution 2011-44, accepting the proposal from West Water Research LLC to appraise the value of the Quigley Canyon water rights and authorizing the City to enter into a contract approved by the city attorney to perform the appraisal work for the amount of \$17,550.....	77

CA 518	Motion to approve Resolution 2011-45, authorizing an extension through October 31, 2012 of towing and impound contract with Advanced Towing to allow vehicles which are towed by direction of city officials to be stored at the Woodside Wastewater Treatment plant in exchange for a fee from the towing company of \$100/month	115
CA 519	Motion to approve Resolution 2011-46, approving Task Order #4 submitted by HDR Engineering for a not to exceed amount of \$61,330 for engineering costs associated with the Woodside Treatment Plant discharge permit	123
CA 520	Motion to approve alcohol beverage license for Stinker Stores, Inc	133
CA 521	Motion to approve special event Hailey Thanksgiving Turkey Trot	135
CA 522	Motion to approve minutes of October 24, 2011 and to suspend reading of them.....	147
CA 523	Motion to approve claims for expenses incurred during the month of September, 2011, and Treasurer's Report on Month 13, which is a FY 2011 report on the status of the City following accruals of income and expenses which belong in September but are received after September 30, 2011	165
CA 524	Motion to approve claims for expense incurred during the month of October 2012, and claims for expenses due by contract in November, 2011	165
CA 525	Motion to approve Treasurer's Reports for October, 2012	199

[5:38:24 PM](#) Brown pulls CA 517 – to discuss at New Business item time regarding Quigley Haemmerle pulled items CA 514, CA 515, and CA 519
Dawson pulled CA 523
Williamson pulled CA 513

Haemmerle moves to approve consent agenda items not pulled, CA 516, CA 518, CA 520, CA 521, CA 522, CA 524 and CA 525, seconded by Brown, motion passed with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.

CA 513 – Williamson minor change regarding the acceptance of \$33. If you generate the trash/recycling yourself and deliver it to a recycling center then it is okay. Williamson added that if contributed by multiple people and taken to this recycling company, then this could be interpreted as a violation of our current Rubbish Franchise. Based on Williamson’s comments, this item was removed from the consent agenda item for follow up to determine if this should be allowed to continue.

CA 514 – Haemmerle [-5:42:08 PM](#) asked if council approved this in the last meeting \$115,000 and was considered a change order. Williamson clarified that this was approved in the last meeting, but there was not an associated Resolution for the contract. Dawson added that this is why the motion in tonight’s meeting is to “ratify”.

Haemmerle moves to approve CA 514, seconded by Brown, motion passed with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.

CA 515 – Haemmerle asks a question regarding this item. Williamson has issues with some of the information as he feels it should have been under contract anyway. Williamson suggests that council discuss this later in the meeting when Woodside Blvd is discussed.

CA 519 - [5:44:26 PM](#) Haemmerle begins by stating that this was an engineering proposal to do work for the TMDL and it was a not-to-exceed estimate for \$61,330, for a permit that has not been issued yet. Haemmerle feels that this permit should be issued, and authorize the Engineer

(page 128 of packet 3rd and 4th bullets on page). Haemmerle suggests a process of steps to take, authorize the review of the final NPDES permit and review the draft NPDES permit with the current NPDES permit; then have the engineer give us a proposal with an estimate and next steps. Brown agrees with Haemmerle. [5:46:11 PM](#) Tom Hellen gave some background for an explanation.

[5:49:20 PM](#) Dawson suggests to authorize work after the draft permit is issued. And then a draft scope of work drawn up and ask for the estimate for the comment period.

[5:50:12 PM](#) Haemmerle moves to approve CA 519 for \$30,000 – contract with HDR , seconded by Keirn, with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.

CA 517 – Brown pulled this item to discuss this during the Quigley water rights discussion.

CA 523 – Dawson pulled this item for clarification, there is not a September report in the packet. This item should be pulled and no motion taken.

MAYOR’S REMARKS:

[5:51:46 PM](#) Davis congratulates to Fritz as Mayor elect and Pat Cooley for council.

PROCLAMATIONS AND PRESENTATIONS:

PP 526 Wood River Arts Alliance (Claudia McCain) presentation on Economic Impact of Arts (10 minutes)

[5:52:20 PM](#) Claudia McCain 2327 Warm Springs Rd., Ketchum presented to council. McCain is with the Wood River Arts Alliance (WRAA). The presentation was titled “The Arts’ Impact on the Local Economy”. The WRAA has 28 members; Hailey Arts Commission is a member. McCain gave an overview of the members which included, Company of Fools, Footlight Dance Centre, St. Thomas Playhouse, Wood River Community Orchestra and Sun Valley Summer Symphony. McCain reported a summary of the combined budgets as Shannon Finnegan (Executive Director) handed out the summary page to council. McCain then gave the arts and economic prosperity on our community. McCain thanked council for their involvement and support.

PUBLIC HEARINGS:

PH 529 Consideration of Municipal Code Amendment to Title 13, Water and Wastewater fees, to allow deferral of wastewater billing for 6 months for new residential construction and for 12 months for new commercial construction, or until issuance of certificate (temporary or final) of occupancy, whichever is sooner

[6:05:38 PM](#) Hellen gave an overview of this proposal, page 277 in packet. Hellen explained why the 6 month time limit is proposed.

[6:08:28 PM](#) 171 Cranbrook, Blake Eagle likes the suggestion to the extension, he thinks 6 months is not long enough.

[6:10:51 PM](#) 3040 Woodside Blvd. Pat Cooley – thinks this should be done administratively, not in front of council for a decision.

[6:12:12 PM](#) Haemmerle likes the C of O issuance. Brown likes C of O, not a timeframe. Williamson can draft a new ordinance for the next meeting. Dawson suggested, 1st reading tonight and Williamson offered to tell council what the changes will be to the ordinance. The motion could then be contingent on the verbal changes given to council. Williamson will then have the changes ready for the next meeting for the 2nd Reading.

[6:15:08 PM](#) Williamson reviewed the changes with council.

[6:16:59 PM](#) **Brown moves to approve Ordinance No. 1095, to authorize the 1st reading by title only with the changes Williamson given tonight, seconded by Burke, motion passed with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.**

Mayor Davis conducted the 1st Reading of Ordinance No. 1095 by title only.

Next discussion is PH 527.

PH 527 Woodside Boulevard Project Discussion

- *Report from city staff regarding US DOT's determination to allow minimal project scope reductions, and their prioritized add-back bid alternatives*
- *Council discussion of project financial feasibility and decision whether to proceed with project.*
- *Council consideration of Agreement with JUB Engineer's to perform engineering necessary to re-engineer the project with the re-scoped elements and prepare the project for bidding in January, 2012 (approval of Agreement through Resolution 2011-__*

And

PH 528 Consideration of grant agreement with Idaho Department of Commerce for the expenditure of \$500,000 of federal funds in a \$1,240,000 project to improve sidewalks, drainage, and lighting in 3 blocks of River Street in 2012

Mayor Davis suggested discussing River Street in conjunction with Woodside Blvd. project.

[6:18:55 PM](#) Dawson gave council an overview of the Woodside Blvd. Project. Haemmerle wants to know where the \$2.2 million came from. \$916,000 has already been spent out of the capital fund. The Capital Fund has \$1 million in it right now – unrestricted. \$300,000 is for Development Impact Fees and Sidewalk, Dawson is referencing the numbers from page 256 in packet. Total funds available unrestricted and restricted \$1.954 million. (\$458,000 is restricted Rodeo Grounds Interpretive Center and unavailable to the Woodside project). 1.53 million is available total, minus the \$458,000. Dawson suggested discussing \$1.3 million because \$916,000 has been spent on Engineering to date.

[6:33:10 PM](#) pg 256 of packet, \$287,630 is what is left over in the Capital fund. This suggests that staff time going back and forward would be paid from the Capital Fund Dawson then spoke of a memo she wrote to council (page 244 of packet) with her proposed solutions to moving forward with the project. Dawson referred to page 254 in packet. Haemmerle asked how we could replenish the capital fund. Dawson explained that a permanent levy could be put to voters, at \$40/\$100,000 tax valuation, if passed.

[6:42:37 PM](#) Hellen handed out a sheet for “add backs” to the council if bids come in lower than 3.8 million – Items Federal Highways required in the project. Dawson pointed to page 254 in the packet. If bids come in below 3.8 million, ad backs are considered in order given by Federal Highways. If bids come in above 3.8 million – the project is dead stated Dawson.

Public comments:

[6:49:31 PM](#) Peter Lobb of 403 E. Carbonate has questions on 3 numbers –What is the total cost of the project, amount that the grant will pay and amount citizens will pay. Dawson answered \$5 million 717 thousand is the anticipated total project cost including expenses to date, the grant amount is for \$3.5 million and the citizens will pay \$2.2 million.

[6:50:52 PM](#) Brown comments that River Street is off the table in her mind. Capital Improvement Plan (CIP) is for us to spend fundamentally. Brown is worried about the contingency for the unexpected.

[6:51:43 PM](#) Keirn agrees with Brown on River Street project being off the table. Keirn also believes that the CIP should be spent. Keirn feels that we need to move forward.

[6:53:07 PM](#) Mayor Davis feels that the do not exceed bid protects us.

[6:54:02 PM](#) Haemmerle is not happy with how we got here. Grants are not free – particularly when we get costs upfront – wrong. We have gone over budget \$300,000 on engineering only.

Williamson states that the only variable in the contract would be for increased oil prices - fuel and pavement [6:56:38 PM](#).

[6:58:25 PM](#) Haemmerle asks what happens if we go over and spend the contingencies – operating funds are all that remains. Haemmerle asks, do we get a check for \$3.4 million? Hellen answered, no. We submit monthly bills and rely heavily on the “to-be-determined” hired CEI – project manager. US DOT frowns upon change orders and probably would not reimburse us for them. Dawson suggests that we add more funds to Public Works department so that a staffer can oversee the project alongside the CEI project manager.

[7:04:21 PM](#) Burke is saddened by this situation as is Haemmerle. Burke feels we are going to have to pay for it one way or another. If we don’t go ahead now – then we won’t get the assistance from the grant. Burke feels we need to drop River Street. We have to do this work (on Woodside Blvd.) at some point so why not take advantage of the grant.

Discussion regarding CA 514 [7:08:53 PM](#) **Haemmerle makes motion to approve Resolution 2011-41, seconded by Brown, motion passed with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.**

Discussion CA 515 [7:11:00 PM](#) Brown can't tell what would have been normal costs incurred by the timesheets they submitted. Council asked Hellen to go back and ask for justification from JUB. \$3,000 was justifiable costs.

After a lengthy discussion on whether or not the re-engineering is needed. Burke [7:19:34 PM](#) asked if we have time to get clarification.

Council asked if we can have a special meeting on November 21st. Dawson summarized [7:22:01 PM](#) what we should get for council to discuss. Brown agreed with Dawson.

[7:23:00 PM](#) **Brown moved to continue PH 527 to a special meeting on November 21st at 5 pm, seconded by Burke, motion passed with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.**

NEW BUSINESS:

NB 530 Discussion of Quigley Annexation Application process

Discussion of CA 517 [7:23:35 PM](#)

Robrahn asked council if they want to meet on any other topics between now and when we receive the water appraisal results in January. Williamson thought they could divide topics for discussion similar to what we done in the past with Quigley discussions. Burke doesn't think we need to talk until we get the water appraisal. Haemmerle [7:26:10 PM](#) thinks there is another important issue – is this a better development under the city rather than development under the county? Haemmerle would like to have a workshop with the county to see what development would look like. Williamson thinks county staff would be willing to meet, but probably not the county commissioners. Planning Director Robrahn asked when? –all of council answered, after the water appraisal is received.

[7:31:32 PM](#) Robrahn handed out public comments to council tonight and stated that even though tonight's discussion was not a Public Hearing, she received emails regarding Quigley from Janet Carter and Scott Phillips, both are in support of the Planning and Zoning's recent decision to deny the annexation application.

CA 517 – West Water. Brown moved to approve agreement with City Attorney's approval and suggested modifications if needed, seconded by Haemmerle, motion approved with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.

No Public comments on River Street Grant.

[7:30:50 PM](#) Brown moves to decline moving forward with the River Street Grant as council discussed tonight, seconded by Keirn, passed roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.

NB 531 Introduction of Request for Proposal to Rubbish Hauling Companies for services under a new franchise agreement

[7:32:39 PM](#) Dawson said that it is okay if council does not make a decision tonight. Our current rubbish hauling franchise expires in April 2012. Dawson then proceeded to give an overview.

[7:39:44 PM](#) Evan Robertson attorney address is Post Office Box 1906 Twin Falls a representative for Clear Creek Disposal spoke to council. Robertson discussed the challenge of the current proposed RFP pricing of the 3 trash bins. Definition of single family – 4 units is in the RFP. Dawson stated that the current residents number 2250 has not been updated. This number is from the original contract. Robertson asks if this RFP is for one commercial agreement and one residential agreement, like what is in place. [7:47:52 PM](#) Williamson explained. Section 4 – scope of work Robertson asked how many contracts are proposed. Robertson and Williamson agree that they should tighten up language under B & C.

[7:49:46 PM](#) Elizabeth Jeffrey of 415 South 2nd Ave. has been working with 5 contractors on recycling. Some information she has gotten from the contractors she shared with council: they are billed through the city utility billing process, how many dumpster pick ups is not clear on the bill. Contractors are interested in universal signage to help with clarification with sub contractors. Jeffrey states, as per residential, she believes to incentivize recycling is important.

[7:54:59 PM](#) Mike Goitiandia of 151 Cloverly Lane Hailey spoke to council. Goitiandia has a billing concern; the city bill is limited to one number. He offered to take over the garbage billing as his is more specific.

[7:55:02 PM](#) Elizabeth Jeffrey has had a difficult time interpreting Clear Creeks bills when looking at the city statement. Clear Creek's bills are clearer.

Dennis Lallman of 130 Dollar Drive Ketchum spoke to council. Lallman is the CPA for Clear Creek Disposal.

[7:57:03 PM](#) Geoffrey Moore of 1250 Woodside Blvd spoke to council. Moore is not willing to pay more for recycling service. Moore is reading from the packet information. Moore doesn't think the price structure is a way to increase revenue because recycling efforts have caused a \$26,000 shortfall. Moore does not see this price structure as positive to Hailey residents.

[8:00:05 PM](#) Lallman with Clear Creek makes another point regarding the pricing of canisters. They know what they can make for the bids, but because of this new price structure, how many residents would drop to the smaller bins?

[8:01:38 PM](#) Burke feels we are asking for an unfair scenario. We need the real cost to determine the RFP. We should have the bids based on real costs for 3 sizes of bins.

[8:07:14 PM](#) Lallman clarified Brown's question. How do we get the same amount of money from 3 different size bins from Hailey? Ketchum and Sun Valley have flat rates, no matter what size bin you use. Williamson asked what Percentage is recycled in Ketchum vs. Hailey. Approx. the same amount answered Lallman.

[8:12:33 PM](#) Geoffrey Moore suggested that trash pickup should be on one side of street – hence saving costs and time.

[8:13:25 PM](#) Brown asked for real costs for all bins.

[8:15:13 PM](#) Dawson rephrased direction from council. Give cost estimates for all 3 size bins, including profits and recycling. Give the bid for Hailey. Ask what we want for amplified recycling?

[8:18:25 PM](#) Williamson is concerned about this process and how it will end up.

OLD BUSINESS:

OB 532 2nd Reading Ordinance 1093 - amends Hailey Zoning Ordinance, Section 4.12.3.3; adding subsection g, to allow for one accessory dwelling unit (ADU) per unit of a non-residential Principal Building within the SCI-Industrial Sub District.

[8:21:51 PM](#) Mayor Davis conducted the 2nd reading of Ordinance No. 1093 by title only

OB 533 2nd Reading Ordinance 1094 – amends Municipal Code Title 5 to remove requirements for city day-care license, except as required through business license process and by the State of Idaho

[8:22:13 PM](#) Mayor Davis conducted the 2nd reading of Ordinance No. 1094 by title only

STAFF REPORTS:

[8:22:56 PM](#) Robrahn presented the 2 Grow Smart Awards Hailey received.

[8:23:31 PM](#) Hellen told council that there will be one more snow removal contract in an upcoming meeting. He is currently negotiating a better price, the rental company has had an increase in leases of this type of equipment because of the recent mining boom in the area – and therefore they want more money.

[8:24:00 PM](#) Brown moves to hold a special meeting November 21st at 5 pm, motion seconded by Burke, motion passed with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.

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

8:24:39 PM Brown moves to go into Executive Session for Pending & Imminently Likely Litigation (IC 67-2345(1)(f)) at 8:24 pm , seconded by Burke, motion passed with roll call vote. Brown, yes. Keirn, yes. Haemmerle, yes. Burke, yes.

Mayor Davis and council came out of Executive Session and concluded the meeting at 8:30 P.M.

Rick Davis, Mayor

Mary Cone, City Clerk