

**MINUTES OF THE MEETING OF THE
HAILEY CITY COUNCIL
HELD JANUARY 9, 2017
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 Fritz Haemmerle. Present were Council members Colleen Teevin, Don Keirn, Pat Cooley, and Martha Burke. Staff present included City Attorney Ned Williamson, City Administrator Heather Dawson, and City Clerk Mary Cone.

[5:31:53 PM](#) Call to order by Mayor Haemmerle.

Open Session for Public Comments:

[5:32:11 PM](#) Chris Pomeroy Friedman Airport Manager spoke to Mayor and Council, the city staff has been a big help to them over the holidays thank you!

CONSENT AGENDA:

- [CA 001](#) Motion to ratify the Mayor’s signature authorizing the City to submit an application to the Idaho Water Resources Board for the Groundwater Conservation Grant to fund Water Smarty, requesting \$40,000.....
- [CA 002](#) Motion to approve Resolution 2017-001, as required by the Bureau of Reclamation for the City’s grant application to the Bureau of Reclamation’s WaterSmart Program, a two-year grant program to fund Water Smarty, requesting \$75,000
- [CA 003](#) Motion to ratify grant application to the Idaho Commission for Libraries “Make It Program” for a potential grant award of a community education “kit”
- [CA 004](#) Motion to approve Resolution 2017-012 authorizing Mayor to sign revised form with Chase Paymentech to enable the Library to take credit card payment from patrons paying fines previously approved with Resolution 2016-129,
- [CA 005](#) Motion to approve Resolution 2017-002 authorizing contract with Chase Paymentech to receive a reduced fee for credit card processing of utility payments through Xpress Bill Pay
- [CA 006](#) Motion to approve Resolution 2017-003, reappointing Melanie Paisley to the Hailey Tree Committee for a 3-year term (term expired 12/2016).....
- [CA 007](#) Motion to approve Resolution 2017-004, for the reappointment of Joan Davies and Morgan Buckert (terms expired 12/2016) and Daniel Hansen to Hailey Arts and Historic Preservation Commission for 3 year terms.....
- [CA 008](#) Motion to approve Resolution 2017-005, for the appointment of Lee Dabney to Hailey Public Library Board of Trustees (expired term of Sara Baldwin September 2016).....
- [CA 009](#) Motion to approve Resolution 2017-006 ratifying the Mayor’s signature and approving an Agreement with HDR to update the City’s Wastewater Treatment Plan NPDES Permit.....
- [CA 010](#) Motion to approve Resolution 2017-007 ratifying the Mayor’s signature and approving an Agreement with Carollo Engineers to fund a wastewater collection system study to be reimbursed by Quigley Development LLC.....
- [CA 011](#) Motion to approve Resolution 2017-008 ratifying the Mayor’s signature and approving an Agreement with Alta Planning to fund a subarea transportation study to be partially reimbursed by Quigley Development LLC.....
- [CA 012](#) Motion to approve Resolution 2017-009, authorizing an Annexation Review Agreement between CGP, LLC and the City of Hailey regarding annexation review of 24.46 acres southwest of Hailey in the Hailey Area of City Impact (Colorado Gulch Preserve, Lot 1A, Block 1, Stevens Family Ranch) stipulating that CGP, LLC fund consulting and staff services necessary to analyze the annexation proposal for the amount of \$10,000.....

- ~~[CA 013](#) Motion to approve Resolution 2017-010, authorizing an amendment to Hailey Personnel Handbook's vehicle use, travel and benefits policies, and replacing Appendix C, a list of people to whom harassment is reported, with a new Appendix C consisting of the city credit card policy~~
- [CA 014](#) Motion to authorize Mayor to sign E-Banking Customer Security Review Form for Online Banking with Mountain West Bank.
- ~~[CA 015](#) Motion to approve bills of sale from Wood River Land Trust for improvements permanently installed at Lions Park~~
- [CA 016](#) Motion to approve the Findings of Fact and Conclusions of Law and Decision for a Final Plat application approval for a seven-unit, cottage-style townhouse subdivision called Sonitalena Cottages, to be located on Lot 2, Block 4, Old Cutters (261-281 CD Olena).....
- [CA 017](#) Motion to authorize the Mayor to sign a letter of support to Blaine County regarding a request by the Idaho Transportation Department to add an employee housing unit at the Hailey Maintenance Yard, north of the City of Hailey in the Hailey Area of City Impact.....
- [CA 018](#) Motion to approve minutes of December 1, 2016 and to suspend reading of them
- [CA 019](#) Motion to approve minutes of December 5, 2016 and to suspend reading of them
- [CA 020](#) Motion to ratify claims for expenses due by contract in November 2016.....
- [CA 021](#) Motion to ratify claims for expenses due by contract in December 2016
- [CA 022](#) Motion to approve claims for expenses incurred during the month of December, 2016, and claims for expenses due by contract in January, 2017
- [CA 023](#) Motion to approve Treasurer's reports for November and December 2016.....
- [CA 024](#) Motion to approve 2016 Annual Road and Street Finance Report.....

[5:32:55 PM](#) Williamson pulls item CA013

[5:33:06 PM](#) **Burke moved to approve all consent agenda items minus CA 013, seconded by Keirn, motion passed unanimously.**

[5:33:26 PM](#) Williamson and Miller also pull item CA 015.

[5:33:38 PM](#) **Motion to reconsider consent agenda motion to approve item CA 015 made by Burke, Cooley seconded, motion pulled for discussion, motion passed unanimously.**

[5:34:06 PM](#) CA 013, Williamson wants to continue this item to a future date.

[5:34:29 PM](#) CA 015, Williamson asks for approval subject to Williamson's review, on the question whether or not ICRMP's insurance policy will cover the boardwalk. If not covered, then we will bring it back to council for discussion.

[5:35:21 PM](#) **Burke moves to approve CA 015 subject to Williamson's review of the ICRMP policy coverage accept the Bill of Sales, seconded by Keirn, motion passed unanimously.**

MAYOR'S REMARKS:

[5:36:14 PM](#) Mayor Haemmerle, we have a snow issue going on right now, help those in need, please be patient, we've issued a press release today. Due to the Avalanche on Della Mountain which covered the Big Wood River, we have closed portions of War Eagle and Cedar Street roads, please be patient. We are working to unblock the river. We will probably see more avalanches in this same spot.

Mayor Haemmerle announced that the street department in Hailey has never been better, best of the best job this winter. These people work really hard. Give them some time and patience. And good luck to Mariel Miller.

APPOINTMENTS AND AWARDS:

AA 025 *Motion to approve Resolution 2017-013, for the (re)appointment of two Hailey Planning and Zoning Commissioners to fill 3-year terms that expired December 2016*

[5:38:22 PM](#) Mayor Haemmerle wishes to continue both terms for the Planning and Zoning Commissioners, Janet Fugate and Dan Smith

[5:38:57 PM](#) **Burke moves to approve Resolution 2017-013 re-appointing Janet Fugate and Dan Smith to another 3 year term, Keirn seconds, motion passed unanimously.**

PUBLIC HEARINGS:

PH 026 *Consideration of the Parks and Lands Board recommendation for submittal of a grant application with the Land and Water Conservation and the grant application itself, proposing \$157,534 for improvements at Balmoral Park*

[5:40:03 PM](#) Stephanie Cook presents on the Balmoral Park improvements. The Parks and Lands Board have held 5 public meetings regarding this grant. This grant also requires a Public Hearing for this discussion. We sent out a survey and conducted an open house, people voted on potential amenities they would like to see at this park. Improvements proposed include: Pavilion, play structure and swing sets, soccer field with goals, corner markers and lines, six benches and 10 trees on mostly on the North end of the Park, ADA compliant pedestrian path, and new park entry sign and landscaping, and a half basketball court, connecting an existing half basketball court. Project total is expected to be \$157,534, \$8,326 in city funds, \$12,566 in-kind contributions and \$61,550 partner contributions. We are asking for \$75,092 in our grant request. [5:45:21 PM](#) Partners and contributors include: Balmoral Apartments, Hailey Parks Foundation, Kiwanis, Conrad Brothers Construction will be working with the Wood River High School Construction Academy, Valley Paving, Sluder Construction, Roberts Electric. Mark Spencer did our conceptual design; he is a member of the Parks and Lands Board. The Tree Committee is also a partner in this project.

The application is due Jan 27th, and we will know in July if we are awarded the grant. If awarded then we will sign the grant agreement in November 2017 and wrap up project in Nov 2018.

Mayor Haemmerle asked a question. Cook replied.

[5:47:31 PM](#) Burke commented on the name. Can we add “City of Hailey” in the name so people know that it is a city park? Maybe we can do something about this? Discussion around this suggestion was well received with Mayor and Council.

Public comments, none.

Mayor agrees with Burke on adding the City's name on the Park sign.

[5:49:32 PM](#) Cooley comments on the contributors, great list of folks. Mark Spencer has put lots of time and effort in this project. Cooley is grateful to all of our contributors. Mayor Haemmerle is also very appreciative of the public support of all of our city parks and he mentions that he has sent them all thank you letters for their contributions to this park.

[5:50:50 PM](#) **Keirn moves to approve submittal of the Land and Water Conservation Fund Grant and authorize Mayor to sign, requesting amount of \$75,092 with matching funds of \$82,422 and significant contributions from others, seconded by Cooley, motion with roll call vote, Teevin, yes. Keirn, yes. Cooley, yes. Burke, yes.**

PH 027 Consideration of an application by Terence and Kim Hayes, represented by Galena Engineering, for a Lot Line Adjustment located at 313 South 2nd Avenue, Lots 5-9, Block 22, Hailey Townsite, wherein the lot lines between Lots 5-9 are modified, creating two (2) lots. The property is located within Section 9, T.2N., R.18E., B.M., City of Hailey, Blaine County, Idaho

[5:51:57 PM](#) Horowitz opened this item. The Hayes have 5 lots and they are making into 3 lots 5 A 3 lots 9,000 sq ft and lot 9A is 6,000 sq ft, this lot can never have an ADU as it is too small, the 9,000 sq ft lot has an ADU and meets all of the setback requirements.

Mayor asked a question, Horowitz answered.

[5:54:02 PM](#) Hayes, plan on selling the 2 lots.

[5:54:14 PM](#) no other public comments.

[5:54:24 PM](#) **Keirn moves to approve Lot Line Adjustment submitted by Terence and Kim Hayes to create a two lot subdivision whereby Lots 5-9, Block 22 Hailey Townsite are consolidated into two (2) lots located at 313 South Second Street, finding that the final plat is consistent with the approved preliminary plat and with City standards, subject to conditions (a) through (f), seconded by Cooley, motion passed with roll call vote, Teevin, yes. Keirn, yes. Cooley, yes. Burke, yes.**

PH 028 Consideration and first reading of an ordinance regarding an amendment to the City of Hailey Zoning District Map of a Zone and amendment to the City of Hailey District Use Matrix by Silver Creek Property Holdings, LLC, represented by Errin Bliss of Bliss Architecture. Proposed map change would rezone the Friedman Park Subdivision, Lot 11A, Block 2 from Limited Business (LB) to Light Industrial (LI), thereby allowing an auto dealership and auto repair/service shop to conduct business. Proposed District Use Matrix change would permit "auto dealership" in the Light Industrial (LI) Zone District as a Permitted Use

[5:55:32 PM](#) Mayor opens this item.

[5:55:57 PM](#) Horowitz does not see Errin Bliss the applicants representative, do you want to proceed. Mayor announced that we will re-visit this item later in the meeting; we will discuss the next Public Hearing item on Quigley now.

PH 029 Continuation of an application within the Hailey Area of City Impact for Planned Unit Development (PUD) and Subdivision Preliminary Plat, the Quigley Farm PUD. This is an application to Blaine County by Quigley Farm & Conservation Community, LLC, represented by Hennessy Company and SERA Architects for a 51-unit mixed use project. The City of Hailey is not the decision-maker, and will provide comments to the County on this application.....

[5:56:39 PM](#) Haemmerle opened this item and handed over the floor to Lisa Horowitz. This is the 4th public hearing on this item; tonight we are focusing on Water and Wastewater service. Then city engineer will discuss the proposed design.

[5:58:10 PM](#) Dave Hennessey, introduced Pete Munoz, Sr. Engineer with Bio Habitats in Cascade Oregon. His company specializes in cold climate constructed wetlands, and cold climate systems. Munoz showed some pictures of projects done by his company. We are generally collecting water onsite from throughout the site and pumping to a particular place on site. We pressurize the water and send throughout the valley if they choose, or send to drain field or be reused. There is a lot of flexibility on how to use the water. Munoz then talks about the components of this system. Simple septic tank is the first step, primary treatment, then goes to constructed wetland, lots of experience with integrating these in landscaping. All the water is subsurface, no potential for exposure; no one can come into contact with the septic, then on to a sand filter. Finally they disinfect based on type of use of water, then land application.

[6:05:17 PM](#) Mayor asks about the disinfection system is it chemical or mechanical? Munoz replies, it is ultraviolet light disinfectant filter, not chemical.

Munoz shows 2 project example he feels are a good example for this project. A school in Rhinebeck, NY The Omega Institute, is twice the size of Quigley project, at 53,000 gallons per day. Munoz shows a disinfection equipment room with the ultraviolet system. Munoz is happy to answer and questions.

[6:10:52 PM](#) Mayor Haemmerle asks who would contract with the operators of this system. Hennessey answers, the Homeowners Association would contract and pay the operators. Haemmerle asks another question, Hennessey replies. Hennessey explained that they have been speaking with the man who runs The Meadows treatment plant. Cooley asks a question, [6:12:29 PM](#) Hennessy answers.

[6:12:44 PM](#) Keirn asks a question about functionality of the system in minus 20 degrees below zero. Munoz answered. Vegetation barrier provides insulation of the treatment plant; wetlands are 3 ½ feet deep, those are well protected. Munoz replies to another concern about elk disturbing the vegetation. Munoz explains what they are doing in Yellowstone National Park, right now, with Bison as a concern. This activity does not impact the mechanics of the system.

[6:15:39 PM](#) Haemmerle asks about reliability of wetlands. Munoz speaks of the adaptability of these systems since the early systems in the 1960's, increased the gravel size over the years

makes it a more reliable system. Munoz explains that they are polishing with a filter first. Haemmerle asked if DEQ has reviewed yet. Munoz replied, Hennessey commented too.

[6:17:51 PM](#) Cooley asks, what class affluent is your goal? Munoz replies, the top, class A, so that it can be reused inside building. How big are the UV buildings? Munoz approximately 10 feet by 20 feet, enough space for ease of maintenance. Hennessey commented at the back of a restroom possibly. Cooley asks again. Munoz one treatment location, 24,000 gallons per day is the build out.

[6:19:54 PM](#) Haemmerle largest residence you've done? Munoz replies, that the largest facility is 47,000 gallons in Portland 650 units; 2 years ago. Haemmerle asks, "inside the Portland city limits?" Munoz replies. Munoz offered to provide a list for Mayor and council to review. Hennessey added that a list was provided earlier of 4 projects.

[6:20:50 PM](#) Keirn asks what is the major malfunction of this type of system? Munoz, typically a front end, septic tank screen, pump out regularly, too much solids go down, cause blocks. What is the impact? Munoz answered, notice that there is more sludge build up in the hopper and that will trigger them to come inspect, and the nitrification rates will be going down, 2 early indicators. Keirn asks how do you know who is doing the pumping? Munoz replies most robust way to track who is pumping is record keeping. And Hennessey added part of Homeowners Association operations agreement.

[6:23:57 PM](#) Haemmerle asks how often do the solids get removed and where are the removed to? Munoz replied similar to residential every 3-7 years could be 1-3 years, check every year, referred to as "sludge judge," have records of performance.

[6:24:30 PM](#) Teevin asks a question. Munoz answers, there could be a phasing approach, bringing on more to the system over time.

[6:25:50 PM](#) Burke asks about the cost of typical septic tanks. Munoz answers, infrastructure, could be a multiyear payback (3 ½ years).

[6:26:54 PM](#) Keirn asks a question. Munoz responds.

[6:27:35 PM](#) Burke asks a water question to Mayor Haemmerle, water credit.

[6:27:59 PM](#) Haemmerle asks a question about the Portland systems recently installed. Munoz, as a backup they could connect to the municipal system. Munoz replied, The Omega Institute is an example.

Public comments:

[6:30:00 PM](#) John Wiese of Buckskin Drive, speaks to council. Will this system be planned to handle a full buildout? Central tank for affluent, shows map. Where is the treatment system located? Munoz answers, plan is to treat once and then send to the locations for use. Hennessey,

this is sized for total build out, 166. But this does not include the 3 clusters on their own, typical independent septic system for these clusters.

[6:35:42 PM](#) Paul Reiss, Deerfield resident wants to comment later after staff has commented.

[6:36:07 PM](#) Brian Yeager, City Engineer presents his comments to Mayor and Council. Yeager displayed a presentation to the room. The municipal code 16.05.010 is referenced to compare the proposed development's efficiency. The question he is looking to answer, is this superior than the city's system? Yeager looked at it as the following components, collection system, treatment and a disposal. Yeager begins with the collection system analysis, if this was integrated into the city, the operation of the system with the pressure, is unlike anything the city uses, unique and different, non-conformance to existing standards. Next is the treatment system analysis, City has a great facility that has just been installed, city does not want to learn how to run yet another new system, it is difficult to determine if this proposed system is superior. Next is the Disposal system, onsite disposal, viable technology but not sure if this is superior to the City's system. The question is, do you want to approve this and potentially others like it in the future, if asked. Difficult to see if this is superior to the City system. Disposal of affluent is largest concern. Onsite disposal is proposed by the applicant. Yeager mentions a possible "hybrid" option of dumping the affluent into the city's system in the winter, which would max out the capacity of our Wastewater treatment facility.

[6:46:27 PM](#) Haemmerle asks a question. Yeager attempted to contact some of these projects but did not get many questions answered. A Colorado facility was removed because it was not operating to their standards.

[6:47:41 PM](#) Cooley asks Horowitz a question.

[6:47:54 PM](#) Teevin asks a question. Yeager responds.

[6:48:46 PM](#) Haemmerle asks what is the Valley Club system? Yeager replies. Hennessey, they don't reuse their affluent.

[6:50:04 PM](#) Keirn asks the impact on our sewer treatment system? Yeager answered.

[6:51:25 PM](#) Burke asks a question of Dawson. Burke wants to hear about redundancy and backup systems. Burke wants to understand and be able to trust this system.

[6:53:38 PM](#) Haemmerle asks a question. Yeager responds. Everything on Eastern side of city goes via gravity to treatment plant, by counting all lots, vacant lots, acreage of unbuilt lots, will reach capacity, would need to upgrade the main pipes.

[6:57:07 PM](#) Hennessey comments on size of pipes of peak flow, they have storage facility on site to enable a timing of release to city at night if preferred.

[6:58:06 PM](#) Paul Reiss comments now. Reiss appreciates Quigley Farms time and city staff time on this analysis, what about performance of this type of system. None of these systems in Idaho, concerns with this generally. Should something go wrong with the system, what happens?

[7:02:53 PM](#) Cooley likes the idea of a standalone sustainable system. If the city must take over the system, then he has concerns.

[7:04:15 PM](#) Linda Reiss Eastridge resident spoke to council. If this project stays in the county, some of these things are fine, but won't be sufficient if ever in city limits. There are other concerns with this project that might impact the city at one point, all pieces considered together. Haemmerle comments.

[7:07:14 PM](#) Peter Lobb speaks. There is an assumption that this will come into the city, it won't. They are building with county standards. DEQ is a deciding factor, it would be helpful to know what they are determine – is it viable? Lobb, if they build out, we don't have the infrastructure to handle the traffic.

[7:09:17 PM](#) Paul Reiss, thinks there should be a backup plan also. This is a concern to him. Haemmerle asks a question. Reiss replies, he thinks that they will go back to the drawing board.

[7:10:59 PM](#) Cooley asks about expectations. Haemmerle responds.

[7:11:45 PM](#) Brian Yeager discusses his review of the water system. Potable water system in house and a fire / irrigation system. Irrigation system provides the water to the fire hydrants. This irrigation system set up is not superior to the cities design.

[7:13:48 PM](#) Haemmerle asks a question. Williamson responds.

[7:14:48 PM](#) Horowitz, in February meeting will discuss land use issues, off site transportation issues and summary of work the City Engineer has done on this type of facility and its capacity.

[7:15:12 PM](#) Cooley asks on page 380, water system, Brockway Engineering analysis discrepancy. Hennessey had the same question; he can get an answer for Cooley. A geothermal line question, Hennessey clarified heat pumps.

We will continue this discussion on February 6, 2017.

PH 028 Consideration and first reading of an ordinance regarding an amendment to the City of Hailey Zoning District Map of a Zone and amendment to the City of Hailey District Use Matrix by Silver Creek Property Holdings, LLC, represented by Errin Bliss of Bliss Architecture. Proposed map change would rezone the Friedman Park Subdivision, Lot 11A, Block 2 from Limited Business (LB) to Light Industrial (LI), thereby allowing an auto dealership and auto repair/service shop to conduct business. Proposed District Use Matrix change would permit "auto dealership" in the Light Industrial (LI) Zone District as a Permitted Use

[7:19:03 PM](#) Errin Bliss presented this item for Goode Motor Group, want to relocate their maintenance service area to south main dealership (Silver Creek Ford Dealership), propose change from LB to LI, currently this business is a non-conforming use in the LI zone.

No public comments.

[7:24:13 PM](#) Burke likes it. Cooley likes it.

[7:24:28 PM](#) **Motion to approve Ordinance No. 1211 made by Keirn, seconded by Burke, motion passed unanimously.**

[7:24:53 PM](#) **Mayor Haemmerle conducts the 1st Reading of Ordinance No. 1211, by title only.**

OLD BUSINESS:

OB 030 Consideration of Traffic School Ordinance No.1210. See packet for details

[7:25:52 PM](#) Williamson found a problem with this, it should be noticed as a Public Hearing we will discuss this in a future meeting.

STAFF REPORTS:

[7:26:41 PM](#) Miller hands out a hydro facility report. Old turbine generation compared to new turbine, revenue has gone up. Power production is 10 times the old output.

Also you have a snow report, last two events – past 2 nights. Removed 42 inches, delivered 170 loads to Lions Parks, about 1000 loads after next few days removal. Miller pointed out how far we are in the budgeted snow removal line item, about Three Quarters the way through this budget so far.

[7:30:18 PM](#) Haemmerle commented, we still could be fine, might have a dry February. Please tell them they are doing a great job.

[7:31:52 PM](#) Miller gave an update on the avalanche area in Della View. Sluder Contractor is working in the channel to remove snow and ice. Cooley looked at the site before meeting, it is a large area. We will continue to monitor it.

EXECUTIVE SESSION: Pending & Imminently Likely Litigation (IC 74-206(1)(f))

[7:33:28 PM](#) **Burke moves to go into Executive Session to discuss Pending & Imminently Likely Litigation (IC 74-206(1)(f)), motion seconded by Keirn, motion passed with roll call vote. Burke, yes. Cooley, yes. Keirn, yes. Teevin, yes.**

[7:39:55 PM](#) Mayor and council came out of exec session.

Keirn moves to adjourn the meeting, Burke seconds, motion passed unanimously.