

Revised 3/30/2012

CITY COUNCIL CALENDAR OF THE CITY OF KETCHUM, IDAHO

Monday, April 2, 2012, beginning at 5:30 p.m.

480 East Avenue, North, Ketchum, Idaho

Approximate starting time for each agenda item is indicated at left.



- 5:30 1. CALL TO ORDER
- 5:30 2. COMMUNICATIONS FROM MAYOR AND COUNCILORS.
a) Appointment of Charles Friedman to the Ketchum Community Development Corporation Board - Mayor Randy Hall.
3. COMMUNICATIONS FROM THE PUBLIC.
- 5:35 a) Communications from the public.
- 5:50 b) Blaine County Housing Authority Annual Report - Dave Patrie, BCHA Executive Director. Tab 1
- 6:10 c) Report on Bicycle Friendly Community Status - Rebecca Rusch & Greg Martin.
- 6:20 4. COMMUNICATIONS FROM THE PRESS.
5. AGREEMENTS AND CONTRACTS.
- 6:25 a) Recommendation to award a street painting bid for traffic markings to Idaho Traffic Safety, Inc., for \$39,635 - Reed Shuler, Street Supervisor. Tab 2
- 6:30 b) Recommendation to approve a Parks and Recreation Department Data Services Contract with Active Network, Inc. in an amount not to exceed \$7,261 - Jennifer L. Smith, Director of Parks & Recreation. Tab 3
- 6:50 c) Recommendation to approve an Idaho Power Franchise Extension Agreement - Gary Marks, City Administrator. Tab 4
6. PUBLIC HEARINGS.
- 7:05 a) Amended and Restated Warm Springs Ranch Annexation and Development Agreement - Lisa Horowitz, Community and Economic Development Director. Tab 5
7. ORDINANCES AND RESOLUTIONS.
- 7:55 a) Ordinance 1096: An ordinance of the City of Ketchum, Idaho amending the City of Ketchum Municipal Code, Title 15, by adding a new chapter: Green Building Codes, and adopting the 2008 Edition of the National Green Building Codes (NGBS), International Code Council (ICC) 700-2008 with amendments; providing for enforcement and penalties; providing for appeals; providing a savings and severability clause; providing a codification clause; providing a repealer clause; providing for publication by summary; and providing for an effective date - Rebecca F. Bundy, Associate Planner. Tab 6
- 8:25 b) Resolution 12-008: Adopting the Blaine County Multi-Jurisdictional All Hazard Mitigation Plan - Joyce Allgaier, Planning Manager. Tab 7
- 8:40 8. CONSENT CALENDAR. Tab 8
- a) Approval of minutes from the March 19, 2012 Council meeting.
- b) Recommendation to approve current bills and payroll summary.

9. EXECUTIVE SESSION to discuss personnel, litigation and land acquisition pursuant to Idaho Code §§67-2345 1(a) (b), (c) and (f).

10. ADJOURNMENT.

Any person needing special accommodations to participate in the above noticed meeting should contact the City of Ketchum three days prior to the meeting at (208) 726-3841.

This agenda is subject to revisions and additions. NOTE: Revised portions of the agenda are underlined in bold. Public information on agenda items is available in the Clerk's Office located at 480 East Ave. N in Ketchum or (208) 726-3841.

Check out our website: www.ketchumidaho.org.

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



March 28, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

April 2, 2012 City Council Agenda Report

The regular Council meeting will begin at 5:30 p.m.

3. COMMUNICATIONS FROM THE PUBLIC.

- b) Blaine County Housing Authority Annual Report - Dave Patrie, BCHA Executive Director.

Dave Patrie, Blaine County Housing Authority (BCHA) Executive Director, will present the BCHA Fiscal Year 2010-2011 Annual Report. A staff report from Lisa Horowitz has been included in the packet for Council review.

RECOMMENDATION: This item is for information purposes only. There are no recommendations at this time.

RECOMMENDED MOTION: None.

This is a legislative matter.

5. AGREEMENTS AND CONTRACTS.

- a) Recommendation to award a street painting bid for traffic markings to Idaho Traffic Safety, Inc., for \$39,635 - Reed Shuler, Street Supervisor.

The Street Department is seeking Council approval of a street bid for traffic markings to Idaho Traffic Safety, Inc., in the amount of \$39,635. The contract will provide for the re-painting of crosswalks, parking lines, handicap parking stalls, fog lines, center lines, stop bars, turn arrows and bike path markings. A staff report from Brian Christiansen has been provided in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council award a street painting contract to Idaho Traffic Safety, Inc. in the amount of \$39,635.

RECOMMENDED MOTION: *"I move to award a street painting contract to Idaho Traffic Safety, Inc. in the amount of \$39,635."*

This is a legislative matter.

- b) Recommendation to approve a Parks and Recreation Department Data Services Contract with Active Network, Inc. in an amount not to exceed \$7,261 - Jennifer L. Smith, Director of Parks & Recreation.

The Parks and Recreation Department is seeking Council approval of the data services contract with Active Network, Inc. in an amount not to exceed \$7,261. This contract supports the Department's goal of improving its data management capacity. This expense is included in the FY2011-12 budget. A detailed staff report from Jen Smith has been provided in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the Parks and Recreation Department's Data Services Contract with Active Network, Inc. in an amount not to exceed \$7,261.

RECOMMENDED MOTION: *"I move to approve the Parks and Recreation Department's Data Services Contract with Active Network, Inc. in an amount not to exceed \$7,261."*

This is a legislative matter.

- c) Recommendation to approve an Idaho Power Franchise Extension Agreement - Gary Marks, City Administrator.

The City's current franchise extension with Idaho Power expires in April 7th. Work to develop a new agreement is nearing completion but will not be completed prior to the expiration of the current extension. The proposed extension letter establishes a new expiration date of June 6, 2012, or until a new franchise fee is adopted by the City, whichever occurs first. A copy of the proposed extension letter has been provided in the packet for Council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the power franchise extension letter, dated April 2, 2012, with Idaho Power.

RECOMMENDED MOTION: *"I move to approve the power franchise extension letter, dated April 2, 2012, with Idaho Power."*

This is a legislative matter.

6. PUBLIC HEARINGS.

- a) Amended and Restated Warm Springs Ranch Annexation and Development Agreement - Lisa Horowitz, Community and Economic Development Director.

The Community and Economic Development Department is seeking Council approval of the Amended and Restated Warm Springs Ranch Annexation and Development Agreement, subject to the addition of language regarding property maintenance. A detailed staff report with supporting documents has been included in the packet for Council review.

RECOMMENDATION: Staff recommends City Council approval of the Amended and Restated Warm Springs Ranch Annexation and Development Agreement, subject to the addition of language regarding property maintenance.

RECOMMENDED MOTION: *"I move to approve the Amended and Restated Warm Springs Ranch Annexation and Development Agreement, subject to the addition of language regarding property maintenance."*

This is a quasi-judicial matter.

7. ORDINANCES AND RESOLUTIONS.

- a) Ordinance 1096: An ordinance of the City of Ketchum, Idaho amending the City of Ketchum Municipal Code, Title 15, by adding a new chapter: Green Building Codes, and adopting the 2008 Edition of the National Green Building Codes (NGBS), International Code Council (ICC) 700-2008 with amendments; providing for enforcement and penalties; providing for appeals; providing a savings and severability clause; providing a codification clause; providing a repealer clause; providing for publication by summary; and providing for an effective date - Rebecca F. Bundy, Associate Planner.

The Community and Economic Development Department is recommending the City Council adopt Ordinance 1096, which establishes a green residential building code for the City. A detailed staff report from Rebecca Bundy and a copy of the ordinance have been provided in the packet for Council review.

RECOMMENDATION: Staff recommends the City Council waive the second and third readings of Ordinance 1096 and move to adopt.

1st RECOMMENDED MOTION: *"I move to waive the remaining two readings of Ordinance 1096, and read by title only, pursuant to Idaho Code 50-902"*.

2nd RECOMMENDED MOTION: *"I move to adopt Ordinance 1096, an ordinance of the City of Ketchum, Idaho, amending the City of Ketchum Municipal Code, Title 15, by adding a new chapter: Green Building Codes, and adopting the 2008 Edition of the National Green Building*

Codes (NGBS), International Code Council (ICC) 700-2008 with amendments; providing for enforcement and penalties; providing for appeals; providing a savings and severability clause; providing a codification clause; providing a repealer clause; providing for publication by summary; and providing for an effective date."

This is a legislative matter.

- b) Resolution 12-008: Adopting the Blaine County Multi-Jurisdictional All Hazard Mitigation Plan - Joyce Allgaier, Planning Manager.

The Community and Economic Development Department and the Ketchum Fire Department are recommending the City Council approve Resolution 12-008, which adopts the Blaine County Multi-Jurisdictional All Hazard Mitigation Plan. A detailed staff report from Joyce Allgaier has been provided in the packet for Council review.

RECOMMENDATION: Staff recommends the City Council approve Resolution 12-008, adopting Blaine County Multi-Jurisdictional All Hazard Mitigation Plan.

RECOMMENDED MOTION: *"I move to approve Resolution 12-008, adopting the Blaine County Multi-Jurisdictional All Hazard Mitigation Plan"*.

This is a legislative matter.

8. CONSENT AGENDA.

- a) Approval of minutes from the March 19, 2012 Council meeting.

Copies of the minutes from the March 19, 2012 Council meeting have been provided in the packet of Council review.

- b) Recommendation to approve current bills and payroll summary.

A list of bills for approval and the payroll summary have been included in the packet for Council review.

Sincerely,



Gary E. Marks
City Administrator

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



March 27, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

Annual Report by the Blaine County Housing Authority (BCHA)

Introduction/History

The City has contracted with BCHA for over six years to provide a variety of services related to managing, leasing and selling community housing units. The BCHA presents their annual report to the City every year.

Current Report

Dave Patrie of the BCHA will present the attached annual report.

Financial Requirement/Impact

The Council approved a contract for services with BCHA in the 2011/2012 budget for \$70,000.

Recommendation

No action is needed on this item.

Sincerely,

Lisa Horowitz
Community and Economic Development Director

BLAINE COUNTY HOUSING AUTHORITY

Financial Statements

Years Ended September 30, 2011 and 2010

BLAINE COUNTY HOUSING AUTHORITY
Financial Statements
For the year ended September 30, 2011 and 2010

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INDEPENDENT AUDITOR'S REPORT

November 2, 2011

To the Board of Commissioners
Blaine County Housing Authority

I have audited the accompanying financial statements of the governmental activities of the Blaine County Housing Authority, as of and for the years ended September 30, 2011 and 2010, which comprise the Housing Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities Blaine County Housing Authority as of September 30, 2011 and 2010, and the respective changes in financial position, where applicable, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated November 2, 2011, on my consideration of the Housing Authority's internal control over financial reporting and my tests of its compliance with certain provisions of laws, and regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Budgetary Comparison Schedules on page 10 and 11 are presented for purposes of additional analysis and is not a required part of the basic financial statements of the Housing Authority. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Dennis R. Brown". The signature is written in a cursive, flowing style.

DENNIS R. BROWN
Certified Public Accountant

BLAINE COUNTY HOUSING AUTHORITY
Statement of Net Assets
at September 30, 2011 and 2010

	2011	2010
<u>ASSETS</u>		
Cash and Deposits	\$ 81,117	\$ 37,865
Prepaid Insurance	1,384	1,407
Restricted Cash	47,119	46,938
Total Assets	129,620	86,210
<u>LIABILITIES</u>		
Accounts Payable	4,077	599
Accrued Payroll Tax Payable	1,325	2,634
Accrued Compensated Absences	1,325	5,526
Note Payable - City of Ketchum, Idaho		10,587
Trust Funds Payable	50	
Total Liabilities	6,777	19,346
<u>NET ASSETS</u>		
Restricted For:		
Capital Projects	50	
Other Purposes	47,069	46,938
Unrestricted	75,724	19,926
Total Net Assets	\$ 122,843	\$ 66,864

The accompanying notes are a part of these financial statements.

BLAINE COUNTY HOUSING AUTHORITY
Statement of Activities
at September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Expenses</u>		
Wages and Benefits	\$ 96,239	\$ 116,069
Insurance	2,813	2,557
Miscellaneous	1,053	676
Professional Fees	1,914	14,373
Rent	4,800	4,600
Interest Expense	28	
Advertising and Public Outreach	2,642	2,350
Travel and Meetings	1,260	1,230
Office Expense	2,238	2,964
Technology Expense	4,061	677
Resource Development	18,671	
Staff/Board Development	3,451	3,075
Utilities	4,559	4,875
	<u>143,729</u>	<u>153,446</u>
<u>Program Revenues</u>		
Community Housing Fees	34,761	28,865
Grants and Contributions	20,000	
	<u>54,761</u>	<u>28,865</u>
Net Program Expenses	<u>(88,968)</u>	<u>(124,581)</u>
<u>General Revenues</u>		
County and City Support	144,650	144,650
Interest on Investments	297	167
	<u>144,947</u>	<u>144,817</u>
Change in Net Assets	55,979	20,236
Net Assets at Beginning of Year	<u>66,864</u>	<u>46,628</u>
Net Assets at End of Year	<u>\$ 122,843</u>	<u>\$ 66,864</u>

The accompanying notes are a part of these financial statements.

BLAINE COUNTY HOUSING AUTHORITY
Balance Sheet
Governmental Funds
at September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ASSETS:		
Cash and Deposits	\$ 81,117	\$ 37,865
Prepaid Insurance	1,384	1,407
Restricted Cash	<u>47,119</u>	<u>46,938</u>
Total Assets	<u>\$ 129,620</u>	<u>\$ 86,210</u>
LIABILITIES:		
Accounts Payable	\$ 4,077	\$ 599
Accrued Payroll Tax Payable	1,325	2,634
Note Payable - City of Ketchum		10,587
Trust Fund Payable	<u>50</u>	<u></u>
Total Liabilities	5,452	13,820
FUND BALANCE:		
General Fund	<u>124,168</u>	<u>72,390</u>
Total Liabilities and Fund Balance	<u>\$ 129,620</u>	<u>\$ 86,210</u>

Amounts reported for governmental activities in the Statement of Net Assets (page 2) are different because:

Governmental fund focus on current resources, liabilities that will not be paid in the current period will not be included on the governmental fund balance sheet.

Governmental Funds Balance	\$ 124,168	\$ 72,390
Accrued compensated absences	<u>(1,325)</u>	<u>(5,526)</u>
Net Assets of Governmental Funds	<u>\$ 122,843</u>	<u>\$ 66,864</u>

The accompanying notes are a part of these financial statements.

BLAINE COUNTY HOUSING AUTHORITY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the year ended September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
REVENUE:		
Community Housing Fees	\$ 34,761	\$ 28,865
County and City Support	144,650	144,650
Grants and contributions	20,000	
Interest	<u>297</u>	<u>167</u>
Total Revenue	<u>199,708</u>	<u>173,682</u>
EXPENDITURES:		
Wages and Benefits	100,440	116,069
Insurance	2,813	2,557
Miscellaneous	1,053	676
Professional Fees	1,914	14,373
Rent	4,800	4,600
Interest Expense	28	
Advertising and Public Outreach	2,642	2,350
Travel and Meetings	1,260	1,230
Office Expense	2,238	2,964
Technology Expense	4,061	677
Resource Development	18,671	
Staff/Board Development	3,451	3,075
Utilities	<u>4,559</u>	<u>4,875</u>
Total Expenditures	<u>147,930</u>	<u>153,446</u>
NET CHANGE IN FUND BALANCES	51,778	20,236
FUND BALANCE - BEGINNING	<u>72,390</u>	<u>52,154</u>
FUND BALANCE - ENDING	<u>\$ 124,168</u>	<u>\$ 72,390</u>

The accompanying notes are a part of these financial statements.

BLAINE COUNTY HOUSING AUTHORITY
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
for the year ended September 30, 2011

	2011	2010
Net Change in Fund Balance - Total Governmental Funds (Page 5)	\$ 51,778	\$ 20,236
Liability for personal leave days are not recorded in Governmental Funds.		
This is the decrease in compensated leave during the years.		
	4,201	0
Change in Net Assets of Governmental Activities (Page 3)	\$ 55,979	\$ 20,236

The accompanying notes are a part of these financial statements.

BLAINE COUNTY HOUSING AUTHORITY
Notes to the Financial Statements
At September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In 2002, the Blaine-Ketchum Housing Authority was created by a joint powers agreement between Blaine County, Idaho and the City of Ketchum, Idaho under Idaho Code, Title 31 and 50. In 2009, Blaine County by resolution and under authority of Idaho Code Tile 31, changed the Housing Authority to a county wide entity and renamed it Blaine County Housing Authority. Its purpose is to provide affordable housing to county residents.

The Housing Authority's financial statements include the accounts of all operations under the oversight authority of the Board. Oversight responsibility is derived from the governmental unit's authority and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. Based on the foregoing criteria, no component units are included in the Housing Authority's financial statements.

(A) Basis of Accounting – Measurement Focus

Basis of Accounting:

For this reporting period, the Housing Authority has conformed its financial statement model to *Governmental Auditing Standards Board (GASB) Statement No. 34*. This model presents the financial statements as follows:

Government-wide Statements: The statement of net assets and the statement of activities display information about the primary government (the Housing Authority).

The statement of activities presents a comparison between direct expenses and program revenues for each activity of the Authority. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all assessments and fees, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Authority's funds. Governmental funds are accounted for using the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. Under modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Available for purposes of revenue recognition is defined as sixty days. Revenue sources susceptible to accrual include assessments from the County and Cities, and fees charged for services. Expenditures are recognized when the related fund liability is incurred.

Budgetary Data: the budget is legally enacted prior to October 1 in accordance with the Idaho Code following an analysis of the proposed expenditures and the means of financing them, and a public budget hearing held to obtain county residents comments. The budget is prepared on the modified accrual basis of accounting. The encumbrance method is not used the Housing Authority.

BLAINE COUNTY HOUSING AUTHORITY
Notes to the Financial Statements
At September 30, 2011

-Continued

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events: Any material events subsequent to the date of these financial statements have been evaluated through the date of the audit report.

(B) Assets, Liabilities, and Equity

Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the State of Idaho Treasurer's Office for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at September 30th of each year based on market prices. The individual funds' portions of the pool's fair value are presented as "Pooled Cash and Investments". Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the average daily balance of each participating fund.

Capital Assets

The Authority has no capitalized assets that are material to these financial statements.

Compensated Absences

The liability for compensated absences is recorded in the government-wide statement of net assets and represents amounts estimated to be currently owed to the Authority's employees for unused vacation and personal leave days.

Restricted Cash

The Authority's board of commissioners restricts certain cash for specific purposes.

NOTE 2 – CASH AND DEPOSITS

Deposits: Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Authority has no deposit policy for custodial credit risk. At year end, \$81,117 of the Authority's bank balance was not exposed to custodial credit risk because it was insured by the FDIC.

Investments: Custodial credit risk, in the case of investments, is the risk that in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the Authority held the following investments:

Investment Type

Idaho State Local Government Investment Pool \$ 47,119

These investments are unrated external investment pools sponsored by the Idaho State Treasurer's Office. They are classified as "Investments in an External Investment Pool" and are exempt from custodial credit risk and concentration of credit risk reporting.

BLAINE COUNTY HOUSING AUTHORITY
Notes to the Financial Statements
At September 30, 2011

-Continued

Interest rate risk is summarized as follows: Asset-backed securities are reported using weighted average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.

The elected Idaho State Treasurer, following Idaho Code, Section 67-2328, is authorized to sponsor an investment pool in which the Authority voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body - oversight is with the State Treasurer, and Idaho Code defines allowable investments. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name. And the fair value of the Authority's position in the external investment pool is the same as the value of the pool shares.

Credit Risk: The Authority's policy is to comply with Idaho State statutes which authorize the Authority to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued by the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or taxing district in the State, time deposits, savings deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool.

Interest rate risk and concentration of credit risk: The Authority has no policy regarding these two investment risk categories.

Cash and Deposits are comprised of the following at the financial statement date:

Cash on Hand	\$	0
Deposits with financial institutions:		
Demand deposits		81,117
State of Idaho Investment Pool		<u>47,119</u>
Total		<u>\$ 128,236</u>

NOTE 3 – NOTE PAYABLE / CITY OF KETCHUM

Due to the restructuring of the Housing Authority in 2007 to a county wide entity, the City of Ketchum determined that it would recall the remaining balance of its original funding of the Housing Authority. This amount due to the City of Ketchum has been paid back over time and the final payment was made in the current year.

NOTE 4 - LITIGATION

The Authority is involved in no legal actions at the date of these financial statements.

NOTE 5 - RISK MANAGEMENT

The Authority is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; injuries to the general public; and natural disasters. The Authority carries commercial insurance to cover such exposure.

NOTE 6 - PENSION PLAN

The Authority has no employee retirement plan in force at the financial statement date.

BLAINE COUNTY HOUSING AUTHORITY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
for the year ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE:				
Community Housing Fees	\$ 27,350	\$ 27,350	\$ 34,761	\$ 7,411
County and City Support	144,650	144,650	144,650	0
Grants and contributions			20,000	20,000
Interest	150	150	297	147
	<u>172,150</u>	<u>172,150</u>	<u>199,708</u>	<u>27,558</u>
Total Revenue				
EXPENDITURES:				
Wages and Benefits	108,153	108,153	100,440	7,713
Insurance	2,900	2,900	2,813	87
Miscellaneous	1,450	1,450	1,053	397
Professional Fees	10,500	10,500	1,914	8,586
Rent	4,800	4,800	4,800	0
Interest Expense			28	(28)
Advertising and Public Outreach	3,500	3,500	2,642	858
Travel and Meetings	1,800	1,800	1,260	540
Office Expense	3,420	3,420	2,238	1,182
Technology Expense	4,400	4,400	4,061	339
Resource Development	7,500	7,500	18,671	(11,171)
Staff/Board Development	5,000	5,000	3,451	1,549
Utilities	5,000	5,000	4,559	441
Ketchum Reserve Payment	10,600	10,600	10,587	13
	<u>169,023</u>	<u>169,023</u>	<u>158,517</u>	<u>10,506</u>
Total Expenditures				
NET CHANGE IN FUND BALANCES		3,127	41,191	38,064
Add Back: Ketchum Reserve Payment			10,587	
FUND BALANCE - BEGINNING		<u>72,390</u>	<u>72,390</u>	
FUND BALANCE - ENDING		<u>\$ 75,517</u>	<u>\$ 124,168</u>	

The accompanying notes are a part of these financial statements.

BLAINE COUNTY HOUSING AUTHORITY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
for the year ended September 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE:				
Community Housing Fees	\$ 42,561	\$ 42,561	\$ 28,865	\$ (13,696)
County and City Support	139,650	139,650	144,650	5,000
Grants and contributions				0
Interest	<u>500</u>	<u>500</u>	<u>167</u>	<u>(333)</u>
Total Revenue	<u>182,711</u>	<u>182,711</u>	<u>173,682</u>	<u>(9,029)</u>
EXPENDITURES:				
Wages and Benefits	117,075	117,075	116,069	1,006
Insurance	2,557	2,557	2,557	0
Miscellaneous	1,500	1,500	676	824
Professional Fees	15,700	15,700	14,373	1,327
Rent	6,200	6,200	4,600	1,600
Advertising and Public Outreach	4,500	4,500	2,350	2,150
Travel and Meetings	1,400	1,400	1,230	170
Office Expense	3,500	3,500	2,964	536
Technology Expense	2,500	2,500	677	1,823
Resource Development	12,000	12,000		12,000
Staff/Board Development	9,375	9,375	3,075	6,300
Utilities	5,000	5,000	4,875	125
Ketchum Reserve Payment			<u>19,000</u>	<u>(19,000)</u>
Total Expenditures	<u>181,307</u>	<u>181,307</u>	<u>172,446</u>	<u>8,861</u>
NET CHANGE IN FUND BALANCES	1,404	1,404	1,236	(17,890)
Add Back: Ketchum Reserve Payment			19,000	
FUND BALANCE - BEGINNING		<u>52,154</u>	<u>52,154</u>	
FUND BALANCE - ENDING		<u>\$ 53,558</u>	<u>\$ 72,390</u>	

The accompanying notes are a part of these financial statements.

DRB
Dennis Brown
CERTIFIED PUBLIC ACCOUNTANT

828 Blue Lakes Boulevard North • P.O. Box 2367 • Twin Falls, Idaho 83303 • (208) 733-1161 • Fax: (208) 733-6100

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

November 2, 2011

To the Board of Commissioners
Blaine County Housing Authority

I have audited the basic financial statements of the Blaine County Housing Authority, as of and for the years ended September 30, 2011 and 2010, and have issued my report thereon dated November 2, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Housing Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Housing Authority's internal control over financial reporting.

My consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. I identified no deficiencies in internal control over financial reporting that I consider to material weaknesses.

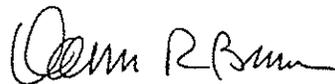
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, city council, others within the organization, and state and federal government oversight authorities and is not intended to be and should not be used by anyone other than these specified parties.



DENNIS R. BROWN
Certified Public Accountant

BLAINE COUNTY HOUSING AUTHORITY

ANNUAL REPORT TO STAKEHOLDERS



**FOR THE PERIOD
OCTOBER 1, 2010 -SEPTEMBER 30, 2011**

The Blaine County Housing Authority's mission is to advocate, promote, plan and preserve the long-term supply of desirable and affordable housing choices in all areas of Blaine County in order to maintain an economically diverse, vibrant, and sustainable community.

EXECUTIVE SUMMARY

The Blaine County Housing Authority (BCHA) was pleased to provide high levels of service to constituents throughout the fiscal year, from October 1, 2010 through September 30, 2011. The BCHA Board of Commissioners dedicated many hours to policy making, planning, serving on subcommittees, supporting staff and completing the BCHA Strategic Direction for 2011-2016.

Recovery from the national economic recession has been exceedingly slow in Blaine County. While the number of real estate transactions have increased, the dollar value of the transactions have decreased and property values continue to decline. Unemployment remains extremely high 8.5% in Blaine County. Foreclosures in the county continue at high levels in the County as across the nation. Nevertheless, BCHA is pleased to note that eight (8) community home sales and resales were completed during the fiscal year. Only one community home has been lost to foreclosure. These accomplishments demonstrate the value of BCHA's programs and services to Blaine County. Providing ownership opportunities to the County's workforce that maintains long-term affordability and providing educational and homeownership counseling services to both community homeowners and the larger population are as important as ever in a struggling housing and economic environment.

The April 2010 report by the Policy Assistance Team from the national Center for Housing Policy, "Recommendations for an Affordable and Workforce Housing Strategy in Blaine County, Idaho" identified challenges, opportunities and recommendations for strengthening community housing activities county-wide. Two of the top recommendations were an updated needs assessment and a county-wide housing plan. The Needs Assessment was technically completed in the new fiscal year, however it has been published and presented to the public as of the writing of this report. The development of the county-wide housing plan will take place in FY 2012.

The formalized partnership between BCHA and ARCH Community Housing Trust wherein BCHA provides stewardship activities and ARCH concentrates on home development and acquisition continues to work extremely well. ARCH completed construction on two single-family homes in Old Hailey the fall of 2010, and completed the extensive remodel of a home in west Ketchum in the summer of 2011. BCHA matched qualified buyers with these three deed-restricted homes.

BCHA continues to collaborate with other stakeholders as opportunities are identified. Kathy continued her involvement on the Sustain Blaine advisory board and its working teams and David is continuing this participation. Funding jurisdictions receive quarterly reports and in-person reports twice per year.

Regular communications continue with bi-weekly Constant Contact "e-newsletters" to keep community home applicants, owners and other stakeholders up-to-date with BCHA activities, programs and offerings. A new website is now online, though still being refined and improved.

We continued to build staff and Board capacity through seminar participation, e-learning courses and webinars presented by affordable housing professionals.

ANNUAL HIGHLIGHTS

Following are the highlights of the work of the BCHA during the reporting period: October 1, 2010 through September 30, 2011.

CURRENT CONDITIONS

As home values throughout the county continue to fall, we have heard from some segments of the community that homes are now affordable and the efforts to increase the affordable housing supply in the county are unnecessary. While home prices are less expensive than they have been in the recent past, it does not necessarily make them affordable. "Affordable Housing" is a defined term, specifically meaning a household's housing costs – including rent or mortgage, taxes, insurance and utilities – do not exceed 30% of a household's gross income. The recession had caused a decline in household income as well as the decline in home values. With the definition of "Affordable Housing" in mind, it is easy to see that an equal decline in home values and household income will not change the affordability in the market. Furthermore, a decrease in income that is larger than the decrease in home values actually makes homes less affordable.

The drop in real estate values has undoubtedly made some homes in some areas more affordable to some households. However, homeownership for much of Blaine County's workforce remains unattainable without some form of assistance or subsidy. The 2011 Area Median Income (AMI) for a family of four in Blaine County is \$76,500. Using the accepted standard of multiplying gross income by three, the maximum affordable home price for a family of four is \$229,500. The chart below demonstrates that the average home in Blaine County remains above this affordability threshold.

Housing Type/Location	2011 Average Sale Price
Single Family - <i>Hailey/Bellevue</i>	\$252,815
Single Family - <i>Ketchum/Sun Valley</i>	\$1,126,200
Condo/Townhome - <i>Hailey/Bellevue</i>	\$116,757
Condo/Townhome - <i>Ketchum/Sun Valley</i>	\$443,496
<i>Courtesy: Windermere Real Estate</i>	

There are currently 124 active community housing applicant households representing 233 individuals in the database. The database is updated regularly. Applicants are contacted at least once yearly, on a rotating quarterly basis. The biggest difference in the applicant pool between FY 2010 and FY 2011, and a notable trend over the past three years, is the rise in the number of Income Category 1 (< 50% AMI) applicants. The percentage of Category 1 applicants in 2009 was 25%, in 2010 it was 31% and at the end of 2011 is 40%.

BCHA currently has 84 ownership units and 5 rental units in its stewardship portfolio at the end of 2011. This is four fewer ownership units than reported at the end of 2010. The 84 ownership units are 5 less than reported at the end of FY 2010. The four units in the Old Cutters Subdivision have not been sold and the future of the development is uncertain at this time. The developer has filed for bankruptcy and has filed suit against the City of Hailey with respect to annexation fees and affordable housing requirements. BCHA does not anticipate that the four units pledged to community housing will be honored by the developer. The other unit not included in this year's inventory is the Deer Creek home. Bank of America foreclosed this property and BCHA is working with various interested parties in an attempt to maintain the deed covenant on this property.

SALES OF COMMUNITY HOMES

Eight qualified community home applicants were matched with community homes in this 12-month period. Community homes sold represented Income Categories 3, 4 and 6. The average time from the signed Notice of Intent to Sell to closing was 122 days, or approximately 4.1 months. The shortest sale closed in 52 days (1.7 months) and the longest sale closed in 175 days (5.8 months).

The following list provides sale and re-sale information alphabetically by development name, with size, category, date offered for sale and date closed as of September 30, 2011.

ARCH "Walnut Street" Homes (New)

- 3 -Bedroom, 2 Bath, Category 3; Offered 7/12/10; Closed on 11/17/10.
- 3-Bedroom, 2 Bath, Category 3; Offered 7/12/10; Closed on 12/23/10.

Chilali Lodge (Resale)

- 1 - Bedroom, 1 Bath, Category 3; Offered 6/6/11; Closed on 7/27/11.

Fields at Warm Springs (Resale)

- 2 -Bedroom, 2 Bath, Category 4, Offered 5/25/11; Closed on 9/27/11.

Olympic Terrace (Resale)

- 1-Bedroom, 1 Bath, Category 3; Offered 6/30/10; Closed on 12/15/10.

Pine Ridge (Resale)

- 2-Bedroom, 2.5 Bath, Category 4; Offered 9/29/10; Closed on 12/17/10.
- 2-Bedroom, 2 Bath, Category 4: Offered 1/14/11; Closed on 3/31/11.

Sabala Home (New)

- 3 - Bedroom, 2 Bath, Category 6, Offered 2/17/11; Closed on 8/10/11

RENTAL OF COMMUNITY HOMES

- The only activity in the BCHA rental properties was in the Copper Ridge Development. The renter in the 1-Bedroom Category 2 unit moved out in March 2011 and the renter in the Category 2 Studio moved into the 1 - Bedroom. The studio unit was vacant from March 2011 through November 2011. The studio is now occupied with a one year lease.

POLICY AND PROGRAM ACTIVITIES

- The Blaine County Housing Authority (BCHA) Board worked extensively on a 5-year strategic planning process through the first half of the fiscal year. Following an internal “Strengths, Weaknesses, Opportunities and Threats” (SWOT) analysis, the Board adopted a slightly revised Mission Statement, a new Vision Statement, and a list of six core Values.

Goals, objectives and strategies were identified for the plan through a series of Board workshops, with input from stakeholders as well as staff. The Board adopted the “Strategic Direction for Blaine County Housing Authority, 2011-2016” on April 19, 2011. The goals and objectives are related to three primary directions:

- Commitment to Mission
- Commitment to Financial Security, Performance and Accountability
- Commitment to Operational Excellence.

The published Strategic Direction was distributed to stakeholders in April and May. Staff and Commissioners then identified metrics for gauging progress toward the identified objectives, and created a work plan to accomplish the identified short term strategies.

- A new housing needs assessment was identified last year as a critical first step to developing a county-wide housing plan. BCHA led the grant-seeking efforts for the needs assessment, to be completed by a qualified consultant for BCHA and ARCH Community Housing Trust. Grants received to fund this project are: \$10,000 from Mountain West Bank, \$2,000 from US Bank, \$10,000 from the Lightfoot Foundation, and \$10,000 from Idaho Housing and Finance Association (IHFA). In addition to providing this funding, IHFA has provided guidance on the project in order to assure the provision of consistent housing needs information for Blaine County as across the state.

In May, BCHA and ARCH entered into a contract with Wikstrom Economic and Planning Consultants to complete the needs assessment. The project includes an updatable projection model that was created and will be maintained in conjunction with the county planning and GIS departments. The report was due to be completed in early September 2011. However, some issues with the secondary data used for the updateable model arose and the final needs assessment was not completed until late November in FY 2012.

- In June, BCHA was awarded technical assistance worth \$20,000 by Cornerstone Partnership, an affordable home ownership program of NCB Capital Impact. It is one of only six such awards recently granted nationwide. Technical assistance at this level will allow BCHA to move forward with its Community Housing Initiative Program, which includes developing a county-wide housing plan based on the results of the needs assessment. Through the grant, BCHA will be matched with a consultant who has the best expertise to help the organization achieve their identified program objectives. Technical assistance will be provided between July and December 2011 and paid for by Cornerstone Partnership.

NCB Capital Impact is a national nonprofit organization and a certified Community Development Finance Institution that works to improve access to high-quality health and elder

care, healthy foods, education and housing. It has several initiatives, including the Cornerstone Partnership which is a peer network for homeownership programs that preserve long-term affordability and community stability.

- BCHA placed qualified buyers in both of the “Walnut Street” community homes built by ARCH Community Housing Trust in Old Hailey, closing escrow in November and December. BCHA staff and Board members attended the ribbon cutting ceremonies for the homes, which are an example of a public-private collaborative partnership – with Blaine County and a private landowner providing the land, ARCH constructing the homes, and BCHA matching qualified buyers with them and providing ongoing stewardship.
- BCHA matched a qualified family with ARCH’s “Sabala Street” community home. The 3-bedroom, 2-bath home in west Ketchum, was extensively renovated. Financial assistance to the buyers was provided through Ketchum’s “Open Door” program.
- Staff participated in some of the pre-application activities for ARCH’s River Street Apartments (a tax credit development for seniors). Assistance was given to ARCH and the developer, New Beginnings Housing, with the distribution of information and with the intake of some pre-application forms.
- BCHA developed provisions for a “Capital Replacement Reserve Fund” for community homes, such as the “Sabala Street” home, that will not be part of an active Homeowners Association. The fund will be established by monthly payments by the community home owner and may be accessed for certain major exterior and/or systems maintenance or replacement.
- In October 2010, Hailey adopted an amended and improved Workforce Market Deed Covenant as proposed by BCHA following work with the developer of Old Cutters subdivision in the prior fiscal year. The document will be adopted for the twelve workforce community homes to be provided in that subdivision*, forwarding BCHA’s goal to standardize deed covenants as much as possible. *As noted above, the Old Cutters Subdivision has filed for bankruptcy. The realization of the twelve planned units is uncertain and unlikely at this time.
- The recession and real estate crash continue to have negative impacts in Blaine County, including losses to BCHA’s inventory of ownership units.
 - A settlement between Sweetwater and the City of Hailey resulted in the City retaining ownership the River Street property (provided in-lieu of on-site units), so that ARCH’s senior apartment project can be built. However, all of Sweetwater’s other community housing obligations (in lieu fees of \$2.2 million and 40 on-site Workforce Market Deed Restricted units) were released.
 - The Quigley View Subdivision was re-platted, eliminating the condominium units and the resulting community housing requirements (two units).

ACTIVITIES WITH STAKEHOLDERS

- BCHA finalized and executed contracts for services with the cities of Hailey, Ketchum and Sun Valley at the start of the new fiscal year. The City of Hailey began providing bookkeeping services for BCHA as of October 1, 2010, as in-kind contribution which is in addition to the cash payments for our contracted services.
- BCHA completed its FY 2010 Annual Report to Stakeholders, delivering the written report in November. The Annual Report and current activity highlights were presented to the Blaine County Commissioners and to the Hailey, Ketchum, and Sun Valley City Councils in December 2010 and January 2011.
- Requested funding and draft contracts for services were presented to the Blaine County Commissioners, and to the Mayors and City Councils of Sun Valley, Ketchum and Hailey in May and June 2011, along with BCHA's presentation of its semi-annual report and current activities.
- BCHA participated in Hailey City Council meetings during which the Council considered a proposal by the developer which would have eliminated all community housing obligations. Ultimately, the Council denied the proposal.
- Executive Administrator Kathy Grotto attended the first three Hailey Urban Renewal Board meetings.

EDUCATION AND OUTREACH

- Nancy Smith continues to generate bi-weekly Constant Contact e-newsletters to stakeholder groups, community housing applicants and owners, and other community members covering timely topics of interest.
- Nancy Smith, Program Director, attends the monthly "inter-agency" roundtable meetings of area non-profit organizations and agencies.
- BCHA staff fields a growing number of inquiries and provides information and referrals each month to persons asking about Section 8 housing, housing for disabled, renters rights, loan modification, foreclosure prevention, and other general housing information.
- BCHA staff attends IHFA's semi-annual housing roundtable meetings in Twin Falls.

INTERNAL FUNCTIONS

- The Board and staff developed a tentative operations and program budget for FY 2012 which includes budgeting for three primary programs that were defined, in part, through the Board's work on the Strategic Direction. Those programs are:
 - Community Home Asset Management Program

- Community Home Initiative Program
- Building Capacity for the Future
- Program Director Nancy Smith has created a new BCHA website (www.bcoha.org). In addition to having a more user-friendly site, BCHA will save over \$300 annually by changing the website host.
- During the first quarter, BCHA staff sent letters of eligibility to all community housing applicants to verify household size and income category. The applicant database was updated with all identified changes.
- Compliance Monitoring of occupied community homes was conducted during the second quarter. BCHA has instituted a voluntary community home visit/inspection element to our ongoing compliance activities, with visits to begin in the third quarter.
- Dennis Brown, CPA conducted a bi-annual audit of BCHA's financial statements for FY 2010 and FY 2011. The report concludes that BCHA's financial statements "present fairly, in all material respects, the financial position of the governmental activities [of] Blaine County Housing Authority..." The full audit is attached to this report.

BCHA BOARD STATUS AND ACTIVITIES

At the beginning of the fiscal year, October 1, 2010, the Board consisted of five commissioners, as follows:

- Linda Thorson, Chair
- Heather Kimmel, Treasurer
- Chase Hamilton, Commissioner
- Carter Ramsay, Commissioner
- Heather Hammond, Commissioner

Appointments of new Commissioners occurred as follows:

- Bonnie Moore was appointed to the Board as Commissioner in October 2010, representing the City of Sun Valley, to replace Milt Adam, whose term expired at the end of September.
- Recruitment efforts continue for filling the Commissioner position representing the City of Hailey following the departure of Anna Mathieu, whose term also expired at the end of September, and the position representing the City of Bellevue following the departure of Heather Kimmel who relocated to Boise.

As of the end of the fiscal year, September 30, 2011, the Board consists of:

- Linda Thorson, Chair (Blaine County)
- Chase Hamilton, Vice Chair (Community At-Large)
- Heather Hammond, Treasurer (Blaine County)
- Bonnie Moore, Commissioner (Sun Valley)
- Carter Ramsay, Commissioner (Ketchum)

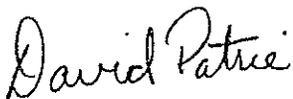
- Vacant (Hailey)
- Vacant (Bellevue)

PERSONNEL ACTIVITIES

- Kathy Grotto and Carter Ramsay continued to participate on the Sustain Blaine Advisory Board. In January, Carter was elected to serve as the new chair of the Advisory Board for 2011. Kathy serves on the Economic Development Team.
- Staff participated in one webinar presented by Center for Housing Policy and in several webinars presented by Cornerstone Partnership, a peer network for ownership programs. Utilizing information from Cornerstone Partnership, BCHA staff has begun working toward implementing measures to better achieve twelve identified “high-impact practices” for ownership programs. One example is tracking sale prices and homeowner equity gains to evaluate program objectives of ongoing affordability and asset building.
- Program Director Nancy Smith attended a 5-day NeighborWorks training session in Atlanta, Georgia. Nancy took a 5-day course Successful On-Site Property Management which is a course sanctioned by The Institute of Real Estate Management (IREM). Nancy also passed the exam at the end of the course qualifying her for Accredited Residential Manager (ARM) certificate from IREM.
- Kathy Grotto resigned from her position as Executive Administrator on July 18, effective August 17.
- BCHA hired David Patrie as Executive Administrator beginning September 13, 2011.

The foregoing comprises the report of the Blaine County Housing Authority for the period October 1, 2010 through September 30, 2011.

Respectfully submitted this 20th day of January, 2011.



David Patrie, Executive Administrator

Attachments:

1. BCHA quarterly financial statements as of September 30, 2011 (unaudited).
2. Community Housing Owner or Renter Occupied Units as of September 30, 2011.
3. Characteristics of Blaine County Housing Authority Applicants as of September 30, 2011.
4. “Strategic Direction for Blaine County Housing Authority 2011-2016”
5. Audited Financial Statements, FY 2010 & FY 2011

**Characteristics of Blaine County's Community Housing Applicants and
Community Homes
(As of September 30, 2011)**

The Blaine County Housing Authority (BCHA) updates the community housing applicant database, shared between BCHA and ARCH Community Housing Trust, on a rotating quarterly basis. Applicants are contacted at least once a year, approximately 25% each quarter, to ensure that the information about the applicant households within the database is kept as current as possible.

As of September 30, 2011, there were 124 active applications in the database, representing a total of 233 persons. The majority of the demand for community housing continues to be for households within income categories 4 and below, which constitute 94% of the applicant database. These applicant households have earnings at or below 100% the Area Median Income (AMI). The 2011 AMI figures for Blaine County is \$76,500 for a family of four. See Table 1 (and Chart 1 on the next page) for the breakdown by category.

Table 1. Percentage of BCHA Applicants in each Income Category

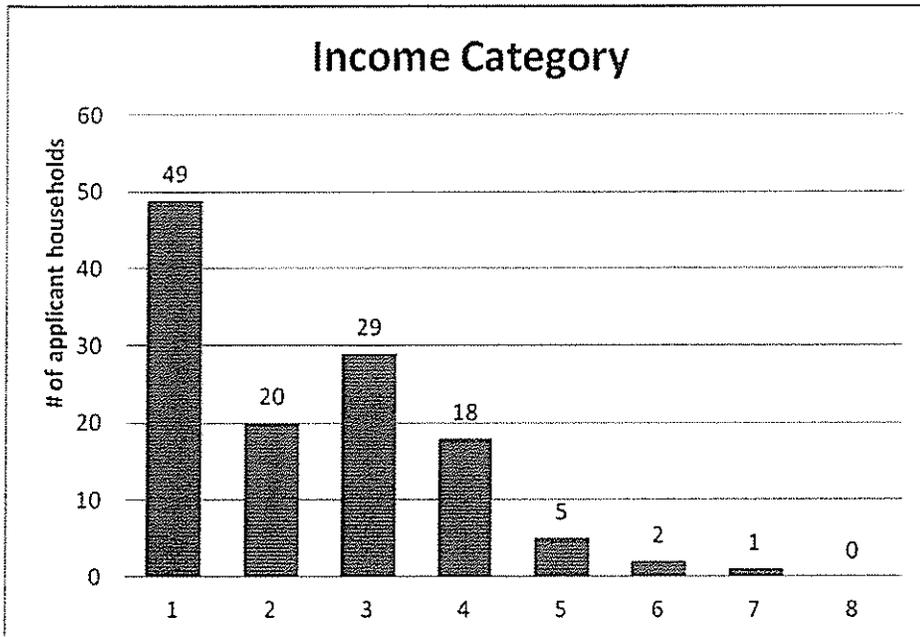
<u>INCOME CATEGORY</u>	<u>% of Area Median Income (2011 HUD)</u>	<u>% of all Applicant Households in each Income Category</u>
1	Up to 50% of Median	40%
2	50% - 60% of Median	16%
3	60% to 80% of Median	23%
4	80% to 100% of Median	15%
5	100% to 120% of Median	4%
6	120% to 140% of Median	1%
7 and Over	Over 140% of Median	1%

Demand exists for both smaller and larger homes; with a much stronger demand for small homes as more than half of the current applicants are single person households. However, pricing of these homes ultimately determines their financial accessibility for community housing applicants. (See Table 2 and Charts 2 and 3 for household size distribution).

Table 2. Applicant Households in each Income Category, by household size.

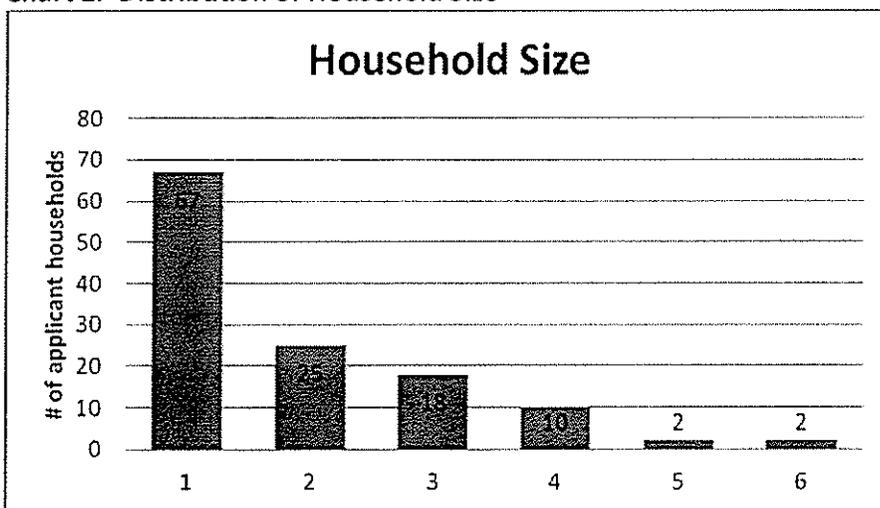
Household Size	Number of Applicant Households in each Income Category by Household Size						
	Cat 1	Cat 2	Cat 3	Cat 4	Cat 5	Cat 6	Cat 7 &over
1	21	6	22	11	4	2	1
2	9	6	5	5	0	0	0
3	10	3	2	2	1	0	0
4	6	4	0	0	0	0	0
5	1	1	0	0	0	0	0
6	2	0	0	0	0	0	0

Chart 1. Distribution of Household Income



We note some significant shifts in the income distribution of applicant households in the last quarter of FY 2011. The number of Income Category 1 applicants (households earning less than 50% of AMI) represents 40% of the total applicant pool compared to an average of 32% over the previous three quarters. Likewise Category 2 applicants currently account for 16% compared to 10% over the previous three quarters. The percentage of Income Category 3 and 4 dropped by 3 percentage points each. On the other end of the spectrum, income categories 5 and over (households earning more than 100% of AMI) have gone from representing approximately 13% of the applicant data base to now representing approximately 5%.

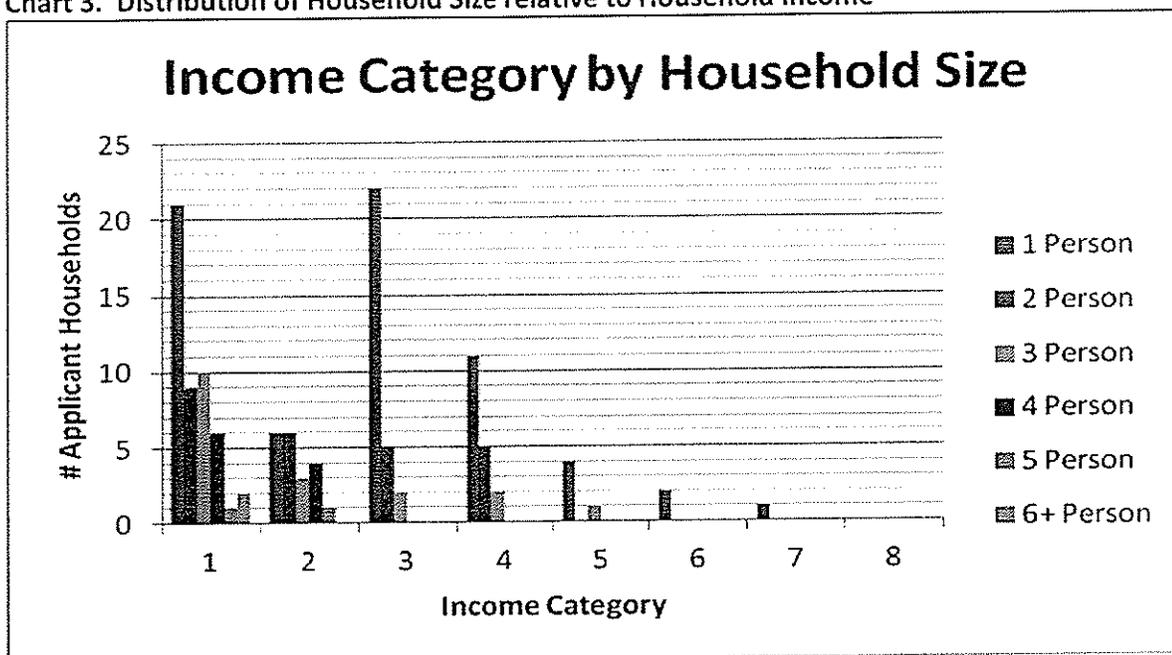
Chart 2. Distribution of Household Size



Singles continue to dominate the database, representing over half (54%) of the active applications. Two person households account for another 20% of applicants. Households of three or more represent the remaining 26% of applicants. While the number of families (presumably households of three or more) within the database is currently lower than individuals, anecdotal evidence suggests that this may be due to the current composition of the community housing inventory. The current inventory by number of bedrooms under BCHA's stewardship is as follows: Studio and 1 Bedroom = 41%, 2 Bedroom = 41%, 3+ Bedrooms = 18%.

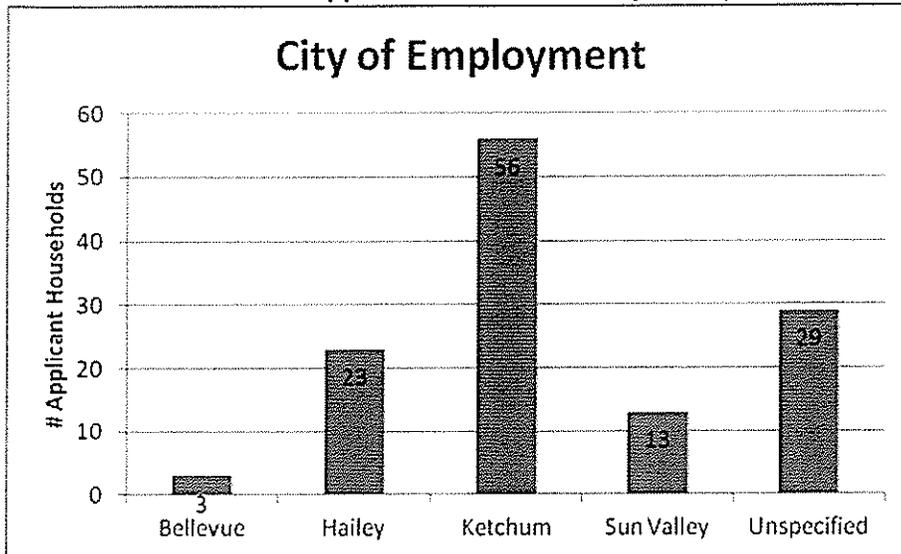
The total number of persons in the 120 applicant households is 233.

Chart 3. Distribution of Household Size relative to Household Income



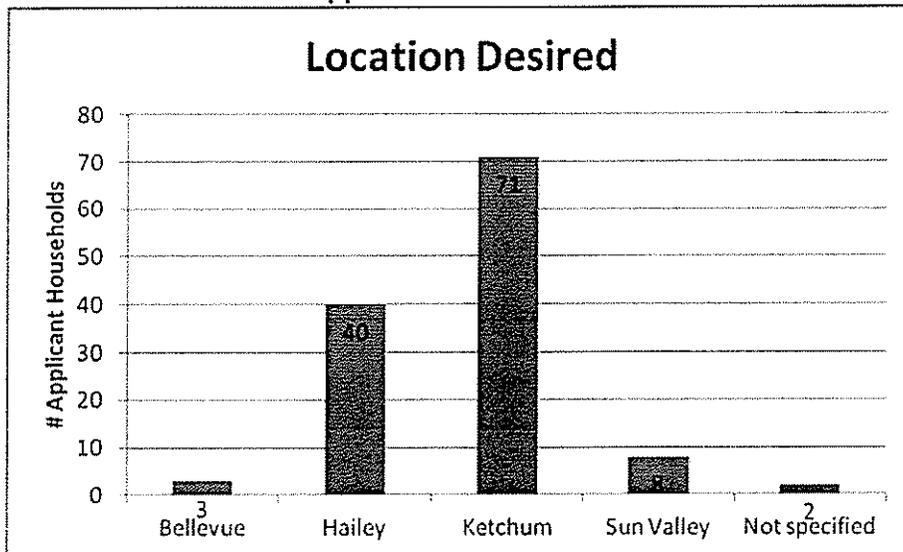
There are significantly more single person households than couples or families, particularly in income categories 1 through 4. Two person households represent the next greatest number of applicants.

Chart 4. Distribution of Applicant Households' City of Employment



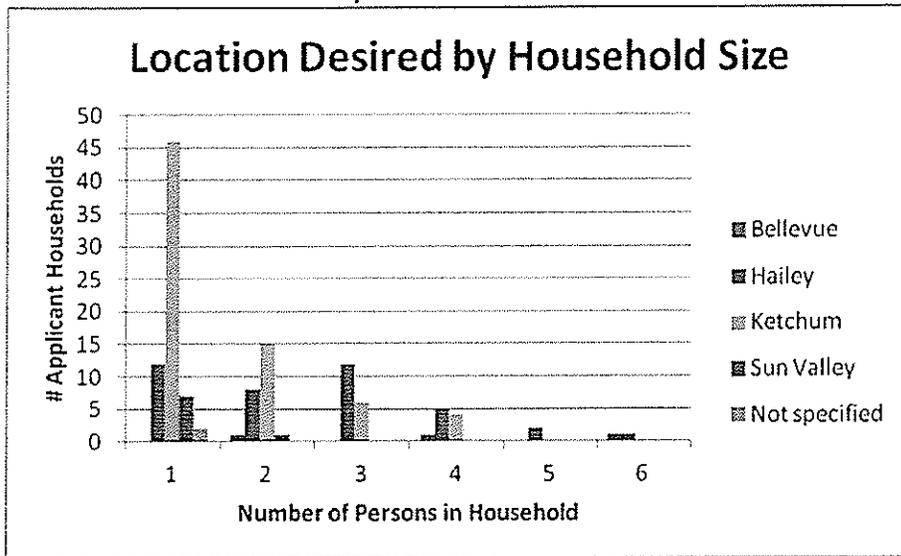
While the recently completed needs assessments indicates that there are currently more jobs in Hailey and Bellevue than in Ketchum and Sun Valley, this chart shows that the majority of BCHA's applicants are employed in the north valley. 55% of applicants work in Ketchum or Sun Valley, while 21% work in Hailey or Bellevue. Nearly one quarter (23%) of the applicants do not specify their employment location. The number of applicant households reporting the primary applicant being unemployed or unspecified has grown significantly. (This data is based on the primary applicant's place of employment and does not include the place of employment of any co-applicant. Co-applicant's employment information is tracked in the database.)

Chart 5. Distribution of Applicant Households' Desired Home Location



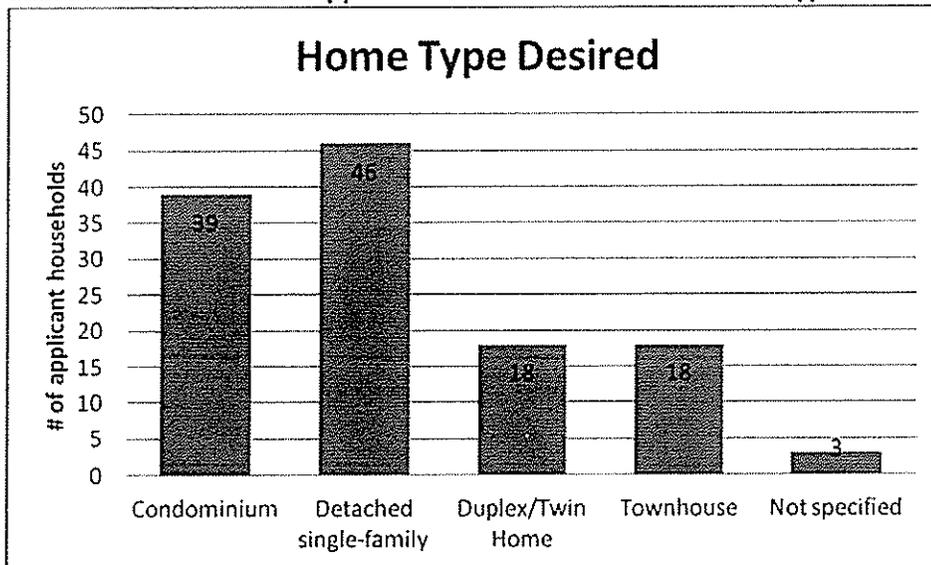
This chart closely reflects the location of employment, and confirms that the majority of applicant households (57%) would like to live in Ketchum. (Locations indicated in the chart are applicant households' first choice; other choices are tracked in the database.)

Chart 6. Location Desired by Household Size



Ketchum is the most preferred location for single and two-person households; Hailey is preferred by households of three or more. (Again, locations indicated in the chart are applicant households' first choice.)

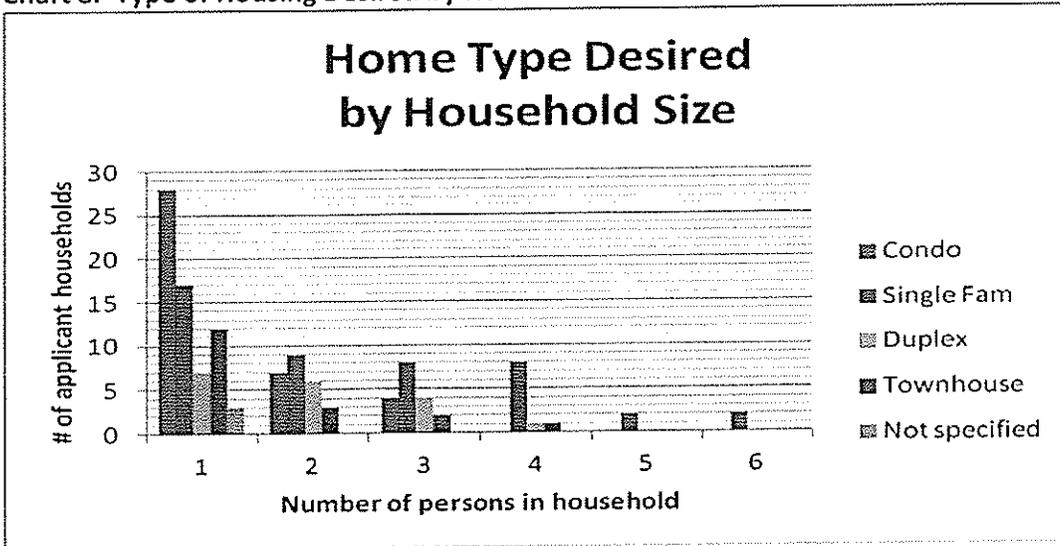
Chart 7. Distribution of Applicant Households' Desired Home Type



This chart indicates that condominiums and single family homes are desired by the majority of applicant households. Duplexes and townhomes are even among those indicating a choice. However,

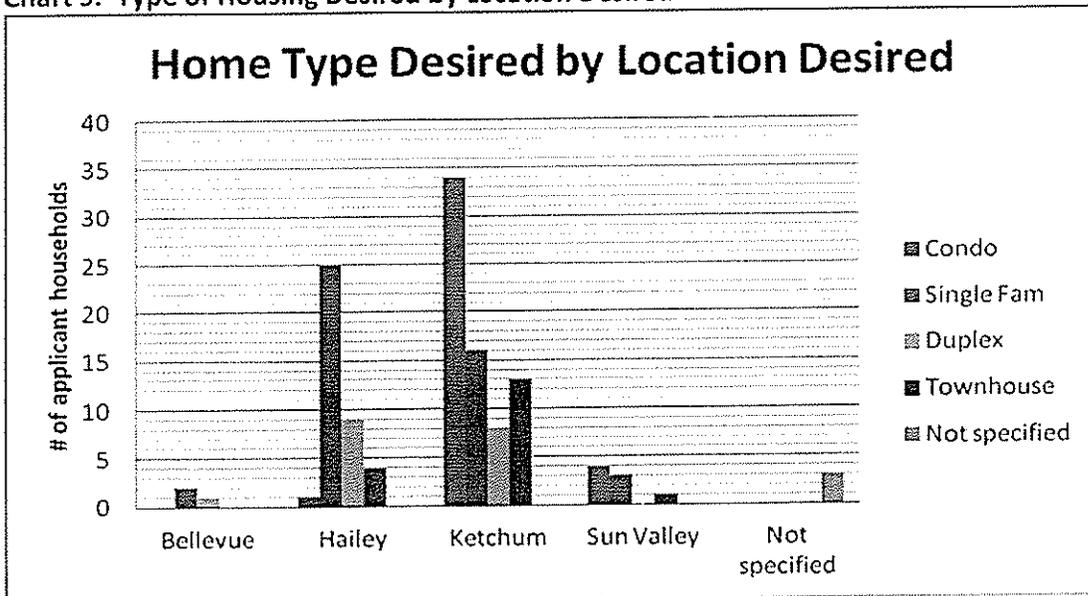
the home types desired by different demographic groups is made clearer in the two charts below. (Home types indicated in the chart are applicant households' first choice; other choices are tracked in the database.)

Chart 8. Type of Housing Desired by Household Size



Not surprisingly, condominiums are more highly preferred by single applicants than couples and families. Single family detached homes are preferred by couples and families.

Chart 9. Type of Housing Desired by Location Desired

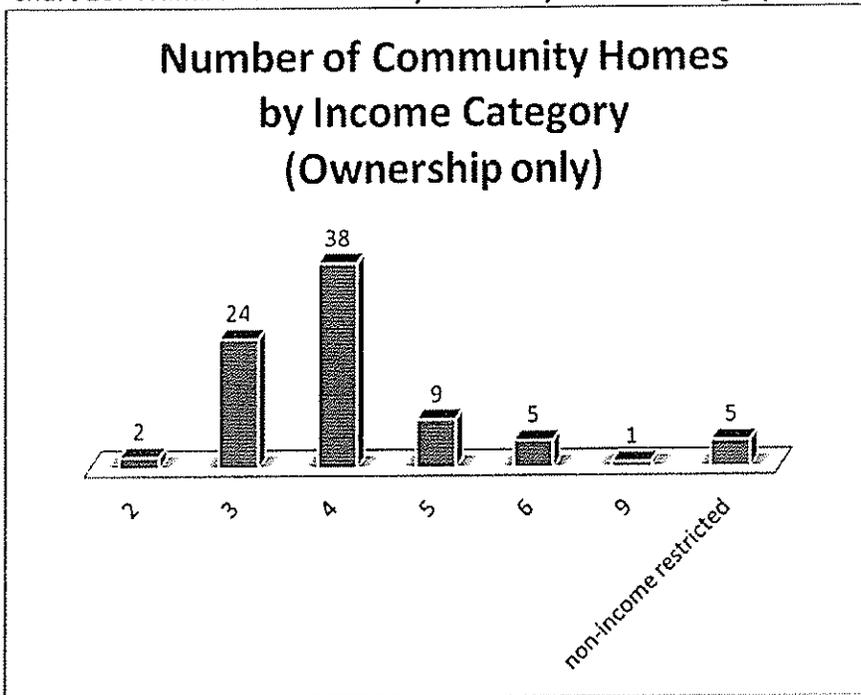


Condominiums are most highly preferred by those applicant households wishing to live in Ketchum, while detached single family homes are preferred by those wishing to live in Hailey and Bellevue.

BCHA will continue to track demographics and preferences of the applicant households and the trends that may emerge, and will share this information with policy makers and developers in order to best meet the demand of the community's workforce.

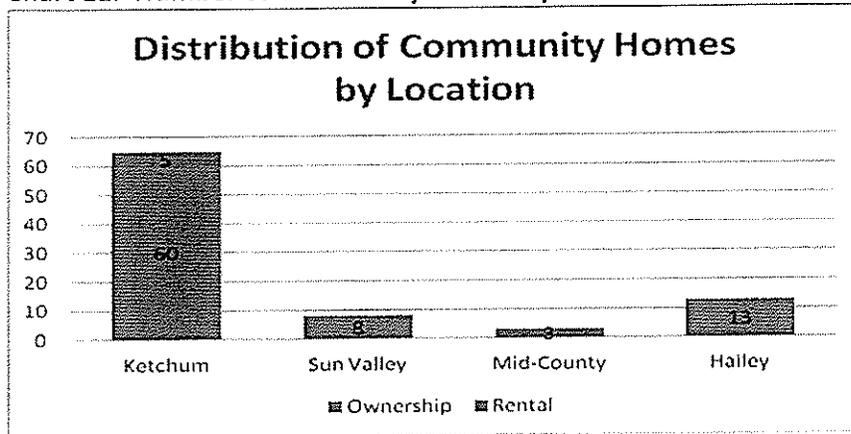
The charts on the following page show the income category and location distribution of the community homes administered by BCHA.

Chart 10. Number of Community Homes by Income Category



Seventy-four percent (74%) of homes in BCHA's stewardship program are for Income Category 3 and Category 4 households (60%-100% AMI). Twenty-four percent (24%) are owned by households at Category 5 and above (>100% AMI). Only two percent (2%) of the homes are available to households at Income Category 2 or lower (<60% AMI).

Chart 11. Number of Community Homes by Location



In response to the demand for homes affordable to its workforce, and due to Ketchum’s commitment to community housing, the vast majority of CH units are located in the City of Ketchum. There are currently 60 ownership units and 5 rental units administered by BCHA in Ketchum. Hailey has the next highest number of community homes.

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



March 21, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

Recommendation to approve Paint Bids

Introduction/History

The following bid is part of our normal spring routine to get the best price for one of our summer maintenance projects. (Street Painting)

The paint contract consists of repainting our existing street paint for example; crosswalks, handicap stalls, fog lines, center lines, parking lines, stop bars, turn arrows and Bike Path work.

Paint work will start as weather permits.

Current Report

We received two bids this year for our street paint.

Paint Bids: Idaho Traffic Safety \$39,635

Pavement Specialties \$41,905

Financial Requirement/Impact

Street painting is part of our maintenance and improvements line item and is already accounted for in our budget.

Recommendation

The Street staff respectfully recommends the City Council approve the Idaho Traffic Safety Bid of \$39,635 for paint.

Recommended Motion

I move that we accept the Idaho Traffic Safety Bid of \$39,635 for paint markings.

Sincerely,

Brian Christiansen
Street Superintendent

A handwritten signature in cursive script that reads "Brian Christiansen".

Idaho Traffic Safety Inc.
 3400 East Sunnyside Road
 Idaho Falls, ID. 83406
 Ph. (208) 522-4470
 Fax (208) 522-6521

Attn. Brian Christiansen

Job Name		City of Ketchum 2012 Road and Crosswalk Striping. Fax 726-7836 Sent 3/20/12 7:00 pm			
Item	Description	Quantities	Price/ unit	Extended	
1.	Crosswalks, 24" Straight bars, approx 8' wide, approx 65' long.	158 ea	\$58.00	\$9,164.00	
2.	Do Not Block 48" tall letters	Paint	14 each	\$40.00	\$560.00
	Additional bike Path Work			\$0.00	
3.	5 bar triangle Road	Paint	19 each	\$25.00	\$475.00
4.	5 bar triangle Bike Path	Paint	38 each	\$15.00	\$570.00
5.	Small bike Stencil for bike path	Paint	30 each	\$20.00	\$600.00
6.	Large bike stencil for road	Paint	19 each	\$20.00	\$380.00
7.	Large X-ing	Paint	19 each	\$20.00	\$380.00
8.	8" fog line	Paint	1200 lf	\$0.25	\$300.00
9.	Caution for bike lane	Paint	38 each	\$20.00	\$760.00
10.	Small Speed limit stencil	Paint	20 each	\$15.00	\$300.00
	Items 1-10 need to be completed by May 20 th		Total items 1 - 10	\$13,489.00	
11.	Red Curb Misc As directed	Paint	0 lf	\$0.65 / lf	\$0.00
13.	Centerline The centerline striping price is per lf of paint applied not per linear foot of double yellow applied.		41,000 lf	\$0.095	\$3,895.00
14.	Fog line 6"	Paint	22,400 lf	\$0.14	\$3,136.00
15.	Parking stripes	Paint	27,300 lf	\$0.25	\$6,825.00
16.	Stop bars	Paint	116 each	\$25.00	\$2,900.00
17.	Stop stencil 48" tall	Paint	10 each	\$20.00	\$200.00
18.	Handicap symbols White on blue	Paint	26 each	\$35.00	\$910.00
19.	Turn arrows	Paint	8 each	\$20.00	\$160.00
20.	Combo Straight & Curve arrows	Paint	11 each	\$20.00	\$220.00
21.	Mobilization		1 ls	\$7,900.00	\$7,900.00
	Items 11 - 20 need to be completed by June 1 st		Total items 11 - 21	\$26,146.00	

Extension (If there is a discrepancy between the unit price and the extension the unit price is the correct price.)		Project Total	\$39,635.00
--	--	---------------	-------------

Note 1 All prices are “per application”.

If the bike bath is requested to be painted in May and then again after the seal coat that would be 2 applications with each being paid for at the above prices.



4850 Henry St.
Boise, Idaho 83709
Phone (208) 322-7000
Fax (208) 562-0853

PROPOSAL AND CONTRACT

TO: City of Ketchum
480 East Ave. North
Ketchum, Idaho 83340

PROJECT:
2011 City Striping

DATE: March 22, 2012
Name: Brian Christiansen
Phone #: 726-7831
FAX #: 726-7836
Cell #:

Bid Number:

Email:

Items Selected	ITEM NO	WORK DESCRIPTION	EST. QTY.	UNIT DESC.	UNIT PRICE	PRICE TOTALS
	1	Page 1 of 2				
	1	Mobilization	1	ea.		
	2	Paint Crosswalks 24" Bars with Glass Bead	1,264	lf.		
	3	Paint "Do Not Block" in 48" stencils	14	ea.		
	4	Paint Parking Stalls with 4" Yellow Paint	27,300	lf.		
	5	Paint 24" Stop Bars	1,392	lf.		
	6	Paint STOP stencils (48")	10	ea.		
	7	Paint Handicap stencils with Blue Backgrounds	26	ea.		
	8	Paint Turn Arrows	8	ea.		
	9	Paint Straight / Turn Arrow Combos	11	ea.		
	10	8" Fog Line	1,200	lf.		
	11	Centerline Stripe 4" Double Yellow	41,000	lf.		
	12	6" Fog Line Stripe	22,400	lf.		

SPECIAL NOTES:

- 1) Owner is responsible for turning off all sprinklers & other water sources.
- 2) Owner is responsible for notifying general public, tenants, & others impacted by construction operations.
- 3) Crack repair does not include alligatored asphalt areas.

*****ALL BILLINGS WILL BE BASED ON ACTUAL QUANTITIES COMPLETED & MEASURED IN THE FIELD.**

All material & construction practices are guaranteed to be as specified in Pavement Specialties standard specifications and are a part of this proposal. Pavement Specialties uses its practices, unless otherwise noted. Pavement Specialties is not responsible for damages, costs, or impacts caused by or to any hidden, or unknown items including utilities. Pavement Specialties cannot be responsible for drainage or water ponding on slopes of less than 1.5% or where grades are dictated by surrounding areas. Alterations, changes, additional work, unforeseen impacts, or deviations creating extra costs or impacts will become an additional charge, due & payable. All agreements and/or warranties, either expressed or implied, are only as attached in written form.

All items on this proposal requiring asphalt products, hot plant asphalt, patch plant concrete are based on supplier(s) quote at time of estimate to Pavement Specialties. Pavement Specialties reserves the right to adjust asphalt or concrete prices accordingly. Pavement Specialties will provide written notice of such price increases prior to the placement of asphalt based products, hot asphalt, or concrete materials. All agreements are contingent upon release of Pavement Specialties in case of weather, strikes, accidents, and material shortages, acts of God, or situations beyond Pavement Specialties control. As a proposal, the prices quoted are good for fifteen (15) days from the date of proposal. The owner(s) or its representative(s) will be responsible for all costs pertaining to permits, licenses, engineering, architectural fees, zone approvals, erosion control, and sediment control plans. These items shall be considered additional work. All charges pertaining to cost of these items will be paid at cost plus 10%. All labor cost incurred by Pavement Specialties in attaining such items shall be charged by the hour including its normal overhead and markup.

This is a unit price contract. The contract is based on field measurements and locations as directed by the owner(s) or its representative(s). Pavement Specialties shall be paid for actual quantities installed. Full Payment is due and owing on completion of work. Payment is due upon completion or progress billings each 30 days if project is completed in stages. Interest will be charged at 1.5% per month (18% APR.) for delayed payments. Owner(s) or its representative(s) will reimburse all costs Pavement Specialties incurs collecting moneys due, including all court costs, expert fees, and attorney fees.

PAVEMENT SPECIALTIES OF IDAHO

Jim Friedrich

I have reviewed, understand and accept the above prices, terms and conditions. The described work is hereby authorized on the terms offered.

BY: _____

Title: _____

Date: _____

By: _____

THIS PROPOSAL & ALL ATTACHMENTS ARE BEING SUBMITTED BASED ON THE UNDERSTANDING THAT ALL WILL BE HELD FULLY CONFIDENTIAL BY THE CUSTOMER & OR OWNER. THIS PROPOSAL AND ALL DATA REMAINS THE PROPERTY OF PAVEMENT SPECIALTIES OF IDAHO AND MAY NOT BE COPIED OR DISCLOSED.

Red curb



4850 Henry St.
Boise, Idaho 83709
Phone (208) 322-7000
Fax (208) 562-0853

PROPOSAL AND CONTRACT

TO: City of Ketchum
480 East Ave. North
Ketchum, Idaho 83340

PROJECT:
2012 City Striping

DATE: March 22, 2012
Name: Brian Christiansen
Phone #: 726-7831
FAX #: 726-7836
Cell #:

Bid Number: _____ Email: _____

Items Selected	ITEM NO	WORK DESCRIPTION	EST. QTY.	UNIT DESC.	UNIT PRICE	PRICE TOTALS
Base Bid:						
		Page 2 of 2				
<input checked="" type="checkbox"/>	13	5-Bar Triangle for Road	19	ea		
<input checked="" type="checkbox"/>	14	5-Bar Triangle for Bike Path	38	ea		
<input checked="" type="checkbox"/>	15	Small Bike Stencils for Bike	30	ea		
<input checked="" type="checkbox"/>	16	Large Bike Stencil for Road	19	ea		
<input checked="" type="checkbox"/>	17	Large XING for Road	19	ea		
<input checked="" type="checkbox"/>	18	Caution for Bike Lane	38	ea		
<input checked="" type="checkbox"/>	19	Small Speed Limit Sign for Bike Lane	20	ea		
Lump Sum						\$41,905.00

SPECIAL NOTES:

- 1) Owner is responsible for turning off all sprinklers & other water sources.
- 2) Owner is responsible for notifying general public, tenants, neighbors impacted by construction operations.

*****ALL BILLINGS WILL BE BASED ON ACTUAL QUANTITIES COMPLETED & MEASURED IN THE FIELD.**

All material & construction practices are guaranteed to be as specified in the Pavement Specialties standard specifications and are a part of this proposal. Pavement Specialties uses its practices, unless otherwise noted. Pavement Specialties is not responsible for damages, costs, or impacts caused by or to any hidden, or unknown items including utilities. Pavement Specialties cannot be responsible for drainage or water ponding on slopes of less than 1.5% or where grades are dictated by surrounding areas. Alterations, changes, additional work, unforeseen impacts, or deviations creating extra costs or impacts will become an additional charge, due & payable. All agreements and/or warranties, either expressed or implied, are only as attached in written form.

All items on this proposal requiring asphalt products, hot plant asphalt, patch plant concrete are based on supplier(s) quote at time of estimate to Pavement Specialties. Pavement Specialties reserves the right to adjust asphalt or concrete prices accordingly. Pavement Specialties will provide written notice of such price increases prior to the placement of asphalt based products, hot asphalt, or concrete materials. All agreements are contingent upon release of Pavement Specialties in case of weather, strikes, accidents, and material shortages, acts of God, or situations beyond Pavement Specialties control. As a proposal, the prices quoted are good for fifteen (15) days from the date of proposal.

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This is a unit price contract. The contract is based on field measurements and locations as directed by the owner(s) or its representative(s). Pavement Specialties shall be paid for actual quantities installed. Full Payment is due and owing on completion of work. Payment is due upon completion or progress billings each 30 days if project is completed in stages. Interest will be charged at 1% per month (18% APR.) for delayed payments. Owner(s) or its representative(s) will reimburse all costs Pavement Specialties incurs collecting moneys due, including all court costs, expert fees, and attorney fees.

PAVEMENT SPECIALTIES OF IDAHO

I have reviewed, understood and accept the above prices, terms and conditions. The described work is hereby authorized on the terms offered.

Jim Friedrich

BY: _____

Title: _____

By: _____

Date: _____

THIS PROPOSAL & ALL ATTACHMENTS ARE BEING SUBMITTED BASED ON THE UNDERSTANDING THAT ALL WILL BE HELD FULLY CONFIDENTIAL BY THE CUSTOMER & OR OWNER. THIS PROPOSAL AND ALL DATA REMAINS THE PROPERTY OF PAVEMENT SPECIALTIES OF IDAHO AND MAY NOT BE COPIED OR DISCLOSED.

City of Ketchum, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



March 21, 2012

Mayor Hall and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Hall and City Councilors:

Recommendation to Contract with The Active Network, Inc. for Data Services

Introduction/History

The Ketchum Parks & Recreation Department is entering its 35th year of offering recreation and park/open space services in 2012. The department is the only comprehensively managed year-round municipal parks and recreation entity in Blaine County.

Each year, the department's Recreation Division serves over 700 children in programs offered through the Summer Youth Activity Program and After School Program and thousands of adults and families through facilitation of organized field use for athletic games and tournaments, park reservations and special events. The department's Parks Division hosts over 200 park reservations including between 30 and 40 special events which are open to the public.

Recently, the department established by City Resolution its Parks & Recreation Development Fund and Memorials & Donations Policy which formalized a donations policy for myriad projects and services including but not limited to capital improvements, ongoing maintenance, youth scholarships, events facilitation, property acquisition and materials procurement. The department coordinates the above listed services and programs on a year-round basis with 5.75 Full Time Equivalent staff members and up to 55 seasonal and part-time staff members throughout the year.

In 2006 the department worked with a private contractor to develop a database management system which is currently used to manage data for youth recreation activities; however, the department has outgrown this system. The current database is custom-built software based on Microsoft Access™ and it does not provide the department with multiple desired outcomes including data tracking and reporting, organization of additional programs and services, diversity of payment options or easy communication with customers.

Parks & Recreation Department

Jennifer L. Smith, Director | jsmith@ketchumidaho.org
208.726.7820 | www.ketchumidaho.org

Current Report

The Parks & Recreation Department began establishing fiscal year goals beginning in 2011. Among these goals was implementation of a database system which would allow limited staff to organize and facilitate programs and services, facilitate regular communication with customers, and increase our ability to capture revenue for all of our programs and services. The department hired its first part time administrative support position from its existing budget with the goal of database management. As a team, we established goals relative to data management and researched proprietary software and web-based systems which would match our desired outcomes. After paring the systems down to four candidates, we involved our Information Technology contractor, Todd Mandeville, and decided on a web-based system called The Active Network.

The Active Network provided a three year contract which City Attorney Stephanie Bonney red-lined and approved (**Exhibit A**).

Financial Requirement/Impact

A financial requirement of \$7,261.00 is required in FY2012. This was a budgeted expense which will come from the Parks & Recreation Department's Computer Software (#3600-\$2500) and Professional Services (#4200-\$4761) line items. The bulk of the expenditure is attributed to staff training; the web-based system does not require additional hardware, however a credit/debit card reader purchase is included in the expenditure. A "Software as a Service Agreement" quote is attached (**Exhibit B**).

No annual fee is assessed; Active Network fees are assessed directly from credit card payments for programs and services. These fees are estimated to be between \$700 and \$1400 annually. The fee assessment structure is included in **Exhibit B**.

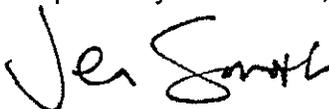
Recommendation

I respectfully recommend that City Council approve a contract for data services with The Active Network for a not-to-exceed amount of \$7,261.00.

Suggested Motion

"I move to approve a contract with The Active Network for data services for a not-to-exceed amount of \$7,261.00."

Respectfully Submitted,



Jennifer L. Smith
Director of Parks & Recreation
Parks & Recreation Department
Jennifer L. Smith, Director | jsmith@kerchumidaho.org
208.726.7820 | www.kerchumidaho.org

Software as a Service Agreement

This Software as a Service Agreement ("Agreement") is made effective as of _____ (the "Effective Date") and entered into between The Active Network, Inc., 10182 Telesis Court, San Diego, CA 92121 ("TAN" or "we" or "us") and City of Ketchum Parks and Recreation ("you" or "your" or "Client"). The parties agree as follows:

1. **Services.** TAN will provide you access to its software as a solution product ("Software") as well as services and support ("Services") related to your events, camps, licenses, classes, tickets, facility/equipment use, transactions, sales, memberships, reservations, donations, and/or activities (together, "Events"). The features, services, options, and fees are described more fully in schedule(s) to this Agreement (each, a "Schedule"). The initial Schedule is attached hereto as Exhibit A. Each additional Schedule must be signed by both parties and will be governed by this Agreement. You agree to provide us with certain information relating to your organization as necessary for us to provide the Software and Services. Software provided under this Agreement is deemed delivered when made available to you.

2. **License to Intellectual Property/Promotion.** a) TAN retains all right, title, and interest in and to its Software and Services and any underlying software subject to the limited license provided by this Agreement.

b) TAN hereby grants to you a limited, non-exclusive, non-transferable license (i) to use the Software and Services solely in accordance with the Schedule and this Agreement, and (ii) to display, reproduce, distribute, and transmit in digital form TAN's name and logo solely for the purposes set forth in this Section 2. You hereby grant to TAN a limited license to use information provided by you relating to your organization, which may include your organization's name, trademarks, service marks, and logo, in connection with the promotion of your organization or Events.

c) You will make reasonable efforts to promote and encourage the use and availability of the Software in connection with the promotion of your Events for which you are using the Software and Services. You will include TAN's name and logo in newsletters, printed registration forms or mailings provided by you to prospective participants (e.g., by inserting the following statement in any online or print media related to your Event: "Online Registration Powered by Active.com"). TAN will be the sole and exclusive provider of registration services similar to the Software and Services provided to Client hereunder for each Event for which you are using TAN's Software and Services during the term of this Agreement.

d) You agree to receive notifications regarding free product, promotional items, and giveaways at your Event(s) or facility(ies), but you may opt not to receive the items from TAN. Registrants of your Events may opt-in to receive information, items, or promotions/deals from TAN; we will be responsible for providing customer service for any such offers.

e) Each party agrees to comply with all applicable laws, rules, and regulations relating to such party's obligations hereunder.

3. **Information Collection.** TAN collects certain information from individuals as part of the registration process for your Events. You may login to our data management system to access this information. You are responsible for the security of your login information and for the use or misuse of such information by users authorized by you to use the Software and Services. You will immediately notify TAN in writing if any such users are no longer authorized. Both parties agree to use the collected information in compliance with (i) all applicable laws, rules and regulations, including, without limitation, those governing online privacy and use of credit card data (i.e. using credit card information only for purposes authorized by the cardholder); (ii) applicable Payment Card Industry Data Security Standards; and (iii) TAN's privacy policy as published on its website.

4. **Fees.** a) Client will pay the fees as more fully described in the applicable Schedule. For registration Software, unless otherwise set forth on the applicable Schedule, TAN will collect registration fees charged by you from individuals who register for your Events online, for the purposes of card association rules, as a merchant of record but not a seller of record. TAN will remit those sums to you, net of chargebacks and any other offsets, bi-weekly unless otherwise set forth in the applicable Schedule, less TAN's service fees as set forth in the applicable Schedule. TAN may suspend its performance hereunder, including remitting payments, in the event it reasonably believes that the Software or Services are being used for fraudulent or other suspect purposes. If you have agreed to a minimum volume commitment in a Schedule, TAN also has the right to charge fees owed to it by you if your organization does not meet the agreed volume commitments and may collect those fees by issuing an invoice or by offsetting the deficiency from any account balance you maintain with TAN. Any minimum volume commitment calculations will begin on the date that the Software is live for your Event(s). TAN may also reimburse itself for any chargebacks, returned items or overdue fees owed by you out of the registration fees it collects on your behalf by offsetting your account. If the Schedule indicates that you are paying on a subscription basis, you will be invoiced for the first year of subscription fees upon the first live operational use of the Software ("Go-Live Date"), with subsequent annual subscription fees being invoiced upon each anniversary of Go-Live Date. Payment of subscription fees are due within thirty (30) days of your receipt of an invoice. All fees and prices are in United States Dollars unless otherwise specified.

b) All fees that are not directly collected by TAN as part of registration fees will be due from you within thirty (30) days from the end of the remittance cycle during which the fees accrued. These fees are displayed on your account statement. Past due fees shall accrue interest at the annual rate of ten percent (10%) per annum. In the event of delay in paying a fee, you agree to reimburse TAN for any fees incurred in its collection efforts. TAN may suspend or deactivate your account if your account is more than thirty (30) days past due.

c) TAN reserves the right to modify the fees once per calendar year, provided that any increase will not exceed twelve and a half percent (12.5%). TAN shall notify Client at least thirty (30) days in advance of any such change. If we modify the fees, you can terminate this

Agreement at that time by providing written notice within thirty (30) days following the date the change is implemented.

d) As the seller of record, you will be solely responsible for, and will pay, any and all use, excise, sales or privilege taxes, duties, value added taxes, fees, assessments, or similar liabilities, chargeable by a governmental authority as a result of any Software or Service provided under this Agreement. Taxes on TAN's net income are excluded.

e) In the event you are entering into this Agreement and seeking the Services for the benefit of a third-party event or organization ("Third Party Beneficiary"), you agree that we may send registration fees collected by us directly to the Third Party Beneficiary.

5. **Disclaimer of Warranty/Limitation of Liability.** TAN EXPRESSLY DISCLAIMS ANY WARRANTY THAT THE USE OF ITS SOFTWARE OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE OR THAT THE SOFTWARE OR SERVICES WILL MEET YOUR REQUIREMENTS. SOFTWARE AND SERVICES ARE PROVIDED TO YOU ON AN "AS-IS" BASIS WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TAN SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR LOST PROFIT DAMAGES. TAN'S TOTAL AGGREGATE LIABILITY FOR ANY MATTER ARISING FROM OR RELATED TO THIS AGREEMENT IS LIMITED TO THE AMOUNT OF FEES ACTUALLY PAID BY YOU AS CONSIDERATION FOR THE SOFTWARE AND SERVICES GIVING RISE TO SUCH CLAIM DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE DATE ON WHICH THE CAUSE OF ACTION AROSE.

6. **Indemnification.** a) Each party (the "Indemnifying Party") shall defend, settle, and pay damages (including reasonable attorneys' fees) ("Damages") relating to any third party claim, demand, cause of action or proceedings (whether threatened, asserted, or filed) ("Claims") against the other party hereto (the "Indemnified Party") to the extent that such Claim is based upon: (i) the Indemnifying Party's violation of any applicable law, rule, or regulation; and/or (ii) provision, by the Indemnifying Party, of materials, products, or services as part of such party's obligations hereunder that infringe the intellectual property rights of any third party provided that such materials, products, or services are used in accordance with this Agreement.

b) You shall further defend, settle, and pay Damages relating to Claims to the extent based on (i) injury or death to a person or damage to property resulting from the participation in an Event operated by you in connection with the Software and/or Services; and/or (ii) brought by a Third Party Beneficiary that relate to or arise from your negligence, wrongdoing, or lack of authority to act on behalf of such third party. For the purposes of Sections 5 and 6, reference to TAN shall also include its suppliers and licensors.

7. **Term and Termination.** The term of this Agreement shall be for three (3) years from the Effective Date with automatic renewals for three (3) year terms thereafter, unless either party gives written notice to the other party to terminate this Agreement no less than twelve (12) months prior to the expiration of the then-current term. Either party may terminate this Agreement: (a) upon a material breach by the other party, if such breach is not cured within thirty (30) days following written notice to the breaching party; or (b) where the other party is subject to a filed bankruptcy petition or formal insolvency proceeding that is not dismissed within thirty (30) days. In the event that Client does not appropriate funds in any given fiscal year to pay for this Agreement, Client may terminate upon providing sixty (60) days written notice.

8. **Miscellaneous.** a) Any notices required to be given under this Agreement shall be in writing sent to the address set forth below for Client or, in the case of TAN, to the address set forth above to the attention of General Counsel. Notices will be deemed received the next day if sent via overnight mail or courier with confirmation of receipt, or three (3) days after deposited in the mail sent certified or registered.

b) This Agreement is non-assignable without the written consent of the other party, except that TAN may assign without consent: (i) its rights to receive payments; or (ii) the Agreement to an affiliate or in connection with any sale of or any other transaction involving the transfer of more than fifty percent of its voting securities or assets. Any assignment in violation of this Agreement will be void.

c) This Agreement shall be governed by the laws of the State of California, without giving effect to the conflict of laws provisions thereof. Neither the United Nations Convention of Contracts for the International Sale of Goods nor the Uniform Computer Information Transactions Act shall apply to this Agreement. Any legal action or proceeding relating to this Agreement shall be instituted only in any state or federal court in San Diego County, California or in any state or federal court in Ada County, Idaho. In any action or suit to enforce any right or remedy under this Agreement or to interpret any provision of this Agreement, the prevailing party shall be entitled to recover its costs, including reasonable attorneys' fees.

d) This Agreement contains the entire understanding of the parties regarding the subject matter hereof and can only be modified or amended by a subsequent written agreement executed by both parties.

e) Sections 2, 3, 5, 7, and 8 of this Agreement and any fees owed by you shall survive any termination or expiration of this Agreement.

f) If any provision of this Agreement is held unenforceable by a court of competent jurisdiction, that provision shall be enforced to the maximum extent permissible so as to effect the intent of the parties, and the remainder of this Agreement shall continue in full force and effect.

g) No waiver of any provision of this Agreement or any attachment shall be effective unless it is in writing and signed by the party against which it is sought to be enforced.

Software as a Service Agreement

h) Neither party will be deemed to be in default hereunder, or will be liable to the other, for failure to perform any of its obligations under this Agreement to the extent that such failure results from any event or circumstance beyond that party's reasonable control.

Software as a Service Agreement
SIGNATURE PAGE

By signing this Agreement, each party represents and warrants that it has the necessary and full right, power, authority, and capability to enter into this Agreement and to perform its obligations hereunder.

THE ACTIVE NETWORK, INC.

By: _____
(Signature)

Print Name and Title

Date: _____

CLIENT

(Full Legal Name)

E-Mail

By: _____
(Signature)

Phone: _____

Address

Print Name and Title

City, State and Zip

Checks payable to

Event URL (Web site)

Date: _____

SCHEDULE 1



Quote

23991 - 1

The Active Network
10182 Telesis Court, 1st floor
San Diego, CA, 92121, United States

Date: 02/16/2012
Expires: 05/16/2012

Customer:
Heather Johns
City of Ketchum, ID
Ketchum, Blaine

Bill To:
City of Ketchum, ID
PO Box 2315
Ketchum, Blaine
US

Ship To:
City of Ketchum, ID
480 East Avenue North
Ketchum, Blaine
ID 83340 United States

Sales Representative: Sara Wise-Martinez

Payment Terms: 30 NET

Line	Product	Units	Qty	Unit Price Selling (USD)	Total Price Selling (USD)
1.0	ActiveNet - Activity Registration	Ea	1	\$0.00	\$0.00
2.0	ActiveNet - Daycare	Ea	1	\$0.00	\$0.00
3.0	ActiveNet - Public Access	Ea	1	\$0.00	\$0.00
4.0	Project Planning	Hr	8	\$100.00	\$800.00
5.0	General Settings	Hr	8	\$100.00	\$800.00
6.0	Activity Registration Implementation & Training	Hr	16	\$100.00	\$1,600.00
7.0	Advanced Registration (Budgeting Functionality) Training	Hr	4	\$100.00	\$400.00
8.0	Daycare Implementation & Training	Hr	16	\$100.00	\$1,600.00
9.0	Enhanced Customer Relationship Management Training	Hr	4	\$100.00	\$400.00
10.0	Public Access Implementation & Training	Hr	16	\$100.00	\$1,600.00
11.0	ActiveNet - Public Access Optimization	Ea	3	\$0.00	\$0.00
12.0	ActiveNet - USB MagTek Credit Card Reader	Ea	1	\$61.00	\$61.00

Software as a Service Agreement

Category Subtotal		
ActiveNet.Hardware.HW Other	Subtotal (Selling Price)	\$61.00
ActiveNet.SaaS.Online Transactions	Subtotal (Selling Price)	\$0.00
ActiveNet.Service.Consulting - Hosted	Subtotal (Selling Price)	\$7,200.00
ActiveNet.Service.Integrated Marketing	Subtotal (Selling Price)	\$0.00
Tax		
	CITY (Rate 0%)	\$0.00
	STATE (Rate 6%)	\$3.66
Total(USD)		\$7,264.66

Ongoing Fees

Customer is opting-out of both the Reader Rewards (online magazine) and Active Advantage offers and such the transaction pricing is as follows....

Offline Service Charges

Payments entered by Customer staff through the offline interface will be assessed a: 2% Service Charge. Non-monetary transactions will be exempt from this Service Charge.

An additional Credit Card Processing Surcharge of 2.5% + \$0.25 will be applied to offline credit card payments. Refunds to credit cards will be assessed a ten cent (\$0.10) Credit Card Refund Fee.

All offline Service Charges will be paid for by the Customer and will be absorbed in offline transaction totals.

Online Service Charges

Payments entered directly by participants through the online interface will be assessed a Service Charge of equal to 6.5% of the payment plus one dollar (\$1.00) for payments less than one hundred and fifty dollars (\$150.00), 3.5% of the payment plus five dollars and fifty cents (\$5.50) for payments less than five hundred dollars (\$500.00) but equal to or more than \$150, and 2.5% of the payments, plus ten dollars and fifty cents (\$10.50) for payments greater than \$500.

A minimum Service Charge of two dollars (\$2.00) will be assessed on all online payments.

All online Service Charges will be paid for by the participant in addition to transaction totals.

General

Sales taxes, where applicable, are not included and prices are in the currency of the country of installation (subject to change without notice). Hardware, operating system, 3rd party software and site preparation are not included unless otherwise noted.

Onsite Services

Quoted prices for onsite services do not include airfare. If onsite services are required, economy airfare will be assessed and invoiced separately. Onsite services are billed in minimum, 8 hour daily increments.

Hardware

All hardware sales are final. Hardware is covered by standard manufacturer's warranty. Equipment that is defective upon arrival will be replaced. RMA process will apply for items after support has indicated there are no alternatives. Customer must notify TAN in writing of any defective hardware within 7 days of its receipt. Any notices received after 7 days concerning defective hardware will be null and void and will not be accepted for return or replacement by TAN. Thereafter, the standard manufacturer's warranty will apply.



CITY OF KETCHUM, IDAHO

P.O. Box 2315
Ketchum, ID 83340
(208) 726-3841
FAX: (208) 726-8234

MAYOR
RANDY HALL

COUNCIL MEMBERS
BAIRD GOURLAY
CHARLES FRIEDMAN
NINA JONAS
CURTIS KEMP

April 2, 2012

Dan B. Minor
Executive VP and COO
Idaho Power Company
P.O. Box 70
Boise, ID 83707

RE: Idaho Power – City of Ketchum Franchise Agreement

Dear Dan:

As you know, the City of Ketchum and Idaho Power have been in the process of negotiating a new franchise agreement to replace Ordinance Number 890 (“Franchise Agreement”). The Franchise Agreement was scheduled to expire on January 7, 2012, but was extended by mutual agreement of the City of Ketchum and Idaho Power effective January 5, 2012. The extension provided that the term of the existing Franchise Agreement would be extended until April 7, 2012. Although the parties have made progress in negotiating a new franchise agreement, the process will not be completed before the end of the extended term of the Franchise Agreement. Accordingly, the City and Idaho Power wish to extend the term of the Franchise Agreement for a period of sixty (60) days from April 7, 2012, or until a new franchise agreement is adopted by the City in accordance with Idaho Code §50-329 and 50-329A, whichever occurs first.

Please sign this letter agreement in the space provided below indicating the mutual agreement between the City of Ketchum and Idaho Power to extend the term of the Franchise Agreement as provided herein.

Sincerely,
CITY OF KETCHUM

Randy Hall
Mayor

Accepted and agreed this ____ day of April, 2012.

IDAHO POWER COMPANY

By: _____

Dan B. Minor

Its: Executive Vice President and Chief
Operating Officer