



City Council

Regular Meeting

~ Minutes ~

480 East Avenue North
Ketchum, ID 83340
<http://ketchumidaho.org/>

Monday, October 3, 2016

5:30 PM

Ketchum City Hall

Present: Mayor Nina Jonas
Council President Jim Slanetz
Councilor Anne Corrock
Councilor Michael David

Absent: Councilor Baird Gourlay

Also Present: Ketchum City Administrator Suzanne Frick
Ketchum City Attorney Jill Holinka
Assistant to the City Administrator Lisa Enourato
Director of Planning & Building Micah Austin
Director of Public Works/City Engineer Robyn Mattison
Director of Parks & Recreation Jen Smith

1. CALL TO ORDER

Mayor Nina Jonas called the meeting to order at 5:35 p.m.

2. COMMUNICATIONS FROM MAYOR AND COUNCILORS

a. Communications from Mayor & Council

b. Proclamation in Celebration of Child Health Day – Mayor Nina Jonas

Mayor Nina Jonas proclaimed today Child Health Day by reading the proclamation aloud.

c. Proclamation of Mental Illness Awareness Week – Mayor Nina Jonas

Mayor Nina Jonas presented a Proclamation in honor of Mental Illness Awareness Week. Roxanne Jensen talked about services in this area being inadequate and voiced her appreciation of this proclamation. Mayor Nina Jonas outlined some activities that will be going on in the community.

d. Proclamation in celebration of Hispanic Heritage Month of Action – Mayor Nina Jonas

Mayor Nina Jonas read a proclamation in celebration of Latino Voter Registration Month encouraging registering voters for the upcoming election. There will be voter registration day next week at Hemingway school.

e. Recognition of Outgoing Arts Commissioners – Mayor Nina Jonas **

Mayor Nina Jonas gave recommendation to the Arts Commission and outlined many of the accomplishments they have made in our community. Trina Peters, Ann Winton and Marybeth Flower were honored with Proclamations and flowers.

Trina Peters thanked Mayor and Council for their support of all the public art initiatives.

Ketchum has been named one of the top great 5 Main Streets in America. Director of Planning & Building Micah Austin talked about what the award means and how it was determined by the APA Board of Directors.

Mayor Nina Jonas thanked City Attorney Jill Holinka for her service to the City and introduced Mathew Johnson and Bill Gigray as the new City Attorneys.

f. Appointment of Ketchum Arts Commissioners – Mayor Nina Jonas introduced Courtney Gilbert as the new Chair.

Mayor Nina Jonas announced the four new Commissioner- Jackie Cole, Elizabeth Youmans, Victor Vandenberg and Hilary Neely.

g. Update on the Air Service Board Meeting – Mayor Nina Jonas

Mayor Nina Jonas gave an update from the Sun Valley Air Service Board Meeting and outlined the bills that we approved for payment.

h. Update on the Mountain Rides meeting – Councilor Anne Corrock

Councilor Anne Corrock talked about two new members on the Mountain Rides Board and updated council in regards to a field trip that was done today with Mountain Rides Executive Director Jason Miller. Bus Stop's in Ketchum were toured and improvements were discussed.

i. Update on the KCDC meeting – Councilor Michael David

Councilor Michael David updated council on signage, Telluride venture accelerator, a new board member and the possibility of a new business moving into the building in a new space.

Councilor Michael David also attended the Blaine County Housing Authority meeting last week and advised that the board was working on the contract for services. City Administrator Suzanne Frick explained that the contract should be on the next agenda.

Motion to appoint the new Arts Commissioners to the Arts Commission.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael David, Councilor
SECONDER:	Jim Slanetz, Council President
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

3. COMMUNICATIONS FROM THE PUBLIC

a. Communications from the public. For items not on the agenda.

4. CONSENT CALENDAR

a. Approval of Minutes: Regular Meeting September 19, 2016

Mayor asked the Council for questions and comments.

Councilor Anne Corrock corrected the spelling of Auberge on page 1 and 2.

b. Approval of Current Bills and Payroll Summary

Councilor Anne Corrock questioned the Soil Nail Cost in the bills for Auberge. Director of Planning & Building Micah Austin explained that the City paid for the cost but can be billed back to the applicant. Anne Corrock questioned who attended the Jerry Mason training. Micah Austin said that it was Brittany Skelton, Keisha Owens, Commissioner Jeff Lamoureux and Commissioner Erin Smith.

Motion to approve the Consent Calendar with the correction of spelling in the minutes.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Anne Corrock, Councilor
SECONDER:	Michael David, Councilor
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

5. COMMUNICATIONS FROM STAFF

a. KEAC Recommendation to Submit a Letter to the PUC Regarding the Proposed Redundant Power Line – Director of Planning & Building Micah Austin **

Director of Planning & Building Micah Austin presented the background of the recommendation to send a letter in regards to the Idaho Power Redundant Line. He talked about the letter in the packet and the proposal of the Organization and asked council for questions. Council President Jim Slanetz is in agreement with this proposal.

Mayor Nina Jonas opened the meeting up to public comment.

Amy Christiansen - Chair Ketchum Energy Advisory is in support of the letter. She talked about previous responses from Idaho Power and about distribution and transmission lines.

Kiki Tidwell - Clean Tech Investor talked about energy storage power and backup power. She talked about what Idaho Power says and offers real solutions.

Karen McCall - Ketchum Energy Advisory Commission thinks Idaho Power is not responding to requests that the commission makes. She talked about the Line they presented to Sun Valley and about how the cost would be distributed. She is in support of continuing to talk to Idaho Power to discuss solutions.

Mayor Nina Jonas closed public comment.

Council President Jim Slanetz questioned the base construction cost. Mayor Nina Jonas explained and talked about the 3 options that were proposed. There was a discussion among Mayor and Council. Water and Sewer, City Hall and the Hospital all have diesel generator back up's.

Motion to approve a letter from the City of Ketchum to the Idaho PUC requesting Idaho Power to pay for an independent cost-benefit and reliability analysis of alternatives to a redundant transmission line.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Anne Corrock, Councilor
SECONDER:	Michael David, Councilor
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

b. Recommendation to approve Cover Art Project Consignment Agreement with Karen Jacobsen for bus shelter art work – Director of Parks & Recreation Jen Smith

Director of Parks and Recreation Jen Smith presented the agreement for approval and explained what the design will look like. She also explained where the funds will come from for this cover Art Project. City Administrator Suzanne Frick explained how this installation came about and how the art would be paid for by donations.

Motion to approve the Cover Art Project Consignment Agreement with Karen Jacobsen to provide artistic design elements for the City owned Bus Shelter located on Saddle Road near Northwood Way.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jim Slanetz, Council President
SECONDER:	Michael David, Councilor
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

c. PUBLIC HEARING and consideration of Ordinance 1162 amending Title 17 of the Ketchum Municipal Code, Zoning Ordinance, amending sections 17.127 and 17.12– Director of Planning & Building Micah Austin

Director of Planning & Building Micah Austin explained that the Ordinance in front of them is the same they saw at the last meeting with two changes that council recommended. He explained this Ordinance also accompanies signage. He asked Council for questions. Councilor Anne Corrock questioned sandwich board signs. Micah Austin explained the permitting process.

Mayor Nina Jonas opened the meeting for public comment. There was none.

Motion to approve the first reading of Ordinance 1162 amending Title 17, Ketchum Municipal Code, to repeal and replace chapter 17.127, Signage, to remove and replace all content based regulations and to amend Chapter 17.12. Establishment of Zoning Districts and Matrices amending Section 17.12.040, Dimensional Standards to add provisions for roof top equipment and structures, add minimum lot size, and to clarify dimensional standards for building setbacks and cantilevered decks.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael David, Councilor
SECONDER:	Anne Corrock, Councilor
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

d. PUBLIC HEARING: Request from Helios Development LLC to extend the approvals for the Warm Springs Ranch Resort Annexation and Development Agreement an additional 8 years - Director of Planning & Building Micah Austin

Director of Planning & Building Micah Austin showed a power point for the eight-year approval process and gave the history and background for this project. He then went over the procedural history and explained what they will be talking about this evening. Micah Austin gave the recommendation to extend approvals with 3 conditions. The first one is a 4-year extension with annual extension payments. Second condition is for there to be Public Access to Property. The Third condition is in regards to the Expiration of Force Majeure Clause. Micah Austin talked about the additional comments that were received.

Councilor Anne Corrock questioned the Force Majeure and the wording and suggested removing that language. City Attorney Jill Holinka explained that this is not standard language but the rest of the paragraph is. Council President Jim Slanetz questioned the 2012 agreement and if the Force Majeure was part of that agreement. Director of Planning & Building Micah Austin explained that it was. Councilor Anne Corrock questioned if the annexation is a done deal. Micah Austin explained that it is.

Applicant Attorney Ed Lawson for Helios Development spoke. He said they have no interest in the 4-year extension with the 3 conditions and explained that staff and attorney are fully aware of this. He explained Helios' response and talked about the provisions that were negotiated between Helios and the City of Ketchum in the past. He talked about the agreement that was previously signed by the Mayor and Helios and about the conditions they have already agreed to. Ed Lawson gave suggestions to council on how he thinks they should proceed. He talked about the letter in the packet with Micah Austin's Staff Report and advised that Helios is not going to be in agreement with the 3 conditions. He suggested Mayor and Council just say "Yes" and talked about all the benefits that will occur with a "Yes". He said if Mayor and Council say "No" they will be headed to the courts and then outlined all that will be involved with that process. He talked about the benefits of this project and asked Mayor and Council for questions.

Mayor Nina Jonas questioned the time on the Forced Majeure in 2010. Attorney Ed Lawson explained the Forced Majeure period. Mayor asked why he isn't asking for a 6-year extension. Ed Lawson said they made their request based on what is supportable. Council President Jim Slanetz talked about the amendment to the 2012 agreement and all the City gave at that time. Ed Lawson explained that the scope of the project was drastically reduced and he outlined in what aspect. The changes in the 2012 agreement was discussed. The length of the Force Majeure was discussed along with the language of that clause. Ed Lawson spoke of the positives of moving forward. Anne Corrock talked about the losses of the City of Ketchum and the hits the City has already taken on this project. Ed Lawson talked about the delay not the loss and reiterated the loss the City will face if they say "No". Anne Corrock said the URA portion will be a loss and is already a loss and then talked about the hits the City has already taken.

Administrator Suzanne Frick asked for clarification from Attorney Ed Lawson and asked if there is room for negotiations. Ed Lawson said that there is room but not what staff has recommended. The owner said the public access is a deal break. The Financial Feasibility of the project was talked about. Council President Jim Slanetz talked about the delay in development and his concern of staff time and cost to the future tax payer. Councilor Michael David talked about previous council and the Force Majeure clause.

Mayor Nina Jonas opened the meeting for public comment.

Marcia Ingham resident of Warm Springs founded the Coalition to originally preserve that land. She talked about developers in the past and what they wanted to put there and about what Helio's brought to the table. She voiced her opinion as to how the council has treated this owner and about the amount of money that will be wasted if they go to court.

Jerry Seiffert 389 Warm Spring Rd. talked about the premise behind building the hotel and all the elements that would be effected. He talked about the wage earnings that will be increased and about Ketchum and the LOT and asked Ketchum to say "Yes" to these developers.

Karen Reinheimer Citizen said she does not like the way Ed Lawson spoke to Council in regards to threats. She talked about Councilor Anne Corrock's comments in regards to the City to taking a hit. She talked about council's decisions and the ability of the council to make these decisions and voiced her opinion as to the delay in this project.

Brian Barsotti said he has been trying to build a hotel here for 17 years. He said he believes Ed Lawson in regards to the owners and litigation. He said things are different today than they were a year ago and talked about the Limelight Hotel and all that they are offering the community. He talked about financing and difficulty of it and said now is not the time to say "No". A reasonable extension would be two years and said that there are opportunities to keep talking.

New citizen Susan MaGuigan said the developers are asking for 2024 for development of his project. She talked about other ways to develop. There may be a compromise.

Mayor Nina Jonas closed public comment.

Attorney Ed Lawson thanked everybody for their public comments.

Mayor asked Council for any further questions of Director of Planning & Building Micah Austin at this time. Councilor Anne Corrock questioned the Traffic Study part of the staff report and if it is still valid. Micah Austin explained that if Council approves, updated studies would be required. City Administrator Suzanne Frick said that if the Council agrees the City does not have the authority to require more. The agreement would be as stands. The time frame and deadlines were talked about. Councilor Anne Corrock questioned the analysis of wages that Jerry Seiffert brought up. Micah Austin explained that the City does not have an analysis. Council President Jim Slanetz questioned future staff time. Micah Austin outlined what we could bill for. Councilor Michael David talked about a multiplier and disclosed that he is an employee of the Sun Valley Resort.

Mayor Nina Jonas closed Public Hearing.

Council President Jim Slanetz said he is not opposed to the project but stretching things out proposes problems. He does not know how long to go out and is not in agreement with 8 years. He would like to see a timeline.

Councilor Anne Corrock has concerns about not updating the current studies that have been done. She felt the offer is a fair negotiation and is surprised that the public access to the Property was an issue for the developer.

Councilor Michael David asked if a decision is not made if this needs to be extended again. City Administrator Suzanne Frick suggested a 30-day extension to November 7, 2016 that would allow for more time to negotiate. Michael David was in agreement.

Attorney Ed Lawson said there is room for responsible negotiations. There's no negotiations on the Public Access condition and said the current traffic study is good until 2024.

Mayor Nina Jonas asked Ed Lawson for direction on the negotiation process. Ed Lawson said he would need to talk to his client to try to avoid confusion. Mayor Nina Jonas asked for clarification on the negotiation process and how to go forward and with whom. Ed Lawson suggested he work with staff. Mayor Nina Jonas asked if years are negotiable. Ed Lawson said if the City can prove their point it can be discussed.

Motion to extend the deadline to December 9, 2016.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael David, Councilor
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

e. Recommendation to approve contract with Mountain Rides – City Administrator Suzanne Fick

City Administrator Suzanne Frick recommended approval. Mayor Nina Jonas asked if there are changes. Suzanne Frick outlined the changes as to the additional scope of services. Councilor Anne Corrock talked about the frequency of reports to council. Nina Jonas suggested getting metrics before the meeting so they have time to absorb and then have a conversation at the meeting. Suzanne Frick explained there will be quarterly updates by email to the council and bi-annual presentations to the council.

Motion to enter into a contract for services with Mountain Rides Transportation Authority.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jim Slanetz, Council President
SECONDER:	Anne Corrock, Councilor
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

f. Recommendation to sign contract for Legal Services with White Peterson Gigray & Nichols, P.A. – City Administrator Suzanne Frick.

City Administrator Suzanne Frick outlined the background and recommended approval of the contract. Councilor Anne Corrock questioned page 2 - retainer legal services 5.5 and 5.6. Attorney Mathew Johnson will be the primary attorney on the contract. He explained that only Suzanne Frick will authorize communication with the attorney. Anne Corrock questioned the termination process in the contract. Mathew Johnson explained that they are appointed and can be released at any time. They will need to be appointed as an Officer.

Mathew Johnson asked that this agenda be amended to add 74.206(f) threatened Litigation to the Executive Session.

Motion to enter into a contract with White Peterson Gigray & Nichols, P.A. to provide legal services to the City of Ketchum.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael David, Councilor
SECONDER:	Jim Slanetz, Council President
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

Motion to add to the agenda under Executive session to enter into possible litigation 74.206 (f) because of threatened litigation that was brought up by Helio's attorney at this meeting.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Anne Corrock, Councilor
SECONDER:	Michael David, Councilor
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

g. Recommendation to decline Terrorism Coverage thru ICRMP with the renewal of the policy – City Administrator Suzanne Frick

City Administrator Suzanne Frick explained that this is administrative and explained ICRMP's recommendation and how to proceed. Councilor Anne Corrock questioned if this is new. Council President Jim Slanetz explained this is federal law and it has to be offered.

Bill Gigray clarified that ICRMP will insure only those that are insured by ICRMP.

Motion to decline the additional terrorism coverage and authorize the Mayor to sign the Terrorism Risk Insurance Act Rejection of Full Coverage.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael David, Councilor
SECONDER:	Jim Slanetz, Council President
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

6. EXECUTIVE SESSION to discuss:

- a. Personnel Matters pursuant to Idaho Code §74-206 1(b)
- b. Discussion pursuant to Idaho Code §74-206 1(a)
- c. Discussion pursuant to threatened Litigation Idaho Code §74-206 1(f)

Motion to go into Executive Session at 8:25 p.m. to discuss personnel Matters pursuant to Idaho Code §74-206 1(b), Discussion pursuant to Idaho Code §74-206 1(a), Discussion pursuant to threatened Litigation Idaho Code §74-206 1(f)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael David, Councilor
SECONDER:	Anne Corrock, Councilor
AYES:	Michael David, Anne Corrock, Jim Slanetz
ABSENT:	Baird Gourlay

Motion to come out of Executive Session at 9:11 p.m.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Jim Slanetz, Council President
SECONDER: Anne Corrock, Councilor
AYES: Michael David, Anne Corrock, Jim Slanetz
ABSENT: Baird Gourlay

7. ADJOURNMENT

Motion to adjourn at 9:12 p.m.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Jim Slanetz, Council President
SECONDER: Anne Corrock, Councilor
AYES: Michael David, Anne Corrock, Jim Slanetz
ABSENT: Baird Gourlay



Robin Crotty, Interim City Clerk



Nina Jonas, Mayor