



**REGULAR KETCHUM CITY COUNCIL MEETING**

Monday, June 16, 2014 at 5:30 p.m.  
Ketchum City Hall, Ketchum, Idaho

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

**Also Present:** Interim Ketchum City Administrator Ramon Silver  
Special Ketchum City Attorney Paul Fitzer  
Ketchum Director of Planning and Building Joyce Allgaier  
Ketchum Associate Planner Rebecca Bundy  
Recording Secretary Sunny Grant

1. The meeting was called to order by Mayor Nina Jonas at 5:30pm.

2. Amend the Agenda

Council President Michael David moved to amend the agenda to include Personnel in the Executive Session at the end of this meeting. Motion seconded by Councilor Jim Slanetz, and passed unanimously.

**Communications from Mayor and Councilors**

3. **Communications from Council Liaisons: Traffic Authority – Michael David.**

The Traffic Authority is working on several things, including:

- Approved RV day parking in the middle of First Avenue by Forest Service Park between River Street and First Street.
- Authorized the removal of a lilac bush at the corner of Seventh and Washington that was a sight obstruction.
- Authorized removal of a parking space on the north side of Sun Valley Road just east of Washington Avenue that was too close to the intersection and was a sight obstruction.
- Made a slight adjustment to the bus stops on both sides of Sun Valley Road at Spruce Street.
- Discussed the Fourth Street and Main Street intersection, especially safety issues. The bike lane on Spruce Street, from Sun Valley Road north to Fourth Street, will be painted green. Fourth Street is a shared road for bikes and automobiles, and will have one sign in the middle of each block, visible from both directions, that will say KETCHUM HERITAGE CORRIDOR – PLEASE SHARE THE ROAD, with pictures of a bike and pedestrian.
- Reconfigured the Fourth Street/Main Street intersection so drivers can only make a right turn off of Fourth Street onto Main Street. Drivers can still turn left onto Fourth Street from Main Street. Signs will be installed on both sides of Fourth Street in the last block before Main Street that will say RIGHT TURN ONLY onto Main Street.
- Beacon flashing lights will be installed for pedestrians at the north crosswalk at Fourth and Main Street.
- Two new bike racks have been installed on East Avenue in front of Bigwood Bread and LeRoy's. They use cross-hatched areas and don't displace any parking spots.

Mayor Nina Jonas thanked local artists for contributing artwork to the Ketchum City Council Chambers:

- Ketchum Arts Commission President Claudia McCain thanked local artists for loaning their artwork to the meeting room.
- The Ketchum medallion artwork will be moved to another area in the meeting room.
- Artwork will be installed at Edelweiss Park as part of Ketchum's permanent art collection.
- John Kannellitsas worked with the City on a sidewalk at the corner of Second Avenue and Sixth Street.

Councilor Baird Gourlay noted that a newspaper article claimed criminal charges would be brought against Mr. Canalises. The Ketchum City Council apologizes to the Kannellitsas family for harassment they endured as a result.

4. **Proclamation for Outstanding Service for Rich Fabiano.**

Mayor Nina Jonas read a Proclamation honoring retiring Planning & Zoning Commissioner Rich Fabiano, who served on Ketchum P&Z for seven years and attended well over 210 Commission meetings. Fabiano spent two days surveying 220 visitors as part of the update of the Ketchum Comprehensive Plan; and was a tireless advocate for Ketchum waterways and riparian areas.

5. **Communications from the public.**

There was no public comment for items not on the agenda.

**6. Presentation to determine public interest in the City purchasing the Big Wood Golf Course – Sean McCoy and Tom Praggastis.**

Tom Praggastis, representing Big Wood Golf Course owners (the Sellgren family), asked Council if they were interested in acquiring the Big Wood Golf Course. The Sellgren family has terminated all golf course leases, and operated the golf course themselves for the past year. They are entertaining offers on the golf course. Separate buildings—the restaurant and pro shops—are currently under separate leases, and may or may not be part of the sale. Part of the parking lot belongs to the golf course. The golf course has very good water rights.

**PUBLIC COMMENT:**

- Ketchum resident Ed Simon said a recreation amenity available to golfers and cross-country skiers has tremendous upside potential. The City can afford to purchase the property; and reap the benefits. The City could purchase the golf course with a revenue bond, and make annual payments based on the revenue. Simon considered purchase of the golf course a win-win for every resident of Ketchum and Sun Valley.

Councilors will seriously consider the offer. Councilor Gourlay requested financial statements.

**7. Mountain Rides presentation for funding for FY2014-15– Jason Miller, Mountain Rides Executive Director.**

*Also Present: Community Transportation Association of Idaho (CTAI) Mobility Manager Sarah Michael*

Mountain Rides Executive Director Jason Miller acknowledged that Mountain Rides has a new logo.

The City of Ketchum is Mountain Rides' #1 funding partner and main hub of Mountain Rides' transit routes and use. All free bus routes connect to and from Ketchum. The Valley route's major trip destination is Ketchum.

Mountain Rides is a public government organization, made possible through a Joint Powers Agreement partnership with all cities and Blaine County, to provide public service in the form of public transportation to serve the whole community. Mountain Rides' main goal is to decrease single occupancy vehicle use and increase use of other modes. Mountain Rides' main focus is fixed route buses, but they also promote RideShare, VanPool for commuters who live outside Blaine County, Safe Routes to School, biking and walking, and local BikeShare programs.

The Bike-Ped Master Plan is a blueprint for community-wide bicycle-pedestrian facilities that will facilitate grant applications and guide local bike/ped routes and wayfinding. The Bike-Ped Master Plan will be presented to the Blaine County Regional Transportation Committee in August.

Mountain Rides has a \$2.5 million budget; and relies heavily on local and federal funding, particularly for free Ketchum-Sun Valley routes. The Valley route receives more federal funding because it's a commuter route. Mountain Rides leverages local funding for federal dollars. Last year's 39% cut in Federal funding will significantly impact Mountain Rides this year and the first half of 2015, even though federal funding has been restored for FY2015. Idaho is one of few states that does not fund transit agencies.

A good transit system keeps Ketchum competitive with other resort communities. Mountain Rides is accessible and used by everyone of all economic levels. Mountain Rides received two of three state leadership awards. The winter Mountain Rides Customer Survey received 97% Excellent or Very Good rating of overall experience. Forty percent of those surveyed were either from or going to Ketchum. There was a 24% increase in ridership over the winter, even with lower skier counts, due to groups in town and the end-of-season addition of Silver Route to connect River Run with Warm Springs.

Mountain Rides is requesting \$561,000, a 2% increase from all funding partners, to maintain current service levels, due to the decrease in federal funding and to cover some increased expenses.

- Councilor Corrock asked if Mountain Rides was moving toward more night-time service for bar and restaurant business.

Mountain Rides Executive Director Jason Miller said night service is until 9:30 on a year-round basis, with later night service during peak times. Extended night-time service hours would have to be taken from another service, which is being seriously evaluated. Mountain Rides is also considering year-round 30-minute service during commute times from 7:30 to 10:30 in the morning and 3:30-6:30 in the evening.

- Councilor Corrock asked if bus stops could be nicer and lit at night so drivers can see riders at the stops.

Miller agreed that Warm Springs stops, in particular, could be improved, but Warm Springs right-of-way is not wide enough to provide pull-out space. Mountain Rides has applied for some grants for bus stop improvements, but hasn't been successful yet. Capital funding the last couple years has been used for bus improvements and replacements.

- Councilor Corrock asked that Mountain Rides work with Ketchum Events committee to provide bus service for events.

Mountain Rides promotes events and existing bus service, but running a bus costs \$75/hour. There are weekly and sometimes daily special events, so the Mountain Rides Board set a flat non-profit rate for charter bus services.

- Councilor Corrock asked if the River Run to Warm Springs connection would be continued all winter.

The River Run-Warm Springs connection would be a new route that is unfunded at this time. Mountain Rides will get back to Ketchum with a proposal to provide the service at an additional cost or at the expense of another service.

**PUBLIC COMMENT:**

CTAI Mobility Coordinator Sarah Michael tracks federal dollars in the eight-county region. Mountain Rides funding in April 2014 was significantly down. She urged Council to maintain their funding until federal funding is restored to prior level in April 2014. She said the price of oil spiked recently due to the Iraq War, and is likely to cause a significant ridership increase.

**8. Ketchum Community Development Corporation presentation for funding for FY2014-15 – Jon Duval, KCDC Executive Director.**

*Also Present: Rick LeFave, Sun Valley Economic Development*

Ketchum Community Development Corporation Executive Director Jon Duval said the Ketchum Innovation Center (KIC) was first presented to Ketchum Council in January 2014; and has exploded in growth. KIC is a three-faceted program: The KIC facility and hub for supporting entrepreneurial environment; the mentors and advisors program; and a local investment fund to provide capital.

KIC currently has six company tenants with 15 employees. Three speaker and workshop series have been well-attended. The conference room is heavily used; and KIC's mentor program is increasing every day. The Boise Angel Alliance will host a meeting; and the Boise State Venture College is interested in providing a structured educational component for entrepreneurs, using KIC as a model, to create companies and jobs. The Community School would like to do a social entrepreneurship class with the mentor group.

KIC's costs are as presented in January, to cover building expense, event costs and marketing.

Rick LeFave said programs like this empower other things to happen. The KIC Mentors and Advisors program has 24 companies, and Sun Valley Economic Development has another dozen companies interested. The mentors program is launching an investment fund to provide capital for local ventures.

The KCDC presented its other programs, including affordable housing, to the Ketchum Urban Renewal Agency (KURA) and requested a total of \$99,000 in funding. If the URA denies funding to the KCDC, the KCDC will return to Ketchum Council for funding for overhead costs. The KCDC partners with Sun Valley Economic Development on KIC and other ventures.

- Councilor Gourlay is on the SVED Board, and hears entrepreneurs talk about the challenges of starting a business.
- Councilor David is on the KIC and KCDC Boards. One benefit of KIC is welcoming younger people, and providing them with successful, established mentors.
- Councilor Jim Slanetz supports KIC.
- Councilor Corrock supports KIC, but would like to know how it works. Duval said KIC is learning as it grows, but invites and cultivates young companies that it sees have potential and provides them with the support and help they need. Both KIC and tenants are at will, and expect to see growth or will terminate their partnership.
- Mayor Jonas asked Duval to explain budgeted equipment and overhead costs.

**PUBLIC COMMENT:**

- Neal Bradshaw, President of the KCDC, said the KCDC works for the City of Ketchum, the community and everyone in Ketchum. The more input they get from Ketchum Council and the community, the better they can direct their efforts. KCDC organizes and motivates volunteers, who look for the City's support. The KCDC encourages Ketchum Council to meet with them to plan for the future. The KCDC has had a terrific year, and looks forward to getting adequate funding from the KURA for the coming year.
- Ryan Waterfield, partner in WoodSquareDot Creative Group, a KIC building tenant, thanked everyone involved for the KIC incubator. She said it's a direct fight against the sort of brain drain that happens in small communities.
- Craig Maxwell said his structural engineering firm is a KIC building tenant. He thanked KIC mentors for all their support, and hopes to be able to move out sooner rather than later.
- Matthew Mead moved to Ketchum from New Jersey to start Hempitecture, which is building a public use hemp building at Idaho Base Camp. He looked all over the country for an incubator program with mentors for two years before finding KIC, which allows him an affordable space to do research, prototyping and development.
- Jima Rice said KIC might want to consider additional space in the next year.

**COMMUNICATIONS FROM STAFF**

**9. Proposed Transportation Hub Project, Approval of Project and Use of City Right of Way – Joyce Allgaier, Director of Planning and Building.**

*Also Present: Mountain Rides Executive Director Jason Miller*

*Kurt Eggers, project lead designer*

*Ketchum Arts Commission President Claudia McCain*

*Ketchum Parks and Recreation Director Jen Smith*

*Parks and Natural Resources Superintendent Juerg Stauffacher*

*Ketchum Public Works Director/City Engineer Robyn Mattison*

This application before Ketchum City Council is for the proposed Mountain Rides Transportation Hub final design, public infrastructure improvements in the City right-of-way (which will then be owned by Ketchum), approval of construction and maintenance framework, an easement agreement with The Elephant's Perch, MOU with the KURA, and authorizing the Mayor and Public Works Director/City Engineer to sign construction agreements and all necessary right-of-way permits to put the project up for bid.

6:59:40 pm Mountain Rides Executive Director Jason Miller said a transportation hub would provide benefits to both Mountain Rides and the City of Ketchum. Ketchum would benefit from better connections around town, increasing foot traffic in downtown, better public infrastructure, and local return on investment. 36% of Mountain Rides bus ridership is visitors and part-time residents, 32% is employees and the rest is full-time locals. The project will displace four parking spaces, but is designed for safety, sustainability and bike-ped mobility, and to bring people to the heart of town, where they want to be and the activity is.

Miller related the history of the project, which first began in June, 2011. There were six open houses, plus 10 Council and P&Z meetings, with public input. The Hub site plan with street trees and bulb-outs fits with City Design Review guidelines and Downtown Master Plan.

The bulk of the funding is a \$312,000 Bus Livability/Sustainability grant through the US Department of Transportation federal transportation grant for improvements on capital infrastructure to make transit a more integrated part of communities. The KURA is a large partner, and the City of Ketchum has contributed \$19,000. Ketchum will also pay a number of operational costs. So far, about \$60,000 has been spent on design. According to the American Public Transportation Association, every dollar spent on transit has a local 4X multiplier.

Design team leader Kurt Eggers said the design was reworked in response to public comments, P&Z pre-application review, and all City departments, especially Parks and Street. The expanded sidewalks and bulb-outs were reduced significantly, and center islands in East Avenue have been eliminated.

Mountain Rides has worked with the Ketchum Arts Commission to design aesthetic and attractive bus stops. There is bicycle parking to the left of Starbucks. Street trees will be pulled back to lessen conflict with the buses. Bus stops on both sides of the street will have realtime data screens that track the buses and city maps. Sidewalk areas will be upgraded to pavers. Bulb-outs will be concrete, stamped with design or texture. Crosswalks will be colored concrete to match the bulb-outs. Benches are concrete with a wood seat, and covered with pergolas designed to go with the architecture of both the Visitors Center and The Perch. The team has met several times with the owner of The Perch and a representative of the owner of the property to provide a bus stop area that will improve the location and visibility of The Perch. The seating area is transparent and 360 degree usable.

Galena Engineering and Ryan Hales worked to preserve sight lines at the intersection. The whole crosswalk is visible to drivers at the intersection. Trees will be limbed up to be sure they don't impede sight lines. Ketchum Fire Chief Mike Elle got both ladder trucks to successfully maneuver through the intersection.

Bulb-outs reduce the distance pedestrians spend in the street. Trees on the bulb-outs will have decorative plank street grates. The bulb-outs will have structural bollards bolted onto concrete footings with decorative over-sleeves. Bulb-outs, street trees and pavers are intended as traffic-calming measures. Crosswalks in perpendicular directions are clearly separated, so drivers will know which way a pedestrian at the curb is crossing. The Hub design is ADA compliant.

Large single and double trailer trucks currently have difficulty negotiating several intersections in Ketchum and many of them find alternate routes. This intersection with the hub is not going to be any more difficult than it is now.

Ketchum Arts Commission President Claudia McCain said three artists had been commissioned for the project and would be paid from budgeted funds.

The Planning and Zoning Commission reviewed the Hub twice. Their concerns were addressed by the design team.

A majority of the Hub features are in the Ketchum right-of-way and are under the purview of the Ketchum City Council. Seating and bus shelters are on Siegel and KURA property, and agreements for long-term use of the property are forthcoming for the Mayor's signature.

The project represents a significant improvement to the existing intersection, which is deteriorating, and brings it in compliance with Ketchum street standards and ADA requirements. Construction will be early September to late October after the peak summer season. Mountain Rides is responsible for construction: They will assemble a bid package and construction drawings, choose a contractor, and oversee construction. Ketchum's Public Works Director/City Engineer will provide Ketchum construction oversight, do field inspections and accept improvements on behalf of the City. Parks and Recreation supports the revised street plantings and pruning, and accepts maintenance and operation responsibilities. Ketchum will enter into a Maintenance and Operations Agreement to specify separate responsibilities of Ketchum and Mountain Rides.

Staff recommends the City approve the Hub project.

- The Maintenance Operations and Responsibilities Framework sets forth Ketchum's responsibility for the public right-of-way and Mountain Rides' responsibility for KURA and The Elephant Perch properties. Ketchum will take over responsibility for road repair, plowing and maintaining Sun Valley Road at the intersection from ITD.
- The Ketchum Parks Department will add about \$12,000 annually in labor and materials.

- The Public Works Department estimates about \$1,000 annually for additional operations and materials.

**PUBLIC COMMENT:**

- Milt Adams, local resident, said delivery semi-trailer trucks going East Avenue to Sun Valley Road would have problems with the bulb-outs. Current bulb-outs are on side streets, but not on Sun Valley Road. Adams said spending \$460,000 won't change anything, the buses will still stop in front of The Perch and Starbucks.
- Blaine County Housing Authority Executive Director David Patrie said the Hub is the culmination of more than two years of public planning. People expect good public transportation service in resort towns, and Ketchum needs to keep up with its competitors. Trading four parking spaces is well worth increased pedestrian safety and transportation options.

**COUNCIL COMMENTS:**

- Councilor Corrock would prefer a simpler design. She doesn't like bulb-outs and said they don't work in snow. They may improve pedestrian safety, but aren't necessarily safer for cyclists. Making crosswalks a different color is good. Fire trucks were able to negotiate the intersection, but it was tight and without snow.
- Councilor Slanetz doesn't mind the bulb-outs. Trucks deliver early in the morning.
- Councilor Gourlay said \$12,000 for maintenance seemed a little high. Ketchum Parks and Recreation Director Jen Smith said they have to contract for hand removal of snow and ice, which is expensive. Parks and Natural Resources Superintendent Juerg Stauffacher said snow storage adds to the cost. Councilor Gourlay rides the bus a lot and supports the Hub because crossing this intersection in ski boots is difficult. Bulb-outs do slow down drivers, and will help them see pedestrians.
- Councilor David disclosed that he is Ketchum's representative on the Mountain Rides Board of Directors. He feels the improvements will not only make the intersection safer for pedestrians and easier for Mountain Rides drivers, but will tie in with improvements at Town Square and Helm Station, and will be great for the community.
- Councilor Corrock likes the improvements and the art, and realtime signs, but doesn't like bulb-outs and trees.

**Councilor Jim Slanetz moved to approve the Mountain Rides Transportation Hub Master Plan dated April 15, and authorize the Mayor, after review and approval by the City Attorney, to sign a Maintenance Operation and Ownership Responsibility Agreement that represents provision and responsibilities as represented tonight. Furthermore, Councilor Slanetz moved to authorize the City Ketchum Public Works Director 8:17:56 pm/City Engineer to approve and sign permits for use of the City right-of-way permit to dig in, excavate, or trench streets and right-of-way encroachments permit and order to allow the project to be constructed. Such permits shall not be signed until private easements between Mountain Rides and KURA and Siegel are executed and provided to the City of Ketchum. Motion seconded by Council President Michael David, and passed with three in favor and Councilor Anne Corrock opposed.**

**10. Recommendation to Terminate the Memorandum of Understanding between the Idaho State Tax Commission and the City of Ketchum regarding collection and enforcement of local option taxes – Ray Silver, Interim City Administrator.**

The City of Ketchum collected and administered its local option tax in-house until July 1, 2013, utilizing one staff member in the City Clerk's department who spent about 75% of her time doing this task. On May 6, 2013, the City Council approved a MOU between the Idaho State Tax Commission and the City of Ketchum regarding collecting and enforcement of local option taxes. The contract with the ISTC commenced on July 1, 2013, with the first collection of LOT funds by the ISTC beginning January 1, 2014.

LOT funds are used to fund a number of City and non-City functions. Ketchum and the Idaho State Tax Commission have been working for almost a year to plan for and implement collection of LOT funds through the State. Ketchum is paying \$192,800 to ISTC annually to collect LOT funds. LOT revenue received by Ketchum in 2014 has been less than that received a year ago for the same months, which may be caused by less business. Neither Ketchum nor the ISTC has been able to charge construction businesses for LOT for the materials they bring in and use in town. Ketchum continues to provide staff support to the ISTC to collect the LOT. Ketchum will probably receive less revenues than expenditures in FY2013-14; and there may be a considerable shortfall in the LOT Fund Balance for FY2013-14. The annual payment to the ISTC reduces LOT funds even more.

Discussions with ISTC staff and analysis of LOT revenue lead staff to believe that increased LOT revenue will not exceed the annual amount of \$192,800 paid to ISTC to collect LOT funds. Staff suggest Ketchum terminate the MOU with ISTC for the administration, collection and enforcement of Ketchum's local option taxes and direct the Mayor to send a termination letter, per Section C.9 of the Memorandum of Understanding between ISTC and Ketchum.

**COUNCIL COMMENTS:**

- Councilor Corrock said it was pretty straightforward.
- Councilor Slanetz asked if Ketchum would get anything from the State for the money already paid to the ISTC.
- The sample audit done by the ISTC a year ago identified four areas where they thought they could potentially help Ketchum collect more LOT: contractors (who cannot be charged, according to an Attorney General's opinion in

November 2013), vendors who provide materials and supplies (and must be verified to receive materials within the city limits), Internet sales (but there's currently no method to identify Internet sales in Idaho), accurate accounting and collection of restaurants and retail businesses, and rentals by unit owners (with information that can be gleaned from information from the County Assessor). Ketchum's FY2015 budget will add a multi-code enforcement officer, on a contract basis, who will focus on RBOs in the first two years.

- Councilor David realizes Ketchum's financial situation, and supports the transition back to Ketchum if staff is comfortable with it.
- Councilor Gourlay agreed. He favored the ISTC MOU to try to get RBOs in compliance, but now supports an enforcement officer to track RBOs.

PUBLIC COMMENT – NONE

**Council President Michael David moved to terminate the Memorandum of Understanding with the Idaho State Tax Commission for the administration, collection and enforcement of the City of Ketchum's Local Option Tax and direct the Mayor to send a letter to the ISTC notifying them that the City is exercising their authority to terminate the Memorandum of Understanding between the Idaho State Tax Commission and the City of Ketchum regarding collection and enforcement of Local Option Taxes. Motion seconded by Councilor Baird Gourlay, and passed unanimously.**

#### AGREEMENTS AND CONTRACTS.

##### 11. A.W.E. LLC First Amendment to the Development Agreement – Joyce Allgaier, Director of Planning and Building.

8:33:27 pm Senior Planner Rebecca Bundy said Council approved a Right-of-Way Encroachment Permit a few weeks ago for this project. Council had some concerns which staff has worked to resolve. The subject project was zoned Tourist in 2001 through a Development Agreement Rezone, and was changed from GR-L to T, with special provisions outlined in the Development Agreement. The project is adjacent to the Community Core.

The current property owners have done an interior remodel. They want to put a small office space for a financial advisory firm with two people in the building; and guest housing for some out-of-town colleagues who visit. Office space is an allowed conditional use in the Tourist Zone, but is not an allowed use in the Development Agreement.

The interior remodel is substantially finished. The project was issued a building permit with the stipulation that the applicant get a Conditional Use Permit on the office space; but the project has to get a change to their Development Agreement Rezone. P&Z recommended approval of this change, with the condition that P&Z does final review of landscaping, improvements to the existing garage, and parking, which has to be accessed from the alley.

Because the building is adjacent to the GR-L, staff suggests the office be limited to 25% of the gross floor area of the building as an outright permitted use. In more residential districts in Ketchum, owners can have up to 25% home occupation in a residence. If owners of the building want more office space in the future, they will have to apply for a Conditional Use. An additional Condition of Approval is that the garage shall not be used for parking, and that parking shall be accessed off the alley. There cannot be a curb cut in front of the garage. The applicant has submitted plans for P&Z review that show landscaping and parking off the alley.

The project's cost of construction requires them to put in a sidewalk; but the garage in the right-of-way on East Avenue precludes a sidewalk on East Avenue. P&Z found that the applicant should be required to put in a sidewalk on First Street only. The applicant is working with an engineer on this sidewalk, and that plan will be also reviewed by P&Z.

Staff suggests a Condition of Approval requiring a bond for the sidewalk if it is not completed by November 1, 2014.

P&Z felt an in-lieu fee for additional sidewalk would be hard to administer and possibly punitive, given the scope of the remodel. Conditional Use applications for adding office space are done frequently. They allow staff to review impacts on the neighborhood, the availability of City services, etc.

GR-L only allows a home occupation. The owners do not meet the criteria for a home occupation. The property has probably not met the terms of the Development Agreement for the last two owners.

Councilor Slanetz suggested again that the City collect an in-lieu for the sidewalk on East Avenue. He considered it a fair trade-off. Special Ketchum City Attorney Paul Fitzer said the concept of an in-lieu fee was sound and appropriate, but not until Ketchum has a fee policy in place. Councilors Slanetz and Michael agreed that the City needed a policy. Councilor Gourlay said the property would have to put in a sidewalk if it ever redevelops.

The tree on First Street is likely to be damaged during installation of the sidewalk, and will have to come out.

#### APPLICANT:

Matthew McNeal said they looked forward to moving into their new office.

**Councilor Baird Gourlay moved to approve the first amendment to the 460 East First Street Development Agreement application by A.W.E. LLC and authorize the Mayor to sign the first amendment to 460 East First**

Development Agreement with said owner. Motion seconded by Council President Michael David, and passed unanimously.

**12. Update on Information Transport Systems (ITS) Contracts – Fire Chief Mike Elle and Technical Planning Consultant Sean Tajkowski**

Sean Tajkowski said Ketchum's information transport systems are older technology, unreliable and expensive.

Tajkowski created an audit of all services currently used, and investigated new services and other capabilities. 9:07:30 pm Ketchum currently averages \$3,000-\$3,500 on telecommunications bills, which fluctuates because Ketchum is still paying for long distance service. Internet speed for the entire building and general Internet service is slow. Bandwidth is sometimes affected by users who work all night and stream video, but must be available for emergency services. The current phone system is failing. The FY2015 budget will have to include additional cost for IT and maintenance for a failing system. Service is inadequate for a public emergency operations center, and has no backup. A new service with fiber optics and 24/7 support would be considerably less expensive than the current inefficient systems.

Tajkowski will submit recommended contracts to the City Attorney, and return them to the carriers for revisions.

**ORDINANCES AND RESOLUTIONS**

**13. Ordinance 1117: Proposed Text Amendments to the Ketchum Zoning Code Title 17, Community Core District, Chapter 17.64.010 (C) Exceptions, and (H) Maximum Floor Area Ratio – Joyce Allgaier, Director of Planning and Building.**

*Also Present: Dick Fenton and Dave Patrie*

Allgaier has discussed Councilor Corrock's concerns with her, but that doesn't change the language in the proposed ordinance.

Staff received written comment from John Gaeddert on June 12 proposing the language be revised to support public and semi-public use up to 2.25 FAR, without building community housing. Allgaier suggested this was a material change that would require the ordinance start over again with three readings.

**PUBLIC COMMENT:**

• John Gaeddert, speaking for the Sun Valley Center for the Arts, said he didn't feel his proposed change was substantive. The Center has 20 full-time employees and needs additional space to house them.

Special Ketchum City Attorney Paul Fitzer considered the change to increase the use and exempting housing as material, although calculations wouldn't change. Councilor Gourlay suggested Council pass the ordinance tonight and consider the new language later. Allgaier said building up to 2.5 without community housing could have serious implications.

Councilor Corrock said developers should build community housing into their project. The Comprehensive Plan talks about Ketchum's small town appeal. Ketchum has allowed large buildings only to create housing where people live and work; and should not allow large buildings without housing in them.

Councilor David is okay with in-lieu fees, as long as they are analyzed every year. Most developers won't take the in-lieu option if they don't have to. He said the Housing Authority had to be very involved in the calculation and decision.

**Councilor Baird Gourlay moved to adopt Ordinance 1117, Amending Title 17, Chapter 17.64.010 Community Core District, (C) Exceptions, and (H) Maximum Floor Area Ratio, amending language to allow for exceptions to be allowed by the Planning and Zoning Commission in the design regulations and floor area ratio amending language pertaining to allowable floor area ratios as it relates to community housing incentive. Motion seconded by Council President Michael David. Roll call: Councilor Anne Corrock no, Council President Michael David yes, Councilor Jim Slanetz yes, and Councilor Baird Gourlay yes. Motion passed with three in favor and one opposed.**

**14. COMMUNICATIONS FROM THE PRESS.**

No press were present.

**15. CONSENT CALENDAR**

- a. Approval of minutes: June 2, 2014 Regular City Council Meeting and June 9, 2014 and June 10, 2014 Special City Council Meetings.
- b. Recommendation to approve current bills and payroll summary.
- c. Approval of 2014-15 Liquor, Beer and Wine Licenses.

Councilor Corrock amended the June 2 minutes.

**Councilor Baird Gourlay moved to approve the Consent Calendar, including June 2, 2014 minutes as amended. Motion seconded by Councilor Jim Slanetz, and passed unanimously.**

16. EXECUTIVE SESSION to discuss:

- a. Labor Relations pursuant to Idaho Code §§67-2345 1(c).
- b. Land Acquisition pursuant to Idaho Code §§67-2345 1(c).
- c. Personnel pursuant to Idaho Code §§67-2345 1(a).

Councilor Baird Gourlay moved to go into Executive Session to discuss personnel, land acquisition and labor relations, pursuant to Idaho Code §67-2345 1(a), and 1 (c) at 9:51p.m., seconded by Councilor Jim Slanetz. Roll call: Council President Michael David yes, Councilwoman Anne Corrock yes, Councilman Michael David yes, and Councilman Jim Slanetz yes. Motion passed unanimously.

17. ADJOURNMENT.

Councilor Baird Gourlay moved to adjourn at 10:50 pm. Council President Michael David seconded the motion, and it passed unanimously.

  
\_\_\_\_\_  
Nina Jonas  
Mayor

ATTEST:

  
Sandra E. Cady, CMC  
City Clerk