



CITY COUNCIL AGENDA OF THE CITY OF KETCHUM, IDAHO
Monday, November 3, 2014, beginning at 5:30 p.m.
480 East Avenue, North, Ketchum, Idaho

1. CALL TO ORDER
2. COMMUNICATIONS FROM MAYOR AND COUNCILORS.
 - a. Communications from Mayor & Council
 - i. Discussion of House Bill 546, Idaho Tax Reimbursement Act – Nina Jonas, Mayor.
 - b. Communications from Council Liaisons:
 - i. Jim Slanetz and Michael David – Ketchum Community Development Corporation.
 - ii. Anne Corrock – Ketchum Urban Renewal Agency.
 - c. Appointments:
 - i. Micah Austin, Director of Planning and Building – Nina Jonas, Mayor.
3. COMMUNICATIONS FROM THE PUBLIC.
 - a. Communications from the public. *For items not on the agenda.*
4. AGREEMENTS AND CONTRACTS.
 - a. Sun Valley Marketing Contract – Lisa Enourato, Assistant to the City Administrator.
 - b. Linda Haavik Contract, Interim Planning and Building Director – Suzanne Frick, City Administrator.
 - c. Ketchum Community Library Lease Agreement – Jen Smith, Director of Parks and Recreation.
 - d. City of Hailey Inter-local Agreement for Tree Inventory and Management Services – Juerg Stauffacher, Parks and Natural Resources Superintendent.
 - e. Rescind S2o Design and Engineering Change Order #9 for Environmental Assessment Work and Place Contract Amendment #3 for Final Design on Hold – Jen Smith, Director of Parks and Recreation.
 - f. Barrow Right-of-Way Encroachment Permit Agreement – Rebecca Bundy, Senior Planner.
 - g. Bald Mountain Lodge Development Agreement – Rebecca Bundy, Senior Planner.
 - h. Diann Craven, ClearDirection, LLC Contract for Leadership Training and Organizational Development – Suzanne Frick, City Administrator.
 - i. Blaine County Housing Authority Contract for 2015 Scope of Services – Suzanne Frick, City Administrator.
5. COMMUNICATIONS FROM THE PRESS.
6. CONSENT CALENDAR
 - a. Approval of minutes: September 2, 2014 and September 15, 2014.
 - b. Recommendation to approve current bills and payroll summary.
7. ADJOURNMENT.

If you need special accommodations, please contact the City of Ketchum in advance of the meeting.

This agenda is subject to revisions and additions. 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 by calling 726-3841.

Your participation and input is greatly appreciated. We would like to make this as easy as possible and familiarize you with the process. If you plan to speak, please follow the protocol below.

- Please come to the podium to speak.
- Stand approximately 4-6 inches from the microphone for best results in recording your comments.
- Begin by stating your name.
- Please avoid answering questions from audience members. All questions should come from City officials.
- Public comments will be limited by a time determined by the Mayor.
- You may not give your time to another speaker.
- If you plan to show a slide presentation or video, please provide a copy to the City Clerk by 5:00 p.m. on the meeting date.

Please note that all people may speak at public hearings.

Public comment on other agenda items is at the discretion of the Mayor and City Council.

Public comments may also be sent via email to participate@ketchumidaho.org

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Thank you for your participation.

We look forward to hearing from you!



City of Ketchum
P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

October 30, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

November 3, 2014 City Council Agenda Report

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

4. AGREEMENTS AND CONTRACTS.

- a) Sun Valley Marketing Contract – Lisa Enourato, Assistant to the City Administrator.

The city of Ketchum has committed \$450,000 from the 2014/2015 LOT fund toward the marketing efforts of the Sun Valley Marketing Alliance. SVMA has provided a scope of services, and Lisa Enourato, Assistant to the City Administrator, has provided a staff report and a copy of the contract for council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the Contract for Services with the Sun Valley Marketing Alliance.

RECOMMENDED MOTION: *“I move to approve the Contract for Services with Sun Valley Marketing Alliance.”*

- b) Linda Haavik Contract, Interim Planning and Building Director – Suzanne Frick, City Administrator.

Linda Haavik has agreed to perform the role of interim Planning and Building Director until the position is filled permanently. Suzanne Frick, City Administrator, has provided a staff report and a copy of the contract for council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the proposed contract with Linda Haavik.

RECOMMENDED MOTION: *“I move to approve the contract for services with Linda Haavik.”*

- c) Ketchum Community Library Lease Agreement – Jen Smith, Director of Parks and Recreation.

The city of Ketchum entered into a temporary assignment lease agreement with the Community Library Association, Inc. on February 6, 2014 for use of the buildings at Forest Service Park for the purpose of operating a Sun Valley Museum of History. The temporary assignment lease has expired and Jen Smith, Director of Parks and Recreation has been working with the Community Library to negotiate a new lease agreement. Jen has provided a staff report and a copy of the lease for council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the lease agreement between the city of Ketchum and the Community Library Association, Inc. for buildings located at Forest Service Park.

RECOMMENDED MOTION: *“I move to approve the lease agreement with the Community Library Association, Inc. for buildings at Forest Service Park”*

- d) City of Hailey Inter-local Agreement for Tree Inventory and Management Services – Juerg Stauffacher, Parks and Natural Resources Superintendent.

The cities of Ketchum and Hailey have collaborated the last several years on Urban Forest Management. As part of this collaboration, the City of Hailey contracts with the City of Ketchum to provide GIS-based tree management software, software support, and technical support. Juerg Stauffacher, Parks and Natural Resources Superintendent, has provided a staff report and a copy of the agreement in the packet for council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the Inter-local Agreement between the cities of Hailey and Ketchum for Urban Forest Management.

RECOMMENDED MOTION: *“I move to approve the Inter-local Agreement between the cities of Hailey and Ketchum for Urban Forest Management.”*

- e) Rescind S2o Design and Engineering Change Order #9 for Environmental Assessment Work and Place Contract Amendment #3 for Final Design on Hold – Jen Smith, Director of Parks and Recreation.

Ketchum submitted a Recreation and Public Purposes Act application with the BLM in August of 2008 and has been working to accomplish application requirements since that time. On October 7, 2014 the City was informed that the Environmental Assessment work on the project was inadequate and the BLM was undertaking a study of the Big Wood River separate of the Ketchum R&PP application process. Mayor Jonas is recommending the City put the environmental assessment on hold while BLM performs its baseline river analysis.

At a council meeting earlier this year, the City Council approved contracts with S2o Design and Engineering for Final Design and Change Order #9. Work on Change Order #9 has not been started and S2o has agreed to rescind the contract. If approved by council a refund of \$27,725.00 will be expensed from the Ketchum R&PP/River Park Trust Fund to the donor, Wood River Land Trust. S2o will send a final design invoice to the city as soon as possible. Jen Smith, Director of Parks and Recreation has provided a detailed staff report in the packet for council review.

RECOMMENDATION: Staff respectfully recommends the City Council formally rescind S2o Change Order #9 and return its full donated value of \$27,725.00 to the Wood River Land Trust. Additionally, I recommend that City Council place a formal hold on S2o Design and Engineering Contract #3 for Final Design until further notice with the understanding that a final invoice for work performed is anticipated.

RECOMMENDED MOTION: “I move to approve the rescission of S2o Design and Engineering Change Order #9 for Environmental Assessment work, approve a donation refund of \$27,725 for Wood River Land Trust; and place a formal hold on the S2o Design and Engineering Contract Amendment #3 for Final Design.”

- f) Barrow Right-of-Way Encroachment Permit Agreement – Rebecca Bundy, Senior Planner.

The applicant is requesting a Right-of-Way (ROW) Encroachment Permit and Agreement for an existing garage and roof deck overhang in the Spruce Avenue right-of-way. The encroachments requested do not interfere with vehicular or pedestrian traffic or hinder the City’s ability to provide services. The garage structure is a legal, nonconforming building and was permitted to remain by the original building permit. The deck overhang was not permitted by the original building permit and was previously denied by the City Council. Rebecca Bundy has provide a staff report and a copy of the agreement in the packet for council review.

RECOMMENDATION: Staff respectfully recommends the City Council:

- (1) Approve the garage encroachment into the right-of-way and deny the deck overhang encroachment; and
- (2) Authorize the Mayor to sign the agreement which officially executes the permit.

RECOMMENDED MOTION: “I move to approve the garage encroachment and deny the deck overhang encroachment of the Right-of-Way Encroachment Permit application by Bob Barrow and authorize the Mayor to sign a Right-of-Way Encroachment Permit agreement with said owner.”

- g) Bald Mountain Lodge Development Agreement – Rebecca Bundy, Senior Planner.

The applicant is requesting an amendment to the development agreement to extend the deadline to apply for a building permit to May 31, 2015. On October 20, 2014 the council considered the request for a third amendment to the original development agreement and voted unanimously to direct staff to prepare the requested extension agreement. Rebecca Bundy, Senior Planner, has provided a detailed staff report and a copy of the development agreement-third amendment for council review.

RECOMMENDATION: Staff respectfully recommends the City Council

- (1) Approve the Bald Mountain Lodge Development Agreement – Third Amendment; and
- (2) Authorize the Mayor to sign the Bald Mountain Lodge Development Agreement – Third Amendment.

RECOMMENDED MOTION: “I move to approve the Bald Mountain Lodge Development Agreement – Third Amendment and authorize the Mayor to sign said agreement.”

- h) Diann Craven, ClearDirection, LLC Contract for Leadership Training and Organizational Development – Suzanne Frick, City Administrator.

Suzanne Frick, City Administrator is recommending approval of a contract for services with Diann Craven in an effort to assess the current status, identify issues and provide suggestions for improvement to establish and maintain a strong collaborative team. Suzanne has provided a staff report and a copy of the contract in the packet for council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the proposed contract with Diann Craven, ClearDirections, LLC.

RECOMMENDED MOTION: “I move to approve the contract for services with Diann Craven.”

- i) Blaine County Housing Authority Contract for 2015 Scope of Services – Suzanne Frick, City Administrator.

The proposed contract with Blaine County Housing Authority provides the scope of work and method of payment for services related to the development and preservation of community housing for low and moderate income households. The contract is for \$70,000 paid in two installments. Suzanne Frick, City Administrator, has provided a staff report and a copy of the proposed contract in the packet for council review.

RECOMMENDATION: Staff respectfully recommends the City Council approve the proposed contract with Blaine County Housing Authority.

RECOMMENDED MOTION: “I move to approve a contract for services with Blaine County Housing Authority.”

6. CONSENT CALENDAR.

- a) Recommendation to approve minutes: September 2, 2014 and September 15, 2014.

The September 2, 2014 and September 15, 2014 minutes have been provided in the packet for 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,



Katie Carnduff
Administrative Clerk

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 546

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO THE IDAHO REIMBURSEMENT INCENTIVE ACT; AMENDING CHAPTER 47,
2 TITLE 67, IDAHO CODE, BY THE ADDITION OF NEW SECTIONS 67-4737 THROUGH
3 67-4744, IDAHO CODE, TO PROVIDE A SHORT TITLE AND LEGISLATIVE INTENT,
4 TO PROVIDE DEFINITIONS, TO PROVIDE FOR AN APPLICATION, APPLICATION
5 PROCESS, FORMATION OF AGREEMENTS AND REIMBURSEMENT, TO PROVIDE FOR
6 AGREEMENT WITH THE APPLICANT, TO PROVIDE FOR AN ANNUAL REPORTING PROCE-
7 DURE, TO REQUIRE AN ANNUAL REPORT TO THE LEGISLATURE BY THE DIRECTOR OF
8 THE IDAHO DEPARTMENT OF COMMERCE AND TO PROVIDE FOR RULEMAKING AUTHOR-
9 ITY.
10

11 Be It Enacted by the Legislature of the State of Idaho:

12 SECTION 1. That Chapter 47, Title 67, Idaho Code, be, and the same is
13 hereby amended by the addition thereto of NEW SECTIONS, to be known and des-
14 ignated as Sections 67-4737 through 67-4744, Idaho Code, and to read as fol-
15 lows:

16 67-4737. IDAHO REIMBURSEMENT INCENTIVE ACT -- SHORT TITLE -- LEGISLA-
17 TIVE INTENT. Sections 67-4737 through 67-4744, Idaho Code, shall be known
18 and may be cited as the "Idaho Reimbursement Incentive Act." The Idaho leg-
19 islature finds that in order to compete more effectively in a national and
20 global marketplace for economic expansion, business retention and job cre-
21 ation, a number of states, including Idaho, have deemed it necessary to cre-
22 ate economic-based incentives for the creation of quality jobs. Further,
23 the Idaho legislature desires to create the Idaho reimbursement incentive
24 act to be a performance-based tax reimbursement mechanism available to ex-
25 isting Idaho businesses and new businesses creating jobs in Idaho when the
26 same are in good standing in the state of Idaho.

27 67-4738. DEFINITIONS. As used in sections 67-4737 through 67-4744,
28 Idaho Code:

29 (1) "Applicant" means a business entity that intends to create new jobs
30 and submits an application for reimbursement to the department in accordance
31 with this act.

32 (2) "Application" means a form approved by the director of the depart-
33 ment containing all information required by the provisions of this act.

34 (3) "Approved percentage" means the amount of new state revenue the ap-
35 plicant is entitled to receive in the form of a tax credit over the term of the
36 project. The approved percentage shall not exceed thirty percent (30%) of
37 the new state revenue over the term of the project.

38 (4) "Business entity" means a single business, a separate division,
39 branch or identifiable segment, or a group of businesses related through
40 ownership pursuant to section 267 of the Internal Revenue Code. For the
41 purpose of this subsection, a "separate division, branch, or identifiable

1 segment" shall be deemed to exist if, prior to the date of application, the
2 income and expense attributable to such "separate division, branch, or iden-
3 tifiable segment" could be separately ascertained from the books of accounts
4 and records.

5 (5) "Community match" means a commitment by the local government that
6 demonstrates its active support of the applicant creating new jobs in its ju-
7 risdiction. Such match may include, but shall not be limited to, a contri-
8 bution of money, fee waivers, in-kind services, the provision of infrastruc-
9 ture or a combination thereof. Such match shall also include a letter of com-
10 mitment by the governing elected officials of the jurisdiction detailing the
11 local government's support that shall be included as part of an application.

12 (6) "Council" means the economic advisory council created pursuant to
13 chapter 47, title 67, Idaho Code.

14 (7) "Department" means the Idaho department of commerce.

15 (8) "Director" means the director of the Idaho department of commerce.

16 (9) "Full-time job" means a job in which an individual is employed by
17 the applicant and performs such duties at least thirty (30) hours per week.

18 (10) "Meaningful project" means an expansion of an existing business
19 located in Idaho or the creation of new business operations in Idaho that
20 generate the minimum required new jobs and otherwise qualify under the pro-
21 visions of this act.

22 (11) "Minimum new jobs" means new jobs created by the applicant that
23 shall be not less than twenty (20) such jobs over the term of the project if
24 created within a rural community, or not less than fifty (50) such jobs over
25 the term of the project if created within an urban community. An applicant
26 will not be eligible for tax credit during the term of the project until the
27 minimum new jobs have been added.

28 (12) "New jobs" means new jobs created in Idaho in accordance with this
29 act that are nonseasonal, full-time jobs that pay annual wages that equal or
30 exceed the average annual county wage where the jobs will be created. For
31 purposes of this act, a job that shifts from one (1) location within the state
32 of Idaho to another location shall not be considered a new job. New jobs must
33 exceed the applicant's maximum number of full-time jobs in Idaho during the
34 twelve (12) months immediately preceding the date of application.

35 (13) "New state revenue" means the Idaho portion of state corporate in-
36 come tax, personal income tax and sales and use tax that is paid by the appli-
37 cant in excess of those taxes paid at the date of application and is attrib-
38 utable only to the new growth upon which the application is based. New state
39 revenue does not include taxes paid during the term that is attributable to
40 those operations that existed prior to the application. New state revenue
41 shall include:

42 (a) Incremental new state sales and use tax revenues as governed by
43 chapter 36, title 63, Idaho Code, that have been paid by the applicant on
44 their own purchases as a result of a meaningful project;

45 (b) Incremental new state income tax, including income tax generated by
46 corporations, pass-through entities, as defined in section 63-3006C,
47 Idaho Code, or proprietorships, pursuant to chapter 30, title 63, Idaho
48 Code, that have been paid by an applicant as a result of a meaningful
49 project;

1 (c) Incremental new state personal income taxes, as governed by chap-
2 ter 30, title 63, Idaho Code, withheld on behalf of the applicant's em-
3 ployees, resulting from new jobs in a meaningful project, as evidenced
4 by payroll withholding records indicating the amount of employee income
5 taxes withheld and transmitted to the tax commission. Incremental new
6 state personal income taxes shall not exceed the maximum allowable per-
7 centage of gross wages paid during a corresponding period that shall be
8 the lesser of seven percent (7%) or the highest incremental state income
9 tax rate.

10 (14) "Rural community" means, at the time of application, a city with a
11 population of less than twenty-five thousand (25,000) persons or an unincor-
12 porated area within a county.

13 (15) "Tax commission" means the Idaho state tax commission.

14 (16) "Tax credit" means a refundable tax credit authorized by the direc-
15 tor of the department. The tax commission shall make a refund to an appli-
16 cant that is granted a tax credit under this section if the amount of the tax
17 credit exceeds the applicant's tax liability for a taxable year. The credit
18 may be used as a credit against the income or franchise tax contained in chap-
19 ter 30, title 63, Idaho Code.

20 (17) "Tax credit amount" means the amount the department authorizes as a
21 tax credit for a taxable year.

22 (18) "Term of project" or "term" means the number of years an applicant
23 is authorized to receive a tax credit under this act that shall not exceed
24 fifteen (15) years.

25 (19) "Urban community" means, at the time of application, a city with
26 a population of at least twenty-five thousand (25,000), provided however,
27 that a city of less than twenty-five thousand (25,000) that is adjoining an
28 urban community shall be considered urban.

29 67-4739. APPLICATION -- PROCESS -- AGREEMENTS -- REIMBURSEMENT. (1) A
30 business entity may claim a refundable tax credit for creating a minimum num-
31 ber of new jobs in the state of Idaho. In order to be considered for partici-
32 pation, an applicant or its designated representative must submit an appli-
33 cation to the director and shall include:

34 (a) A complete description of the proposed project and the economic
35 benefit that will accrue to the state as a result of the project;

36 (b) A description or explanation of whether the project will occur or
37 how it will be altered if the tax credit application is denied by the
38 council;

39 (c) Proof of a community match;

40 (d) An affidavit from the tax commission confirming that the applicant
41 is in good standing in the state of Idaho and is not in unresolved ar-
42 rears in the payment of any state tax or fee administered by the tax com-
43 mission;

44 (e) A detailed statement with an estimate of Idaho goods and services to
45 be consumed or purchased by the applicant during the term;

46 (f) Known or expected detriments to the state or existing industries in
47 the state;

48 (g) An anticipated project inception date and proposed schedule of
49 progress;

1 (h) Proposed performance requirements and measurements that must be
2 met prior to issuance of the tax credit;

3 (i) A detailed description of the proposed capital investment;

4 (j) A detailed description of jobs to be created, an approximation of
5 the number of such jobs to be created and the projected wages to be paid
6 for such jobs; and

7 (k) A detailed description of the estimated new state tax revenues to be
8 generated by the project.

9 (2) Upon satisfaction by the director that all requirements are met
10 pursuant to this chapter, the director shall submit such application to the
11 council. The council shall review the application, may request additional
12 information and shall approve or reject the application. An approval or
13 rejection from the council will be final and conclusive and shall not consti-
14 tute an appealable agency action or order under chapter 52, title 67, Idaho
15 Code.

16 (3) If the council approves the application, the council shall instruct
17 the director to enter into an agreement with the applicant with the terms of
18 the council's approval. If the council rejects an application, the appli-
19 cant may reapply with a new application.

20 (4) In the event a member of the council has a conflict of interest on an
21 application that is before the council, the member shall fully disclose it to
22 the council and abstain from any vote on the application.

23 67-4740. AGREEMENT WITH APPLICANT. (1) With instruction from the
24 council, the director of the department shall enter into a reimbursement
25 incentive agreement with the applicant, provided the agreement defines the
26 following in addition to the terms as approved by the council:

27 (a) The term of the agreement which in no case shall exceed fifteen (15)
28 years;

29 (b) The projected new state revenues to be generated during the term of
30 the project;

31 (c) The method and recordkeeping requirements to be used by the appli-
32 cant to determine the new state revenue paid by the applicant. The ap-
33 proved tax credit percentage applied to new state revenue each year the
34 applicant is entitled to receive the reimbursement during the term of
35 the project;

36 (d) The projected new jobs;

37 (e) The terms and conditions of any and all requirements and measure-
38 ments that must be met prior to the issuance of a tax credit authoriza-
39 tion;

40 (f) The agreed upon and necessary proof of compliance required prior to
41 tax credit issuance. Proof of compliance provided by the applicant must
42 be adequate to demonstrate to the director that all requirements and
43 measurements have been met for the applicant to receive the tax credit;

44 (g) The consequences of default by the applicant;

45 (h) The period to be used to determine the taxes paid at the date of ap-
46 plication;

47 (i) Identification of any individual or entity included within the ap-
48 plication that is entitled to a rebate pursuant to section 63-3641 or

1 63-4408, Idaho Code, or is required to obtain a separate seller's permit
2 pursuant to chapter 36, title 63, Idaho Code.

3 (j) The federal employer identification and social security number for
4 each individual or entity included within the definition of business
5 entity and that is included within the filing of the application; and

6 (k) Identification of the individual or entity that is or will be claim-
7 ing the refundable credit.

8 67-4741. APPLICANT'S ANNUAL REPORTING PROCEDURE. (1) On an annual ba-
9 sis during the term of the project, the applicant shall submit to the depart-
10 ment reporting information outlined in the agreement that shall include, but
11 not be limited to, the following:

12 (a) Supporting documentation of the new state revenues from the appli-
13 cant's new project that were paid during the preceding calendar year;

14 (b) Supporting documentation of the new jobs that were created during
15 the preceding calendar year;

16 (c) Known or expected detriments to the state or existing industries in
17 the state;

18 (d) A document that expressly directs and authorizes the tax commis-
19 sion and department of labor to allow the department access to the ap-
20 plicant's returns and other information that may be necessary to verify
21 or otherwise confirm the declared new state revenues;

22 (e) An affidavit from the tax commission confirming that the applicant
23 is in good standing in the state of Idaho and is not in unresolved ar-
24 rears in the payment of any state tax or fee administered by the tax com-
25 mission;

26 (f) Identification of any individual or entity included within the ap-
27 plication that is entitled to a rebate pursuant to section 63-3641 or
28 63-4408, Idaho Code, or is required to obtain a separate seller's permit
29 pursuant to chapter 36, title 63, Idaho Code; and

30 (g) Supporting documentation that the business entity has satisfied
31 the measurements and requirements outlined in the agreement.

32 (2) If, after review and audit of the information provided by the appli-
33 cant, or after review of the ongoing performance of the applicant, the de-
34 partment determines that the information is inadequate to provide a reason-
35 able justification for authorizing or continuing a tax credit, the depart-
36 ment shall:

37 (a) Deny the tax credit for such tax year;

38 (b) Terminate the agreement for failure to meet the performance stan-
39 dards established in the agreement; or

40 (c) Inform the applicant that the returns or other information are in-
41 adequate and request the applicant to submit additional documentation.

42 (3) If, after review and/or audit of the information provided by the ap-
43 plicant, the department determines that the information provided by the ap-
44 plicant provides reasonable justification for authorizing a tax credit, the
45 department shall, based upon the returns and other information:

46 (a) Determine the amount of the tax credit to be granted to the appli-
47 cant;

48 (b) Issue a tax credit authorization to the applicant; and

1 (c) Provide a duplicate copy of the tax credit authorization to the tax
2 commission.

3 (4) No applicant may claim a tax credit unless the applicant has a tax
4 credit authorization issued by the department. An applicant may claim a tax
5 credit in the amount listed on the tax credit authorization on its tax re-
6 turn.

7 67-4742. ANNUAL REPORTING BY DEPARTMENT. (1) The department shall
8 create an annual written report for the governor and the legislature de-
9 scribing:

10 (a) The department's success under this act in attracting new jobs;

11 (b) The estimated amount of tax credit commitments made by the depart-
12 ment and the period of time over which tax credits will be paid;

13 (c) The economic impact on the state related to generating new state
14 revenue and providing tax credits under this act;

15 (d) The estimated costs and economic benefits of the tax credit commit-
16 ments that the department made; and

17 (e) The actual costs and economic benefits of the tax credit commit-
18 ments the department made.

19 (2) On or before November 1, 2015, and every year thereafter, the de-
20 partment shall:

21 (a) Conduct an independent, third-party audit of the tax credits issued
22 under this act;

23 (b) Evaluate the tax credits issued under this act and the effective-
24 ness of the tax credits; and

25 (c) Make recommendations concerning whether the tax credits should be
26 continued, modified or repealed.

27 (3) The audit as set forth herein shall include an evaluation of:

28 (a) The amount of tax credits granted; and

29 (b) The effectiveness of the department's internal controls within the
30 application and approval process pursuant to this chapter.

31 (4) The results of such audit and the director's recommendations shall
32 be forwarded in a timely manner to the office of the governor and to the ap-
33 propriate legislative committee chairmen.

34 67-4743. SUSPENSION OF IDAHO REIMBURSEMENT INCENTIVE ACT. (1) The di-
35 rector shall suspend the issuance of all new agreements with applicants upon
36 the occurrence of the following conditions:

37 (a) The governor orders a temporary reduction of general fund spending
38 authority, pursuant to section 67-3512A, Idaho Code; and

39 (b) The governor issues an executive order directing the department to
40 suspend the issuance of new agreements during the tax year in which the
41 temporary reduction of general fund spending authority has been ordered
42 and the executive order issued.

43 (2) Pursuant to this chapter, all agreements that have been approved by
44 the council prior to the governor issuing an executive order as provided by
45 subsection (1)(b) of this section shall remain in full force and effect and
46 shall not be modified or impaired as a result of the executive order.

47 (3) During the period of time that new agreements have been suspended,
48 the director shall maintain the necessary services required pursuant to this

1 chapter to support all existing agreements and comply with all required re-
2 porting and review responsibilities.

3 (4) The governor may, by executive order, remove the suspension issued
4 pursuant to subsection (1) (b) of this section.

5 67-4744. DIRECTOR RULEMAKING AUTHORITY. The director shall promul-
6 gate rules pursuant to chapter 52, title 67, Idaho Code, in the furtherance
7 of the objectives of this act.

Moved by Rice

Seconded by Tippets

IN THE SENATE
SENATE AMENDMENT TO H.B. NO. 546

AMENDMENT TO SECTION 1

- 1
2 On page 1 of the printed bill, in line 37, following "project" insert:
3 "subject to the criteria as established by rules".
4 On page 3, in line 24, following "years" insert: "subject to the crite-
5 ria as established by rules".
6 On page 4, delete lines 13 through 15, and insert: "rejection from the
7 council shall not be considered a contested case pursuant to chapter 52, ti-
8 tle 67, Idaho Code; provided, however, that nothing in this section shall
9 prohibit an aggrieved applicant from seeking judicial review as provided in
10 chapter 52, title 67, Idaho Code."; and in line 24, following "council," in-
11 sert: "and in accordance with criteria as established by rules,".
12 On page 5, in line 47, following "cant" insert: "which amount shall be
13 the lowest approved percentage that will incentivize creation of new jobs
14 and new state revenue".



City of Ketchum

October 29, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Recommendation for Approval of FY14/15 Contract for Services with Sun Valley Marketing Alliance

Introduction/History

The Sun Valley Marketing Alliance (SVMA) was formed in June, 2010. The city has committed \$450,000 from the 2014/2015 Local Option Tax (LOT) fund toward this organization for marketing efforts.

Current Report

SVMA is proposing a scope of services as set forth in the Strategic and Operational Plan Summary, Exhibit A; and performance measures, including progress toward annual targets, Exhibit B.

Financial Requirement/Impact

The Contract for Services with SVMA includes a not to exceed figure of \$450,000 for the purpose of providing marketing and promotional services for the Ketchum/Sun Valley area.

Recommendation

Staff respectively recommends the City Council approve the attached Contract for Services with the Sun Valley Marketing Alliance.

Recommended Motion

I move to approve the Contract for Services with Sun Valley Marketing Alliance.

Sincerely,

Assistant to the City Administrator &
Communications Coordinator

Attachments: Contract for Services
Exhibit A – Strategic and Operational Plan Summary 2014/15, September 2, 2014
Exhibit B – Visit Sun Valley 2014/2015 Performance Tracking

CONTRACT FOR SERVICES

THIS AGREEMENT, made and entered into this ^x day of October, 2014, by and between the CITY OF KETCHUM, IDAHO, (hereinafter referred to as "the City") and the SUN VALLEY MARKETING ALLIANCE, an Idaho nonprofit corporation with an IRS 501 (c)(6) designation, (hereinafter referred to as "SVMA").

FINDINGS

1. Ketchum is a municipal corporation duly organized and existing under the laws of the State of Idaho § 50-101 et seq.
2. SVMA is an Idaho non-profit corporation with an IRS 501(c)(6) designation engaged in the business of domestically and internationally marketing the Sun Valley, Idaho resort area (including Ketchum) as a destination resort.
3. Ketchum is a destination resort city as defined by Idaho Code § 50-1044 as it derives a major portion of its economic well being from businesses catering to the recreational needs and meeting the needs of people traveling to the Sun Valley area. As a resort city, Ketchum is eligible to and does collect a local option non-property tax.
4. Pursuant to Idaho Code § 50-301 and § 50-302, Ketchum is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City and its trade, commerce and industry. Accordingly, Ketchum has the power as conferred by the State of Idaho, to provide directly for certain promotional activities to enhance the trade, commerce, industry, and economic well being of the City.
5. City Municipal Code Chapter 3.12 provides for the imposition of a non-property tax on the sales price of certain goods sold or otherwise transferred in Ketchum. Pursuant to the language of the Chapter, which was approved by the voters of Ketchum, the municipal sales tax revenue derived shall be used for, among other things, public transit, information, education and economic development activity.
6. The primary reason for the City to enter this contract is to increase visitors in order to increase Local Option Tax revenues, to wit: those generated by retail sales, ski tickets, lodging, and liquor by the drink in the City of Ketchum.
7. SVMA is to establish, implement, maintain, and operate a comprehensive marketing program for the Sun Valley resort area.

8. The Organizational Goals of SVMA are consistent with the purposes and findings of Municipal Code Chapter 3.12.

9. It is the intention of Ketchum to contract with SVMA to provide such services for consideration as hereinafter provided.

10. Ketchum has committed \$450,000 towards this contract for services in their 2014/2015 budget.

11. SVMA desires to enter into an agreement with Ketchum to provide marketing services all as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, it is agreed by and between the City and the SVMA as follows:

1. Services To Be Rendered.

1. SVMA agrees to provide Sun Valley resort area marketing services to the City as follows and as further set forth in the Strategic and Operational Plan Summary, Exhibit A, which is incorporated herein by reference. For the purposes of this Agreement, the “Sun Valley resort area” means the cities of Sun Valley and Ketchum, Idaho. The marketing services are:
 - a. Strategic external marketing;
 - b. Sun Valley resort area visitor services;
 - c. Sun Valley resort area event support through existing marketing channels.
2. SVMA agrees that it shall provide, at its sole expense, all costs of labor, materials, supplies, business overhead and financial expenses, liability insurance, fidelity bonds, and all necessary equipment and facilities required to provide the services as set forth in this Agreement.
3. **Term.** The term of this Agreement shall commence upon the day of its execution and shall terminate on the 30th day of September 2015.
4. **Consideration.** In consideration for providing the services herein described the City agrees to pay to SVMA the total sum of FOUR HUNDRED AND FIFTY THOUSAND DOLLARS (\$450,000) payable in four equal quarterly installments on December 31, 2014 for Q1; March 31, 2015 for Q2; June 30, 2015 for Q3; and September 30, 2015 for Q4. SVMA will provide the City at the end of each quarter during which SVMA performs services hereunder

with an invoice setting forth the amount of the installment due for such month; the City shall pay SVMA the amount set forth in such invoice no later than thirty (30) days after the date of such invoice.

- a. In consideration and as part of this Agreement SVMA agrees to:
 - i. Provide a quarterly report to the City including but not limited to:
 1. Performance measures, including progress towards annual targets, Exhibit B.
 2. Budget;
 3. Revenues (income);
 4. Operational updates for:
 - a. External Marketing
 - b. Visitor Services;
 - c. Event Solicitation and Support
 - ii. Maintain complete records of all written, electronic and oral complaints received by it from tourists regarding air and ground transportation and tourist facilities in the Sun Valley resort area.
 - iii. Exercise due diligence to obtain from member businesses and other entities all digital and printed promotional and informational material that may be reasonably available and cause that information to be distributed at the visitor center and/or on the website, as applicable
 - iv. The SVMA will
 1. Present operational updates to the City twice per quarter;
 2. Present quarterly financial reports (YTD budget and current balance sheet) each quarter; and
 3. Furnish to the City at SVMA's expense externally prepared financial reviews (actual P&L and year-end balance sheet) on an annual basis.

4. Make available to the City all SVMA financial information at any time for any reason; and
 - v. Furnish SVMA's bylaws to the City and immediately advise the City in writing of any changes to the bylaws or changes to the organizational structure as set forth in Exhibit A.
 - b. Quarterly reports will be based on the government fiscal year of October 1st to September 30th. The Sun Valley City Council and the Ketchum City Council will have separate quarterly meetings. The quarterly reporting schedule for Ketchum Council meetings will be as follows. The City of Ketchum reserves the right to revise this schedule with written notice to SVMA.
 - i. Quarterly report for the first quarter: January X, 2015 (before Ketchum Council);
 - ii. Quarterly report for second quarter: April X, 2015 (before Ketchum City Council);
 - iii. Quarterly report for third quarter: July X, 2015 (before Ketchum City Council);
 - iv. Quarterly report for fourth quarter: October X, 2015; before Ketchum City Council)
5. Termination. The City may terminate this Contract with 120 days written notice to SVMA with or without cause. The City recognizes that the SVMA has made significant financial commitments (e.g. vendor contracts, leases, employees, etc) on behalf of the City and SVMA will need time to adjust its obligations. In the event of such termination, The City shall have no further responsibility to make any payment to SVMA under this Contract at the end of the 120-day period. The City reserves the right to request an independent audit under the provisions herein upon termination, and such audit obligation and cost on the part of SVMA shall survive any termination of this Contract.
6. Equal Employment Opportunity. SVMA covenants that it shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin.
7. Independent Contractor Status. The parties acknowledge and agree that SVMA shall provide its services for the fee specified herein in the status of independent contractor, and not as an employee of the City. SVMA shall create, direct, and control its own means and methods of performing this Agreement. SVMA and its agents, members, employees, and volunteers,

shall not accrue leave, retirement, insurance, bonding, or any other benefit afforded to employees of the City. The sole interest and responsibility of the City under this Agreement is to assure itself that the services covered by this Agreement shall be performed and rendered by SVMA in a competent, efficient and satisfactory manner.

8. Hold Harmless Agreement. Any contractual obligation entered into or assumed by SVMA, or any liability incurred by reason of personal injury and/or property damage in connection with or arising out of SVMA's obligations pursuant to this Agreement shall be the sole responsibility of SVMA, and SVMA covenants and agrees to indemnify and hold the City harmless from any and all claims or causes of action arising out of SVMA's activities and obligations as set forth hereinabove, including, but not limited to, personal injury, property damage, and employee complaints.
9. Non-Assignment. This Agreement may not be assigned by or transferred by SVMA, in whole or in part, without the prior written consent of the City.
10. Mediation/Arbitration. In the event of any controversy, claim or dispute between the parties concerning this Agreement or the breach of this Agreement, including questions concerning the scope and applicability of this dispute resolution provision, the parties agree to participate in good faith in a mediation of said dispute in Blaine County, Idaho. If mediation is unsuccessful then the dispute shall be finally settled by binding arbitration in Blaine County Idaho, pursuant to the rules then applying of the American Arbitration Association and the laws of the State of Idaho. The decision or award in writing of the arbitrator shall be binding and conclusive on the parties to this Agreement. The arbitrator shall have no power to award punitive or exemplary damages.
11. Miscellaneous Provisions.
 - a. Paragraph Headings. The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any of the provisions of the Agreement.
 - b. Provisions Severable. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Agreement.
 - c. Rights and Remedies are Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude nor waive its rights to use any or all other remedies. Any rights provided to the parties under

this Agreement are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

- d. Successor and Assigns. This Agreement and the terms and provision hereof shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.
- e. Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements between the parties hereto respecting such matters.
- f. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Idaho.
- g. Preparation of Agreement. No presumption shall exist in favor of or against any party to this Agreement as a result of the drafting and preparation of the document.
- h. No Waiver. No waiver of any breach by either party of the terms of this Agreement shall be deemed a waiver of any subsequent breach of the agreement.
- i. Amendment. No amendment of this Agreement shall be effective unless the amendment is in writing, signed by each of the parties.
- j. Notices. Notices hereunder shall be by personal delivery or US Mail Certified/Return Receipt and shall be deemed effective upon such personal delivery or two (2) business days after mailing, whichever is later. Notices shall be provided as follows:

a. City: City of Ketchum
 P.O. Box 2315
 Ketchum, ID 83340

b. Consultant: Sun Valley Marketing Alliance, Inc.
 PO Box 4934
 Ketchum, ID 83340

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

CITY OF KETCHUM, IDAHO

SUN VALLEY MARKETING ALLIANCE

By: _____
Nina Jonas
Mayor

By: _____
Arlene Schieven
President, CMO

DATE: _____

DATE: _____

Visit Sun Valley

Strategic and Operational Plan Summary 2014/15

September 2, 2014



Visit Sun Valley 2014/2015 Strategic Plan Summary

This document provides an overview of Visit Sun Valley's strategic and operational plan for 2014/15.

Introduction:

Since its inception, Visit Sun Valley has been working to position Sun Valley as a top of mind winter and summer destination for potential travellers from key target markets. These efforts have taken place with an extremely limited budget compared to our key competitors but they are starting to yield positive results. For example, this past year Sun Valley was named to thirteen top 10 lists of destinations to visit, including Ski Magazine, Powder Magazine, Smithsonian Magazine, USA Today, Fodor's Travel, Lonely Planet, Outside Magazine, Artplace, Huffington Post, Travel Guidepost, BuzzFeed and more. In addition, Visit Sun Valley has maintained a paid media presence in key target markets during this same time period. This has resulted in more people paying attention to what Sun Valley has to offer as evidenced by significant increases in website visits from all key target markets.

Visit Sun Valley approaches all marketing efforts with a consistent representation of the Sun Valley brand. The combination of brand characteristics that differentiates Sun Valley from its competitors is: active and athletic; pristine and untouched; spirited; unaffected and real; friendly and generous; locally-minded and culture conscious; steeped in history yet future focused.

In addition to ensuring that marketing efforts reflect the brand characteristics listed above, each seasonal or product campaign also clearly highlights the key selling points of Sun Valley over its competitors for that season or product. These selling points include: no lift lines or crowds on the mountain; 200+ miles of impeccably groomed Nordic trails; 400+ miles of flowy, crowd-free single track mountain biking; a unique combination of world class recreation paired with world class arts and culture. These product strengths are highlighted in an inspirational manner to create an emotional connection with the target audience that will ideally lead to consideration and trial. Once a visitor is inspired to include Sun Valley in their vacation plans, there is a good chance that they will become a repeat visitor. Sun Valley is very successful in securing repeat visitation and sits a full 10 points ahead of its competitors in this regard. The biggest challenge is therefore new business development and in particular, creating new demand in markets where the community is supporting air service contracts.



Situation:

The most recent year has been one of both challenges and opportunities. The winter season was challenging due to a lack of snow, and in particular, the all-important early season snow that provides potential visitors with confidence in early booking.

There were also budgetary challenges over the past year that required some tough decisions. Boise had to be dropped as a winter market so that marketing could be directed to San Francisco in support of the new nonstop flight. Summer had to be dropped in favor of winter so that funds would not be diluted to the point of ineffectiveness. However, once the 1% tax passed and a contract was secured with the Air Service Board, funds became available for summer marketing in air service markets. In addition, the Visit Sun Valley board authorized the use of reserve funds to develop a regional summer/fall marketing campaign showcasing the area's feature events.

The marketing specific portion of the funds that are generated by the new 1% tax will be put entirely into external marketing activities. The current infrastructure and staffing level is sufficient that the organization is able to cover the increased workload without incurring additional overhead costs.

The core funding remains essential to overall operations and marketing. It also allows for a focus on the regional, drive market. A decrease in core funding will take away from the intent of the new tax – to grow the investment in marketing. As such, the efforts by the cities of Sun Valley and Ketchum to keep their investment whole is paramount to the overall success of the organization in driving increased visitation.

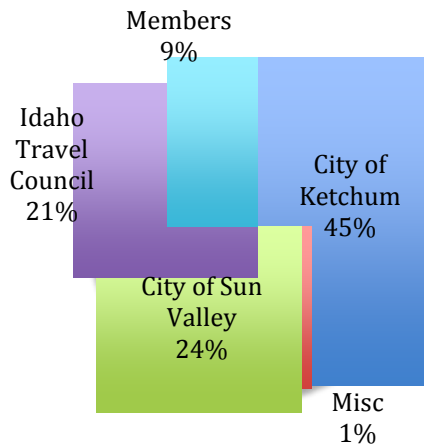
While these opportunities bode very well for the future, it is important to remember that it takes time to develop a new market and results may take 1-3 years to materialize. For example, this past winter, the marketing efforts in San Francisco resulted in a 1,000% increase in visits to the website from that market (and moved San Francisco into the number one spot for website visitors). However, not all of these website visitors booked their trips in the winter that they visited the website. Snow conditions factor very heavily into the decisions of winter travellers and we may not see some of these bookings until next winter.



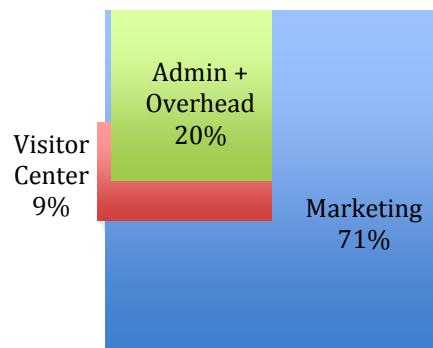
Budget and Financial Outlook:

The core budget for 2014/15 is confirmed at just over 1 million dollars (\$1,005,135). The sources of revenue are: \$450,00 from the City of Ketchum, \$244,625 (25% of LOT) from the City of Sun Valley, \$225,000 from the Idaho Travel Council, \$90,000 from membership dues and \$10,000 from miscellaneous revenue.

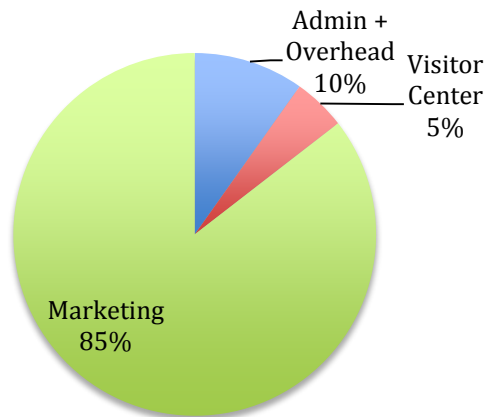
Sources of Revenue 2014/15



Budgeted Expenses 2014/15



Once the dedicated 1% funds are added, the marketing to administration ratio improves dramatically. The chart below assumes \$900,000 in additional funding from the new tax in 2014/15.





Target Markets:

Visit Sun Valley focuses on target markets based on geography, demographics and psychographics.

Geographic Target:

The determination of geographic markets is based on two key factors: budget and access. A relatively small budget determines the number of geographic markets that can be targeted, while access (air or drive) determines those markets most likely to visit and provide the greatest potential ROI.

As referenced earlier, the funds from the new 1% tax must be dedicated to air service markets. For winter 2014/15 and summer 2015 (pending confirmation of air service routes and frequency), those markets will be:

- Los Angeles, Seattle, San Francisco, Denver and New York

In addition to the air service markets, the core budget will also allow for coverage in the regional (drive markets) of Boise, Idaho Falls, Twin Falls and Salt Lake City.

Demographic (age) Target:

The demographic target is primarily focused on the 25 to 55 age group; however, the passions and interests of a potential visitor supersede any age criteria, as identified in the subsequent section.

Psychographic Target:

Psychographics refer to personality, values, attitudes, interests and lifestyles. For example, anyone who defines themselves as a skier/snowboarder/Nordic skier would be part of the target market, regardless of age. The following areas reflect Visit Sun Valley's primary focus. In general, the target market for summer is much broader than that of winter. People who travel to mountain resort destinations in the winter tend to be snowsports enthusiasts.

- Alpine skiers/snowboarders
- Mountain Bikers
- Nordic Skiers
- Summer/Shoulder - recreation and culture seekers; event goers



Operational Plan Summaries

External Marketing:

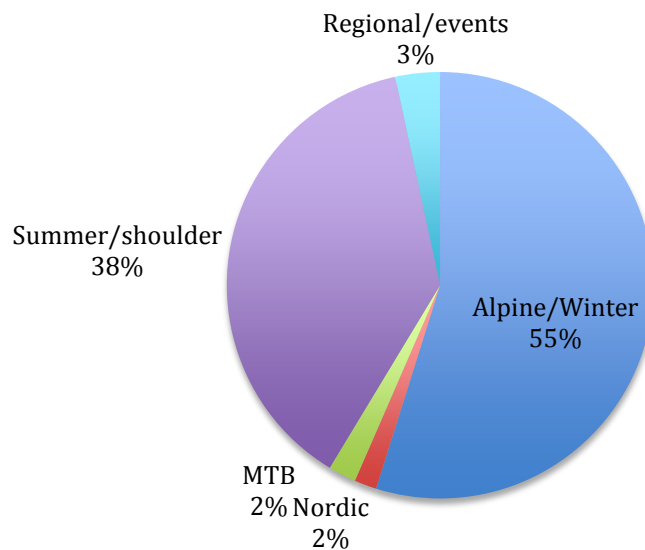
Visit Sun Valley’s marketing budget must be split in several different ways. First, the budget is divided by product sector and corresponding season. It must further be divided by brand awareness efforts (long-term) and short-term transactional efforts in each of these categories. Finally, within these breakdowns of product, season, brand/tactical, the budget must also be split to address priority geographic target markets. This section considers both the core budget and the anticipated budget from the new 1% tax.

Advertising Budget by Product Sector

The majority of funds will be allocated to winter/alpine. Currently, winter visitation is 10 points below that of summer. Given the investment in winter infrastructure and the potential for more local spending by winter guests, there is significant opportunity to improve these winter results, particularly in light of the new nonstop seasonal flights.

Summer (recreation and culture) represents the next largest category; again, due to the support for the new seasonal flights. The niche campaigns (Nordic, Mountain Biking and Events) are significantly smaller due to a more limited focus (vertical sector focus for mountain biking and Nordic and regional focus for events). Still, all three niche campaigns reflect a small increase in budget over the previous year.

Advertising Budget by Product Sector



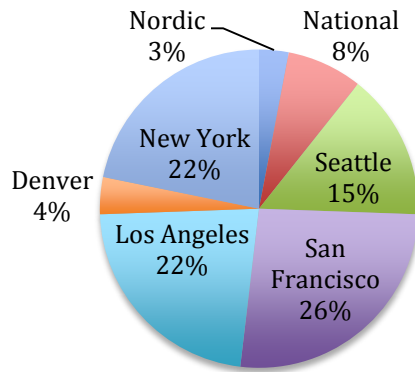


Advertising Budget by Geographic Market

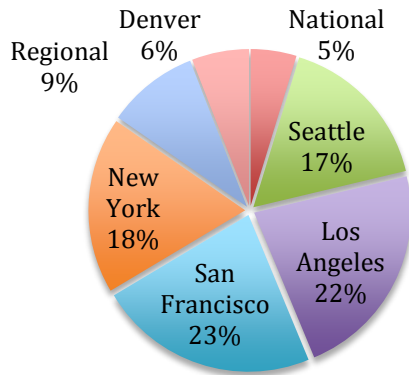
The geographic breakdown of Visit Sun Valley’s advertising is a mix of location specific and niche specific markets. For example, when advertising in a ski/snowboard publication or website, those properties typically have a national reach. The following chart therefore includes “national” to reflect the vertical publications and websites, as well as pay per click advertising (PPC) and retargeting. The majority of the budget will be geo-targeted to focus on the air service markets.

The following preliminary charts are inclusive of both the core budget and the additional 1% funds.

Winter 2014/15 Advertising Budget by Geographic Market



Summer 2015 Advertising Budget by Geographic Market



As identified in the overarching goals, Visit Sun Valley must serve the dual purpose of inspiring and informing potential visitors of everything Sun Valley has to offer while at the same time trying to encourage immediate travel to the area. Given that Visit Sun Valley does not control a product or pricing, the transactional success depends in large part on the offerings of local businesses. Further, Visit Sun Valley can only promote an offer that is relevant to more than one member business. Typically, the role of a destination marketing organization is new business development or furthering the brand recognition of the destination. As such, the goal for the future should be to continue to increase brand awareness efforts relative to tactical advertising. This is particularly important in a destination such as Sun Valley where there is very little brand awareness advertising in the marketplace.

The bulk of Visit Sun Valley's advertising (80%) will be focused on digital media in order to maximize both the budget and measurement of results and to allow for flexibility in messaging (i.e. to reflect changes in snow conditions and prices). However, the goal is to utilize a mix of traditional and non-traditional media to best achieve the stated marketing goals within the allocated budget. Visit Sun Valley will also look to partnerships with industry partners and like-minded companies to extend the external reach of marketing programs (for example, the Idaho Travel Council, The Sun Valley Resort, local businesses, airlines, etc.).

Marketing Goals:

- To increase awareness of the breadth of Sun Valley product offerings
- To stand out from other mountain resorts through clear competitive differentiation
- To provide emotional and rational inspiration that leads to increased visitation

Marketing Objectives:

- To increase visits to www.visitsunvalley.com by a minimum of 10%
- To achieve click-through rates on digital campaigns of at least 2X the industry average
- To develop a minimum of 5 annual campaigns showcasing Sun Valley's unique offerings (alpine, Nordic, mountain biking, events and summer recreation/culture)

Public Relations

PR is a critical component of the marketing outreach for Visit Sun Valley. In order to leverage a relatively small budget, Visit Sun Valley needs to garner earned media to gain significant exposure. This can be done in a number of ways, including the following:



Visit SunValley

- A unique PR hook/campaign that draws attention to the destination in an unusual and compelling way. For example, the “Skip Town” promotion that was launched in the summer of 2012 focused on something that was both topical (connection of the virtual environment to the actual physical environment) and unique (nothing like this had been done before). This promotion resulted in an unprecedented 2.7 million dollars of PR coverage for Sun Valley along with exposure to a new and relevant audience (the tech crowd). To put this in perspective, the ad equivalency of this 5-day promotion nearly doubled the annual coverage for the area.
- Engaging in contests that select top towns/resorts for a specific activity (i.e. skiing). In 2013 Sun Valley waged a solid campaign for the Powder Magazine Ski Town Throwdown and the USA Today 10best contests. The results not only generated PR at the time but also led to other consideration from writers covering similar topics.
- Hosting editors and writers so that they experience the destination first hand. Again, a significant hook is required to compel both the visit and any resulting coverage.
- Ongoing outreach, including the development of personal relationships, dissemination of press releases, etc.

With limited resources available for PR, Visit Sun Valley must be extremely targeted with outreach and must engage community partners to ensure success for the area. This past winter, Visit Sun Valley was very successful with obtaining media coverage after hosting both individual writers and groups of writers. There was significant community and Idaho Travel Council support for the signature winter media familiarization (“fam”) trip. As a result, there was enough budget remaining to host a similar familiarization trip in the summer.

In the coming year, Visit Sun Valley will once again host both individual writers as well as groups of writers for seasonal fam trips. Partnerships with the community, the Sun Valley Resort and the Idaho Travel Council remain key to the success of these trips.

Public Relations Goals:

- To increase the visibility of Sun Valley in the media
- To increase earned media coverage of Sun Valley
- To increase relationships with a diverse range of media as related to Sun Valley’s broad product offering
- To influence perceptions of Sun Valley





Public Relations Objectives:

- To secure one major piece of coverage in each nonstop fly market – Seattle, Los Angeles, San Francisco and Denver
- To secure two major pieces of coverage in winter-oriented outlets
- To secure two major pieces of coverage in bike/outdoor outlets
- To secure one major piece of coverage in a mainstream media outlet
- To increase arts and culture media contacts by 10%
- To secure one major piece of coverage featuring a signature Sun Valley event

Social Media

Social media provides an excellent platform for visitors to share their experiences and pass along positive word of mouth to potential visitors. Sun Valley's followers tend to be highly engaged and are great ambassadors for the area. Visit Sun Valley's social media program consists of Facebook, Twitter, Pinterest, Instagram, Google+ and the Searching for Sun Valley blog.

Facebook continues to be the primary focus for Visit Sun Valley's efforts. The strategy of working together with the Sun Valley Resort has been very effective as it provides one point of contact for visitors interested in Sun Valley and avoids duplication of efforts. Numbers continue to grow at a steady, albeit slower, pace. Recent changes to Facebook for businesses have introduced new challenges in ensuring our audience is exposed to our content. As a result, more funds will need to be dedicated to promoted posts in the coming year.

The Searching for Sun Valley blog will continue to showcase stories and imagery that reveal the unique and interesting character of Sun Valley. Certain local writers and photographers have proven to be a great fit for the blog and we will continue to use their services. As with Facebook, the Searching for Sun Valley blog is shared with the Sun Valley Resort. The Sun Valley Resort also has their own blog that focuses more on resort products and services.

The other properties remain Visit Sun Valley properties. Over the past year, more emphasis was placed on Twitter, with a corresponding increase in the number of followers. Twitter as well as Pinterest, Instagram, Google+ and the blog will all receive increased focus in 2014/15. The challenge will be to continue to populate these properties with engaging, interesting content to keep the momentum going. The new social media aggregator on the website will continue to provide a platform for showcasing social media content on the website, and for driving traffic from social media back to the website.





Social Media Goals:

- To increase the quality, regularity and volume of fresh and engaging content for social media platforms
- To utilize social media to increase visitation to www.visitsunvalley.com
- To maintain high engagement levels of Visit Sun Valley's social media followers

Social Media Objectives:

- To grow Facebook Fans by 10% in 2014/15
- To grow Twitter followers by 10% in 2014/15
- To grow Instagram followers by 10% in 2014/15
- To grow Pinterest followers by 10% in 2014/15
- To grow Google+ followers by 10% in 2014/15
- To increase visits from social media to the website by 20%

Event Tourism:

Events provide exposure for first-time visitors who may not have experienced Sun Valley otherwise. This is particularly true for established events that come with their own following – such as the US National XC Mountain Biking Championships.

Events also animate the destination and project a fun and vibrant image to visitors. While the event may not have been the reason for a visitor's trip, the contribution of the event to the overall experience can be a reason to return and/or may lead to positive word of mouth.

Sun Valley is home to many events of all sizes and genres. Most are on a local or regional scale and occur primarily during the summer. The majority of the larger events are focused on the arts and culture or sporting events which attract a somewhat older visitor. These excellent events, while vital to the local economy, may not attract a younger visitor.

So, while Sun Valley has a plethora of events in the summer and early fall, there is an opportunity to attract events in the winter and early/late shoulder seasons to help build visitation in those softer periods and to expose new visitors to Sun Valley. Strategically, these events should speak to a younger demographic and highlight the outdoor recreation of the area.

Visit Sun Valley's role in events is to both provide support to signature events via existing marketing vehicles and to connect with 3rd party event producers (proactively and reactively) to identify potential events for Sun Valley that will help fill periods of need. It must be noted that





As a result of the analysis and the rising common area maintenance costs, Visit Sun Valley reached an agreement with the Ketchum Urban Renewal agency (KURA) to reduce the amount of space that is leased in the building from 1,000 square feet to 200 square feet, dependent on the KURA securing a tenant for the remaining space.

In addition to the physical Visitor Center, there are other mechanisms in place to serve potential visitors. These include a “Contact Us” form on the website, the 1-800 number and a “Live Chat” function that allows visitors to ask questions real-time with a Visitor Center Agent. Visit Sun Valley also has a mobile version of it’s website intended to provide easy to access information about the destination for those here on the ground.

Visitor Services Goals:

- To continue to identify new and innovative ways of meeting visitor needs both prior to arrival and in Sun Valley
- To provide exceptional customer service to all visitors and potential visitors
- To showcase member businesses and services to meet visitor needs (as well as non-member businesses, where/when applicable)

Visitor Services Objectives:

- To operate the Visitor Center year-round; 365 days per year
- To respond to “Contact Us” visitor emails within 24 hours of receipt on Monday through Friday and within 48 hours of receipt for emails received on Saturday and Sunday
- To operate the “Live Chat” for a minimum of 8 hours per day on Monday through Friday

Member Services:

Membership for Visit Sun Valley has been growing steadily over the past few years – from 242 to 2011/12 to 302 in 2012/13 to 325 in 2014/15. However, in an effort to further increase the participation of the local business community, the membership dues structure has been revised for 2014/15. For all categories, rates will be lowered. As well, new categories will be added for those who receive fewer benefits. The hope is that any loss in revenue from the new rate structure will be offset by additional memberships.

In addition to restructuring the membership dues, other efforts to maintain and increase membership will also be continued. Member communication and outreach will be essential and will include greater involvement by the advisory committee.



**Member Services Goals:**

- To retain existing members and attract new members
- To increase member engagement

Member Services Objectives:

- To increase the number of members by 8% by the end of September 2015 (from 325 to 350)
- To retain 90% of the existing 325 members
- To increase member open rate of weekly newsletter from 33% to 38%
- To increase attendance at member meetings by 10%
- To increase member feedback and participation at the quarterly community meetings and annual listening sessions



Visit Sun Valley 2014/2015 Performance Tracking - Exhibit B

Measure	Actuals @ 9.30.13	Actuals @9.30.14	Target for 9.30.15	Target increase (% or pts)	Actuals YTD	Progress towards target	Source of Measurement
1. Sales Indicators							
Local Option Tax - SV/Ketchum	3,022,900			+3%			City Data
Add'l 1% LOT	N/A						City Data
Skier Visits	386,782	348,269	400,000	+15%			SVR - target to reflect SVR goals
Room Nights Sold, Winter (Nov-Apr)	100,107	101,209	104,245	+3%			Member Hotels
Room Nights Sold, Summer (May-Oct)	149,478	TBC	TBC	TBC			Member Hotels
Total Enplanements	51,392	TBC	TBC	TBC			Freidman Memorial Airport
Estimated # of Visitors	273,350	TBC	TBC	TBC			Various - compiled by VSV
Estimated # of Visitors - Winter	123,872	131,768	135,721	+3%			Various - compiled by VSV
Estimated # of Visitors - Summer	149,478	TBC	TBC	TBC			Various - compiled by VSV
2. Brand Engagement							
Facebook Fans	51,750	58,127	64,000	+10%			Internal
Twitter Followers	3,600	5,235	5,750	+10%			Internal
Instagram	980	1,630	1,800	+10%			Internal
Website Visits	222,539	319,119	350,000	+10%			Google Analytics
3. Internal							
Membership	304	326	350	+7%			Internal



City of Ketchum

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

November 3, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Recommendation to Enter into a Contract for Services with Linda Haavik representing Haavik Consulting, LLC

Introduction/History

With the departure of Joyce Allgaier, the Planning and Building Director position is now vacant. In order to maintain continuity and customer service standards, it is necessary to fill the position on a temporary basis until it is filled permanently.

Current Report

Linda Haavik, with Haavik Consulting, LLC, has agreed to perform the role of interim Planning and Building Director. Ms. Haavik has extensive experience in the area of Planning and Building, having served 13 years as the Planning Director for Blaine County and 14 years as the Planning Administrator for the City of Ketchum.

Financial Requirement/Impact

The cost for the services is \$100.00 per hour for a period of at least 60 days, which could be extended by mutual agreement. The Fiscal Year 2014-15 Budget has sufficient funding in the Planning and Building Department as a result of the vacant Planning and Building Director position.

Recommendation

I respectfully recommend that the Ketchum City Council approve the proposed contact with Linda Haavik with Haavik Consulting, LLC.

Recommended Motion

I move approval to enter into a contract for services with Linda Haavik.

Sincerely,

Suzanne Frick
City Administrator

Attachment: Proposed Contract

INDEPENDENT CONTRACTOR AGREEMENT

This Professional Services Agreement (“Agreement”) is made by and between the City of Ketchum, Idaho, an Idaho municipal corporation, organized and existing under the laws of the State of Idaho (“City”), and Linda Haavik, representing Haavik Consulting, LLC, (“Contractor”).

RECITALS

Whereas, the Ketchum City Council needs a temporary Planning and Building Director to fill a vacancy;

Whereas, the temporary position will be filled until a permanent replacement is hired to fulfill the responsibilities;

Whereas, the City is empowered by Idaho Code section 50-301 to enter into contracts as may be deemed necessary to promote the welfare of the City and its residents;

NOW, THEREFORE, on the basis of the foregoing recitals, and upon motion duly passed by the Ketchum City Council, and for the consideration set forth herein, the parties agree as follows:

AGREEMENT

Contractor agrees to provide services pursuant to the terms and conditions of this Agreement.

1. SCOPE OF WORK:

Contractor will coordinate with the City Administrator and perform the responsibilities and duties of the Planning and Building Director, including, but not limited to, supervision and management of Planning and Building staff, meeting with applicants about projects, attending City Council and Planning Commission meetings as necessary, and evaluation and advice of the Planning and Building operations. Such work will be performed approximately 20-25 hours per week. Contractor’s point of contact is the City Administrator or her designee.

2. **AMOUNT AND METHOD OF PAYMENT:** The City agrees to pay Contractor for services rendered under this Agreement at \$100.00 per hour.

(a) Contractor shall maintain time and expense records and make them available to the City monthly and provide monthly invoices in a format acceptable to the City for work performed to the date of the invoice.

(b) All invoices shall be paid by the City within forty-five (45) days of receipt of proper invoice unless no funds are available, then as soon as funds become available. Uncontested invoices paid after forty-five days may be subject to the statutory rate of interest pursuant to Idaho Code section 67-2302.

3. **INDEPENDENT CONTRACTOR RELATIONSHIP:** Contractor is not an employee, servant, agent, partner, or joint venture of the City. The City shall determine the work to be done by Contractor, but Contractor shall determine the legal means by which it accomplishes the work specified by the City. This Agreement shall not be construed to create any employer-employee relationship between the City and Contractor.

4. **FEDERAL, STATE, AND LOCAL PAYROLL TAXES:** Neither federal, state, or local income taxes nor payroll taxes of any kind shall be withheld and paid by the City on behalf of Contractor or the employees of Contractor. Contractor shall not be treated as an employee with respect to the services performed hereunder for federal or state tax purposes. Contractor understands that Contractor is solely responsible to pay, according to law, Contractor's income tax. Contractor further understands that Contractor may be liable for self-employment (Social Security) tax to be paid by Contractor according to law.

5. **LICENSES AND LAW:** Contractor represents that it possesses the requisite skill, knowledge, and experience necessary, as well as all licenses required, if any, to perform the services under this Agreement. Contractor further agrees to comply with all applicable laws, ordinances, and codes of federal, state, and local governments in the performance of the services hereunder.

6. **FRINGE BENEFITS:** Because Contractor is engaged in its own independently established business, Contractor is not eligible for and shall not participate in any employee pension, health, or other fringe benefit plans of the City.

7. **WORKER'S COMPENSATION:** While performing duties within the scope of the professional services, as set forth herein, Contractor shall be covered under the City's workers compensation liability policy.

8. **PROPRIETARY RIGHTS:** All data, materials, reports, maps, graphics, tables, memoranda, and other documents or products developed under this Agreement whether finished or not shall become the property of the City, shall be forwarded to the City at its request, and may be used by the City for any business or municipal purpose. The City agrees that if it uses products prepared by Contractor for purposes other than those intended in this Agreement, it does so at its sole risk.

9. **CONFIDENTIALITY:** Contractor agrees to maintain confidentiality of all work product produced under this Agreement, including both interim and draft, materials, reports, maps, graphics, tables, memoranda, and other documents unless and until the City signifies its written approval that such work product may be published as final work product subject to the public records laws of the state of Idaho. The City reserves the right to distribute the final work product as it sees fit provided that Contractor may use final reports as approved and adopted by the Ketchum City Council in the marketing of its firm.

10. **TERM OF AGREEMENT:** This Agreement shall commence as of the effective date specified in **Section 25** and shall remain in effect up to 90 days unless terminated by either party as specified in **Section 16**, or extended by mutual consent of both parties.

11. **ENTIRE AGREEMENT:** This Agreement, contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

12. **GENERAL ADMINISTRATION AND MANAGEMENT:** The City Administrator or his/her designee shall be the City's representative and shall oversee and approve all services to be performed, coordinate all communications, review and approve all invoices, and carry out any and all tasks as may be required under this Agreement.

13. **CHANGES:** The City reserves the right to makes changes from time to time in the scope of services to be performed hereunder. Such changes, including any increase or decrease in Contractor's compensation, which are mutually agreed upon by and between the City and Contractor, shall be incorporated in written amendments to this Agreement.

14. **AMENDMENTS:** This Agreement may be amended only in writing upon mutual agreement of both the City and Contractor.

15. **ASSIGNMENT:** It is expressly agreed and understood by the parties hereto that Contractor shall not have the right to assign, transfer, hypothecate, or sell any of its rights under this Agreement except upon the prior express written consent of the City.

16. **TERMINATION OF AGREEMENT:**

(a) **TERMINATION BY THE CITY:** The City reserves the right to terminate this Agreement at any time, for any reason, by giving at least fifteen (15) days' notice in writing to Contractor. If this Agreement is terminated by the City as provided herein, Contractor shall be paid for the work performed prior to termination, less payment or compensation previously made. Contractor shall also provide the City all products or works related to this Project generated to date of termination.

(b) **TERMINATION:** The obligation to provide further services under this Agreement may be terminated by Contractor upon thirty (30) days' written notice. Such termination shall be based upon substantial lack of performance by the City under the terms and conditions of this Agreement when said substantial lack of performance is through no fault of Contractor. If this Agreement is terminated by Contractor, Contractor shall be paid for services rendered and for reimbursable expenses incurred to the date of such termination.

17. **NOTICES:** Any and all notices required to be given by either of the parties hereto, unless otherwise stated in this Agreement, shall be in writing and be deemed communicated when mailed in the United States mail, certified, return receipt requested, addressed as follows:

To CITY: Suzanne Frick
City Administrator
City of Ketchum, PO Box 2315
Ketchum, ID 83340

To CONTRACTOR: Linda Haavik, Owner
Haavik Consulting, LLC
PO Box 1707, Hailey, ID 83333

18. **DISCRIMINATION PROHIBITED:** In performing the services required herein, Contractor agrees not to discriminate against any person on the basis of race, color, religion, sex, national origin or ancestry, age, or handicap. Violation of this section shall constitute a material breach of this Agreement and deemed grounds for cancellation, termination, or suspension of the Agreement by the City, in whole or in part, and may result in ineligibility for further work for the City.

19. **STANDARD OF SERVICE:** Contractor shall provide services as described in this Agreement. These services will be performed in accordance with generally accepted professional practices for the scope of this project. Contractor makes no other warranty either expressed or implied.

20. **INDEMNIFICATION:** The City agrees to indemnify, defend, and hold harmless Contractor from any and all claims, costs, liability, judgment, complaint, judicial review petition or cause of action filed against the Contractor related to a claim based upon acts or omissions of Contractor performed within the scope of her duties under this agreement, no matter what the basis of the claim, complaints or liability may be, including negligence but excluding the intentional and willful misconduct of Contractor. The City retains the right to determine legal counsel to represent Contractor in any such claim, cost, liability, judgment, complaints, judicial review petition or cause of action filed against the Contractor in her individual capacity, subject to the approval of the Contractor, which approval shall not be unreasonably withheld.

21. **NONWAIVER:** Failure of either party to exercise any of the rights under this Agreement or breach thereof shall not be deemed to be a waiver of such right or a waiver of any subsequent breach.

22. **APPLICABLE LAW:** Any dispute under this Agreement or related to this Agreement shall be decided in accordance with the laws of the state of Idaho.

23. **SEVERABILITY:** If any part of this Agreement is held unenforceable, the remaining portions of the Agreement will nevertheless remain in full force and effect.

24. **ATTORNEY FEES:** Should any litigation be commenced between the parties hereto concerning this Agreement, the prevailing party shall be entitled, in addition to any other relief as may be granted, to costs and reasonable Attorney fees as determined by a court of competent jurisdiction. This provision shall be deemed to be a separate contract between the parties and shall survive any default, termination, or forfeiture of this Agreement.

25. **EFFECTIVE DATE:** The effective date of this Agreement shall be the day this Agreement is signed by the City.

26. **SUCCESSORS IN INTEREST:** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereby and their respective successors and assigns.

27. **CONFLICT OF INTEREST:** Contractor shall disclose any conflict of interest to the City that may arise or exists with any of Contractors current or former employers, clients, contractors or the like of or regarding any work, information, data, that may relate to any of the subject matter of the scope of work or not. In the event a conflict of interest is identified, Contractor shall immediately disclose the conflict and the City may, in its sole discretion determine that this Agreement will terminate, or agree to measures to address the conflict and limit Contractor's scope of work to avoid the conflict. Failure to promptly disclose a conflict of interest constitutes Contractor's breach of this Agreement.

IN WITNESS WHEREOF, THE CITY and Contractor have executed this Agreement as of the effective date specified above.

CITY OF KETCHUM

CONTRACTOR

By: _____
Nina Jonas, Mayor

By: _____
Linda Haavik

DATE: _____

DATE: _____

ATTEST:

By: _____
Sandy Cady
City Treasurer/Clerk

DATE: _____



City of Ketchum

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

October 27, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Approval of Lease Agreement with The Community Library Association, Inc. for Buildings at Forest Service Park

Introduction/History

The city of Ketchum entered into a temporary assignment lease agreement with The Community Library Association, Inc. on February 6, 2014 for use of buildings at Forest Service Park for the purpose of operating a Sun Valley Museum of History. Formerly, the lease was held by the Ketchum/Sun Valley Historical Society to operate a Ski and Heritage Museum. The Ketchum/Sun Valley Historical Society disbanded.

Current Report

Negotiations between the city and The Community Library culminated in the attached lease agreement.

Financial Requirement/Impact

No financial requirement exists.

Recommendation

I respectfully recommend the City Council approve the attached lease agreement between the city of Ketchum and The Community Library Association, Inc. for buildings located at Forest Service Park.

Recommended Motion

"I move to approve for Mayor Jonas' signature a lease for buildings at Forest Service Park to The Community Library Association, Inc."

Sincerely,

Jennifer L. Smith
Director of Parks & Recreation

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made this ___ day of _____, 2014, by and between the CITY OF KETCHUM, IDAHO, a municipal corporation, hereinafter called "Landlord", and THE COMMUNITY LIBRARY ASSOCIATION, INC., a non-profit corporation hereinafter called "Tenant".

1. Leased Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, that certain real property situated in the City of Ketchum Blaine County, Idaho, and more particularly described as East Warehouse, West Warehouse, and Center Warehouse located on Block 40 of the Original Townsite of Ketchum, Blaine County, Idaho, which real property is hereinafter referred to as the "Premises".

2. Term. The term of this Lease shall be for a period of Five (5) years commencing _____, and continuing to _____. Upon the mutual agreement between Landlord and Tenant, based upon Tenant's performance under the terms of the lease to the satisfaction of Landlord, Tenant shall have the right to extend this Lease for four (4) additional five (5) year terms by giving the Landlord written notice of its intention to do so at least six (6) months prior to the end of the then current term, and by receiving Landlord's written consent to such extension within ninety (90) days of such notice which consent shall not be withheld unreasonably.

3. Rent. For and during the term of this Lease, Tenant shall pay to Landlord as rent for the Premises the total annual rental of TEN DOLLARS (\$10.00). However, at the beginning of each extension term of this Lease, if applicable, Landlord shall have the option to increase the rent for the Premises by giving Tenant written notice of said rent increase at least thirty (30) days prior to the beginning of the applicable extension term.

4. Use. The Premises are leased to Tenant for use as a museum and uses normally incident thereto and for no other purpose.

5. Repairs and Maintenance. Tenant agrees, at its sole expense, to keep and maintain the Premises in a clean and sanitary condition at all times and to keep every part thereof in good order, condition and repair. The Landlord shall improve, repair and maintain the Gas House for use as public restrooms. At the end of the term of this Lease, the Tenant agrees to return the Premises to the Landlord in as good condition as it was at the beginning of the Lease, reasonable wear and tear excepted. Tenant shall not have the right to make any repairs of any kind without prior written consent of Landlord, whose consent shall not be withheld unreasonably. Any repairs made by Tenant to the Premises shall be at Tenant's sole expense and be completed lien free. Landlord agrees, at its sole expense, to maintain the exterior walls, structural components and roofs of the Premises in good repair. Further, the Landlord agrees that, where in existence, the electrical, plumbing and heating systems of the Premises shall be in good condition at the commencement of the Lease.

6. Alterations and Improvements. Tenant shall not have the right to make any alterations, installments or re-decorations of any kind without prior written consent of Landlord, whose consent shall not be withheld unreasonably. Any improvements made by Tenant to the Premises shall be made at Tenant's sole expense and be completed lien-free. Any such improvements shall remain as improvements to the Premises unless Landlord determines that such improvements shall be removed at the termination of this Lease. All costs of removal shall be at Tenant's sole expense.

7. Supervision. Tenant agrees to act, and to provide continual supervision over persons at the Premises, so not to create or permit the creation of a nuisance or a threat to persons or property.

8. Assignment and Sublease. Tenant shall not transfer, assign, or sublease this Lease or Tenant's interest in the Premises, or any part thereof, without prior written consent of the Landlord.

9. Premises Occupant. Tenant stipulates that the only occupant of the above Premises will be The Community Library Association, Inc.

10. Notice. Tenant agrees to give ninety (90) days written notice to Landlord prior to vacating said Premises. Landlord agrees to give ninety (90) days written notice to Tenant if the Premises are needed at the termination of a rental period.

Any notice under this Lease must be in writing and must be sent by registered or certified mail to the last known address of the party to whom the notice is to be given, as designated by such party in writing. All notices shall be deemed delivered forty eight (48) hours after depositing the notice in the United States Mail, certified or registered, postage prepaid, addressed to the Landlord or Tenant respectively at the addresses designated herein. The tenant hereby designates its address as P.O. Box 2168 Ketchum, Idaho 83340, and the Landlord hereby designates its address as P.O. Box 2315, Ketchum, Idaho 83340.

11. Hold Harmless. Tenant shall indemnify and hold harmless Landlord against and from any and all claims arising from Tenant's use of the Premises for the conduct of its business or from any activity, work or other thing done, permitted or suffered by the Tenant in or about the Premises, and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest, or invitee of Tenant, and from all and against all cost, attorneys' fees, expenses and liabilities incurred in or about any such claim or action or proceeding brought thereon, and if any case, action or proceeding be brought against Landlord by reason of any such claim, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant as a material part of the consideration to Landlord hereby assumes all risk or damage to property or injury to persons in, upon or about the Premises, from any cause other than Landlord's negligence and Tenant hereby waives all claims in respect thereof against Landlord.

Landlord or its agents shall not be liable for any damage to The Community Library property entrusted to employees of the Tenant nor for loss or damage to any Community Library property by theft or otherwise nor for any injury to or damage to persons or Community Library property resulting from fire, explosion, falling plaster, steam, gas electricity, water, snow or rain which may leak from any part of the Premises or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place resulting from dampness or any other cause whatsoever, unless cause by or due to the negligence of Landlord, its agents, servants or employees. Landlord or its agents shall not be liable for interference with the light or other incorporeal hereditament, loss of business by Tenant, nor shall Landlord be liable for any latent defects in the Premises. Tenant shall give prompt notice to Landlord in case of fire, damage, and accidents or of defects therein of the Premises or its fixtures, including the electrical, plumbing, and heating systems. Landlord will provide regular inspections of the property to ensure buildings are in good working condition for Tenant's needs..

12. Subrogation. As long as their respective insurers so permit, Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall obtain any special endorsements, if required by their insurer to evidence compliance with the aforementioned waiver.

13. Liability Insurance. Tenant shall, at Tenant's own expense, obtain and keep in force during the term of this Lease, a policy of comprehensive liability insurance reflecting the amount of \$1,000,000.00, insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Tenant may carry said insurance under a blanket policy, providing, however, said insurance by tenant shall have a landlord's protective liability endorsement attached thereto. If Tenant shall fail to procure and maintain said insurance, Landlord may, but shall not be required to, procure and maintain same, but at the expense of Tenant. Insurance required hereunder, shall be in companies rated A+ AAA or better in "Best's Insurance Guide." Tenant shall deliver to Landlord prior to occupancy of the Premises, copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Landlord. No policy shall be cancelable or subject to reduction of coverage except after ten (10) days' prior written notice to Landlord.

14. Services and Utilities. Tenant shall pay, prior to delinquency, all water, gas, heat, light, power, telephone, sewage, air conditioning and ventilating, garbage and all other material and utilities supplied to the Premises. If any such services are not separately metered to Tenant, Tenant shall pay a reasonable proportion of all charges which are jointly metered, the determination to be made by Landlord, and payment to be made by Tenant within ten (10) days of receipt of statement for such charges. Landlord shall not be liable in damages or otherwise for any failure of interruption of any utility service furnished to the Premises and no such failure or interruption shall entitle Tenant to terminate this Lease.

15. Rules and Regulations. Tenant shall faithfully observe and comply with the rules and regulations that Landlord shall from time to time reasonably promulgate for the purpose of public health, welfare and safety. Landlord reserves the right from time to time to make all

reasonable modification to said rules for the purpose of public health, welfare and safety. The additions and modifications to those rules shall be binding upon Tenant upon delivery of a copy of them to Tenant.

16. Holding Over. If Tenant remains in possession of the Premises or any part thereof after the expiration of the extension terms hereof, with the express written consent of Landlord such occupancy shall be a tenancy from month to month at a rental in the amount of the last monthly rental, and upon all the terms hereof applicable to a month to month tenancy.

17. Reconstruction. In the event the Premises or any part of the Premises are damaged by fire or other perils covered by extended coverage insurance, Landlord agrees to forthwith repair the same; and this Lease shall remain in full force and effect, except that Tenant shall be entitled to a proportionate reduction of the rent while such repairs are being made, such proportionate reduction to be based upon the extent to which the making of such repairs shall materially interfere with the business carried on by the Tenant in the Premises. If the damage is due to the fault or neglect of Tenant or its employees, there shall be no abatement of rent.

In the event the Premises or any part of the Premises are damaged as a result of any cause other than the perils covered by fire and extended coverage insurance, then Landlord shall forthwith repair the same, provided the extent of the destruction be less than ten percent (10%) of then full replacement cost of the Premises or any part of the Premises is damaged to an extent greater than ten percent (10%) of the full replacement cost, then Landlord shall have the option: (1) to repair or restore such damage, this Lease continuing in full force and effect, but the rent to be proportionately reduced as hereinabove in this paragraph provided; or (2) give notice to Tenant at any time within sixty (60) days after such damage terminating this Lease as of the date specified in such notice which date shall be no less than thirty (30) and no more than sixty (60) days after the giving of such notice. In the event of giving such notice, this Lease shall expire and all interest of the Tenant in the Premises shall terminate on the date so specified in such notice and the Rent, reduced by a proportionate amount, based upon the extent, if any, to which such damage materially interfered with the business carried on by the Tenant in the Premises, shall be paid up to date of termination.

Notwithstanding anything to the contrary contained in this paragraph, Landlord shall not have any obligation whatsoever to repair, reconstruct or restore the Premises when the damage resulting from any casualty covered under this paragraph occurs during the last twelve (12) months of the term of this Lease or any extension thereof.

Landlord shall not be required to repair any injury or damage by fire or other cause, or to make any repairs or replacements of any panels, decoration, office fixtures, railings, floor covering, partitions, or any other property installed in the Premises by Tenant that have not previously been acknowledged and agreed upon in writing by the Landlord as a permanent alteration of the Premises.

The Tenant shall not be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises, Tenant's personal property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration.

18. Conditions. Tenant agrees that each covenant and condition of this Lease shall be considered a condition and that the breach of any covenant or condition shall be good cause for Landlord to terminate this Lease and to pursue any remedies provided by law.

19. Default or Tenant. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

a. Any failure by Tenant to pay monetary sums required to be paid hereunder, where such failure continues for seven (7) days after written notice thereof from Landlord to Tenant.

b. Any three (3) defaults, whether or not cured, by Tenant to pay rent or other monetary sums to be paid hereunder in any twelve (12) consecutive month period.

c. The abandonment or vacation of the Premises by Tenant.

d. A failure by Tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for fourteen (14) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of such default is such that it cannot be reasonable cured within such fourteen (14) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion.

e. The making by Tenant of any general assignment or general arrangement for the benefit of creditors filing by or against Tenant of a petition to have Tenant adjudged bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within forty-five (45) days; or the attachment, execute or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease where such seizure is not discharged within thirty (30) days.

20. Landlord Remedies. In the event of any such material default or breach by Tenant, Landlord may at any time thereafter without limiting Landlord in the exercise of any right or remedy at law or in equity which Landlord may have by reason of such default or breach:

a. Maintain this Lease in full force and effect and recover monetary charges as they become due, without terminating Tenant's right to possession, irrespective of whether Tenant shall have abandoned the Premises. In the event Landlord elects to not terminate the Lease, Landlord shall have the right to attempt to relet the Premises at such rent and upon such conditions and for such a term and to do all acts necessary to maintain or preserve the Premises as Landlord deems reasonable and necessary without being deemed to have elected to terminate the Lease, including removal of all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of

Tenant. In the event any such re-letting occurs, this Lease shall terminate automatically upon the new tenant taking possession of the Premises. Notwithstanding that Landlord fails to elect to terminate the Lease initially, Landlord at any time during the term of this Lease may elect to terminate this Lease by virtue of such previous default of Tenant.

b. Terminate Tenant's right to possession by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default. Upon any such re-entry Landlord shall have the right to make any reasonable repairs, alterations or modifications to the Premises, which Landlord in its sole discretion deems reasonable and necessary.

21. Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by terms of any mortgage or deed of trust covering the Premises. Accordingly, if any installment of a sum due from Tenant shall not be received by Landlord or Landlord's designed within ten (10) days after written notice that said amount is past due, then Tenant shall pay to Landlord a late charge equal to ten (10%) percent of such overdue amount. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charges by the Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

22. Attorney's Fees. In the event either party hereto retains an attorney to enforce any of the rights, duties, and obligation arising out of this Lease, the prevailing party shall be entitled to recover from the nonprevailing party all legal expenses, including but not limited to attorney's fees at the trial and appellate levels, whether or not litigation is actually instituted.

23. No Waiver. Failure of the Landlord to enforce any of the covenants in this Lease shall not be construed to be a waiver of any succeeding breach of the same covenant, nor shall any acceptance of a partial payment be deemed a waiver of Landlord's right to full amount thereof.

24. Separability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.

25. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

26. Signs. Tenant shall not place any sign upon the Premises without the prior written consent of Landlord, whose consent shall not be withheld unreasonably.

27. Time of Essence. Time is hereby expressly declared to be of the essence of each and every covenant, term, condition and provision of this Lease.

28. Governing Law. This Lease shall be governed by, construed, and enforced in accordance with the laws and decisions of the State of Idaho.

29. Entire Agreement. This Lease sets forth the entire understanding of the parties hereto, and shall not be changed or terminated orally. It is understood and agreed by the parties hereto that there are no verbal promises or implied promises, agreements, stipulations or other representations of any kind or character pertaining to the Premises other than as set forth in writing in this Lease.

30. Hours of Operation. The tenant agrees to providing landlord with agreeable hours of operation during the term of the lease. "Agreeable hours" indicates an average of 20 (twenty) operating hours per week acknowledging time off for display change-outs and staff time off.

THIS LEASE AGREEMENT is entered into the day, month and year first above written.

LANDLORD:

CITY OF KETCHUM

By _____
Nina Jonas, Mayor

TENANT:

THE COMMUNITY LIBRARY ASSOCIATION, INC.

By _____
President



City of Ketchum

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

November 3, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Request for Approval of Interlocal Agreement for Urban Forest Management with City of Hailey

Introduction/History

The Cities of Ketchum and Hailey have worked together for several years to achieve efficiencies regarding Urban Forest Management. Part of this collaboration includes an Interlocal Agreement (attached) wherein the City of Hailey contracts with the City of Ketchum to provide GIS-based tree management software, software support, and technical support.

Current Report

Currently, Juerg Stauffacher, Ketchum's Parks & Natural Resources Superintendent, sits on the Hailey Tree Committee as a volunteer member. Additionally, Juerg houses the TreeWorks GIS software that includes Hailey's and Ketchum tree inventories.

Financial Requirement/Impact

The City of Hailey agreed to pay the City of Ketchum \$1,000 for this service which includes technical and software support.

Recommendation

I respectfully recommend that City Council support the Interlocal Agreement between the Cities of Hailey and Ketchum for Urban Forest Management.

Recommended Motion

I move to support the Interlocal Agreement between the Cities of Hailey and Ketchum for Urban Forest Management.

Sincerely,

Parks & Natural Resources Superintendent

INTERLOCAL AGREEMENT
(City of Ketchum/City of Hailey)

RECITALS

WHEREAS, Ketchum performed a GIS-based Tree Inventory in 2006 and identified that the inventory and the hardware, software programs and data that accompany its functionality as important and necessary tools in the professional and efficient management of its Community Forestry Division; and,

WHEREAS, the Ketchum city arborist was asked to assist the City of Hailey on a volunteer basis to create an urban forest management program by chairing its Tree Committee; and,

WHEREAS, Ketchum and Hailey employees who are tasked with tree care benefit from the data provided by a GIS-based tree inventory to aid in strategic planning and operation assessments; and,

WHEREAS, Hailey staff will benefit from general arborist and tree maintenance training and Ketchum will receive compensation for this training; and

WHEREAS, Ketchum does benefit and Hailey will benefit from a more efficient and accurate on-going data management process measuring progress and tracking issues related to (not exhaustive) public tree care; and,

WHEREAS, Ketchum and Hailey officials can share public agency data to reduce costs and guide in the provision of services to those most in need, including community safety, public health and development services; and,

WHEREAS, Ketchum and Hailey officials, through the utilization of a GIS-based tree inventory, seek to incorporate new tools and technologies for skill development, community benefit at large, and expect to ultimately make more informed decisions using scenario models and performing needs assessments that are constructed in-house opposed to requesting external proposals and absorbing consulting fees; and,

TERMS

NOW, THEREFORE, subject to the limitations of this agreement and in order to provide assistance between the parties in providing tree inventory and management, it is hereby agreed as follows:

1. DURATION OF AGREEMENT. This Agreement shall not be effective until it is approved by the Mayor and City Council of Hailey, and the Mayor and City Council of Ketchum. It shall continue in full force and effect without termination from October 1, 2014 until

September 30, 2015. The parties may extend the agreement with the written consent of both parties.

2. PURPOSE. The purpose of this Agreement is:

A. to allow the City of Ketchum to contract with the City of Hailey for tree inventory and management services including staff support and software annual support fees and general arborist training, totaling up to \$1,000.00 payable to the City of Ketchum, and

B. to jointly contract with Community Forestry Consultants for inventory of approximately 500 public trees within each city.

3. MANNER OF FINANCING AND BUDGET.

The City of Hailey shall reimburse the City of Ketchum the amount identified in Section 2. A which constitutes \$33.75/hr (up to 20 hours) of professional arborist services for the management and training in the use of a GIS based tree inventory and general arborist and tree maintenance training for Hailey staff in FY2015 for an amount not to exceed \$675.00 and one half of the annual GIS software support and upgrade fees in the amount of \$325.00, for a total payment of up to \$1,000.00 to be paid before or on September 30, 2015, following invoices received by the City of Ketchum.

Each of the Cities of Hailey and Ketchum shall directly pay to Community Forestry Consultants their proportionate share of travel, costs, and inventory fee of \$7.00 per tree for approximately 500 trees within each city. Payment shall be made by each city upon invoice following completion of the inventory.

4. MUTUAL HOLD HARMLESS: Each party to this Agreement agrees to indemnify and hold harmless the other from any and all liability for any injury, damage or claim suffered by any person or property caused by the party or its employee while performing under this Agreement.

5. DUTIES. The provision of these services shall be governed as set out below:

The City of Ketchum agrees to supply The City of Hailey with professional arborist services for the management of a GIS-based tree inventory and training in its use as well as general arborist and tree maintenance training for an hourly rate of \$33.75. This person will work at either the City of Ketchum or the City of Hailey to accomplish the tasks assigned them. Tasks assigned to the arborist will be limited only by their experience.

The City of Ketchum agrees to provide training for Hailey tree committee members as part of the agreement.

6. AMENDMENT. This Agreement may be amended at any time, and from time to time, by the mutual written consent of the City of Ketchum and the City of Hailey for any of the following purposes:

1. To add provisions to the Agreement to benefit either or both the City of Ketchum and the City of Hailey.
 2. To extend the term of the agreement.
 3. To cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provisions with respect to matters or questions arising under this Agreement which are not inconsistent with the provisions of the Agreement.
7. **SEVERABILITY.** In the event any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby.

IN WITNESS WHEREOF, each of the parties has executed this Agreement by its duly authorized officials.

DATED this _____ day of November 2014.

CITY OF KETCHUM, an Idaho
Municipal Corporation

Nina Jonas, Mayor

ATTEST:

Sandra Cady, CMC
City Treasurer/Clerk

City of Hailey, an Idaho
Municipal Corporation

Fritz Haemmerle, Mayor

ATTEST:

Mary Cone
City Clerk



City of Ketchum

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

October 27, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Recommendation to Rescind S2o Design and Engineering Change Order #9 for Environmental Assessment Work and Place Contract Amendment #3 for Final Design on Hold

Introduction/History

The city of Ketchum submitted a Recreation and Public Purposes Act application with the USDI Bureau of Land Management in August 2008 and has worked since that time with myriad partners, stakeholders, consultants, government agencies and contractors to accomplish application requirements of BLM and the National Environmental Policy Act (NEPA) process.

The city was informed on October 7, 2014 that Environmental Assessment (EA) work on the R&PP project was inadequate (specifically related to proposed in-stream actions) and that the BLM was undertaking an initiative to further study the Big Wood River's geomorphology separate of the Ketchum R&PPA application process.

Following a meeting of the Mayor's R&PP Task Force on October 9, 2014, Mayor Nina Jonas chose to recommend to City Council to put the EA on hold and conserve resources while BLM performs its baseline river analysis.

The city is currently under City Council-approved contracts with S2o Design and Engineering for Final Design (Contract Amendment #3) and Environmental Assessment (EA) Change Order #9 for additional EA work required by BLM following a two-day EA wrap-up EA meeting with BLM staffers and the city's EA team in June 2014.

Current Report

City Council S2o principal, Scott Shipley, has agreed to allow the city to rescind Change Order #9 and place design work for Contract Amendment #3 for Final Design on hold until further notice (email from Scott Shipley attached). City attorney Cherese McLain has reviewed and approved this arrangement.

EA work never commenced for Change Order #9; a final invoice for design work will be sent by S2o Design and Engineering to the city as soon as possible.

Financial Requirement/Impact

If approved by City Council, a refund of \$27,725.00 will be expensed from the Ketchum R&PP/River Park Trust Fund to the donor, Wood River Land Trust.

Final Design Contract Amendment #3 totaled \$269,035.00 and its expenses have now spanned three fiscal years. An unpaid balance of \$54,649.09 remains on this contract. A final invoice for Final Design is not expected to exceed \$4,000.00. It is anticipated that this invoice will be submitted for approval at the November 17, 2014 City Council meeting.

Recommendation

I respectfully recommend that City Council formally rescind S20 Change Order #9 and return its full donated value of \$27,725.00 to the Wood River Land Trust. Additionally, I recommend that City Council place a formal hold on S2o Design and Engineering Contract #3 for Final Design until further notice with the understanding that a final invoice for work performed is anticipated.

Recommended Motion

"I move to approve the rescission of S2o Design and Engineering Change Order #9 for Environmental Assessment work approve a donation refund of \$27,725.00 for Wood River Land Trust; and to place a formal hold on the S2o Design and Engineering Contract Amendment #3 for Final Design."

Sincerely,

A handwritten signature in black ink, appearing to read "Jen Smith", is written over a light gray rectangular background.

Jennifer L. Smith
Director of Parks & Recreation

Email from Scott Shipley to Jen Smith: change order #9

Scott Shipley [scott@s2odesign.com]

To:

Jen Smith

Monday, October 27, 2014 2:40 PM

Jen—

I just called to discuss the best way forward in putting the project on hold. As mentioned, S2o and its subcontractors understand that the project has been put on hold. We will turn in our final billing as soon as possible and will hold off on work until after that time.

I recommend rescinding change order #9 for which no work has been completed by S2o. You may rescind it in full.

On a related note, it has been such a pleasure working with you and the Town of Ketchum this past few years. I am deeply saddened that the work has come to a halt and that the permitting stages have been so challenging. I look forward to, hopefully, working with you again in the future.

Best wishes,

Scott

SCOTT SHIPLEY, M.S., P.E.

S2o Design and Engineering

318 McConnell Drive

Lyons. CO. 80540

Phone: 303.819.3985

Skype: shipleyscott

www.s2odesign.com

scott@s2odesign.com



City of Ketchum

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

October 28, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Consideration re: Barrow Right-of-Way Encroachment Permit Application & Agreement

FILE NUMBER: 14-082

OWNER: Strada Capital, Inc.

REPRESENTATIVE: Bob Barrow

REQUEST: Right-of-Way (ROW) Encroachment Permit and Agreement for an existing garage and roof deck overhang in the Spruce Avenue right-of-way.

LOCATION: 531 North Spruce Avenue (Ketchum Townsite, East 60' of Lot 6, Block 90)

ZONING: Limited Residential (LR)

ATTACHMENTS:

- A. Right-of-Way Encroachment Agreement
- B. Applicant's Submittal
 - Application, dated July 23, 2014
 - Site Plan, dated July 23, 2014
 - Exterior Perspectives, dated September 18, 2014
- C. Site Photos
- D. Letter from CED Director, dated June 22, 2011
- E. Original Building Permit Application, dated August 3, 2004
- F. Planning Summary of Code Violations, dated July 26, 2012
- G. Barrow Variance Application #13-122 Findings of Fact, signed March 10, 2014
- H. Public Comment – None to date

Introduction/History

This application is for a Right-of-Way (ROW) Encroachment Permit and Agreement for an existing garage and roof deck overhang in the Spruce Avenue right-of-way. The garage, which was formerly a small cabin, is an existing legal, nonconforming (with respect to setbacks) structure, and it encroaches seven and one half (7 ½)

inches into the Spruce Avenue ROW. The deck overhang was built in about 2004 under building permit #03-136. However, the building permit drawings do not show an overhang, so that encroachment was not permitted by said building permit. The deck encroaches thirty (30) inches into the ROW and about two (2) feet into the front yard setback on the sides of the garage.

The construction under building permit #03-136 has a long and unfortunate history. A building permit for an addition to the existing nonconforming cabin on the property was applied for on August 3, 2003, and construction commenced without permit approval. The building official issued a Stop Work Order in November 2003.

A building permit was finally issued on August 3, 2004. (See Attachment E, Original Building Permit Application.) As the project proceeded, a number of building and zoning code violations were documented and not remedied by the builder. On May 22, 2007, a second Stop Work Order was issued. On multiple occasions throughout this process, the builder appealed to the City Council for waiver of the violations, including a ROW Encroachment Permit for the deck overhang, denied on November 3, 2008, but the Council granted none of those. In February 2010, the City Council rejected a Memorandum of Understanding proposed by the builder. No subsequent building permit was ever issued to that builder. However, it appears that interior construction continued for some time at the property.

In 2011, the subject property went into foreclosure and the bank put it up for sale. In response to frequent inquiries about the property from prospective buyers, staff prepared a memo outlining the code violations at the property for distribution. (See Attachment F, Planning Summary of Code Violations.)

In 2012, the (now) owner and applicant contacted City staff regarding the zoning and building code violations at the subject property. Staff met with the applicant to discuss the history of the project, the violations, and staff provided him with the code violation memo. He was advised that, other than remedy of the violations, his recourse to seek relief from the requirements of the codes was to apply for a variance. He was also advised that given the variance evaluation standards, staff would find it difficult to recommend approval of a variance request.

On December 26, 2013, the applicant made application for a variance to the zoning code violations noted above. The Planning and Zoning Commission denied that variance. (See Attachment G, Barrow Variance Findings of Fact.)

The applicant then worked with staff, who also consulted with legal counsel, to determine an alternative course of action. It was decided that any items approved by the City and built under the original permit would be allowed to remain, but that items not allowed by that permit would need to be rectified. As mentioned above, the garage encroachment was permitted originally, but the deck overhang was not.

In 2014, the applicant has received a demolition permit (#D14-006) to demolish the noncompliant portions of the structure and a building permit (#14-055) to rebuild the structure in compliance with today's building and zoning codes and/or the original permit.

Current Report

The current owner is requesting a Right-of-Way (ROW) Encroachment Permit and Agreement for the existing garage and roof deck overhang in the Spruce Avenue right-of-way as described above. The encroachments requested do not interfere with vehicular or pedestrian traffic or hinder the City's ability to provide services.

It is staff's recommendation that the City Council should approve the encroachment of the garage into the ROW, because the garage structure is a legal, nonconforming building and was permitted to remain by the original building permit. The Council should consider whether it is appropriate to approve encroachment of the deck overhang when it was not permitted by the original building permit and was previously denied by the City Council. The deck overhangs in the front yard setback on each side of the garage would require a variance (which would require a hearing before the Planning and Zoning Commission) in order to remain in place, unless there is no roof deck at those locations and they could be considered eaves. Eaves are allowed to project into setbacks up to three (3) feet.

Financial Requirement/Impact

There is no financial requirement or impact associated with this agreement. A Right-of-Way Agreement is intended to help protect the City in the event that the proposed construction were ever to pose an issue for the City.

Recommendation

Staff respectfully recommends that the City Council:

- (1) Approves the garage encroachment into the right-of-way and denies the deck overhang encroachment; and
- (2) Authorizes the Mayor to sign the agreement which officially executes the permit.

Recommended Motion

"I move to approve the garage encroachment and deny the deck overhang encroachment of the Right-of-Way Encroachment Permit application by Bob Barrow and authorize of the Mayor to sign a Right-of-Way Encroachment Permit agreement with said owner."

Sincerely,

A handwritten signature in blue ink that reads "Rebecca F. Bundy". The signature is written in a cursive, flowing style.

Rebecca F. Bundy
Senior Planner

**Attachment A:
Right-of-Way Encroachment Agreement**

WHEN RECORDED, PLEASE RETURN TO:

**OFFICE OF THE CITY ATTORNEY
CITY OF KETCHUM
POST OFFICE BOX 2315
KETCHUM, IDAHO 83340**

RIGHT-OF-WAY ENCROACHMENT AGREEMENT

THIS AGREEMENT, made and entered into this 3rd day of November, 2014, by and between BOB BARROW, (collectively referred to as "Owner"), whose address is PO Box 6152, Boise, Idaho 83707, and the CITY OF KETCHUM, IDAHO, a municipal corporation ("Ketchum"), whose address is Post Office Box 2315, Ketchum, Idaho 83340.

RECITALS

WHEREAS, Owner is the owner of real property described as 531 North Spruce Avenue (Ketchum Townsite, East 60' of Lot 6, Block 90) ("Subject Property"), located within the City of Ketchum, State of Idaho; and

WHEREAS, Owner wishes to permit an existing garage encroachment (7 ½ inches) in the Spruce Avenue right-of-way. Requested permit of a deck overhang (30 inches) in the right-of-way is not approved by this agreement. Said existing garage encroachment is shown in Exhibit "A" attached hereto and incorporated herein (collectively referred to as the "Improvements"); and

WHEREAS, Ketchum finds that said Improvements will not impede the use of said public right-of-way at this time subject to the terms and provisions of this Agreement;

NOW, THEREFORE, in contemplation of the above stated facts and objectives, it is hereby agreed as follows:

TERMS AND CONDITIONS

1. Ketchum shall permit Owner to maintain the Improvements identified in Exhibit "A" within the public right-of-way of Spruce Avenue, located adjacent to the real property described as 531 North Spruce Avenue, Ketchum, Idaho, until notified by Ketchum to remove the same.
2. Owner shall be responsible for the maintenance of said improvements.
3. In consideration of Ketchum allowing Owner to maintain the Improvements in the public right-of-way, Owner agrees to indemnify and hold harmless Ketchum from and against any and all claims of liability for any injury or damage to any person or property arising from the Improvements constructed, installed and maintained in the public right-of-way. Owner shall further indemnify and hold Ketchum harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Owner's part to be performed under this Agreement, or arising from any negligence of Owner or Owner's agents, contractors or employees and from and against all costs, attorney's fees, expenses and liabilities incurred in

the defense of any such action or proceeding brought thereon. In the event any action or proceeding is brought against Ketchum by reason of such claim, Owner, upon notice from Ketchum, shall defend Ketchum at Owner's expense by counsel satisfactory to Ketchum. Owner, as a material part of the consideration to Ketchum, hereby assumes all risk of damages to property or injury to persons in, upon or about the Improvements constructed, installed and maintained in the public right-of-way arising from the construction, installation and maintenance of said Improvements and Owner hereby waives all claims in respect thereof against Ketchum.

4. Ketchum shall not be liable for injury to Owner's business or loss of income therefrom or for damage which may be sustained by the person, goods, wares, merchandise or property of Owner, its tenants, employees, invitees, customers, agents or contractors or any other person in or about the Subject Property caused by or resulting from the Improvements constructed, installed, removed or maintained in the public right-of-way.

5. Owner understands and agrees that by maintaining the Improvements in the public right-of-way pursuant to this Agreement, Owner obtains no claim or interest in said public right-of-way which is adverse to that of Ketchum and that Owner obtains no exclusive right to said public right-of-way nor any other right to use the public right-of-way not specifically described herein.

6. This Agreement shall be a covenant running with the Subject Property and the terms and provisions hereof shall inure to the benefit of and be binding upon the parties and the respective heirs, personal representatives, successors and assigns of the parties hereof.

7. In the event either party hereto retains an attorney to enforce any of the rights, duties and obligations arising out of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorney's fees at the trial and appellate levels and, whether or not litigation is actually instituted.

8. This Agreement shall be governed by, construed, and enforced in accordance with the laws and decisions of the State of Idaho. Venue shall be in the District Court of the fifth Judicial District of the State of Idaho.

9. This Agreement sets forth the entire understanding of the parties hereto, and shall not be changed or terminated orally. It is understood and agreed by the parties hereto that there are no verbal promises or implied promises, agreements, stipulations or other representations of any kind or character pertaining to the Improvements maintained in the public right-of-way other than as set forth in this Agreement.

10. No presumption shall exist in favor of or against any party to this Agreement as the result of the drafting and preparation of this document.

11. This Agreement shall be recorded with the Blaine County Recorder by Ketchum.

12. The parties fully understand all of the provisions of this Agreement, and believe them to be fair, just, adequate and reasonable, and accordingly accept the provisions of this Agreement freely and voluntarily.

EXHIBIT "A"

**Attachment B:
Applicant's Submittal**

- Application, dated July 23, 2014
- Site Plan, dated July 23, 2014
- Exterior Perspectives, dated September 18, 2014

14-082

CITY OF KETCHUM RIGHT-OF-WAY ENCROACHMENT PERMIT APPLICATION

Permit Fee: \$50.00
Date Paid:

Property Owner: Bob Barrow Phone No.: 208-572-6076

Mailing Address: Box 6152 Boise, Idaho 83707

Property Street Address: 531 N. Spruce Ave.

Property Legal Description: E 60' OF LOT 6, B/LK 70, KETCHUM TOWNSITE

Encroachment(s) in Right-of-Way: EXISTING GARAGE + ROOF
DECK OVERHANG (EXISTING NON-CONFORMING)

Name or Description of Right-of-Way Affected: Spruce Ave.

Width of Right-of-Way: 60'-0"

Dimensions of Right-of-Way Encroachment(s): 7 1/2" (EXISTING GARAGE), 2'-6" (EXISTING DECK OVERHANG)

Distance of Encroachment from Existing Pavement: 11'-2" (EXIST. GARAGE) 9'-3 1/2" (EXIST. DECK OVERHANG)

Attach diagram identifying streets and/or alleys, total width of right-of-way, dimensions of right-of-way encroachment, type(s) of encroachment and visual aides sufficient to show the impacts of the encroachment.

Owner's Signature [Signature] Date: 7/23/14

RECEIVED
JUL 29 2014
CITY OF KETCHUM



TND ARCHITECTS PLLC
 THOMAS N. DANREY
 ARCHITECT
 9 EAST BLVD STREET
 PO BOX 1000
 KETCHUM, IDAHO 83701
 TEL: 208.252.2256
 TND@TNDARCH.COM

PROPOSED EXTERIOR PERSPECTIVES

531 SPRUCE, KETCHUM, IDAHO

BARROW DESIGN & CONSTRUCTION

REVISIONS
1.00000 PRELIMINARY SET
1.00000 PROGRESS SET
1.00000 BUILDING PERMIT
1.00000 SUBMITTAL SET
1.00000 SUBMITTAL SET #2
1.00000 SUBMITTAL SET #3
1.00000 SUBMITTAL SET #4

PRINT DATE
9/18/14

DRAWING SCALE
NOT TO SCALE

A06



City of Ketchum
APPROVED

Ketchum14-056 Barrow
 10/09/14
 These documents are approved
 contingent on compliance with the
 mark-ups and notes applied. This is
 not approval of any violation of any
 code, ordinance, statute or regulation.

**Attachment C:
Site Photos**



View from Northeast



View from Southeast

**Attachment D:
Letter from CED Director, dated June 22, 2011**



**COMMUNITY AND ECONOMIC DEVELOPMENT
DEPARTMENT**

PLANNING AND ZONING DIVISION

Box 2315, KETCHUM, IDAHO 83340

TELEPHONE: (208) 726-7801 FAX: (208) 726-7812

June 22, 2011

Dear Spruce Avenue Neighbors:

In response to your recent inquiries of 531 North Spruce Avenue, I have put together the following event timeline, which will bring you all up to date on the status of the property.

- 8/3/03 Building Permit Application submitted
- 11/17/03 Stop Work Order by Eric Adams – no info on file but no building permit had been issued at that time
- 8/3/04 Building Permit Issued for “addition”
- Letters requesting Engineer of Record – never received
- 12/11/06 Notice of Zoning Code Violation, Order to Remedy by Dennis Kiereleber – deck over garage overhangs into public right of way, among other violations (\$300 fine)
- 12/20/06 Notice of Zoning Code Violation, Order to Remedy by Dennis Kiereleber – deck over garage overhangs into public right of way, among other violations (\$300 fine)
- 1/26/07 Request from Bruce Pedersen to continue work
- 1/26/07 Right of Way Encroachment Permit submitted
- 2/5/07 Notice to Bruce Pedersen from Dennis Kiereleber that 6 month building permit extension would expire that month
- City Council would not consider extension. They were waiting for satisfactory drawings for Streets and the City Engineer for the right of way encroachment permit.
- 5/22/07 Stop Work Order – all issues (attached to this letter)
- 7/16/07 Letter to Bruce Pedersen that permit has expired and it is now null and void
- 8/1/07 Bruce Pedersen appeal for new building permit
- 9/13/07 Appeal denied
- 11/3/08 Right of Way Encroachment permit denied.
- 2/3/09 Building Permit Application – never approved
- 2/1/10 Memorandum of Understanding presented to CC to address building permit application; no additions of additional square feet, alterations to façade or roofline and no structural changes until the southern setback and the deck are brought into conformance.
- 2/1/10 City Council did not consider this MOU and asked the applicant to “come back to us with something that makes an awful lot of sense to us”.

One of the many emails over the last two weeks suggested that the City had a “mandate” for bringing the building into compliance. The May 22, 2007 Stop work Order contained an action plan, with additional issues to be addressed and brought into compliance with both the Building Department and

the Planning and Zoning Department as conditions of issuance of a Certificate of Occupancy. The applicant has not complied, and no Certificate of Occupancy has been issued.

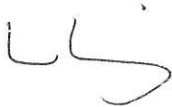
In April 2011, the City was contacted by a title company regarding 531 North Spruce Avenue, inquiring as to the extent of work that needed to be performed to bring the property into compliance. City staff informed them of the numerous building and zoning violations. The City was then informed that foreclosure had begun. We are currently waiting for an update on this process.

Our City Attorney has advised that the Certificate of Occupancy is our tool for compliance, and that we cannot force the owners or the banks to bring the building into compliance until they are ready to occupy. We have advised both the bank and the title company that the building cannot be occupied until the violations are remedied.

Since the recent emails noting the possibility that someone was living in the house, City staff as confirmed that there is no water and no electricity provided to the house, the Police Chief has visited and inspected the property and found no evidence that the house was or is inhabited. The Police Department will continue to keep an eye on the property. As long as there is a stop work order on the house, the City will ensure that no work is done and there is no one living in the house.

This has been a long and difficult process for all of the neighbors involved and for the City. Unfortunately, we may be dealing with this for some time because of the foreclosure on the property. I continue to appreciate your patience and understanding of this difficult situation we are handling. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to be the initials 'LH' followed by a stylized flourish.

Lisa Horowitz
Community and Economic Development Director

**Attachment E:
Original Building Permit Application, dated August 3, 2004**

APPLICATION FOR BUILDING PERMIT
City of Ketchum

PERMIT NO. 03-136
Date Issued: 8-3-04
Permit Fee: 1819 Pd: 10-15
Plan Check Fee: 1182 Pd: 10-15
P&Z Plan Ck Fee: 825 Pd: 10-15
KFD Plan Ck Fee: _____ Pd: _____
TOTAL FEES: 3826

1. Project Name: Pedersen Residence
2. Project Address: 531 North Service
3. Owner: Bruce & Heather Pedersen Phone No.: 208-755-9331
4. Mailing Address: 2940 Ontario Sandpoint ID 83864
5. Contractor: Bruce Pedersen Phone No.: 208-265-4848x10
6. Mailing Address: 2940 Ontario Street Sandpoint, ID 83864
7. Electrical Contractor: Pink's Electric
8. Plumbing Contractor: Thomas Plumbing & Heating
9. Concrete Contractor: Garrett Concrete
10. Architect: Bob Walker Phone No.: 788-5962
11. Engineer: Scott Baselo Phone No.: 788-1505
12. Description of Work: New _____ Addition Remodel _____ Reroof _____ Move _____
13. Scope of Work: Single Family Residence
14. Estimated Cost of Construction: \$250,000 Lot Area (sq.ft.) 3,300
15. Legal Land Description: _____
(attach if necessary)
16. Zoning District: LRX GR-L _____ GR-H _____ T _____ MH _____ CC _____ LI _____ AF _____ RU _____ STO _____
(refer to Ketchum Zoning Code Title 17 or Zoning Map)
17. Design Review Approved: N/A Yes _____ No _____ Building Coverage (sq.ft. or percent): 35%
18. Avalanche Zone: Yes _____ No (see Chapter 17.92 - Zoning Code Title 17)
19. Floodplain: Yes _____ No (see Chapter 17.88 - Zoning Code Title 17)

IBC Data: (3 or more dwelling units and commercial applicants only)
 Certificate of Occupancy: Yes _____ No _____ Group _____
 List Occupancy Type (IBC Chapter 3): _____
 List Occupancy Separation (Table 302.3.3): _____
 Interior _____ Hr.; Exterior _____ Jr. Wall Fire Rating; Occupant Load (Max): _____
 Type of Construction: I _____ II _____ III _____ IV _____ V _____ (IBC Table 503)

20. Floor Area: Building 1155 Basement 1155 Garage 475 Decks 341
 1st story 680 2nd Story 680 3rd Story 500
21. Height of Building: 35 feet 2 stories 11ft
22. Number of Dwelling Units: 1 Number of Condominiums Units: 0
23. IECC Compliance Requirements: Prescriptive _____ Rescheck Comcheck _____

OFFICE USE ONLY: IMPACT FEES.
 Sewer: _____ Date Paid: _____ Water: _____ Date Paid: _____
 Certificate of Financial Contribution: Amount Due: _____ Date Paid: _____

NOTICE: It is the duty of the owner or his authorized agent (contractor) to identify, keep and maintain lot boundary markers and maintain setbacks; no digging in the City streets or Rights-of-Way between October 31 and May 1 (September 15 for paved streets). City Street Digging Permit required; you must call the utility companies prior to excavation; and, City Water Connection Fee and Sewer Inspection Fee must be obtained prior to issuance of a Building Permit.

I hereby acknowledge that I have filled in this application accurately to the best of my knowledge and that I agree to comply with all City Ordinances and State Laws requiring building construction in the City of Ketchum, Idaho. I further understand that approval of a building permit does not grant a waiver of any law, building ordinance or regulation. Any waiver or variance must be specifically described and approved by proper authority.

I agree in the event of a dispute concerning the interpretation or enforcement of the building permit in which the City of Ketchum is the prevailing party to pay the reasonable attorney fees, including attorney fees on appeal, and expenses of the City of Ketchum.

Signature of Owner or Authorized Agent (Contractor)

Date

Building Official

Date

10-1-03

8/3/04

BUILDING PERMIT REVIEW (Zoning Code Title 17)

Building Permit Number: 03-131e

Name of Project or Owner: Pedersen Residence

Reroof/Interior Remodel: REVIEW NOT REQUIRED

A. Use: single family dwelling Zone: LR CUP Required # NA
LI Business Permit Required # NA
Design Review Required # NA

Standard: X Mountain Overlay: _____ Waterway: _____

B. Parking Spaces: 2 (15 required)

C. Loading Area On-Site Is: n/a (Commercial only)

Trash Screened: n/a (Commercial only)

D. Lot Coverage: 34% (35% allowed) 3,300 sq/lot size

E. Applicant Proposed Setbacks:

Front ^{existing non-}conforming = 0 Rear 20ft. Side 6ft. 2in Side ^S 15ft.
_{New = 15ft.} (existing non-conforming)

F. Zoning Ordinance Required Setbacks:

Front 15ft. Rear 20ft. Side 15ft. Side 15ft.

Supplementary Yard Restrictions: Rear deck is below 30 inches. If rear deck is changed to > 30in from grade, deck must conform to setbacks.

G. Building Height Is: 30ft.

H. Fence Height Is: 4 + 6ft - see approved fence permit

I. Proposed Existing Exterior Lighting Is: All exterior lighting shall conform to Dark Sky Ordinance

J. Hazards: Avalanche n/a

Floodplain n/a

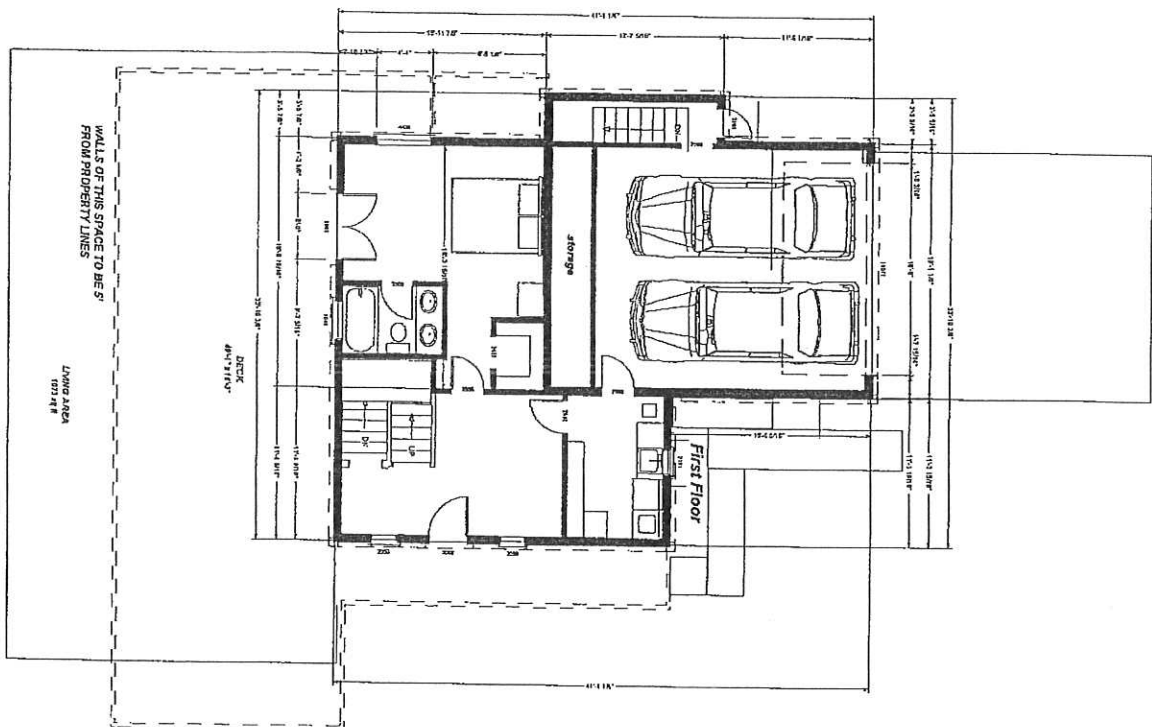
K. Curb Cut: 29% (35% allowed)

L. Accessory Buildings: _____

COMMENTS: ① All exterior lighting shall conform to Dark Sky Ordinance.
② Existing non-conforming aspects of this project shall not be expanded or replaced.

③ Basement windows shall have window wells.

Reviewed by: Stephanie A. Webster Date: 7/02/04



WALLS OF THIS SPACE TO BE S'
FROM PROPERTY LINES

LIVING AREA
10'7 1/2" x 8'

DECK
4'x7'11 1/2"

First Floor

Storage

SINK

STOVE

BATH

BED

Garage

Garage

Garage

Garage

Garage

Garage

Garage

Garage

Garage

Garage

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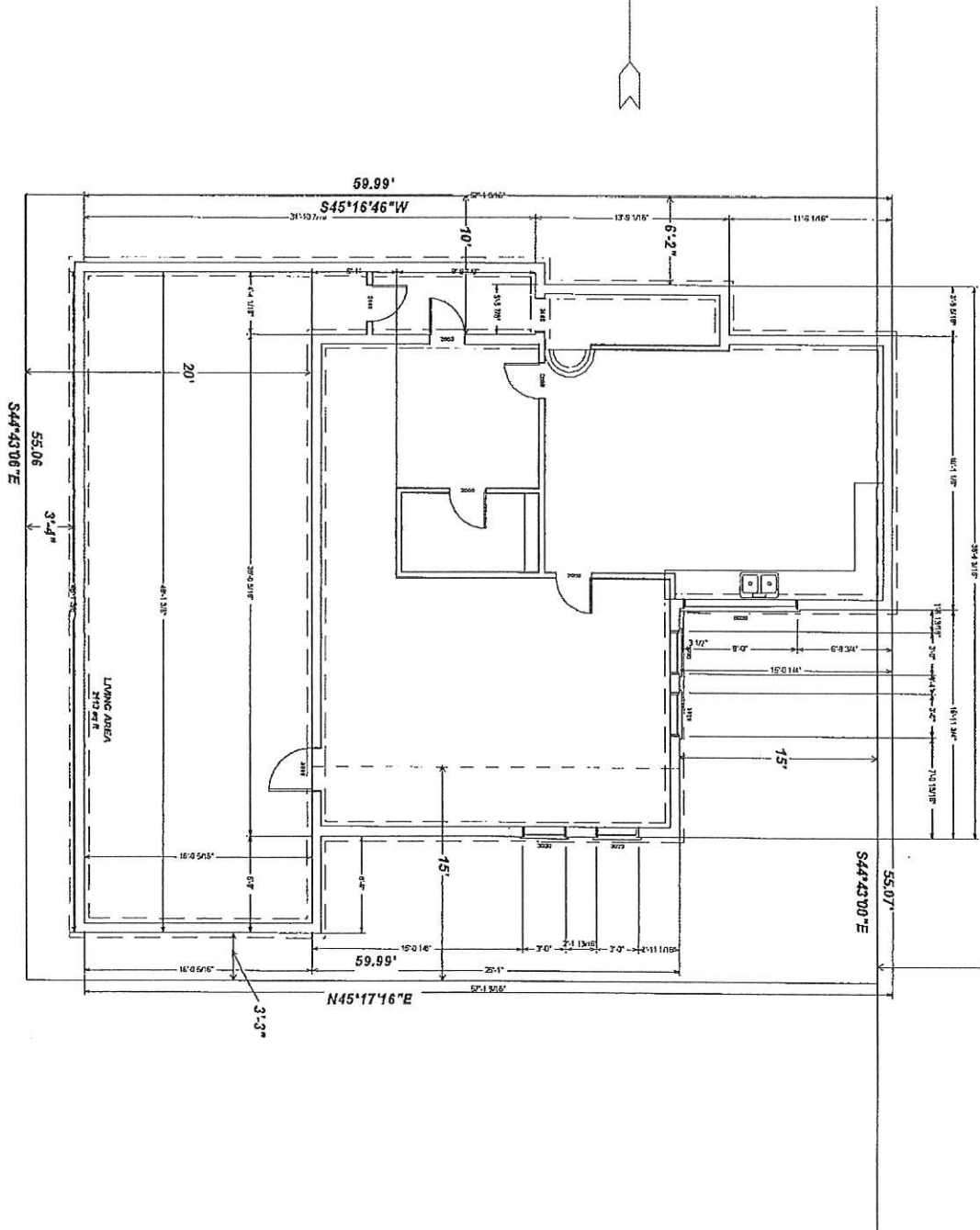
Garage

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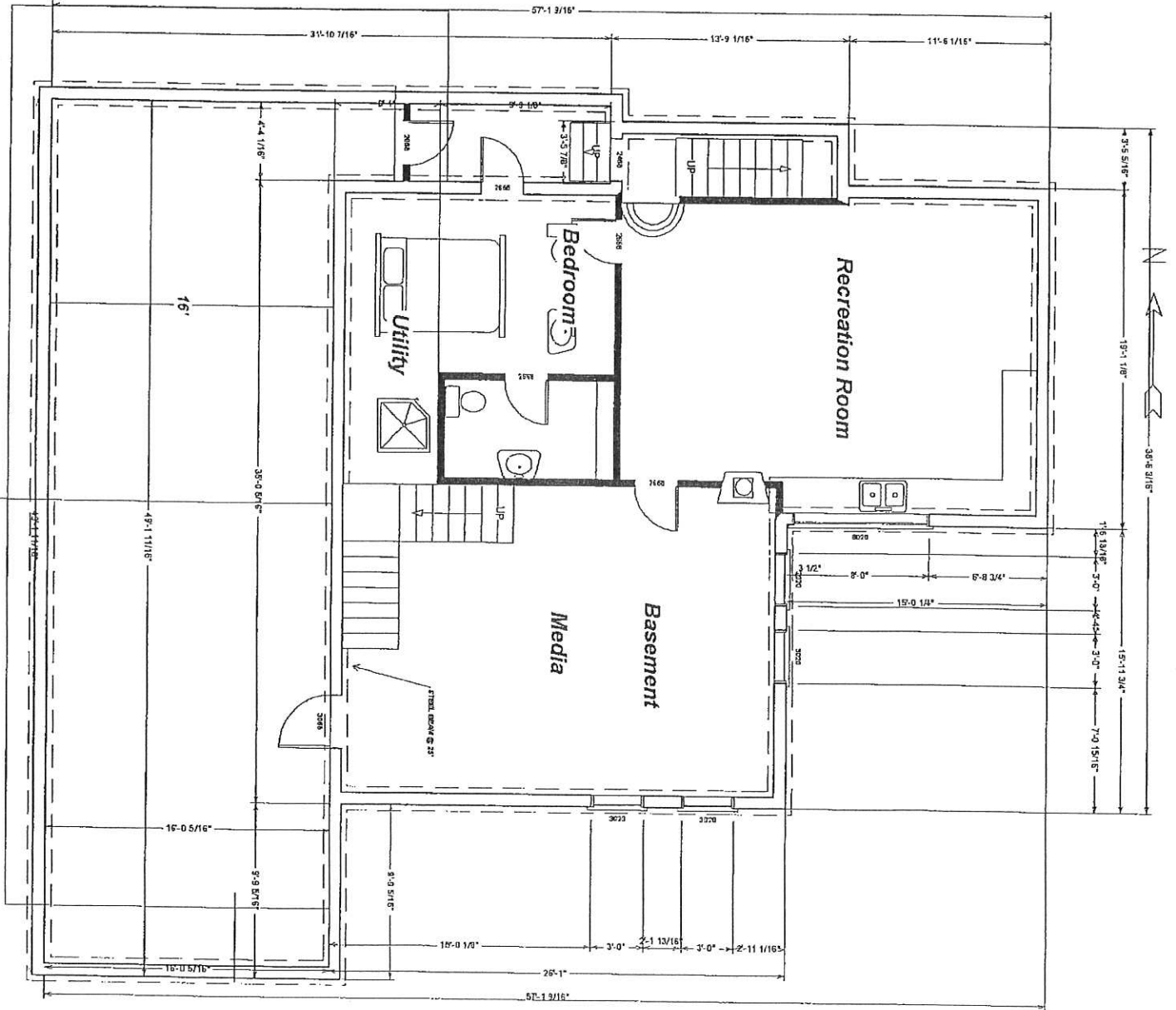
Garage

CENTERLINE OF SPRUCE STREET

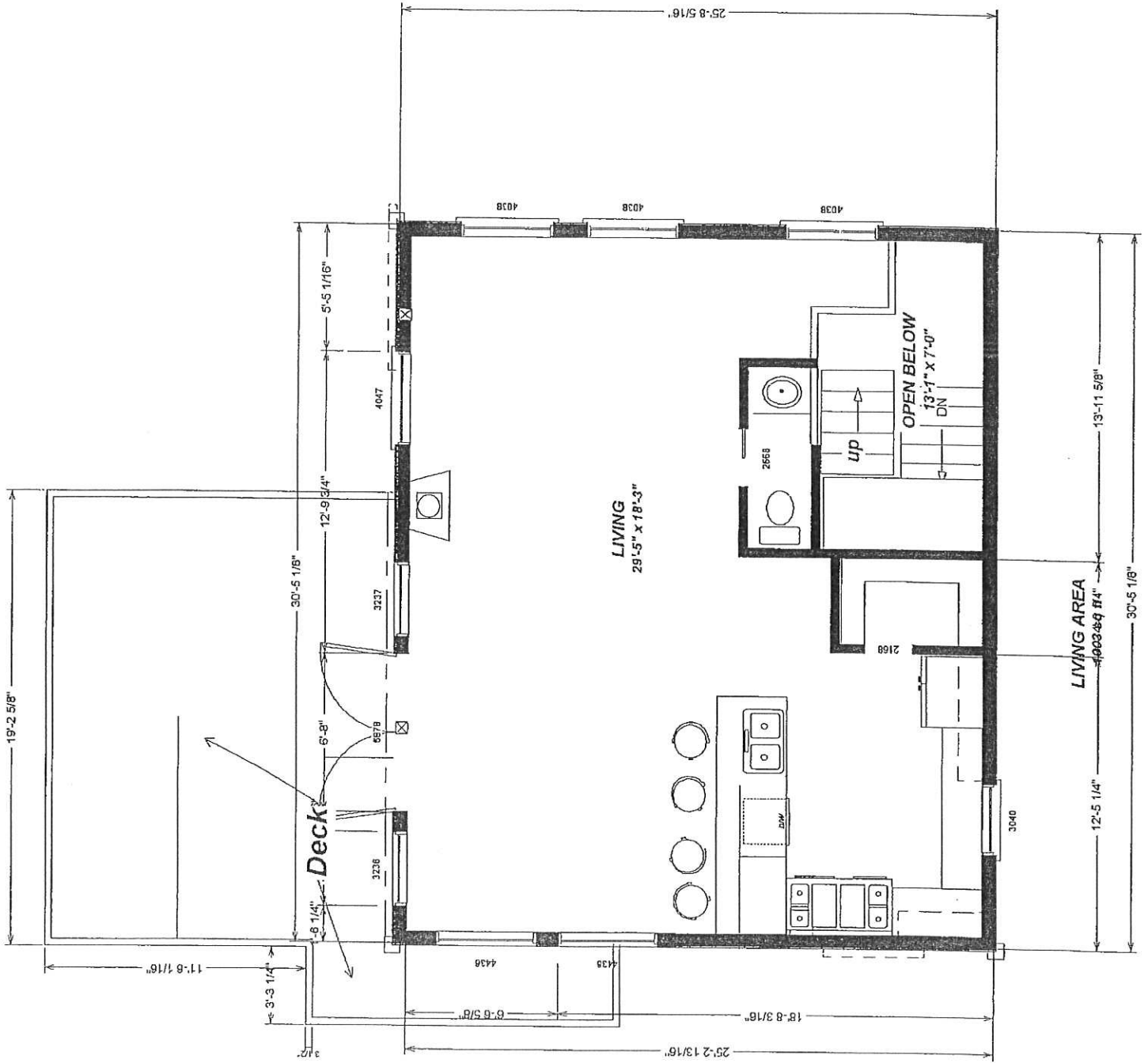


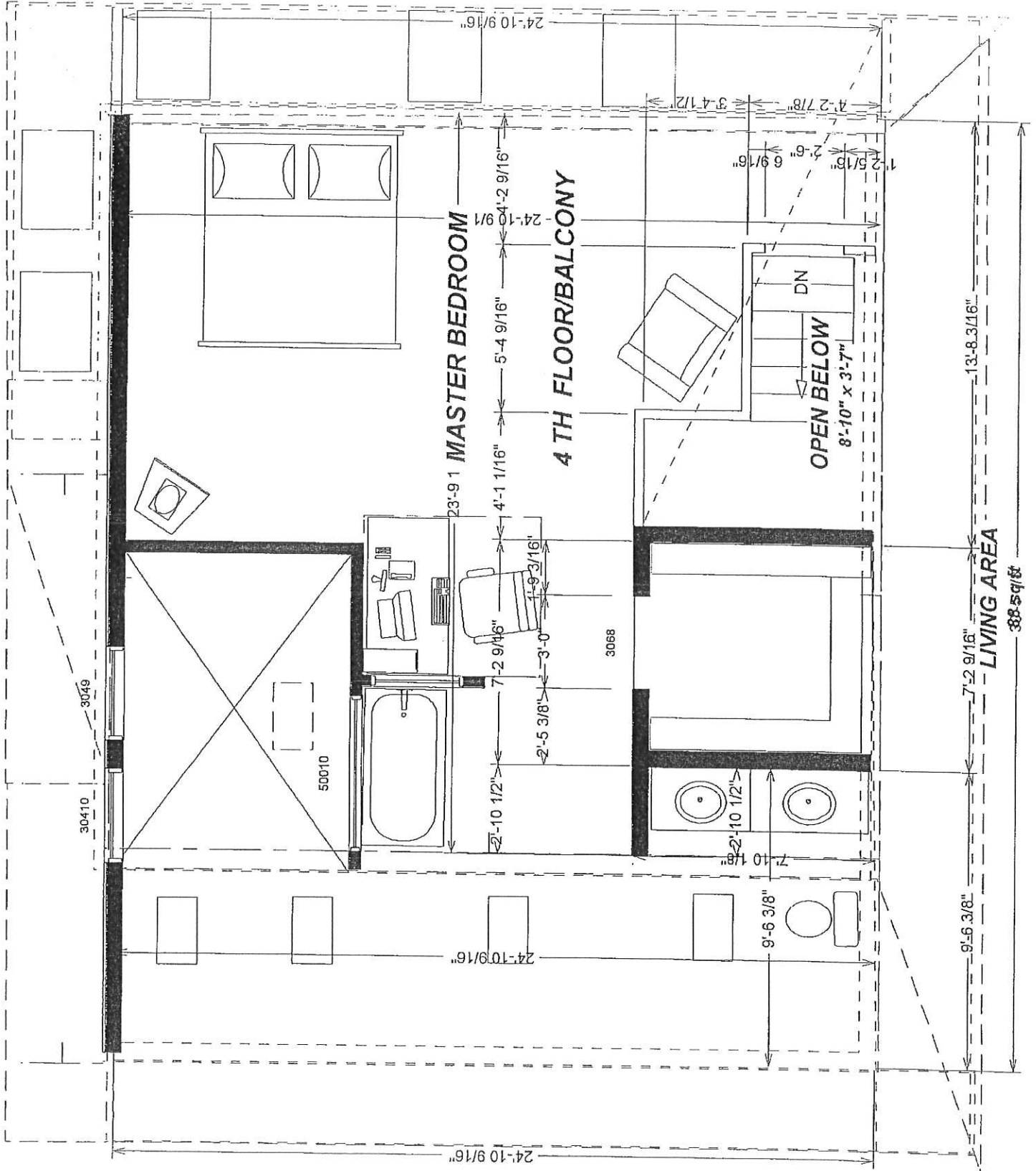
208 755-8983 Blue

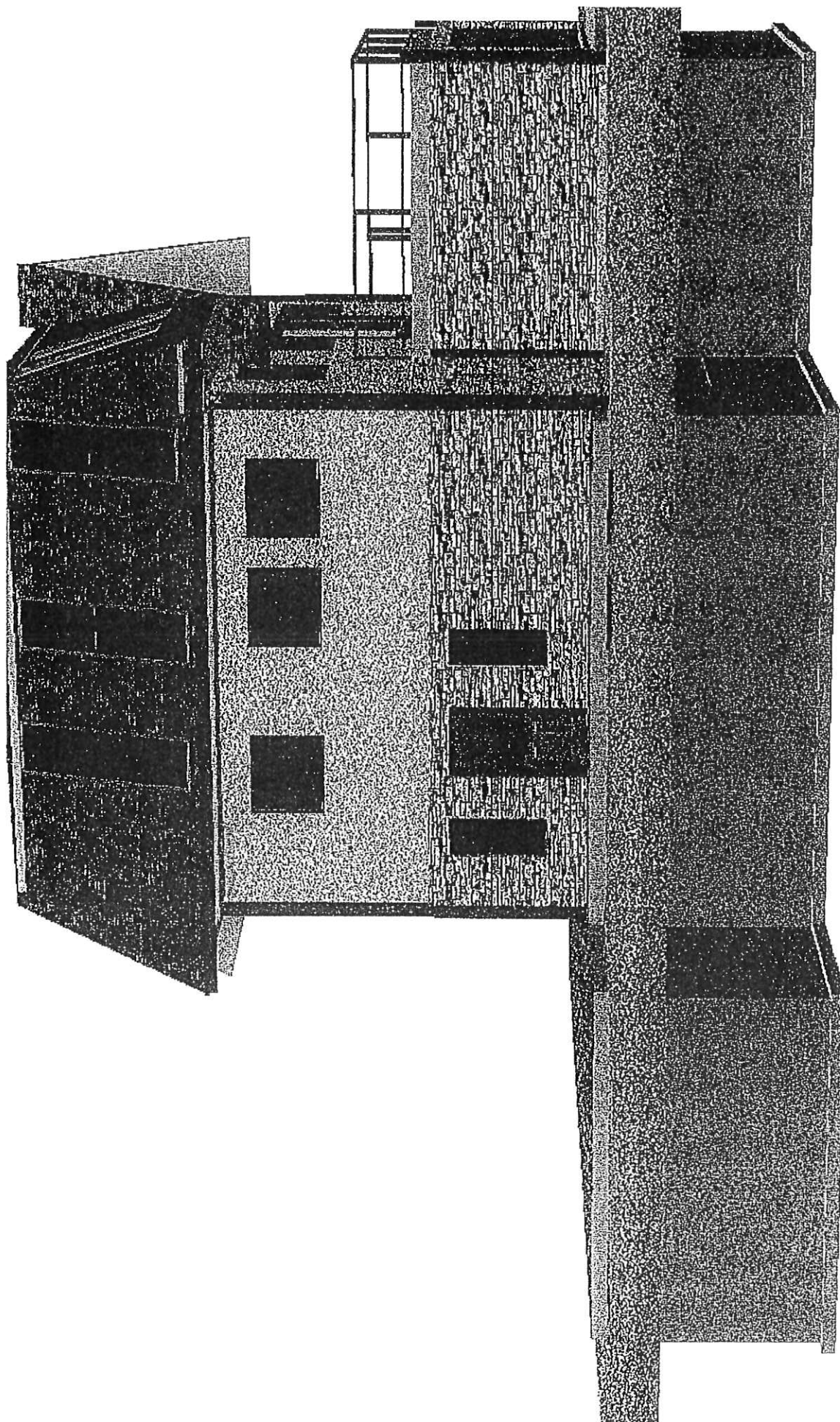
LIVING AREA
2188 sq ft

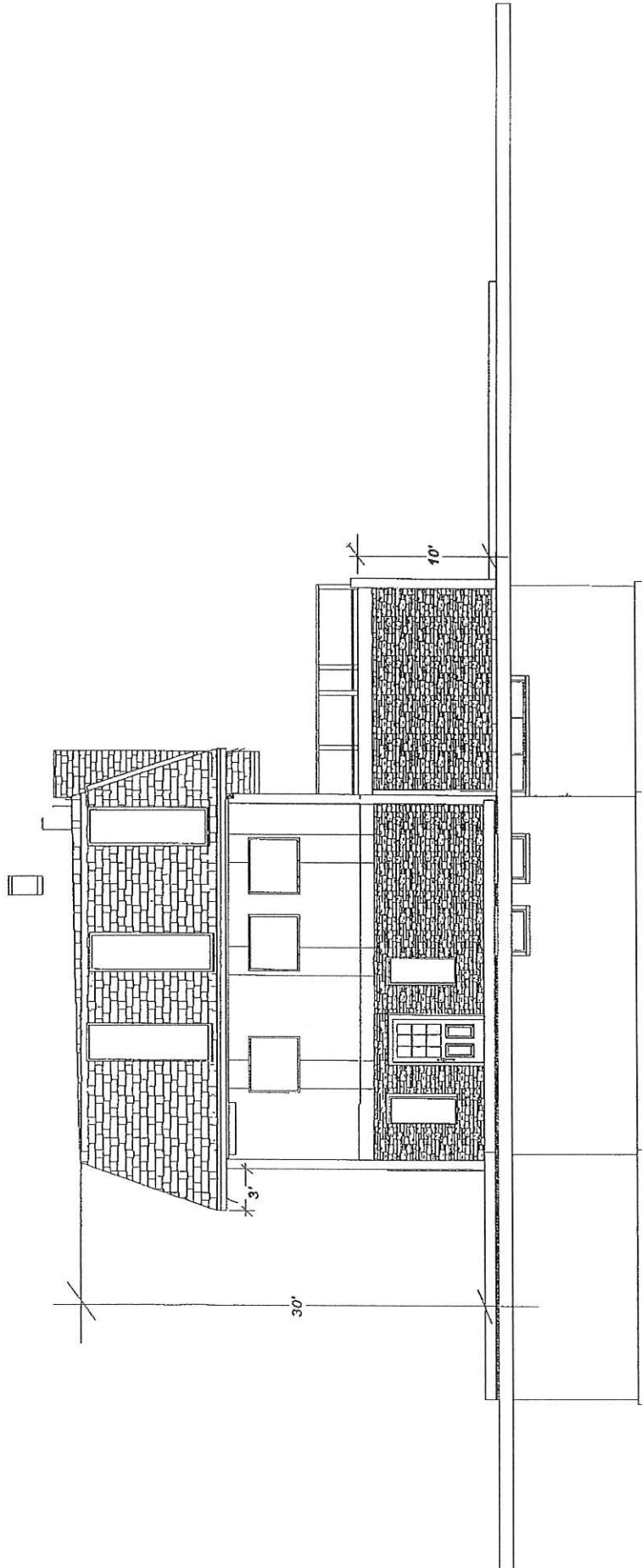


Second Floor









**Attachment F:
Planning Summary of Code Violations, dated July 26, 2012**



**COMMUNITY AND ECONOMIC DEVELOPMENT
DEPARTMENT**

BOX 2315, KETCHUM, IDAHO 83340
TELEPHONE: (208) 726-7801 FAX: (208) 726-7812

July 26, 2012

Re: 531 North Spruce Avenue

To whom it may concern:

- Building Code Issues:

The property at 531 North Spruce Avenue has never received a Certificate of Occupancy from the City of Ketchum. The former owner continued to do construction on the property after the City issued a Stop Work Order, and the framing has been covered, so the Building Division is not able to ascertain the exact status of the structure with respect to building code.

The City cannot issue a Certificate of Occupancy until it receives confirmation from a registered design professional, licensed in the State of Idaho, that the structure meets building code. Any further construction on the site will require a new building permit.

- Zoning Summary:

Residence Setbacks

Side (south)	-	15.2 ft	
Side (north)	-	10 ft (6 ft setback for existing non-conforming portion of building)	
Front	-	0 ft (garage wall and deck overhang extend into public ROW)	
Rear	-	20.6 ft	
First Floor Deck			
Setback from south property line-			Ranges from 9.6 ft to 9.0 ft
Elevation	-		107.3 ft

Building Height

- According to survey, the top elevation of the home is 136.6 ft.
- Based on this top elevation, the maximum height of the house when measured from existing grade is 33.6 ft.

$$136.6 \text{ ft} - 103 = 33.6 \text{ ft maximum height}$$

- Zoning Code Issues

Single Family Residential Use –

The building appears to be outfitted with three kitchens. Per the zoning code for the Limited Residential zone, only one is allowed.

-Sideyard Setback Encroachment-

Current Requirement -

17.16 Limited Residential District (LR)

Minimum Side Yard: The minimum distance of any building from each side lot line shall be the greater of one foot (1') for every two feet (2') or fraction of a foot of building height, or ten feet (10'), except as required in subsections F, G and H of this section.

$33.6 \text{ ft} / 2 = 16.8 \text{ ft}$ required side yard setback except as permitted for the northern sideyard setback (subject to existing non-conforming code applicable at the time of original building permit)

** Home encroaches 1.5 feet into southern side yard setback*

-Deck Encroachments-

Current Requirement -

17.128 Supplementary Mass and Bulk Regulations

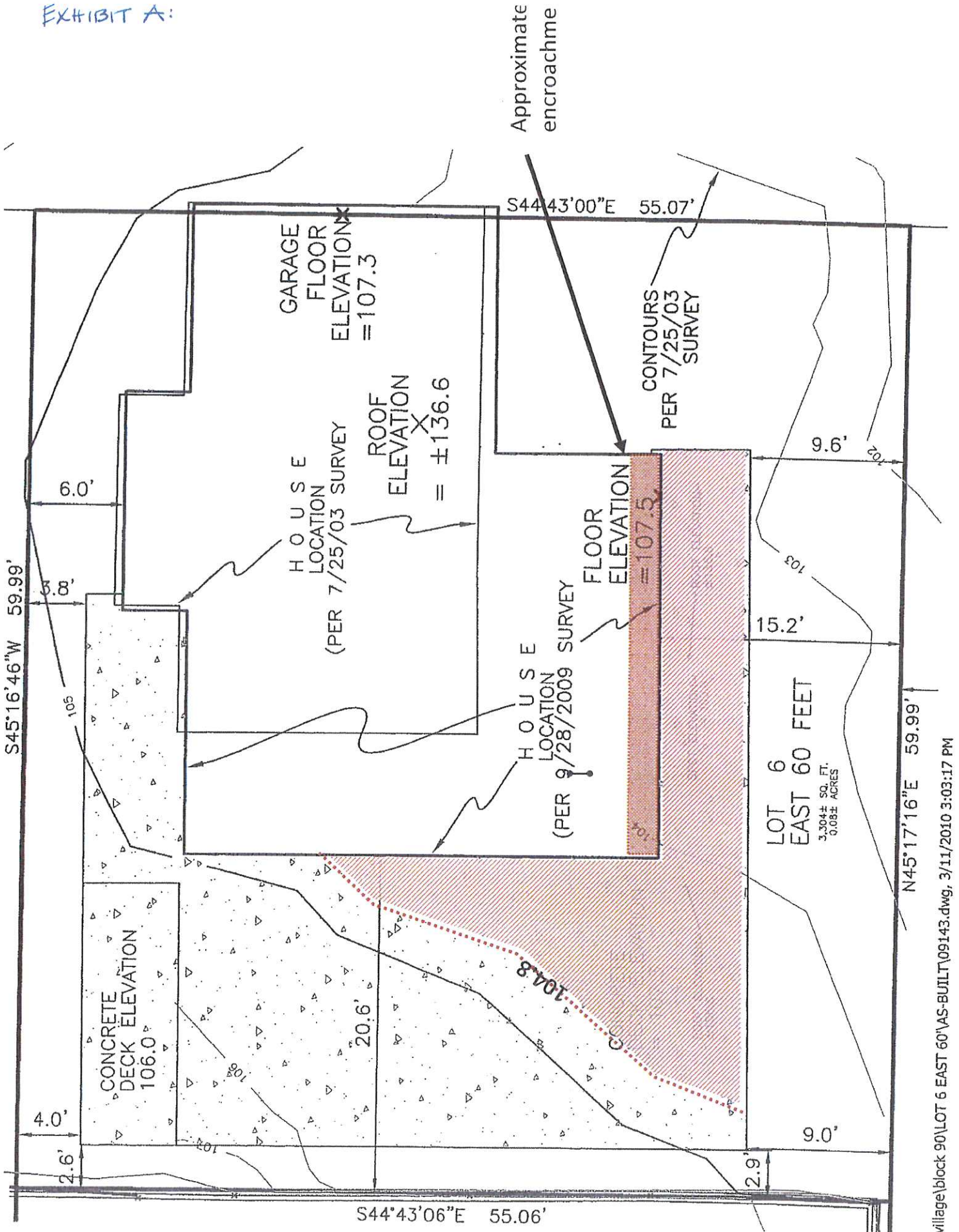
Decks more than thirty inches (30") in height from existing grade at any point shall be subject to setbacks, except in the GR-H, T, T-3000 and T-4000 zoning districts. In the GR-H, T, T-3000 and T-4000 districts, decks more than...

**Where grade drops below 104.8 all areas of the deck are considered non-conforming. The elevation of the deck is at 107.3. No portion of a deck more than 30 inches above existing/natural grade may be located within a setback. This encompasses a large portion of the first floor deck as shown in "Exhibit A".*

-Deck Overhang Encroachment-

*As previously established the deck overhang along Spruce Avenue extends into the public ROW. A right of way encroachment permit will not be approved by the City of Ketchum.

EXHIBIT A:



**Attachment G:
Barrow Variance Application #13-122 Findings of Fact,
signed March 10, 2014**

Instrument # 617981

HAILEY, BLAINE, IDAHO
4-10-2014 03:26:16 No. of Pages: 10
Recorded for : CITY OF KETCHUM
JOLYNN DRAGE Fee: 0.00
Ex-Officio Recorder Deputy
Index to: P & Z FINDINGS OF FACT

JB

IN RE:)
Barrow Variance and)
Fence Design Review) KETCHUM PLANNING AND ZONING
) COMMISSION - FINDINGS OF FACT,
) CONCLUSIONS OF LAW AND DECISION
Permit Number: 13-122)

BACKGROUND FACTS

OWNER: Strada Capital Inc. (Robert Barrow)

REPRESENTATIVES: Thomas Dabney, TND Architects, PLLC and Jim Laski,

REQUEST: Variance to Chapter 17.16, Limited Residential District (LR), Sections 17.16.E. Minimum Front Yard, I. Minimum Rear Yard, J. Minimum Side Yard, and L. Maximum Lot Coverage. In addition, a variance is being requested to Chapter 17.128, Supplementary Location and Bulk Regulations, Section 17.128.I., Decks More than Thirty (30") in Height. The applicant is also seeking design review consideration for approval of a fence taller than six feet (6') above adjacent grade pursuant to Section 1.124.080, Fences, Hedges and Walls.

NOTICE: Adjacent property owners were mailed notice of public hearing on Thursday, February 6, 2014. A public hearing notice was published in the Idaho Mountain Express on Wednesday, February 5, 2014, and the notice was posted on site on Thursday, February 13, 2014. Adjacent property owners were notified of site visit by mail on Tuesday, February 11, 2014.

LOCATION: 531 North Spruce Avenue (Ketchum Townsite, East 60' of Lot 6, Block 90)

ZONING: Limited Residential (LR)

REVIEWER: Rebecca F. Bundy, Senior Planner

ATTACHMENTS (to the February 24, 2014 staff report):

- A. Applicant Submittal
 - Application Form, dated December 19, 2013
 - Letter from Jim Laski, dated February 5, 2014
 - Zoning Noncompliance Outline from Tom Dabney, dated January 30, 2013
 - Plan Set, dated October 23, 2013
 - Stormwater Runoff Review from Jim Zarubica, dated February 15, 2014
- B. Letter from CED Director, dated June 22, 2011
- C. Original Building Permit Application, dated August 3, 2004
- D. Planning Summary of Code Violations, dated July 26, 2012

- E. Plan Illustrating Zoning Code Violations
- F. Comments (Including those distributed to the Commission at the February 24, 2014 meeting.)
 - Public
 - Sherry Paul, 691 5th Street East, dated February 18, 2014
 - Akiko Maeda, 671 5th Street East, dated February 18, 2014
 - Jake and Trina Peters, 690 North Spruce Avenue, dated February 17, 2014
 - Michael Ochsman, 660 East 6th Street, dated February 7, 2014
 - Irene Blodget, 591 North Spruce Avenue, dated February 20, 2014
 - Tuft and Dabney Mann, 620 North Spruce Avenue, dated February 20, 2014
 - Andrew Browning Dumke, 580 North Spruce Avenue, dated February 20, 2014
 - Robert Shay, 731 East 5th Street, dated February 24, 2014
 - City Departments
 - Street Department, dated February 6, 2014

GENERAL FINDINGS OF FACT

1. The variance and design review requests apply to an existing residential structure that was built and never received a certificate of occupancy. The full construction history is outlined in a letter from Lisa Horowitz, Community and Economic Development Director, to the Spruce Avenue Neighbors, dated June 22, 2011. The purpose of this hearing is to review and take action on the variance request as it exists today, although some history is helpful.

2. A building permit for an addition to the existing nonconforming home on the property was applied for on August 3, 2003, and construction commenced without permit approval. The building official issued a Stop Work Order in November 2003. (It is not clear at this time how much of the original nonconforming building was left in place when development commenced.)

3. A building permit was finally issued on August 3, 2004. At that time, the “deck” (with basement underneath it) was permitted, with the condition that, “If the rear deck is changed to greater than 30”, deck must conform to setbacks.” The original permit drawings show it to be about a foot above adjacent grade. The existing nonconforming building (with respect to setback requirements) was allowed to remain per the provisions of Ketchum Municipal Code, Section 17.136, Nonconforming Uses and Nonconforming Buildings, with the condition that, “Existing non-conforming aspects of this project shall not be expanded or replaced.” The permit plans showed the southern wall of the proposed building setback 15 feet from the southern side yard property line and a building height of 30 feet. A fence permit was approved for a fence 4 feet in height.

4. Staff is of the opinion that the “deck” is really a “basement” and that it should have been subject to setback and lot coverage requirements. However, it was built and received

inspection approvals by the building inspector. Much of it exceeds 30" in height above adjacent grade. It is difficult to determine whether any of the existing nonconforming building was retained per the requirements of Section 17.136, Nonconforming Uses and Nonconforming Buildings, but the building as constructed is slightly outside the footprint of the original structure and, therefore encroaches into the front and side yard setbacks. Despite these issues, the owner continued to build and received inspection approvals by the building inspector. The southern wall of the existing building was built approximately 14.9 feet from the southern property line, and the height of the constructed building is approximately 33.6 feet. In order to meet the zoning code requirements, the setback would need to be increased to 17 feet or the height would need to be reduced to 30 feet.

5. As the project proceeded, a number of building and zoning code violations were documented and not remedied by the builder. On May 22, 2007, a second Stop Work Order was issued. On multiple occasions throughout this process, the builder appealed to the City Council for waiver of the violations, but the Council granted none of those. In February 2010, the City Council rejected a Memorandum of Understanding proposed by the builder. No subsequent building permit was ever issued. However, it appears that interior construction continued for some time at the property.

6. In 2011, the subject property went into foreclosure and the bank put it up for sale. In response to frequent inquiries about the property from prospective buyers, staff prepared a memo outlining the code violations at the property for distribution.

7. In 2012, the (now) owner and applicant contacted City staff regarding the zoning and building code violations at the subject property. Staff met with the applicant to discuss the history of the project, the violations, and staff provided him with the code violation memo. He was advised that, other than remedy of the violations, his recourse to obtain relief from the requirements of the codes was to apply for a variance. He was also advised that given the variance evaluation standards, staff would find it difficult to recommend approval of a variance request.

8. Subsequently, the applicant purchased the property and hired Tom Dabney, architect, and Jim Laski, attorney, to represent him. Staff has conducted several meetings with Dabney and Laski regarding the zoning code violations, the variance criteria and procedure and the avenues moving forward for their client. Again, staff advised that, given the variance evaluation standards, staff would find it difficult to recommend approval of a variance request and that it would likely be difficult for the Commission to make positive findings on the evaluation criteria.

9. On December 26, 2013, the applicant made this application for a variance to the zoning code violations noted above. His representatives have informed staff that the applicant intends to meet all building code requirements and that he will remedy the zoning code violations for which he has not requested a variance. These include the garage right-of-way encroachment and turning the structure into a single family residence (by removing 2 of the three (3) living quarters within the building.)

Table 1: 531 North Spruce Avenue Code Violation Summary

Code Section	Violation	Request	Notes
17.16.010.E	Front yard setback	Variance to front yard setback	Originally proposed as an "addition" to an existing structure. However, current building in front yard setback is constructed outside the boundaries of the original building. Basement "deck" also encroaches.
17.16.010.I	Rear yard setback	Variance to front yard setback	Basement ("deck") encroaches into rear yard 18.5 feet. Portions of "deck" are > 30" above adjacent grade. "Deck" was permitted and inspected.
17.16.010.J	Side yard setback	Variance to side yard setbacks	Basement ("deck") encroaches into both side yards. Portions of "deck" are > 30" above adjacent grade. "Deck" was permitted and inspected. Current house encroaches into both north and south side yards given building height of 33.5'.
17.16.010.L	Building coverage	Variance to 35% max. building coverage	If the basement "deck" is considered lot coverage, then lot coverage is 65.7%. If not, lot coverage is 32.9%. (35% allowed)
17.128.020.I	Decks < 30" in height	Variance for portions of "deck" > 30' in height above adjacent grade	Portions of the deck at the SW corner of the site are > 30" above adjacent grade.
17.124.080.B	Wall height	Design review for wall > 6 feet	Portions of the wall on the rear and south property line are > 6 feet in height.

10. The following table summarizes the zoning code violations and the current applicant's requests:

11. Staff has received comments from the following City Departments:

- Street Department, dated February 6, 2014, expressing concern about the lot coverage and drainage, the garage encroachment into the Spruce Avenue right-of-way, and the 33% slope of the existing driveway. The Street Department recommended that the drainage be reevaluated and properly engineered and that the encroachment be removed.

12. The applicant notes that the zoning violations for which he is requesting a variance were not created by him and that it would be a waste of resources, time and energy to demolish some or all of the existing building to bring it into compliance with the zoning regulations. Staff concurs that the removal of the violating components of the structure would be a waste of resources and energy, but these are not the criteria for judgment. A variance to the zoning code can only be granted per the criteria enumerated below. Staff has evaluated the criteria and has made recommended findings on each to the Commission. At the February 24 meeting, the Commission exercised its responsibility to use the criteria to judge the proposed variances.

13. At the February 24 meeting, the Commission unanimously denied the variance requests. The applicant's options are now to accept the denial and remedy the violations or appeal to the City Council.

VARIANCE EVALUATION STANDARDS

17.148.010 DEFINITION:

A "variance" is a modification of the requirements of this title as to lot size, lot coverage, width, depth, front yard, side yard, rear yard, setbacks, parking space, parking areas, height of buildings, or other title provisions affecting the size or shape of a structure or the placement of the structure upon lots, or the size of lots.

17.148.020 VARIANCE CRITERIA:

A variance shall not be considered a right or special privilege, but may be granted to an applicant only upon a showing of undue hardship because of unique characteristics of the site, and that the variance is not in conflict with the public interest. Accordingly, a variance shall be granted by the commission, only if the applicant demonstrates all of the following:

A. The strict enforcement of the provisions of this Title creates an undue hardship to the property owner; however, economic feasibility shall not be considered an undue hardship.

Finding: The strict enforcement of the provisions of this Title does not create undue hardship to the property owner. The property is being held to the same regulations that apply to other properties in the LR zoning district. The current owner purchased the property with full disclosure of the existing zoning violations. No hardship exists in terms of the developability of the subject property. The lot could be developed in conformance with the applicable code provisions. It is staff's opinion that at this time the zoning violations could be rectified by modifying or demolishing the existing structure.

Conclusion: A unanimous determination was made by the Commission that this standard has not been met.

B. The variance is necessary because of the unique size, shape, topography or location of the subject property.

Finding: The subject property is substandard in terms of its size and width in the LR zoning district. The property is 3,287 square feet in size, when the standard lot size for the LR zoning district is 9,000 square feet, and it is 55 feet in width, when the standard is 80 feet. While the property is substandard for the zoning district, there are other substandard lots in that district. It does not deem the lot unbuildable, but it does mean that, in order to meet setback and height requirements, a house on a substandard lot will need to be smaller than one on a standard lot. There is some slope on the property, but it is not extreme and not unusual for the zoning district. Shape and location are typical for the zoning district.

Conclusion: A unanimous determination was made by the Commission that this standard has not been met. Jeff Lamoureux noted that the property could possibly be rezoned to a less restrictive zone. Deborah Burns found that it is possible to build a house on a substandard lot.

C. The subject property is deprived, by provision of this Title, of rights and privileges enjoyed legally by other properties in the vicinity and under an identical zone.

Finding: The subject property is not being denied the same rights and privileges enjoyed legally by other properties in the vicinity and under the same LR zoning. It is possible to build a single family dwelling on the subject property in conformance with zoning, a right commonly enjoyed in the neighborhood.

Conclusion: A unanimous determination was made by the Commission that this standard has not been met. Deborah Burns found that it is possible to build a small house on the lot.

D. The need for the variance is not the result of actions of the applicant or property owner.

Finding: While the applicant did not create the violations for which a variance is being sought, the current property owner purchased the subject property with full knowledge of the existing zoning and building code violations on the property. Therefore, the request for a variance is a result of his action of purchasing the property.

Conclusion: A unanimous determination was made by the Commission that this standard has not been met. Jeff Lamoureux noted that he respected the applicant's effort to rectify the existing code violations.

E. The variance does not create health and safety hazards.

Finding: A variance to Section 17.16.L, Lot Coverage may create a safety hazard. Without a detailed drainage study of the property as constructed, it is not possible to determine the effect that the existing structure may have on drainage off of the property and onto adjacent properties and City right-of-way. The applicant has hired a civil engineer, Jim Zarubika, Galena Engineering, Inc., to perform a preliminary site assessment for drainage on the property. In his report, Mr. Zarubika states that "It is our assessment that the stormwater associated with a standard design storm event can be disposed of onsite in an underground drywell/infiltration gallery. This should allow stormwater runoff to be contained onsite and not impact adjacent properties." As stated in the assessment, "Determination of subsurface soil conditions will be required to determine the size of the drywell/infiltration gallery." Staff maintains that a detailed drainage study, conducted by a civil engineer, licensed in the State of Idaho, is

necessary before a positive finding can be made regarding stormwater. Encroachment of the structure and concrete driveway apron (as presently constructed) could also pose a hazard because they project into the public right of way and affect the right of way drainage.

Conclusion: A unanimous decision was made by the Commission that this standard has not been met. Mike Doty expressed concern about the 33% slope of the existing driveway and its potential negative impact to the right of way. Jeff Lamoureux noted that a condition could be added requiring a detailed drainage study and solutions to retain run-off on the site. The Commission unanimously agreed that a condition of approval could potentially put provisions in place to address drainage issues.

F. The variance does not relieve an applicant from any of the procedural provisions of this Title.

Finding: This variance request would not relieve the applicant from any of the procedural provisions of this Title. All standard permitting processes would apply to any further construction at the site, and a certificate of occupancy shall not be issued until the project is brought into compliance with all requirements, except those for which a variance might be granted.

Conclusion: A unanimous determination was made by the Commission that this standard has been met.

G. The variance does not relieve an applicant from any standard or provision that specifically states that no variance from such standard or provision is permitted.

Finding: The applicant's request for a variance is in accordance with the definition of variance above. No request is made from any standard or provision that specifically states that "no variance from such standard or provision is permitted".

Conclusion: A unanimous determination was made by the Commission that this standard has been met.

H. The variance does not relieve an applicant from conditions established during prior permit review.

Finding: The Planning Division review of the original building permit application granted approval subject to the following conditions related to this variance application:

- If the rear deck is changed to greater than 30", deck must conform to setbacks.
- Existing non-conforming aspects of this project shall not be expanded or replaced.

In addition, the proposed south side yard setback was 15 feet, but the southern wall of the structure was built with only a 14.9 foot setback, and the house was built to a height of 33'-6", when the plans showed 30'-0'. Clearly the conditions of the earlier approval were not met.

Conclusion: A unanimous determination was made by the Commission that this standard has not been met, because these previous conditions of a permit have not been met.

I. The variance does not allow establishment of a use that is not otherwise permitted in the zone in which the subject property is located.

Finding: No use variance is being requested. Single-family uses are permitted in the LR District. (The building would be converted to a single-family residential structure through the removal of extra units.).

Conclusion: A unanimous determination was made by the Commission that this standard has been met.

J. The variance is the minimum necessary to grant relief to the applicant.

Finding: In that the subject property is already developed and the variance request follows the development, this criteria is being judged looking at the "post-development" condition. Staff feels that the variance requests are greater than the minimum that would grant relief in that building walls could be moved to meet setbacks or building height could be reduced.

Conclusion: A unanimous determination was made by the Commission that this standard has not been met.

FENCE DESIGN REVIEW EVALUATION STANDARDS

At the February 24, 2014 Planning and Zoning Commission meeting, the application for fence design review was withdrawn by the applicant.

CONCLUSIONS OF LAW

1. The City of Ketchum is a municipal corporation organized under Article XII of the Idaho Constitution and the laws of the State of Idaho, Title 50, Idaho Code. Under Chapter 65, Title 67 of the Idaho Code, the City is required to pass certain ordinances regarding land use, including a zoning ordinance.
2. The Commission has authority to hear the Applicant's Variance Application pursuant to Idaho Code, Section 67-6516 of the Local Land Use Planning Act and Chapter 17.148 of Ketchum Code Title 17.
3. The Commission's February 24, 2014, hearing and consideration of the applicant's Variance application was properly noticed pursuant to the Local Land Use Planning Act, Idaho Code Section 67-6512.
4. The application does not comply with Ketchum Code Title 17, Chapter 17.148.

DECISION

THEREFORE, the Ketchum Planning and Zoning Commission denies the Variance Application this 24th day of February, 2014, because the following standards have not been met:

- A. The applicant has not demonstrated that strict enforcement of Ketchum Municipal Code, Title 17 creates undue hardship;

- B. A variance is not necessary due to the unique size, shape, topography or location of the subject property;
- C. The subject property is not deprived of rights and privileges enjoyed by other properties in the vicinity and under an identical zone;
- D. The need for the variance is the result of actions taken by the applicant in that the applicant purchased the subject property with full knowledge of the existing zoning and building code violations on the property;
- E. A variance may create health and safety hazards at the subject property;
- H. A variance shall not relieve an applicant from conditions established during prior permit review. Previous conditions of the original building permit have not been met; and
- J. The variance is not the minimum necessary to grant relief to the applicant.

The following variance standards have been met:

- F. The variance does not relieve an applicant from any of the procedural provisions of this Title.
- G. The variance does not relieve the applicant from any standard or provision that specifically states that no variance from such standard or provision is permitted.
- I. The variance does not allow establishment of a use that is not otherwise permitted in the zone in which the subject property is located.

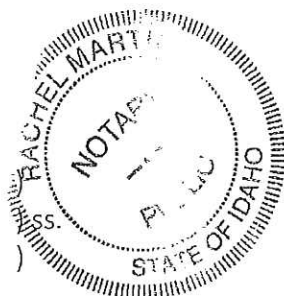
Findings of Fact, Conclusions of Law and Decision adopted this 10th day of March, 2014.



Deborah Burns or Rich Fabiano, Co-Chair
Planning and Zoning Commission

STATE OF IDAHO

County of Blaine



On this 10th day of March, 2014, before me, the undersigned, a Notary Public in and for said State, personally appeared Deborah Burns, known or identified to me to be the person whose name is subscribed to the within instrument.

WITNESS my hand and seal the day and year in this certificate first above written.

Rachel Martin

Notary Public for Idaho

Residing at: Blaine County

Commission Expires: ~~3~~ Nov. 5, 2019

**Attachment H:
Public Comment**

None to date



City of Ketchum

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

October 28, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Consideration re: Bald Mountain Lodge Development Agreement - Third Amendment

Attachments:

- A. Bald Mountain Lodge Development Agreement - Third Amendment

Introduction/History

On June 7, 2010, the City Council approved the original Bald Mountain Lodge Planned Unit Development (PUD). The PUD approval was subject to the adoption of a development agreement which contractually binds the parties to the conditions of approval, incentive provisions, deadlines, and other various requirements for the project. A development agreement was originally approved by the Council and became effective on September 17, 2010, followed by a first amendment on November 7, 2011, and a second amendment on May 13, 2013. The amendments have primarily focused on extending the time limits for when the development must commence and waivers of community and affordable housing obligations.

The Bald Mountain Hotel project is proposed for property located at the southeast corner of Main Street and East First Avenue. The programming of the project has been amended since the original approval and presently includes a hotel/free market condominium project with amenities (pool, spa, restaurant, meeting rooms, underground parking, etc.) including 119 hotel rooms and 8 condominium units. The approved size is approximately 231,400 square feet (including sub-grade garage space). In conjunction with the Second Amendment, the lodging/condominium mix of the hotel was changed, adding more guest rooms (from 82 to 119) and reducing the residential units (from 26 to 8). The last Amendment was approved on May 6, 2013 and the entitlement expirations have been linked to this date. As part of the present request, no changes to the design or programming of the building are proposed.

The Bald Mountain Lodge project was originally approved in an effort to spur economic development and generate revenue. The City agreed to provide incentives for development by waiving requirements for community and employee housing, identified infrastructure cost sharing, and approved additional hotel height allowances. All of the hotel projects approved during that time were granted waivers or other incentives through agreements with the City Council.

Under the present provisions in the Second Amendment, the applicant was required to apply for a building permit by May, 2014. That deadline has passed, therefore the applicant is seeking to amend the development agreement to re-set the time clock and begin Timeline A as of May 31, 2015. If approved, the applicant would need to apply for a building permit by May 31, 2015.

Current Report

On October 20, 2014, the City Council considered Bald Mountain Lodge's request for a third amendment to their original development agreement. The Council voted unanimously to direct staff to prepare the requested extension agreement, as proposed by the applicant, to move all timeline dates forward one (1) year and provide "a 12 month extension for Timelines A, B, and C per Addendum #2 to the original September 17, 2010 Bald Mountain Lodge Development Agreement. For Timeline A this will require building permit application by May 7, 2015."

For simplicity, staff had slightly modified the dates to coincide with months' ends, so the terms in the attached Development Agreement - Third Amendment require submittal for building permit by May 31, construction commencement by November 30 and completion by June 30 of the respective years as outlined under each timeline.

The Development Agreement - Third Amendment is included herein as Attachment A.

Financial Requirement/Impact

Should the hotel project move forward, the City would expect additional revenues from LOT taxes, fees for building and plan review and impact fees. There is the likelihood of spin-off revenues through construction tax revenues and heightened employee and visitor spending as well. However, the waiver of housing in lieu fees could potentially mean that \$2.36 million dollars would not be paid into the City's housing fund.

At the time of the approval of the Second Amendment, the City Council indicated that a fee should be established for development agreement amendment applications. With consideration given to the fees charged by the department for the review and processing of development-related applications and the fact that this is not a new project, staff recommends that a fee of \$400 be charged for the application along with a legal retainer fee of \$1,000. These fees are similar to what is charged for projects that require a similar amount of staff time and public process. Such fee would be required to be paid prior to mayor's signature of the agreement.

Recommendation

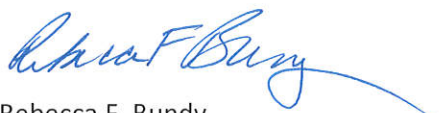
Staff respectfully recommends that the City Council:

- (1) Approves the Bald Mountain Lodge Development Agreement - Third Amendment; and
- (2) Authorizes the Mayor to sign the Bald Mountain Lodge Development Agreement - Third Amendment.

Recommended Motion

"I move to approve the Bald Mountain Lodge Development Agreement - Third Amendment and authorize the mayor to sign said agreement."

Sincerely,



Rebecca F. Bundy
Senior Planner

**Attachment A:
Bald Mountain Lodge Development Agreement
Third Amendment**

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO: Planning & Building Department Director City of Ketchum P.O. Box 2315 Ketchum, Idaho 83340	
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(Space Above Line For Recorder's Use)

THIRD AMENDMENT TO THE BALD MOUNTAIN LODGE DEVELOPMENT AGREEMENT

This Third Amendment ("Third Amendment") is made as of November 3, 2014 by and between the City of Ketchum, Idaho ("Ketchum"), a municipal corporation, and Bald Mountain Lodge, LLC, a Delaware limited liability company ("Owner", and together with Ketchum, the "Parties").

1. Recitals. This Amendment is made in contemplation of the following facts and purposes:

1.1 Ketchum and Owner are parties to a Bald Mountain Lodge Development Agreement ("Agreement"), dated September 17, 2010, and recorded on September 30, 2010 in the records of Blaine County, Idaho as Instrument No. 581098, as such Agreement was amended by the First and Second Amendments, under and by virtue of which the Parties established certain rights and obligations with regard to the development of the real property commonly known as the Bald Mountain Lodge, 151 South Main Street, Ketchum.

1.2 The parties desire to amend and supplement the Agreement as hereinafter provided.

2. Amendments. In view of the foregoing, the Parties agree to amend and supplement the Agreement, as follows:

2.1 Section 8 (Workforce Housing) is deleted and the following is substituted therefore:

8. CONSTRUCTION TIMELINE AND INCENTIVES. Owner acknowledges Ketchum's desire for a construction commencement date at the earliest possible time. Ketchum, having exercised its discretion in approving this Agreement, the PUD Findings and Design Review Findings, shall act reasonably and in good faith when processing the approval or issuance of such applications, permits, plans, specifications, plats, and/or entitlements for the Project as may be necessary or prudent in order to implement the Project, and consistent with the Ketchum City Code and applicable State and/or federal laws, so that Owner will have the benefit of the incentives provided Section 8.1, 8.2 and 8.3 below. In regards to the obligations in this Section 8, time is of the essence. In consideration of Owner's option to commence construction as soon as possible, Ketchum agrees to the following construction incentives:

8.1 Timeline A. The Project shall receive the following waivers if a building permit is applied for by May 31, 2015 and construction commences by November 30, 2015. If a building permit is not applied for by May 31, 2015, construction does not commence in November 30, 2015 and the certificate of occupancy for the hotel portion of the Project is not approved by June 30, 2018, these waivers shall not apply.

8.1.1 Community Housing. The community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety (based on extension of the Hotel Community Housing Waiver in the Community Core Zoning District).

8.1.2 Employee/Workforce Housing. The employee housing requirement is waived in its entirety.

8.1.3 Infrastructure Partnering. Owner will construct and pay for all Project infrastructure requirements including undergrounding of power lines and installation of street improvements. The Urban Renewal Agency (“URA”) is an agency of Ketchum whose purpose is to encourage and provide financial support to the redevelopment and revitalization of Ketchum. Ketchum agrees to recommend to that URA that the URA reimburse Owner for costs of qualified public infrastructure improvements. Qualified public infrastructure improvements may include: power line undergrounding and design, curb gutter and sidewalks, street improvements, water and sewer utility improvements, and design, storm water improvements and design and other improvements so designated as general public improvements. Said reimbursed costs may equal up to fifty percent (50%) of the annual URA tax increment revenue generated from the Project up to a total of \$1.5 million over the life of the URA, whichever is less. If approved, said reimbursement will be paid annually via URA tax increment revenues generated by the Project. A repayment plan may be developed at such time as substantial URA tax increment revenues are generated from the Project, at which time total URA tax increment revenues associated with this Project shall be recalculated. Ketchum agrees to cooperate with Owner in coordinating the appropriate formal URA applications and use its best efforts to propose reimbursements for the above defined improvements. URA financing and projects are also subject to applicable Idaho and federal law. Owner hereby acknowledges and agrees that there is no guarantee that URA funding will be available for this Project.

8.2 Timeline B. The Project shall receive the following waivers if a building permit is applied for by May 31, 2016 and construction commences by November 30, 2016. If a building permit is not applied for by May 31, 2016, and construction does not commence by November 30, 2016 and the certificate of occupancy for the hotel portion of the Project is not approved by June 30, 2019, these waivers shall not apply.

8.2.1 Community Housing. The community housing requirement of 7,444 square feet or approximately \$2.36 million in-lieu payment is waived in its entirety (based on extension of the Hotel Community Housing Waiver in the Community Core Zoning District).

8.2.2 Employee/Workforce Housing.

- (a) Ketchum will waive fifty percent (50%) of the total employee housing requirement. The remaining fifty percent (50%) of the employee housing fee (\$1.38 million) shall be paid via one of the following options:
 - (i) Construction of employee housing units within the city limits or the Area of City Impact (as defined in the Ketchum Municipal Code), which construction can include concepts of partnership with Ketchum or other entities;
 - (ii) Payment via a real estate transfer fee, with the transfer fees accruing to the Ketchum Housing In Lieu Fund at the time of closing of each unit; or
 - (iii) By another method determined by Owner and approved by Ketchum.

- (b) If the remaining employee housing requirement is to be paid through real estate transfer fees, a minimum of thirty percent (30%) of the total required in-lieu fee shall be paid within one (1) year of issuance of the certificate of occupancy for the hotel portion of the Project. The remaining fee shall be paid at the closing of each residential unit, at the rate of four percent (4%) of the remaining fee per unit closed until paid in full. In the event the foregoing schedule does not result in one hundred percent (100%) of the fees being paid within ten (10) years of the issuance of the certificate of occupancy for the hotel portion of the Project, any remaining balance will be due and payable at the end of such ten (10) year period.

8.2.3 Infrastructure Partnering. Owner will construct and pay for all Project infrastructure requirements including undergrounding of power lines and installation of street improvements. The URA is an agency of Ketchum whose purpose is to encourage and provide financial support to the redevelopment and revitalization of the City. Ketchum agrees to recommend to the URA that the URA reimburse Owner for costs of qualified public infrastructure improvements. Qualified public infrastructure improvements may include: power line undergrounding and design, curb gutter and sidewalks, street improvements, water and sewer utility improvements, and design, storm water improvements and design and other improvements so designated as general public improvements. Said reimbursed costs may equal up to fifty percent (50%) of the annual URA tax increment revenue generated from the Project up to a total of \$1.5 million over the life of the URA, whichever is less. If approved, said reimbursement will be paid annually via URA tax increment revenues generated by the Project. A repayment plan may be developed at such time as substantial URA tax increment revenues are generated from the Project, at which time total URA tax increment revenues associated with this Project shall be recalculated. Ketchum agrees to cooperate with Owner in coordinating the appropriate formal URA applications

and use its best efforts to propose reimbursements for the above defined improvements. URA financing and projects are also subject to applicable Idaho and federal law. Owner hereby acknowledges and agrees that there is no guarantee that URA funding will be available for this Project.

8.3 Timeline C. In the event a building permit is not applied for and construction does not commence as outlined in Timelines A or B, the PUD CUP shall be valid for a period of four (4) years from the approved Amended PUD Findings of Fact (May 6, 2013) to May 6, 2017. An application for building permit shall be submitted by May 6, 2017, unless extended by Council upon written request by Owner prior to the CUP expiration. A written request for extension of the CUP must be received by Ketchum within sixty (60) days of the expiration of the CUP. Waivers to the community housing and employee housing requirements shall not apply under this timeline.

8.3.1 Community Housing. Owner shall fulfill the workforce housing requirement prior to building permit approval for the hotel. Fulfillment of the requirement shall include development of a workforce housing plan to be approved by the City Council prior to building permit approval. The following is a list of several options that may be pursued in developing the workforce housing plan:

- (a) Provide housing via new construction within the City of Ketchum;
- (b) Fulfill the requirement via master leasing of existing units within the City of Ketchum;
- (c) Agree to a real estate transfer fee wherein all fees would be dedicated to the development, construction or maintenance of workforce housing in the City of Ketchum;
- (d) Agree to a revenue-based fee based on the profits derived from the hotel; or
- (e) Develop a workforce housing plan that incorporates several of these options.

8.3.2 Employee/Workforce Housing. Owner shall be required to provide a detailed Employee Housing Plan, which provides for housing for thirty (30) employees on a site acceptable to Council and within Ketchum city limits.

- (a) The Employee Housing Plan shall contain the following elements:
 - (i) Salary/hourly wages (current dollars) for the various income categories of employees;
 - (ii) The expected number of each level of employee that is intended to be served by the employee housing units;

- (iii) Which employee category will be served by which type/size of units;
 - (iv) Information on anticipated rental rates (in current dollars) or subsidized and/or free rent to employees, including whether utilities and homeowner's dues (if any) will be included in the proposed rates;
 - (v) Establishment of maximum occupancy per unit type (i.e. one person per one bedroom unit; two persons per two bedroom units);
 - (vi) Location of units to be within Ketchum city limits;
 - (vii) A matrix on the breakdowns of the different types of units (1 BD; square footage; total number of units; anticipated rent, etc.);
 - (viii) The priority system for occupancy of these units (i.e. Third availability to full-time employees, second to seasonal employees, and third to persons that are verified to be working in the City of Ketchum);
 - (ix) What units will be available and how the pool of units available will be determined;
 - (x) What minimum standards will be used to determine employee eligibility to live in the employee housing (i.e. whether full-time status is required and what constitutes full-time status);
 - (xi) How the overflow of demand of units by employees will be handled (i.e. priority system); and
 - (xii) Information on housing families with children and/or married couples.
- (b) The proposed Employee Housing Plan shall meet minimum size thresholds and income categories established by BCHA and/or Ketchum.
- (c) Owner shall submit the following information to Ketchum in connection with the Employee Housing Plan:

- (i) Wage/salary range and a breakdown of the number of employees within each classification (full-time, part-time, seasonal, etc.);
 - (ii) Information on the type of housing provided per employee classification;
 - (iii) Costs incurred in rent (and utilities) and transportation/parking by employees;
 - (iv) Details on anticipated lease terms/rental agreements for employees housed on-site; and
 - (v) Anticipated transportation and parking scenarios for both on-site and commuting employees.
- (d) The Employee Housing Plan shall be submitted and approved by Council as an amendment to this Agreement and shall be recorded prior to issuance of a building permit.
 - (e) All of the required employee housing shall be available prior to the issuance of any certificates of occupancy for the hotel, or any other uses in the hotel.

3. Construction. This Third Amendment and the Agreement constitute one agreement between the Parties. In the event of any inconsistency between this Third Amendment and the Agreement, the terms of this Third Amendment shall govern. All capitalized terms in the Agreement shall have the meaning in the Agreement when used in this Third Amendment, unless otherwise defined herein.

4. Ratification. The Agreement, as amended and supplemented by this Third Amendment, is hereby ratified and affirmed.

This Third Amendment is executed by the Parties as of the date above written.

BALD MOUNTAIN LODGE, LLC, a Washington By: CITY OF KETCHUM
 limited liability company
 City of Ketchum, Idaho,
 a municipal corporation

By: _____

By: _____
 Nina Jonas, Mayor

STATE OF IDAHO,)
) ss.
County of Blaine)

On this ____ day of _____, 2014, before me, a Notary Public in and for said State, personally appeared Nina Jonas, Mayor of the City of Ketchum, Idaho, known or identified to me to the person whose name is subscribed to the within instrument as the Mayor of the City of Ketchum, Idaho, and acknowledged to me that she executed the same as Mayor of the City of Ketchum, Idaho.

Notary Public for Idaho
Residing at _____
Commission expires _____

State of _____)
) ss.
County of _____)

On this ____ day of _____, 2014, before me, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the Manager of Bald Mountain Lodge, LLC, a limited liability company and the managing member of Bald Mountain Lodge, LLC, a limited liability company, the member or one of the members who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me that such limited liability company executed the same in the name of Bald Mountain Lodge, LLC.

Notary Public for _____
Residing at _____
My Commission expires _____



City of Ketchum

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

November 3, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Recommendation to Enter into a Contract For Services with Diann Craven, ClearDirections, LLC

Introduction/History

One key to providing the Mayor, City Council and community with efficient and effective services is a cohesive and integrated management team. With a new Mayor, City Administrator, Director of Planning and Building and relatively new Public Works Director, it's important for the management team, and all city staff, to develop common values to guide the organization, improve services and foster teamwork. The proposed contract will facilitate a process to implement these objectives through leadership training and organizational development for all city staff.

Current Report

Warren Bennis, a distinguished professor of business leadership once said, "Leadership is the capacity to translate vision into reality." With a new city administration in place, there is a need to identify a vision for the organization, identify common operating principles, customer service standards, and a plan for implementation.

City staff is high functioning, productive and responsive. Even so, there are always opportunities for improvement. This effort will assess the current status, identify issues and provide suggestions for improvement. Undertaking this type of process is important to establishing and maintaining a strong collaborative team.

Proposals were requested from several firms. Diann Craven with ClearDirections, LLC provided the most comprehensive response, best understanding of the needs and direct relevant experience. She has extensive experience working with a variety of companies providing similar services. Diann Craven is a part time resident of the Wood River Valley therefore travel expenses would be minimized.

Financial Requirement/Impact

The cost for the services is \$17,250. It was anticipated this type of project may occur as a result of a new City Administrator. Funding was allocated in the 2014-15 adopted budget in the Professional Services account in the City Clerk's Department.

Recommendation

I respectfully recommend that the Ketchum City Council approve the proposed contact with Diann Craven, ClearDirections, LLC.

Recommended Motion

I move approval to enter into a contract for services with Diann Craven.

Sincerely,

Suzanne Frick
City Administrator

Attachment: Proposed Contract

INDEPENDENT CONTRACTOR AGREEMENT

This Professional Services Agreement (“Agreement”) is made by and between the City of Ketchum, Idaho, an Idaho municipal corporation, organized and existing under the laws of the State of Idaho (“City”), and Diann Craven with ClearDirection, LLC, (“Contractor”).

RECITALS

Whereas, a new City Administrator was hired to work with the Mayor and City Council to manage City operations;

Whereas, to ensure the City Administrator and Department Directors are aligned and working as a cohesive team to provide efficient and cost effective services to the Mayor, City Council and Community;

Whereas, the City is empowered by Idaho Code section 50-301 to enter into contracts as may be deemed necessary to promote the welfare of the City and its residents, and to implement portions of the 2014 Ketchum Comprehensive Plan (“Plan”);.

NOW, THEREFORE, on the basis of the foregoing recitals, and upon motion duly passed by the Ketchum City Council, and for the consideration set forth herein, the parties agree as follows:

AGREEMENT

Contractor agrees to provide services pursuant to the terms and conditions of this Agreement.

1. SCOPE OF WORK:

Contractor will coordinate with the City Administrator to provide the services identified in Attachment A to the Agreement. The Contractor’s point of contact is the City Administrator or her designee.

2. AMOUNT AND METHOD OF PAYMENT: The City agrees to pay Contractor for services rendered under this Agreement in an amount not to exceed \$17,250 in addition to direct expenses such as materials and travel. To begin work, a deposit of \$6,000 will be provided to the Contractor.

(a) Contractor shall maintain time and expense records and make them available to the City monthly and provide monthly invoices in a format acceptable to the City for work performed to the date of the invoice. Each invoice shall also specify current billing and previous payments, with a total of costs incurred and payments made to date.

(b) Reimbursable expenses (which shall cover general out-of-pocket expenses including Contractor's hourly fees, telephone charges, copying expenses, overnight or standard mailing expenses, travel-related expenses, and the like) shall be billed to the City at actual cost to Contractor with no mark-up.

(c) All invoices shall be paid by the City within forty-five (45) days of receipt of proper invoice unless no funds are available, then as soon as funds become available. Uncontested invoices paid after forty-five days may be subject to the statutory rate of interest pursuant to Idaho Code section 67-2302.

(d) If the services subject to a specific invoice do not meet the requirements of this Agreement as the City may determine, the City shall notify Contractor in writing and provide specific deficiencies in the work that do not meet the requirements. Contractor shall have seven (7) working days to correct or modify the work to comply with the requirements of the Agreement as set forth in the City's written notice. If the City again determines the work fails to meet the requirements, the City may withhold payment until deficiencies have been corrected to the City's satisfaction or may terminate this Agreement for cause as set forth in **Section 17** of this Agreement.

3. **INDEPENDENT CONTRACTOR RELATIONSHIP:** Contractor is not an employee, servant, agent, partner, or joint venture of the City. The City shall determine the work to be done by Contractor, but Contractor shall determine the legal means by which it accomplishes the work specified by the City. This Agreement shall not be construed to create any employer-employee relationship between the City and Contractor.

4. **RECORDS ACCESS AND AUDITS:** Contractor shall maintain complete and accurate records with respect to costs incurred and manpower expended under this Agreement. All such records shall be maintained according to generally accepted accounting principles, shall be clearly identified, and shall be readily accessible. Such records shall be available for review by the City representatives for three (3) years after final payment. Copies shall be made available to the City upon request.

5. **FEDERAL, STATE, AND LOCAL PAYROLL TAXES:** Neither federal, state, or local income taxes nor payroll taxes of any kind shall be withheld and paid by the City on behalf of Contractor or the employees of Contractor. Contractor shall not be treated as an employee with respect to the services performed hereunder for federal or state tax purposes. Contractor understands that Contractor is solely responsible to pay, according to law, Contractor's income tax. Contractor further understands that Contractor may be liable for self-employment (Social Security) tax to be paid by Contractor according to law.

6. **LICENSES AND LAW:** Contractor represents that it possesses the requisite skill, knowledge, and experience necessary, as well as all licenses required, if

any, to perform the services under this Agreement. Contractor further agrees to comply with all applicable laws, ordinances, and codes of federal, state, and local governments in the performance of the services hereunder.

7. **FRINGE BENEFITS:** Because Contractor is engaged in its own independently established business, Contractor is not eligible for and shall not participate in any employee pension, health, or other fringe benefit plans of the City.

8. **WORKER'S COMPENSATION:** Contractor shall maintain in full force and effect worker's compensation and employer's liability insurance for Contractor and any agents, employees, and staff that Contractor may employ, and provide proof to the City of such coverage or that such worker's compensation insurance is not required under the circumstances.

9. **EQUIPMENT, TOOLS, MATERIALS, OR SUPPLIES:** Contractor shall supply, at its sole expense, all equipment, tools, materials, and/or supplies to accomplish the services to be provided herein.

10. **PROPRIETARY RIGHTS:** All data, materials, reports, maps, graphics, tables, memoranda, and other documents or products developed under this Agreement whether finished or not shall become the property of the City, shall be forwarded to the City at its request, and may be used by the City for any business or municipal purpose. The City agrees that if it uses products prepared by Contractor for purposes other than those intended in this Agreement, it does so at its sole risk.

11. **CONFIDENTIALITY:** Contractor agrees to maintain confidentiality of all work product produced under this Agreement, including both interim and draft, materials, reports, maps, graphics, tables, memoranda, and other documents unless and until the City signifies its written approval that such work product may be published as final work product subject to the public records laws of the state of Idaho. The City reserves the right to distribute the final work product as it sees fit provided that Contractor may use final reports as approved and adopted by the Ketchum City Council in the marketing of its firm.

12. **TERM OF AGREEMENT:** This Agreement shall commence as of the effective date specified in **Section 27** and shall remain in effect for one (1) year unless terminated by either party as specified in **Section 17**.

13. **ENTIRE AGREEMENT:** This Agreement, along with any and all exhibits and appendix attached hereto and incorporated herein by reference, contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

14. **CHANGES:** The City reserves the right to makes changes from time to time in the scope of services to be performed hereunder. Such changes, including any increase or decrease in Contractor's compensation, which are mutually agreed upon by and between the City and Contractor, shall be incorporated in written amendments to this Agreement.

15. **AMENDMENTS:** This Agreement may be amended only in writing upon mutual agreement of both the City and Contractor.

16. **ASSIGNMENT:** It is expressly agreed and understood by the parties hereto that Contractor shall not have the right to assign, transfer, hypothecate, or sell any of its rights under this Agreement except upon the prior express written consent of the City.

17. **TERMINATION OF AGREEMENT:**

(a) **TERMINATION BY THE CITY:** The City reserves the right to terminate this Agreement at any time, for any reason, by giving at least fifteen (15) days' notice in writing to Contractor. If this Agreement is terminated by the City as provided herein, Contractor shall be paid for the work performed prior to termination, less payment or compensation previously made. Contractor shall also provide the City all products or works related to this Project generated to date of termination.

(b) **TERMINATION:** The obligation to provide further services under this Agreement may be terminated by Contractor upon thirty (30) days' written notice. Such termination shall be based upon substantial lack of performance by the City under the terms and conditions of this Agreement when said substantial lack of performance is through no fault of Contractor. If this Agreement is terminated by Contractor, Contractor shall be paid for services rendered and for reimbursable expenses incurred to the date of such termination.

18. **NOTICES:** Any and all notices required to be given by either of the parties hereto, unless otherwise stated in this Agreement, shall be in writing and be deemed communicated when mailed in the United States mail, certified, return receipt requested, addressed as follows:

To CITY: Suzanne Frick
City Administrator
City of Ketchum
PO Box 2315
Ketchum, ID 83340

To CONTRACTOR: Diann Craven
ClearDirection, LLC

19. **DISCRIMINATION PROHIBITED:** In performing the services required herein, Contractor agrees not to discriminate against any person on the basis of race, color, religion, sex, national origin or ancestry, age, or handicap. Violation of this section shall constitute a material breach of this Agreement and deemed grounds for cancellation, termination, or suspension of the Agreement by the City, in whole or in part, and may result in ineligibility for further work for the City.

20. **STANDARD OF SERVICE:** Contractor shall provide services as described in this Agreement. These services will be performed in accordance with generally accepted professional practices for the scope of this project. Contractor makes no other warranty either expressed or implied.

21. **INDEMNIFICATION:** Contractor agrees to indemnify, defend, and hold harmless the City and its officers, agents, employees and City Council from and against all claims, losses, actions, or judgments for damages or injury to persons or property arising out of or in connection with the act and/or any performances or activities of Contractor, Contractor's agents, employees, or representatives under this Agreement.

22. **INSURANCE:** Contractor agrees to obtain and keep in force during its acts under this Agreement a professional liability insurance policy in the minimum amount of \$500,000 which shall name and protect Contractor, all of Contractor's employees, and protect the City, its officers, agents, employees and City Council from and against any and all claims, losses, actions, and judgments for damages or injury to persons or property arising out of or in connection with the Contractor's acts. Contractor shall provide proof of coverage as set forth above to the City before commencing its performance as herein provided and shall require insurer to notify the City ten (10) days prior to cancellation of said policy.

Deliver certificates of insurance and endorsements required by this Article to:

City of Ketchum
Attn: Suzanne Frick, City Administrator
PO Box 2315
Ketchum, ID 83340
Telephone: (208) 727-5086

23. **NONWAIVER:** Failure of either party to exercise any of the rights under this Agreement or breach thereof shall not be deemed to be a waiver of such right or a waiver of any subsequent breach.

24. **APPLICABLE LAW:** Any dispute under this Agreement or related to this Agreement shall be decided in accordance with the laws of the state of Idaho.

25. **SEVERABILITY:** If any part of this Agreement is held unenforceable, the remaining portions of the Agreement will nevertheless remain in full force and effect.

26. **ATTORNEY FEES:** Should any litigation be commenced between the parties hereto concerning this Agreement, the prevailing party shall be entitled, in addition to any other relief as may be granted, to costs and reasonable Attorney fees as determined by a court of competent jurisdiction. This provision shall be deemed to be a separate contract between the parties and shall survive any default, termination, or forfeiture of this Agreement.

27. **EFFECTIVE DATE:** The effective date of this Agreement shall be the day this Agreement is signed by the City.

28. **SUCCESSORS IN INTEREST:** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereby and their respective successors and assigns.

29. **MISCELLANEOUS:** Contractor has not been retained to supervise, direct, or have control over any contractor's work. Contractor specifically does not have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by contractor(s) for safety precautions and programs to the work of contractor(s) or for any failure of contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to contractor(s) furnishing and performing their work. Accordingly, Contractor can neither guarantee the performance of the construction contracts by contractor(s) nor assume responsibility for the failure of contractor(s) to furnish and perform their work in accordance with the contract documents.

30. **CONFLICT OF INTEREST:** Contractor shall disclose any conflict of interest to the City that may arise or exists with any of Contractors current or former employers, clients, contractors or the like of or regarding any work, information, data, that may relate to any of the subject matter of the Assessment whether it is within the Contractor's scope of work or not. In the event a conflict of interest is identified, Contractor shall immediately disclose the conflict and the City may, in its sole discretion determine that this Agreement will terminate, or agree to measures to address the conflict and limit Contractor's scope of work to avoid the conflict. Failure to promptly disclose a conflict of interest constitutes Contractor's breach of this Agreement.

IN WITNESS WHEREOF, THE CITY and Contractor have executed this Agreement as of the effective date specified above.

CITY OF KETCHUM

CONTRACTOR

By: _____
Nina Jonas, Mayor

By: _____
Diann Craven

DATE: _____

DATE: _____

ATTEST:

By: _____
Sandy Cady
City Treasurer/Clerk

DATE: _____

PROCESS

RESEARCH, PLANNING, AND IMPLEMENTATION

OBJECTIVES:

- ◆ To understand and agree on a strategy direction to include clarity and planning around –
 - What do you want to create? What is your vision for the future of the organization? What is the continued legacy?
 - What is working and not working?
 - What is needed to create the desired collaboration between departments and improve communication?
- ◆ Determine strategy and make recommendations to support the following phases:

PHASE 1 ~ DELIVERABLES

1. Create a questionnaire that will support me in the interview process with your top executive team (approx. 8 individuals). Interviews will be in person and last 30 minutes each.
2. Present findings and recommendations to both Nina and Suzanne for discussion, buy-in, understanding areas of concerns, and how best to manage feedback.

PHASE 2 ~ DELIVERABLES

1. Facilitate initial vision setting meeting (approx. 2 hr.) with executive leadership.
 - Discuss objectives and commit to what shifts need to happen
 - Present draft of vision and commitments statement
 - Collect feedback
 - Listen to areas of concern and address
2. Facilitate follow up meeting with the goal of finalizing vision and commitments statement. Set foundation and manage expectations of what will be discussed and experienced at the Executive Staff Retreat.

PHASE 3 ~ DELIVERABLES

1. Design and conduct a 6 hour Executive Staff teambuilding work session/retreat to include:
 - Further discuss what is working and what is not
 - Discuss areas of what can be improved in the areas of communication and collaboration
 - Administer behavioral assessment (TBD) to better understand how personal styles enhance or undermine cooperation and communication with and from others
 - Create activity(s) to heighten learning from behavioral assessment results

- Understand and create consensus and commitment to what the City of Ketchum’s departments heads want to create for the future
- Create agreed upon strategy for implementation and compliance
- Determine if there are any next steps for follow through
- Discuss and agree upon agenda for all staff meeting

PHASE 4 ~ DELIVERABLES

1. Design and conduct an all staff meeting to include:
 - Presentation of executive approved internal brand vision and commitment statements
 - Facilitate questions and answers between staff and department heads
 - Design and facilitate an ice breaker that fosters interaction between all staff. (This will likely be some kind of networking activity that will help them better understand what each person does and how collaboration and reaching out supports each other and makes everyone’s job easier.

PHASE 5 ~ DELIVERABLES

1. Ongoing support - TBD

CLEAR DIRECTION RESPONSIBILITY AND ACTIONS:

Diann Craven of ClearDirection will facilitate all interviews, content design, and work session’s delivery.

TIME FRAME:

- Phase 1 – 3 weeks
- Phase 2 – 3 weeks (completing 2 meetings total)
- Phase 3 – 1 week
- Phase 4 – 1 week
- Phase 5 – on going

BUDGET

	Consulting Fees	Expenses	TOTAL
Phase 1	\$ 6000	\$TBD ***	\$6000
Phase 2	\$ 3750		\$3750
Phase 3	\$ 6000		\$6000
Phase 4	\$ 1500		\$1500
Phase 5	billed at \$375 per hour		
TOTAL	\$17,250	\$ TBD	\$17,250+exp

*** Behavioral Assessment needs to be determined first then cost per application will be submitted for approval.



City of Ketchum

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

November 3, 2014

Mayor Jonas and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Jonas and City Councilors:

Recommendation to Enter into a Contract for Services with Blaine County Housing Authority (BCHA)

Introduction/History

Each year the City of Ketchum provides funding to the Blaine County Housing Authority (BCHA) for services related to the development and preservation of community housing for low and moderate income households. The proposed contract provides the scope of work and method for payment of services.

Current Report

Up until 2012 the City of Ketchum entered into a contract for services with BCHA. Since 2012, there has not been a contract. The proposed action restores the practice of entering into a contract with a scope of services commensurate to the payment made by the City. The City and BCHA are both in agreement about this approach and the proposed scope of services.

Financial Requirement/Impact

The cost for services is \$70,000 for the year, payment is made in two installments at the beginning of the fiscal year and at mid-year. The Fiscal Year 2014-15 Budget includes funding for the proposed services.

Recommendation

I respectfully recommend that the Ketchum City Council approve the proposed contact with Blaine County Housing Authority.

Recommended Motion

I move approval to enter into a contract for services with Blaine County Housing Authority.

Sincerely,

Suzanne Frick
City Administrator

Attachment: Proposed Contract

INDEPENDENT CONTRACTOR AGREEMENT

THIS AGREEMENT made and entered into this ___ day of _____, 2014, by and between the CITY OF KETCHUM, IDAHO, a municipal corporation (hereinafter referred to as “Ketchum”) and the BLAINE COUNTY HOUSING AUTHORITY, an Idaho housing authority (hereinafter referred to as “BCHA”).

FINDINGS

1. Ketchum is a municipal corporation duly organized and existing under the laws of the State of Idaho.
2. BCHA is an Idaho independent public body, corporate and politic, duly organized and operating under the laws of the State of Idaho.
3. BCHA has proposed to provide services to the City of Ketchum related to the development and preservation of community housing for low and moderate income households. BCHA provided the City with its Scope of Services, attached hereto as Exhibit “A”, and operating and program budget for FY 2015 BCHA operations and services, attached hereto as Exhibit “B”.
4. By executing the Scope of Services, BCHA oversees and administers the terms of the deed covenants for sixty (60) ownership units and six (6) rental units within Ketchum. The long-term affordability ensured by each deed covenant is essential to maintaining the supply of affordable housing available to the city’s workforce.
5. Pursuant to Idaho Code §§ 50-301 and 50-302, Ketchum is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City.
6. Ketchum has appropriated funds for the administration of the Community Housing deed covenants within Ketchum and to support the local and regional work proposed by BCHA in the amount of \$70,000.
7. It is the intention of Ketchum to contract with BCHA to provide such services for consideration as hereinafter provided.
8. BCHA desires to enter into an Agreement with Ketchum to provide such services all as hereinafter provided.

NOW, THEREFORE, the parties hereto covenant and agree as follows:

1. SERVICES RECEIVED. BCHA agrees to provide those services described in Exhibit “A”, as an independent contractor.

2. TERM. The term of this Agreement shall commence on the 1st day of October, 2014, and shall terminate on the 30th day of September, 2015.

3. CONSIDERATION. In consideration for providing the professional services as herein provided, Ketchum agrees to pay to BCHA the total sum of seventy thousand dollars (\$70,000) payable in two installments: the first 50% in the amount of \$35,000 on or before October 31, 2014; and the second 50% in the amount of \$35,000 on or before March 31, 2015. The estimated total revenues and expenditures for providing these services are presented in the BCHA adopted budget Exhibit "B".

4. REPORTING. The BCHA shall provide a semi-annual report on the services provided through this Agreement. The report shall be delivered on or before June 10th, 2015. BCHA shall also provide its annual report, no later than 180 days after the close of the BCHA fiscal year.

5. NOTICES. All notices to be served pursuant to this Agreement or which are served with regard to this Agreement shall be sent by general mail to the parties at the following addresses:

City Administrator
City of Ketchum
Post Office Box 2315
Ketchum, ID 83340

Executive Director
BCHA
Post Office Box 4045
Ketchum, ID 83340

6. EQUAL EMPLOYMENT OPPORTUNITY. BCHA covenants and agrees that it shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin.

7. TERMINATION. Notwithstanding any contrary provision of this Agreement, either party may terminate this Agreement effective upon thirty (30) days written notice to the other for any reason or no reason. In addition, the parties agree that in the event BCHA fails, refuses or is unable to provide the services set forth hereinabove, the same shall constitute a default under the terms of this Agreement, and that Ketchum shall have the power to terminate this Agreement upon two (2) days' written notice to BCHA. Furthermore, this Agreement shall be terminable by Ketchum upon five (5) days' written notice if BCHA is adjudicated bankrupt, or subject to the appointment of a receiver, or has any of its property attached, or becomes insolvent, or is unable to pay its debts as the same become due.

8. NONASSIGNMENT. This Agreement, in whole or in part, shall not be assigned or transferred by BCHA to any other party except upon the prior written consent of Ketchum and approved by the Ketchum City Council.

9. HOLD HARMLESS AGREEMENT. Any contractual obligation entered into or assumed by BCHA, or any liability incurred by reason of personal injury and/or property damage in connection with or arising out of BCHA's obligations pursuant to this Agreement shall be the sole responsibility of BCHA, and BCHA covenants and agrees to indemnify and hold Ketchum harmless from any and all claims or causes of action arising out of BCHA's activities and

obligations as set forth hereinabove, including, but not limited to, personal injury, property damage and employee complaints.

10. ENTIRE AGREEMENT. This Agreement contains the entire agreement between the parties hereto and shall not be modified or changed in any manner, except by prior written agreement executed by the parties hereto. If any term or provision of this Agreement or application thereof shall be declared invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby and shall remain in full force and effect.

11. SUCCESSION. This Agreement shall be binding upon all successors in interest of either party hereto.

12. LAW OF IDAHO. This Agreement shall be construed in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and years first written above.

BLAINE COUNTY HOUSING AUTHORITY

CITY OF KETCHUM

By _____
DAVID PATRIE
Executive Director

By _____
NINA JONAS
Ketchum Mayor

ATTEST:

By _____
Ketchum City Clerk

EXHIBIT “A”

Blaine County Housing Authority (BCHA) FY 2015 SCOPE OF SERVICES

Services to be provided to the City of Ketchum by BCHA:

1. Database Management:

- a. Maintain accurate, up-to-date database of qualified applicants for BCHA managed community housing for low to moderate income households. Update applicant information annually on a quarterly schedule to keep database current.
- b. Match buyers and renters to available community housing units managed by BCHA based on applicable priorities.
- c. Provide data regarding the applicant database to the County, cities, developers and civic organizations requesting assistance in planning and allocating community housing. Track trends in demographics and preferences based on regular database updates.

2. Asset Management:

- a. Manage the BCHA inventory of for-sale and rental community housing for the workforce of Blaine County. This includes, but is not limited to: (i) monitoring occupancy to ensure compliance with the applicable BCHA deed covenants; (ii) preserving housing stock by ongoing monitoring and enforcement, and (iii) providing referrals to counseling and consulting services to minimize any loss of community housing owners due to payment problems.
- b. Process Notices of Intent to Sell and Rent in a timely manner to facilitate the earliest feasible sale and rent, as applicable. Work closely with potential buyers of for-sale units from pre-qualification counseling through closing, ensuring understanding of applicable deed covenant and community housing guidelines.
- c. Strengthen deed covenants to ensure highest level of asset management and retention.

3. Resource, Communication and Educations Programs:

- a. Be a resource for homebuyer education (coordinate with Idaho Housing and Finance (IHFA) and College of Southern Idaho to provide first-time

homebuyer course) and credit counseling. Provide services of a certified Home Counselor. Such programs result in community home applicants who are ready and able to purchase for-sale units.

- b. Provide information to persons in need regarding state and local assistance programs, e.g. rental referrals, tenants' rights, and loan modification and foreclosure prevention counseling.
- c. Communicate regularly to the entire Blaine County community (public at large, press, employers, real estate professionals, mortgage lenders) as well as the applicants and homeowners of community homes regarding BCHA programs, expertise, useful information and success stories.
- d. Provide regular (not less often than quarterly) reports to the County and cities regarding status of contract services.
- e. Provide a regular online newsletter with current news, tips and information about programs, activities and educational opportunities regarding community housing.
- f. Maintain and update website with current activities, educational and reference information, community home opportunities, and general organizational information.
- g. Update the BCHA Community Housing Guidelines as needed and provide them to jurisdictions served.
- h. Implement a Limited English Proficiency Plan to reach Spanish speaking population.

4. Planning:

- a. Facilitate ongoing planning for community housing by providing information regarding local needs, demographic trends of community housing applicants, and development standards to government entities and public/private development entities.
- b. Seek to engage full community participation/feedback in program planning and service quality assurance issues.
- c. Continue to increase cooperation with and explore further opportunities for partnership with other organizations to meet challenges related to affordable housing for the workforce as a necessary component of county-wide sustainable economic development.
- d. Seek additional tools for funding and development of affordable housing.

- e. Prepare methodology for calculating housing in-lieu fee and present to Ketchum City Council for approval.
5. BCHA will continue to cooperate with and support partners who may provide the following services during FY2015:
- a. Development and construction of new community housing.
 - b. Origination of grant proposals and proposals for designated government funding sources for operations or development.
 - c. Development of strategies for using in-lieu fees for buy-down, acquisition and/or subsidy programs.
 - d. Development of programs with non-profits and other agencies and mortgage lenders to take advantage of foreclosure and bank-owned real estate opportunities.

BCHA FY 2015 Budget - Adopted, 2014-09-17

BCHA OPERATING and PROGRAM BUDGET	FY 2012 Actual	FY 2013 Original	FY 2013 Amended	FY 2013 Actual	FY 2014 Original	FY 2014 Actual	FY 2015 Adopted
							9/17/2014
Income							
CH Administrative Fees	\$5,430	\$18,750	\$18,750	\$22,845	\$18,750	\$44,172	\$18,750
Contracts for Services	\$141,115	\$147,465	\$147,465	\$147,500	\$152,500	\$152,500	\$160,500
Grant Income		\$31,500	\$0		\$14,100	\$0	\$5,000
Other / New Income				\$7,270		\$7,960	\$6,950
Rental Mgmt Income		\$0	\$5,350	\$3,595	\$15,301	\$17,377	\$16,500
Interest Income	\$275	\$350	\$350	\$255	\$300	\$116	\$300
Total Income	\$146,820	\$198,065	\$171,915	\$181,465	\$200,951	\$222,125	Total Income \$208,000
Expenses							
Payroll & Benefit Expenses							
Salary; Executive Director	\$55,000	\$60,900	\$60,900	\$60,530	\$65,000	\$65,267	\$67,600
Salary; Program Administrator	\$36,865	\$44,660	\$36,000	\$35,955	\$47,000	\$46,791	\$48,900
Salary; Part-time Staff Assistant							\$6,000
Sub Total Payroll/Benefit Expenses	\$19,545	\$27,323	\$27,063	\$19,210	\$25,950	\$22,462	\$25,630
Total Payroll Expenses	\$111,410	\$132,883	\$123,963	\$115,695	\$137,950	\$134,520	Total Payroll Expenses \$148,130
Capital Outlay							
Community Home Purchase	\$0	\$0	\$78,000		\$0	\$0	\$0
Computer Equipment							
Office Furniture	\$300						
Capital Outlay Sub-total	\$300	\$0	\$78,000		\$0	\$0	\$0
General and Administrative							
Ads	\$240	\$500	\$500	\$205	\$500	\$0	\$500
Audit & Bookkeeping	\$3,260	\$0	\$0	\$560	\$3,600	\$3,570	\$250
Computer Equipment		\$500	\$500		\$1,200	\$0	
Computer Expenses	\$765	\$900	\$900	\$885	\$1,000	\$414	\$1,000
Contract Labor	\$2,415	\$5,000	\$3,000	\$2,975	\$5,000	\$0	\$2,500
Dues & Subscriptions & Credentials	\$555	\$500	\$500	\$325	\$2,275	\$1,997	\$2,000
HOA Dues	\$0			\$820	\$5,880	\$5,557	\$6,000
Legal & Professional	\$470	\$5,000	\$1,500	\$555	\$5,000	\$445	\$3,000
Liability Insurance	\$2,815	\$2,550	\$2,550	\$1,900	\$2,080	\$2,236	\$2,100
Meals & Entertainment	\$660	\$600	\$600	\$615	\$750	\$555	\$900
Mileage Reimbursement	\$1,565	\$1,400	\$1,000	\$1,150	\$1,100	\$1,714	\$1,600
Office Expenses	\$2,475	\$3,200	\$3,700	\$4,220	\$4,500	\$3,164	\$3,500
Postage & Delivery	\$340	\$470	\$470	\$225	\$0	\$0	
Rent	\$4,800	\$7,800	\$9,000	\$8,980	\$11,700	\$11,618	\$12,570
Repairs		\$500	\$500	\$230	\$750	\$1,468	\$400
Telephone & Internet/Website expenses	\$3,830	\$3,700	\$3,200	\$3,905	\$4,000	\$4,467	\$4,000
Utilities	\$640.00	\$1,350.00	\$500	\$435.00	\$0.00	\$0.00	
G & A Sub-Total	\$24,830	\$33,970	\$28,420	\$27,985	\$49,335	\$37,205	\$40,320

BCHA FY 2015 Budget - Adopted, 2014-09-17

BCHA OPERATING and PROGRAM BUDGET	FY 2012 Actual	FY 2013 Original	FY 2013 Amended	FY 2013 Actual	FY 2014 Original	FY 2014 Actual		FY 2015 Adopted
								9/17/2014
<u>Program Budgets:</u>								
	\$685	\$6,450	\$3,000	\$3,175	\$7,000	\$3,797	CHAMP - Community Housing Asset Management Program	\$6,000
	\$3,510	\$8,800	\$4,000	\$3,505	\$5,000	\$3,424	CHIP - Community Housing Initiative Program	\$5,000
	\$640	\$10,250	\$3,000	\$3,505	\$9,000	\$4,695	Capacity - Building Capacity for the Future	\$4,750
Programs Sub-Total	\$4,835	\$25,500	\$10,000	\$10,185	\$21,000	\$11,916	Programs Sub-Total	\$15,750
Sub-Total Expense	\$141,375	\$192,353	\$240,383	\$153,865	\$208,285	\$183,641	Sub-Total Expense	\$204,200
Operating Contingency		\$5,710	\$5,710	\$2,215	\$5,687	\$0	Operating Contingency	\$3,800
Total Expense	\$141,375	\$198,063	\$246,093	\$156,080	\$213,972	\$183,641	Total Expense	\$208,000
Income less Expenses	\$5,445	\$2	(\$74,178)	\$25,385	(\$13,021)	\$38,484	Income less Expenses	\$0
Contract for Service Income								
Blaine County	\$63,650	\$70,000		\$70,000	\$70,000	\$70,000		\$70,000
City of Ketchum	\$70,000	\$70,000		\$70,000	\$70,000	\$70,000		\$70,000
City of Sun Valley	\$5,000	\$4,965		\$5,000	\$10,000	\$10,000		\$18,000
City of Bellevue								\$0
City of Hailey	\$6,000	\$2,500		\$2,500	\$2,500	\$2,500		\$2,500
	\$144,650	\$147,465	\$0	\$147,500	\$152,500	\$152,500		\$160,500



BCHA FY 2015 Budget - Adopted, 2014-09-17

CHAMP	Community Housing Asset Management Program		Associated strategies
CHU marketing & Outreach	Direct costs of flyers, print ads, radio, real estate magazines	\$5,000	Commitment to Mission, Goal III(A): Facilitate timely sales and re-sales of community homes. Strategy 2. Develop a plan to expand the pool of qualified applicants for community housing.
Develop Maintenance Standards and Checklist to use at the time an owner expresses an interest in selling a unit.	The checklist would be used to determine if deductions from the maximum sale price are necessary.	\$1,000	Commitment to Mission, Goal I(A): Ensure that Community Homes are maintained to a standard that meets or exceeds neighborhood standards. Strategy 1. Develop maintenance standards and a maintenance checklist for Community Home owners that describe requirements for the physical condition of CH at the time of resale.

Sub-Total \$6,000

BCHA FY 2015 Budget - Adopted, 2014-09-17

CHIP	Community Housing Initiative Program		
Develop, fund and implement a rental assistance program.	Primary use a is temporary lending program to help with security deposits and bridge loans. The bridge loans can be thought of in terms of a small business going to a bank for loans to fund their business during slack. Like businesses, many workers loose revenue during slack and need "gap financing" until they are able to work more hours.	\$3,000	Commitment to Mission, Goal IV(A): Assist as many low to moderate income households as feasible to secure safe affordable housing in Blaine County. Strategy 2. Work with community leaders to evaluate and develop appropriate funding options that will create more housing opportunities for those households who are in the low to moderate income categories.
Develop a case management and HUD certified counseling program.	Blaine County does not have many HUD Certified counseling services available. We will identify was to make these types of services to Blaine County residents through research, gaining credentials and forming partnerships.	\$1,000	Commitment to Mission, Goal I(B) Provide highest quality service and communications to community home owners and tenants. Strategy 3. Determine needs/interests of community home owners and tenants and create programs/services to meet these needs.
Explore lease-to-own programs.	This is a homeownership tool that warrants more research into successful programs as well as the pitfalls and drawbacks.	\$500	Commitment to Mission, Goal I(B) Provide highest quality service and communications to community home owners and tenants. Strategy 3. Determine needs/interests of community home owners and tenants and create programs/services to meet these needs.
Help employers understand, develop and implement Employer Assisted Housing programs.	Much like the report BCHA did for Sun Valley.	\$500	Commitment to Mission, Goal III(B): Increase public's awareness and understanding of available community housing programs. Strategy 3. Utilize survey information to identify local employers that either offer or wish to offer housing assistance to support employee retention; analyze response rate to determine if formal employer-assisted housing program is warranted
	Sub-Total	\$5,000	

BCHA FY 2015 Budget - Adopted, 2014-09-17

Capacity	Building Capacity for the Future		
Board development		\$1,000	Commitment to Operational Excellence, Goal I(A) Expand organizational capacity; Strategy 1. Determine staff needs and create learning opportunities including, but not limited to online training, workshops, externships (e.g. HUD, IHFA).
Staff development	Targeted, Strategic Training to leverage future income producing opportunities for BCHA	\$3,000	Commitment to Operational Excellence, Goal I(A) Expand organizational capacity; Strategy 1. Determine staff needs and create learning opportunities including, but not limited to online training, workshops, externships (e.g. HUD, IHFA).
Website	Continuous improvements and upgrades to meet increasing demand.	\$750	Commitment to Operational Excellence, Goal II(A): Sustain transparent, accountable and quality stewardship of public and private resources. Strategy 2. Improve capacity to use technology (including planning, IT support and use of data to inform needs and decisions).

Sub-Total \$4,750



City Council

Regular Meeting

~ Minutes ~

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

Tuesday, September 2, 2014

5:30 PM

Ketchum City Hall

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

Also Present: Ketchum City Administrator Suzanne Frick
Ketchum City Attorney Stephanie Bonney
Ketchum City Treasurer/Clerk Sandra Cady
Ketchum Deputy Treasurer/Clerk Patricia Bennett
Ketchum Fire Chief Mike Elle

1. COMMUNICATIONS FROM MAYOR AND COUNCILORS.

a. Communications from Mayor & Council

Councilor Baird Gourlay gave updates on the Sun Valley Economic Development in regards to the human performance lab, Olympic training site and the CSI culinary institute. Councilor Gourlay also commended Rebecca Rusch on her event.

Council President Michael David updated the council on Mountain Rides, which is moving into their fall schedule, and the Ketchum Community Development Corporation, the KIC is strong and the occupancy is just about full.

Councilor Anne Corrock presented a slide show and gave the council and summary of her attendance at the Colorado Association of Ski Town's Conference.

Mayor Nina Jonas commended the community and staff on a great Wagon Days Event. She also commented that Rebecca's event is a great addition to the weekend, and helps encourage people to stay through the weekend.

Mayor Jonas let everyone know that the next energy town hall will be on September 10, 2014 at City Hall at 5:15 - 6:30.

2. AGREEMENTS AND CONTRACTS.

a. Contract for Services with Wendy Pabich, PH.D – Suzanne Frick, City Administrator.

Suzanne Frick, City Administrator presented the proposed contract. The contract presents an opportunity to embark on a water strategy with a goal of assessing what the water and energy demands are and come up with a plan. Dr. Pabich would be helping achieve that goal. The cost of the contract is \$3,500 per month not to exceed \$42,000.

Stephanie Bonney, City Attorney said she recommended that Dr. Pabich obtain insurance of up to \$500,000, for defense cost in case of litigation. Dr. Pabich has expressed that it is difficult and expensive to obtain that insurance. The council will need to determine if they are comfortable without the insurance requirement. They have a few options, they can agree to the agreement without the insurance requirement or agree to the contract and leave the insurance issue to Suzanne's discretion, to come up with something that Suzanne and the City Attorney are comfortable with.

Council President Michael David asked if there was a possibility of adding Dr. Pabich as an additional insured on the City's insurance, and if it was a cost issue or if it was finding this kind of insurance for this kind of work.

Suzanne Frick, City Administrator said one option would be for the council to approve the contract, and give staff the flexibility to resolve the issue.

Council President Michael David is comfortable with Suzanne's recommendation to give staff time to work out the issue and go ahead and approve the contract.

Stephanie Bonney, City Attorney clarified that the contract would come back to the council if they could not find a solution to the issue.

Councilor Baird Gourlay suggesting approving the contract subsequent to getting insurance for up to \$2,000; if it is over \$2,000 it should come back to the council.

Motion to approve the contract subsequent to Dr. Pabich getting insurance at a cost of up to \$2,000.

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

b. Aerial Tower Fire Truck Bill of Sale – Mike Elle, Fire Chief.

Mike Elle, Fire Chief, presented the Bill of Sale for the City of Ketchum which takes over the responsibility and ownership of the aerial tower fire truck from the city of Sun Valley. The fire truck will be stationed at Station 1 permanently. Mike clarified that the \$10 cost includes the truck inventory.

Mike said they will be taking possession of the truck tomorrow and they will have the city of Sun Valley off the truck within 10 days.

Motion to buy the ladder truck and its inventory for \$10 from city of Sun Valley and approving the Bill of Sale.

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

3. ORDINANCES AND RESOLUTIONS.

a. Ordinance No. 1120, Approving Amendments to Ketchum Municipal Code, Title 17, Chapter 17.88 Floodplain Management Overlay Zoning District (to be repealed and replaced in its entirety), Section 17.64.010 Commercial Core District, I. Hotel Uses and Section 17.64.020 Commercial Core District, H. Historic Buildings – Rebecca Bundy, Senior Planner.

Rebecca Bundy, Senior Planner, presented the ordinance to the council and stated that this is the second reading of the ordinance.

Mayor Nina Jonas opened the item up to public comment.

Motion to approve the 2nd reading of ordinance 1120 and a continuation of this hearing for a third reading for September 15, 2014.

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

b. Resolution Number 14-016 to set a public hearing and publish notice to amend the 2013-14 FY Budget - Sandra Cady, City Treasurer/Clerk.

Sandra Cady, City Treasurer/Clerk presented the resolution and explained that the resolution is to open the budget for the 2013-14 fiscal year to make some adjustments. The adjustments will be made to the General Fund, Parks and Recreation Fund, Parks and Recreation Capital Improvement Fund, Park Trust Fund, Additional 1% LOT, Idaho Power Franchise Fee Fund and the Development Trust Fund.

No public comment

Motion to approve resolution 14-016 providing for the publication of notice of public hearing and for public hearing for an amendment to the 2013-14 FY Budget.

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

c. Resolution Number 14-018 adopting the State of Idaho Nationwide Plan for deferred compensation – Patricia Bennett, Deputy Treasurer/Clerk.

Patricia Bennett, Deputy Treasurer/Clerk, introduced John Lamm from Nationwide Retirement Solutions. Nationwide is the third party administrator for the city's 457 plan. The state is now allowing cities and counties to adopt the state's plan. The benefits to moving to the state plan are lower cost and higher payout on employee's guaranteed account.

Motion to Approve resolution number 14-018 changing from the current nationwide plan to the State of Idaho plan.

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

4. CONSENT CALENDAR

Motion to approve the consent calendar.

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

- a. Approval of minutes: August 18, 2014.**
- b. Recommendation to approve current bills and payroll summary.**
- c. Software Maintenance & Support Agreement with Caselle, Inc.**

Sandra Cady, City Treasurer/Clerk, clarified that the software agreement with Caselle is for an upgrade from Clarity to Connect which is for the City's financial accounting software.

5. EXECUTIVE SESSION to discuss:

- a. Litigation pursuant to Idaho Code §§67-2345 1(f).

Motion to go into executive session pursuant to Idaho Code §§67-2345 1(f).

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

6. ADJOURNMENT.

Council President Michael David moved to adjourn at ____ seconded by Councilor Baird Gourlay, motion passed unanimously.

Nina Jonas
Mayor

ATTEST:

Sandra E. Cady, CMC
City Clerk



City Council

Regular Meeting

~ Minutes ~

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

Monday, September 15, 2014

5:30 PM

Ketchum City Hall

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

Also Present: Ketchum City Administrator Suzanne Frick
Ketchum City Attorney Stephanie Bonney
Ketchum City Treasurer/Clerk Sandra Cady
Ketchum Senior Planner Rebecca Bundy
Ketchum City Administrator Suzanne Frick
Ketchum Administrative Clerk Katie Carnduff
Ketchum Director of Parks and Recreation Jen Smith
Ketchum Public Works Director/City Engineer Robyn Mattison

1. CALL TO ORDER

2. COMMUNICATIONS FROM MAYOR AND COUNCILORS.

a. Communications from Mayor & Council

Councilor Anne Corrock made a comment on behalf of the KURA to suggest the council invite Suzanne Hazlett to speak at the October 20th Council meeting to discuss the Wood River Valley Studio Tour.

b. Resolution 14-022: Supporting wildlife co-existence and recognizing the Wood River Wolf Project – Suzanne Frick, City Administrator.

Suzanne Frick, City Administrator, presented the resolution. The purpose of the resolution is to support efforts to encourage the State of Idaho to adopt alternative management practices for the wolf population. As part of the Comprehensive Plan, the vision and core values that place great emphasis on the exceptional natural setting and resources of the Wood River Valley, the proposed resolution reinforces the City of Ketchum's commitment towards responsible resource and wildlife stewardship of wolf management. The purpose of the resolution is to differentiate the City of Ketchum's values and policies from the State of Idaho and to ask for different wolf management in Blaine County. The resolution asks that the Idaho "war on wolves" not come to Blaine County where opportunities for wolf watching and tracking enhance our economy. The Resolution states the use of traps, snares and aerial gunning programs puts our backcountry users and their pets at risk and not to use these activities on public lands.

Public Comment:

Mickey Garcia commented on the proposed resolution.

Lara McClain commented on the proposed resolution.

Suzanne Stone, Manager of the Wood River Wolf Project introduced the people working on the project.

Alexandra Del Los Abrams commented on the government's decisions in regards to wolves.

Sarah Michael, Blaine County resident commented on the Wolf Control Bill.

Jude Hawks, Teacher in Blaine County, commented on the use of wolves in education.

Francine Sanaugh, owner of Sun Valley Trekking, commented on their business values and their Wolf Ecology tours.

Deric Duetcher, Living with Wolves, commented on the financial impact of wolves and commented on Idaho's policy on wolves.

Dani Mazzota, Idaho Conservation League commented on the proposed resolution and the danger of trapping.

Lynn Stone, Boulder White Clouds Council, commented on the wolf sightings and outings.

Rod Tatsuno commented on the resolution and wolves in the backcountry.

Travis Brunner, Western Watersheds Project, commented on wolf management in Idaho and the predator derbies, and the hired mercenary killing of wolves.

Ralph Harris commented on the history of predators in the area. Provided a proposed no hunting zone map for the valley to the council.

Councilor Anne Corrock clarified that trapping inside the Blaine County is allowed. Councilor Corrock felt the resolution should be sent to the Forest Service and the Bureau of Land Management.

Councilor Jim Slanetz and Council President Michael David fully support the resolution. Council President David said this may be the beginning of a larger discussion regarding hunting in the valley.

Councilor Baird Gourlay commented on the Governor's decision to subsidize the killing of wolves, and he is in support of the resolution. Councilor Gourlay would like to expand the resolution to include Forest Service, BLM and others, and would like to eliminate the trapping of wolves at least in Ketchum.

Mayor Nina Jonas commented that the council received 150 emails in support of the resolution.

Motion to approve resolution 14-022 supporting the values of wildlife co-existence and recognizing the Wood River Wolf Management Program and adding the Forest Service and BLM to the list and clarifying the trapping language.

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

3. COMMUNICATIONS FROM THE PUBLIC.

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

Mickey Garcia commented on the fire department ladder truck.

4. PUBLIC HEARINGS.

a. Ordinance 1121: Amending the annual appropriation ordinance for fiscal year 2013-14 – Sandra Cady, City Treasurer/Clerk.

Sandra Cady, City Treasurer/Clerk presented the ordinance and briefed the council on the purpose of the ordinance. The amendment effects the General Fund, Parks and Recreation Fund, Park Capital Improvement Fund, Park Trust Fund, Additional 1% Fund, Idaho Power Franchise Fee Fund, and the Development Trust Fund.

Councilor Baird Gourlay requested direct costs for the Additional 1% Fund be shown in the ordinance.

Mayor Nina Jonas opened the public hearing

Motion to waive the three readings of Ordinance 1121, and read by title only, pursuant to Idaho Code 50-902.

Councilor Anne Corrock wanted to clarify the reason to waive the readings is because of time constraints,

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

Motion to adopt Ordinance 1121, an ordinance of the City of Ketchum, Idaho, amending Ordinance 1112, the annual appropriation ordinance for the fiscal year beginning October 1, 2013, and ending September 30, 2014; Appropriating additional monies to be received by the City of Ketchum, Idaho, in the sum of \$1,642,822; and, providing an effective date.

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

- b. Resolution 14-019: Establishing an increase of fees from the Parks & Recreation Department including park reservations, special event license applications, youth program fees, adult recreation user fees, tree permits and tree removal applications and memorial donation installations – Jen Smith, Director of Parks and Recreation.**

Jen Smith presented the resolution, the resolution provides for a slight increase in fees pretty much across the board.

Councilor Jim Slanetz clarified that scholarships were determined by staff.

Nina opened public comment

No public comment

Motion to approve Resolution 14-019: Establishing an increase of fees from the Parks and Recreation Department as indicated on Exhibit A beginning on September 14, 2014.

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

- c. Ordinance No. 1120, Approving Amendments to Ketchum Municipal Code, Title 17, Chapter 17.88 Floodplain Management Overlay Zoning District (to be repealed and replaced in its entirety), Section 17.64.010 Commercial Core District, I. Hotel Uses and Section 17.64.020 Commercial Core District, H. Historic Buildings – Rebecca Bundy, Senior Planner.**

Rebecca Bundy, Senior Planner presented the ordinance to the Council, and clarified that it is the third reading and possible adoption of the ordinance.

Councilor Anne Corrock clarified that this ordinance mostly cleans up the language in the current code.

Mayor Nina Jonas opened the public hearing.

No public comment.

Pursuant to Idaho Code §67-65, I move to adopt Ordinance Number 1120 amending Ketchum Municipal Code, Title 17, Zoning Code Title 17, Chapter 17.88 Floodplain Management Overlay Zoning District (to be repealed and replaced in its entirety), Section 17.64.010 Commercial Core District, I. Hotel Uses and Section 17.64.020 Commercial Core District, H. Historic Buildings

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

5. AGREEMENTS AND CONTRACTS.

a. **Change order approval request for additional environmental assessment work related to the Ketchum Recreation and Public Purposes Proposal – Jen Smith, Director of Parks and Recreation.**

Jen Smith, Director of Parks and Recreation, presented the change order to the Council. Following meetings with BLM staff determined that a rewrite of the environmental assessment would need to be made. The change order is to complete that work. Jen clarified that the cost of the change order will be covered by donations.

Motion to approve for Nina Jonas signature, change order #9 for environmental assessment work.

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

b. ***Extension of Assignment Lease agreement with The Community Library Association, Inc. for use of the Forest Service Park buildings for a Sun Valley Museum of History – Jen Smith, Director of Parks and Recreation.***

Jen Smith, Director of Parks and Recreation, presented the extension to the Council, and explained that the current lease expired on September 1, 2014. Staff will prepare a new lease for approval on October 6, 2014.

Councilor Jim Slanetz clarified that this is just a short extension.

Motion to approve for Mayor Jonas' signature an extended assignment lease for buildings at Forest Service Park to the Community Library Association, Inc.

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

6. ORDINANCES AND RESOLUTIONS.

a. **Resolution 14-020: Revising water connection fees, water user charges for metered and non-metered accounts, and other fees and charges for connection to, and use and benefit of the Municipal Water System – Robyn Mattison, Public Works Director/City Engineer.**

Robyn Mattison, Public Works Director/City Engineer presented the resolution to the Council and explained the reasons for the proposed 4.9% increase. Robyn clarified that the rates were raised significantly in 2010, but other than that they have only been raised 4.9 percent every year.

Council President Michael David clarified that the 4.9% is to hold us over until the rate study can be done.

Motion to approve Resolution 14-020, revising water connection fees, water user charges for metered and non-metered customers, and other fees related to the Municipal Water System.

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

- b. **Resolution 14-021: Establishing new monthly sewer user rates, classification of sewer users, when sewer user charges shall be due and payable – Robyn Mattison, Public Works Director/City Engineer.**

Robyn Mattison, Public Works Director/City Engineer presented the resolution and explained the reasons for this resolution are similar to those for adopting resolution 14-020. The current narrow cash reserves are affecting the bond rating. This increase will help, but Robyn is planning on having a rate study done for the Wastewater rates.

Motion to approve Resolution Number 14-021 establishing new monthly sewer user rates to become effective October 1, 2014.

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

7. CONSENT CALENDAR

Mike Elle, Fire Chief explained the Wildfire Disaster Funding Act creates a way to fund wildfire suppression activities without robbing from the other projects run by the Forest Service and BLM.

Jen Smith, Director of Parks and Recreation explained the contract with Blaine County School District is for landscape maintenance of grounds for the school district. The school district has agreed to pay \$15,000 for those services

Motion to approve the Consent Calendar.

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

- a. **Approval of minutes: June 20, 2014, July 9, 2014 and August 26, 2014.**
- b. **Recommendation to approve current bills and payroll summary.**
- c. **Contract for Services with Blaine County School District- Jen Smith, Director of Parks and Recreation.**
- d. **Recommendation to Support Wildfire Disaster Funding Act [S.1875 and H.R.3992]-Suzanne Frick, City Administrator.**
9. **EXECUTIVE SESSION TO DISCUSS:**
- a. **Labor Relations pursuant to Idaho Code §§67-2345(c).**
- b. **Litigation pursuant to Idaho Code §§67-2345 1(f)**

Move to go into executive session to discuss Labor Relations and Litigation pursuant to §§67-23451(c) and (f).

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

10. ADJOURNMENT.

Councilor Baird Gourlay motioned to adjourn at ____, seconded by Council President Michael David, passed unanimously.

Nina Jonas
Mayor

ATTEST:

Sandra E. Cady, CMC
City Clerk

Report Criteria:

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

[Report].GL Account Number = "0110000000"- "9449008045", "9910000000"- "9911810000"

Vendor Name	Invoice Number	Description	Net Invoice Amount
GENERAL FUND			
01-2171-2000 P/R TAXES PBL--STATE W/H			
STATE TAX COMMISSION	PR1031141	State Withholding Tax Pay Period: 10/31/2014	7,386.00
01-2172-3000 P/R DEDUC PBL--DELTA DENTAL			
DELTA DENTAL PLAN OF IDAH	PR1031141	Dental Insurance - 2+ Child Pay Period: 10/31/2014	.10
01-2174-0000 P/R DEDUC PBL--GARNISHMENTS			
CHILD SUPPORT SERVICES	PR1031141	Child Support Pay Period: 10/31/2014	269.68
01-2175-0000 P/R DEDUC PBL--PIONEER FED.CR.			
PIONEER FEDERAL CREDIT UNI	PR1031141	Pioneer Federal Credit Union Pay Period: 10/31/2014	1,800.00
01-2175-8000 P/R DEDUC PBL--EMPLOYEE CAF-MD			
NBS-NATIONAL BENEFIT SERVI	PR1031141	125 Medical Savings Pay Period: 10/31/2014	1,052.55
01-2175-9000 P/R DEDUC PBL--EMPLOYEE CAF-DC			
NBS-NATIONAL BENEFIT SERVI	PR1031141	125 Dependant Care Pay Period: 10/31/2014	650.00
Total :			11,158.13
LEGISLATIVE & EXECUTIVE			
01-4110-3100 OFFICE SUPPLIES & POSTAGE			
ATKINSONS' MARKET	1856	ACCT. 1856	27.00
CHATEAU DRUG CENTER	1282423	Supplies	16.14
01-4110-3200 OPERATING SUPPLIES			
SUN VALLEY NATURAL SPRING	27841	Water Cooler & Bottles for Meeting Room	29.72
01-4110-4200 PROFESSIONAL SERVICES			
WATER FUTURES	102414	Water & Energy Strategic Analysis	3,500.00
01-4110-5100 TELEPHONE & COMMUNICATIONS			
COX COMMUNICATIONS	1240103601290	ACCT. 001 2401 036012901	80.79
VERIZON WIRELESS, BELLEVUE	9733704631-10	ACCT. 365459737-00001	111.09
Total LEGISLATIVE & EXECUTIVE:			3,764.74
ADMINISTRATIVE SERVICES			
01-4150-3100 OFFICE SUPPLIES & POSTAGE			
ATKINSONS' MARKET	1856	ACCT. 1856	4.74
CINTAS DOCUMENT MANAGEM	8401531790	Shredding Fees	59.19
COPY & PRINT, L.L.C.	61049	Office Supplies	13.50
COPY CENTER	572	Posters	46.25
COPY CENTER	595	Poster Mounts	86.25
GREAT AMERICA LEASING COR	15999541	Copy Lease	64.85
INTEGRATED TECHNOLOGIES	6657	Copier Maintenance	50.00
INTEGRATED TECHNOLOGIES	7102	Copier Maintenance & Supplies	15.13
INTEGRATED TECHNOLOGIES	7182	Copier Maintenance & Supplies	27.03
JACKSON-HIRSH, iNC.	901625	Laminating Sheets	45.46
SUN VALLEY NATURAL SPRING	27841	Water Cooler & Bottles for Meeting Room	29.72
UNIFIED OFFICE SERVICES	191193	Office Supplies	72.48

Vendor Name	Invoice Number	Description	Net Invoice Amount
01-4150-4200 PROFESSIONAL SERVICES			
CASELLE, INC.	60538	CONTRACT SUPPORT	522.00
AMBER LARNA	001	Council Meeting Coverage	30.00
01-4150-5100 TELEPHONE & COMMUNICATIONS			
CENTURY LINK	2087260034189	ACCT. L-208-726-0034 189M	908.36
CENTURY LINK	2087263841862	ACCT. 208-726-3841862b	1,153.02
CENTURY LINK	2087265574240	ACCT. 208-726-5574 240b	46.05
CENTURY LINK	2087275060239	ACCT. 208-727-5060 239b	17.68
CENTURY LINK	2087880257262	ACCT. L-208-788-0257 252M	388.36
SENTINEL FIRE & SECURITY, IN	182812	Quarterly Monitoring Fee	84.00
VERIZON WIRELESS, BELLEVUE	9733704631-10	ACCT. 365459737-00001	168.88
01-4150-5150 COMMUNICATIONS			
LIBBY MAYNARD DESIGN	1387	Graphic Design Services	2,100.00
3CMA	091014	Membership Dues - Lisa Enourato	390.00
01-4150-5200 UTILITIES			
City of Ketchum	1127-09/14	Acct. 1127	31.32
City of Ketchum	9997-09/14	Acct. 9997	695.78
IDAHO POWER	2203990334-10	ACCT. 2203990334	104.91
01-4150-5900 REPAIR & MAINTENANCE-BUILDINGS			
TWO SWEEPS OF IDAHO	101014	Cleaned Chimney at 171 River St.	295.00
Total ADMINISTRATIVE SERVICES:			7,449.96
LEGAL			
01-4160-4270 CITY PROSECUTOR			
ALLINGTON, ESQ., FREDERICK	120197	Monthly Prosecutor Payment	3,660.17
Total LEGAL:			3,660.17
COMMUNITY PLANNING/DEVELOPMENT			
01-4170-3100 OFFICE SUPPLIES & POSTAGE			
ATKINSONS' MARKET	1856	ACCT. 1856	10.66
COPY & PRINT, L.L.C.	61049	Office Supplies	30.36
GREAT AMERICA LEASING COR	15999541	Copy Lease	145.92
INTEGRATED TECHNOLOGIES	7102	Copier Maintenance & Supplies	34.03
INTEGRATED TECHNOLOGIES	7182	Copier Maintenance & Supplies	60.81
01-4170-3200 OPERATING SUPPLIES			
ATKINSONS' MARKET	1856	ACCT. 1856	26.21
CRIST, ROGER E	102014	Design Review Refund	100.00
01-4170-4200 PROFESSIONAL SERVICES			
AMBER LARNA	001	P&Z Meeting Coverage	285.00
01-4170-4900 PERSONNEL TRAINING/TRAVEL/MTG			
BUNDY, REBECCA	101014	APA Conference Travel Expenses	181.31
Total COMMUNITY PLANNING/DEVELOPMENT:			874.30
POLICE			

Vendor Name	Invoice Number	Description	Net Invoice Amount
01-4210-4250 PROF.SERVICES-BCSO CONTRACT			
BLAINE COUNTY CLERK/RECOR	200962	BCSO Law Enforcement Services	112,768.67
BLAINE COUNTY CLERK/RECOR	200963	BCSO Law Enforcement Services	112,768.67
Total POLICE:			225,537.34
Total GENERAL FUND:			252,444.64
WAGON DAYS FUND			
WAGON DAYS EXPENDITURES			
02-4530-2900 AWARDS			
RENEE AND JOHN SMITH	093013	Wagon Days Parade Awards	300.00-
Total WAGON DAYS EXPENDITURES:			300.00-
Total WAGON DAYS FUND:			300.00-
STREET MAINTENANCE FUND			
STREET			
04-4310-3200 OPERATING SUPPLIES			
TREASURE VALLEY COFFEE IN	2160:03820025	COFFEE	59.35
04-4310-4200 PROFESSIONAL SERVICES			
GALENA ENGINEERING, INC.	1318.150-10/14	Engineering Studies for Intersections	838.75
04-4310-5100 TELEPHONE & COMMUNICATIONS			
VERIZON WIRELESS, BELLEVUE	9733704631-10	ACCT. 365459737-00001	73.43
04-4310-5200 UTILITIES			
IDAHO POWER	2204882910-10	ACCT. 2204882910	338.07
04-4310-6100 REPAIR & MAINT--MACHINERY & EQ			
FREIGHTLINER OF IDAHO	159717	Parts & Supplies	497.26
METROQUIP, INC.	25497	Parts	153.24
NAPA AUTO PARTS	6538-78042	Supplies	49.95-
NAPA AUTO PARTS	792183	Supplies	96.92
NAPA AUTO PARTS	79255	Supplies	75.33
NAPA AUTO PARTS	9212	Supplies	11.99
RIVER RUN AUTO PARTS	6538-78042	Supplies	49.95
RIVER RUN AUTO PARTS	6538-78461	Supplies	64.20
04-4310-6910 OTHER PURCHASED SERVICES			
AMERIPRIDE LINEN	2400362278	ACCT. 241076800	39.78
AMERIPRIDE LINEN	2400364140	ACCT. 241076800	80.08
04-4310-6930 STREET LIGHTING			
IDAHO POWER	2204882910-10	ACCT. 2204882910	779.27
04-4310-6950 MAINTENANCE & IMPROVEMENTS			
SUNSEAL, LTD	8267	Striping	75.00
Total STREET:			3,182.67
Total STREET MAINTENANCE FUND:			3,182.67

Vendor Name	Invoice Number	Description	Net Invoice Amount
FIRE & RESCUE FUND			
FIRE & RESCUE			
10-4230-2310 DEF.COMP-Pd On Call/PT Emp			
NATIONWIDE RETIREMENT SOL	101614	Ketchum Firefighter 457 Plan Contribution	5,999.98
10-4230-3200 OPERATING SUPPLIES			
ATKINSONS' MARKET	1856	ACCT. 1856	13.27
CHATEAU DRUG CENTER	1283350	Supplies	.95
COPY & PRINT, L.L.C.	61049	Office Supplies	5.06
COPY & PRINT, L.L.C.	62372	Office Supplies	19.60
GREAT AMERICA LEASING COR	15999541	Copy Lease	24.32
INTEGRATED TECHNOLOGIES	7102	Copier Maintenance & Supplies	5.67
INTEGRATED TECHNOLOGIES	7182	Copier Maintenance & Supplies	10.13
RIOTEC INDUSTRIAL PRODUCT	102053	Blaster& Wash	89.00
10-4230-3500 MOTOR FUELS & LUBRICANTS			
ENGLEHART, ROBERT	10/23/14	Travel & Fuel Expenses	122.26
ENGLEHART, ROBERT	10/24/14	Travel & Fuel Expenses	452.13
ENGLEHART, ROBERT	102314	Reimbursement for Travel Expenses	280.47
10-4230-4903 TRAINING/TRVL/MTG-ASST FIRE CH			
ENGLEHART, ROBERT	10/24/14	Travel & Fuel Expenses	134.63
ENGLEHART, ROBERT	102314	Reimbursement for Travel Expenses	25.37
10-4230-6000 REPAIR & MAINT--AUTOMOTOVE EQU			
ENGLEHART, ROBERT	10/23/14	Travel & Fuel Expenses	11.08
LARSEN FIRE APPARATUS SERV	1181	Pump Testing	450.00
10-4230-6100 REPAIR & MAINT--MACHINERY & EQ			
FIRE SERVICES OF IDAHO	915	Services to Fire Extinguishers	74.50
L.N. CURTIS & SONS	3151905-02	Supplies	371.15
L.N. CURTIS & SONS	3151905-03	Supplies	12.89
L.N. CURTIS & SONS	3151905-04	Supplies	1,282.82
L.N. CURTIS & SONS	3151905-05	Supplies	588.72
Total FIRE & RESCUE:			9,974.00
Total FIRE & RESCUE FUND:			9,974.00
AMBULANCE SERVICE FUND			
AMBULANCE SERVICE			
14-4260-2310 DEF.COMP-Pd On Call/PT Emp			
NATIONWIDE RETIREMENT SOL	101614	Ketchum Firefighter 457 Plan Contribution	5,999.98
14-4260-3200 OPERATING SUPPLIES			
ATKINSONS' MARKET	1856	ACCT. 1856	13.27
BOUNDTREE MEDICAL	81571331	Supplies	384.23
BOUNDTREE MEDICAL	81572812	Supplies	42.09
CANFIELD, MILES	101514	Reimbursement for tent for backcountry	152.18
CHATEAU DRUG CENTER	1283350	Supplies	.94
COPY & PRINT, L.L.C.	61049	Office Supplies	5.06
COPY & PRINT, L.L.C.	62372	Office Supplies	19.59
GREAT AMERICA LEASING COR	15999541	Copy Lease	24.32
INTEGRATED TECHNOLOGIES	7102	Copier Maintenance & Supplies	5.67
INTEGRATED TECHNOLOGIES	7182	Copier Maintenance & Supplies	10.14
MOORE MEDICAL CORPORATIO	82583113	Supplies	195.67

Vendor Name	Invoice Number	Description	Net Invoice Amount
MOORE MEDICAL CORPORATIO	82588122	Supplies	103.00
PRAXAIR/WHITMORE	50773312	Supplies	45.00
ST. LUKES	IN02746	Medical & Pharmacy Supplies	583.21
RIOTEC INDUSTRIAL PRODUCT	102053	Blaster& Wash	89.00
14-4260-6000 REPAIR & MAINT--AUTOMOTIVE EQU			
ENGLEHART, ROBERT	10/23/14	Travel & Fuel Expenses	11.07
14-4260-6100 REPAIR & MAINT--MACHINERY & EQ			
FIRE SERVICES OF IDAHO	915	Services to Fire Extinguishers	74.50
Total AMBULANCE SERVICE:			7,758.92
Total AMBULANCE SERVICE FUND:			7,758.92
PARKS AND RECREATION FUND			
PARKS AND RECREATION			
18-4510-2800 STATE UNEMPLOYMENT INSURANCE			
IDAHO DEPARTMENT OF LABO	7001592-10/14	Account: 0007001592	1,377.99
18-4510-3100 OFFICE SUPPLIES & POSTAGE			
INTEGRATED TECHNOLOGIES	6687	Copier Maintenance	48.48
OFFICE VALUE	482970-001	Office & Cleaning Supplies	37.42
OFFICE VALUE	496894-001	Office & Cleaning Supplies	70.97
OFFICE VALUE	507885-001	Office & Cleaning Supplies	24.99
OFFICE VALUE	513873-001	Office & Cleaning Supplies	40.19
18-4510-3200 OPERATING SUPPLIES			
CHATEAU DRUG CENTER	1285685	Operating Supplies	26.27
SYSCO	605386659	Operating Supplies	91.16
INTERMOUNTAIN DESIGN INC.	43541	Rec Room Chairs	630.26
18-4510-3250 RECREATION SUPPLIES			
BUSINESS AS USUAL	122445	Office & Operating Supplies	29.25
WEBB LANDSCAPING	26028	Garden Supplies	19.99
18-4510-3300 RESALE ITEMS-CONCESSION SUPPLY			
SYSCO	605386659	Concession & Supplies	610.75
18-4510-3500 MOTOR FUELS & LUBRICANTS			
RIVER RUN AUTO PARTS	6538-78463	Supplies	102.96
18-4510-4200 PROFESSIONAL SERVICES			
GLASS MASTERS	91949	Glass & Labor	300.00
BOISE GUTTER	71298	Gutter Installation	990.00
18-4510-4210 PROFESSIONAL SERVICE-CITY TREES			
ARBOR CARE	31604	Tree Maintenance	255.00
18-4510-5100 TELEPHONE & COMMUNICATIONS			
CENTURY LINK	2087263841862	ACCT. 208-726-3841862b	80.00
VERIZON WIRELESS, BELLEVUE	9733704631-10	ACCT. 365459737-00001	68.39
18-4510-5200 UTILITIES			
City of Ketchum	456-09/14	Acct. 456	2,869.05
City of Ketchum	9995-09/14	Acct. 9995	3,518.82
IDAHO POWER	2203313446-10	ACCT. 2203313446	5.40

Vendor Name	Invoice Number	Description	Net Invoice Amount
18-4510-6510 COMMUNITY SPECIAL EVENTS			
LIVE AUDIO PRODUCTION	102014	Stage Rental - Nighmare on Main Street	1,000.00
18-4510-6950 MAINTENANCE & IMPROVEMENTS			
A.C. HOUSTON LUMBER CO.	14-427084	Supplies	2.49
A.C. HOUSTON LUMBER CO.	14-427104	Supplies	3.18
LUTZ RENTALS	41527	Rental Equipement	32.40
GLASS MASTERS	91949	Glass & Labor	60.05
Total PARKS AND RECREATION:			12,295.46
Total PARKS AND RECREATION FUND:			12,295.46
LOCAL OPTION SALES TAX FUND			
LOCAL OPTION SALES TAX			
22-4910-6040 SUN VALLEY MARKETING ALLIANCE			
SUN VALLEY MARKETING ALLI	18	4th Quarterly Payment	112,500.00
22-4910-6080 MOUNTAIN RIDES			
MOUNTAIN RIDES	767	Monthly Payment	45,833.33
Total LOCAL OPTION SALES TAX :			158,333.33
Total LOCAL OPTION SALES TAX FUND:			158,333.33
IN-LIEU HOUSING FUND			
IN-LIEU HOUSING EXPENDITURES			
52-4410-6020 BC-KETCHUM HOUSING AUTHORITY			
BLAINE COUNTY HOUSING	200910	Semi-annual BCHA Contract	35,000.00
Total IN-LIEU HOUSING EXPENDITURES:			35,000.00
Total IN-LIEU HOUSING FUND:			35,000.00
WATER FUND			
WATER EXPENDITURES			
63-4340-3120 DATA PROCESSING -- ADMIN			
BILLING DOCUMENT SPECIALIS	26738	Statement Processing for Utility Billing	495.13
63-4340-3200 OPERATING SUPPLIES			
AMERIPRIDE LINEN	2400364127	ACCT. 241076901	21.41
AMERIPRIDE LINEN	2400364128	ACCT. 241076900	75.85
D AND B SUPPLY	11041-10/04/14	ACCT. 11041	146.97
TREASURE VALLEY COFFEE IN	2160:0358290	COFFEE	52.50-
63-4340-4200 PROFESSIONAL SERVICES			
CASELLE, INC.	60538	CONTRACT SUPPORT	522.00
63-4340-5100 TELEPHONE & COMMUNICATIONS			
CENTURY LINK	208725045103	ACCT. 208-725-5045 103b	48.01
CENTURY LINK	2087250715195	ACCT. 208-725-0715 195b	109.00
63-4340-5200 UTILITIES			
FIRE SERVICES OF IDAHO	90216	Annual Service on Fire Ext.	153.00

Vendor Name	Invoice Number	Description	Net Invoice Amount
OHIO GULCH TRANSFER STATI	06-379045	Disposal	144.60
63-4340-6100 REPAIR & MAINT-MACH & EQUIP			
PLATT	F302110	Supplies	16.92
RIVER RUN AUTO PARTS	6538-78531	Supplies	29.95
Total WATER EXPENDITURES:			1,710.34
Total WATER FUND:			1,710.34
WATER CAPITAL IMPROVEMENT FUND			
WATER CIP EXPENDITURES			
64-4340-7651 WA METERS TO FLAT RATE CUSTMRS			
LUNCEFORD EXCAVATION, INC.	5678	Excavation	1,811.09
LUNCEFORD EXCAVATION, INC.	5680	Excavation	1,689.86
LUNCEFORD EXCAVATION, INC.	5681	Excavation	949.48
Total WATER CIP EXPENDITURES:			4,450.43
Total WATER CAPITAL IMPROVEMENT FUND:			4,450.43
WASTEWATER FUND			
WASTEWATER EXPENDITURES			
65-4350-3120 DATA PROCESSING -- ADMIN			
BILLING DOCUMENT SPECIALIS	26738	Statement Processing for Utility Billing	742.69
65-4350-3200 OPERATING SUPPLIES			
AMERIPRIDE LINEN	2400364127	ACCT. 241076901	21.40
ATKINSONS' MARKET	1856	ACCT. 1856	10.14
D AND B SUPPLY	11041-10/01/14	Uniforms -- Acct. 11041	371.88
D AND B SUPPLY	11041-10/18/14	Uniforms -- Acct. 11041	64.95
TREASURE VALLEY COFFEE IN	2160:03795075	Supplies	95.00
65-4350-4200 PROFESSIONAL SERVICES			
ANALYTICAL LABORATORIES, I	31607	Testing	1,647.00
CASELLE, INC.	60538	CONTRACT SUPPORT	522.00
65-4350-6100 REPAIR & MAINT-MACH & EQUIP			
ATKINSONS' MARKET	1856	ACCT. 1856	25.35
BANYAN TECHNOLOGY INC.	19998	UPS Power Supply	139.00
PLATT	F244422	Supplies	402.08
65-4350-6900 COLLECTION SYSTEM SERVICES/CHA			
LUNCEFORD EXCAVATION, INC.	5682	Excavation	939.22
Total WASTEWATER EXPENDITURES:			4,980.71
Total WASTEWATER FUND:			4,980.71
POLICE TRUST FUND			
POLICE TRUST EXPENDITURES			
90-4900-4200 PROFESSIONAL SERVICES			
BLAINE COUNTY DRUG COALI	2001	Operational Support 2014-15	5,000.00

Vendor Name	Invoice Number	Description	Net Invoice Amount
Total POLICE TRUST EXPENDITURES:			5,000.00
Total POLICE TRUST FUND:			5,000.00
PARKS/REC DEV TRUST FUND			
93-3700-6300 RIVER PARK			
WOOD RIVER LAND TRUST	102714	Refund for Environment Assessment	27,725.00
Total :			27,725.00
PARKS/REC TRUST EXPENDITURES			
93-4900-4000 WOMEN'S SOCCER LEAGUE			
DONNELLEY SPORTS	17162-00	Women's Soccer Supplies	2,710.50
93-4900-6200 PARK MEMORIAL BENCH/TREES			
SUN VALLEY BRONZE, INC.	57339	Memorial Plaque	636.00
WINDYCITY ARTS, INC.	2014-728	Memorial Plaques	320.00
Total PARKS/REC TRUST EXPENDITURES:			3,666.50
Total PARKS/REC DEV TRUST FUND:			31,391.50
DEVELOPMENT TRUST FUND			
DEVELOPMENT TRUST EXPENDITURES			
94-4900-8039 INFINITY PROJECTS-VUE TOWNHOME			
INFINITY PROJECTS LLC	102214	Security Deposit	60,001.41
94-4900-8041 DAVID PYLE-517 ALPINE-DEMO SEC			
PYLE, DAVID	10/22/2014	Refund of Security Deposit	15,000.22
Total DEVELOPMENT TRUST EXPENDITURES:			75,001.63
Total DEVELOPMENT TRUST FUND:			75,001.63
Grand Totals:			601,223.63

Report Criteria:

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

[Report].GL Account Number = "0110000000"- "9449008045", "9910000000"- "9911810000"

Report Criteria:

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

Vendor.Name = "SUN VALLEY AIR SERVICE BOARD"

[Report].GL Account Number = "0110000000"- "9449008022", "9910000000"- "9911810000"

Vendor Name	Invoice Number	Description	Net Invoice Amount
LOT-ADDITIONAL1% FUND			
LOT-ADDITIONAL 1%			
25-4910-4220 SUN VALLEY AIR SERVICE BOARD			
SUN VALLEY AIR SERVICE BOA	093014	August Additional 1%	207,773.94
Total LOT-ADDITIONAL 1%:			207,773.94
Total LOT-ADDITIONAL1% FUND:			207,773.94
Grand Totals:			207,773.94